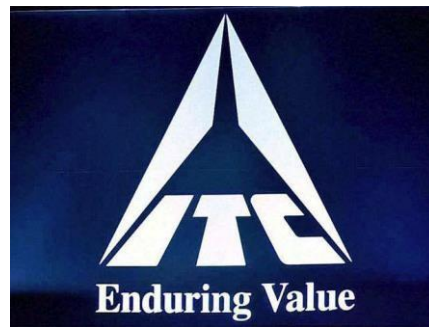


“An analysis of ITC’s Marketing Mix Strategies”

(GOLD FLAKES)

Bhubaneswar, Odisha



**A report submitted in partial fulfilment of the requirements of
Master of Business Administration Degree**

By

**SUSMITA SAHU
Roll No-2006258233**

Industry Guide

Mr. Rupak Halder

**Designation: Marketing
Manager**

Organisation: ITC

Faculty Guide

Prof. Mr. Vivek Mishra

Designation: Assistant Professor

**BIJU PATNAIK INSTITUTE OF IT &
MANAGEMENT STUDIES (BIITM)**

Bhubaneswar

ACKNOWLEDGMENT

This project bears the imprint of many people who have assisted me in the successful completion of this report. I gratefully acknowledge the contribution of all the people who took active part and provided valuable support to me during the course of this project.

To begin with, I would like to offer my sincere thanks to “Indian Tobacco Company” for giving me an opportunity to do my summer ~~internship~~ with the esteemed organization.

With due reverence, I acknowledge the valuable support of “Mr. Rupak Halder, Marketing Manager”, for giving me the opportunity to do my summer internship under his guidance. ‘Without his guidance, support and valuable suggestions during the research, the project would not have been accomplished.

I also sincerely thank “Prof. Vivek Mishra”, my faculty mentor at BIITM, who provided valuable suggestions, shared his rich corporate experience, and helped me script the exact requisites.

Last, but not least, I would like to thank all Distributors/Customers/Retailers/Wholesalers for sharing their experience and giving their valuable time to me during the course of my project.

Name of student: SUSMITA SAHU

MBA (Batch):2020-2022

Roll No. : 2006258233

Biju Patnaik Institute of Information Technology &Management Studies (BIITM),
Bhubaneswar

DECLARATION

I, Susmita Sahu , a student of Biju Patnaik Institute of IT & Management studies (BIITM), hereby declare that I have worked on a project titled “An Study of ITC’s Marketing Mix Strategies” during my summer internship at “ITC”, in partial fulfilment of the requirement for the Master of Business Administration degree.

I guarantee/underwrite my research work to be authentic and original to the best of my knowledge in all respects of the process carried out during the project tenure.

My learning experience at ITC, under the guidance of Mr. Rupak Halder, Marketing Manager, and Prof. Vivek Mishra, Assistant Professor, has been truly enriching.

Susmita Sahu

Signature

(SUSMITA SAHU)

Roll No. : 2006258233

Date:

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PREFACE

The training report is prepared under the guideline of Mr. Rupak Halder (Marketing Manager, ITC Ltd. Kolkata). This training report provides a bunch of knowledge about the marketing mix and target market for Gold Flakes as well as promotion strategies for marketing of cigarettes.

There is a plenty of analysis and suggestions given in this training report. On the basis of feedback through observation method, I have tried to analyses the marketing strategy of Gold Flakes and to compare with the other competitive products .Based on my study, I have established close competition among the companies. As each of the companies are increasing their product , qualities ,looks and providing best services each day.

My analysis is based on sample results. It was challenging as well as learning experience to gather the information and analyse.



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata, 700 071, India
Tel.: 91 33 22889371
Fax: 91 33 22882070 / 2953 / 2256

9th August, 2021

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Ms. Susmita Sahu has successfully completed her Internship with ITC Limited. Her project duration was from 7th June, 2021 till 16th July, 2021.

Her Project guide was Mr. Rupak Halder – Marketing Manager.

Her Project was titled: "An Study of ITC's Marketing Mix Strategies".

The project details and the project report are confidential in nature.

For any further information, please contact the undersigned.

Thanking you,

Yours faithfully
For ITC Limited


HR Department - ITD

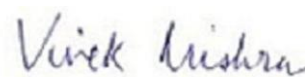


CERTIFICATE

This is to certify that the project work titled, “An analysis of ITC's Marketing Mix strategies” is abonañide work of Miss. Susmita Sahu under the guidance and supervision during the session of 2020-2022 and carried out in partial fulfillment for the award of degree of Master Business Administration.

Place: Bhubaneswar.

Date:



Mr.Vivek Mishra
(Internal Guide)

Literature Review

India has over 100 million adult smokers, the second highest number of smokers in the world after China. The age-standardised prevalence of smoking declined modestly among men aged 15 – 69years, but the absolute number of male smokers at these ages grew from 79 million in 1998 to 108million in 2015. This is due to population growth offsetting modest declines in prevalence. Cigarettes are displacing bidis, especially among younger men and among illiterate men. This change might further increase the smoker: non-smoker relative risks of disease. Smoking cessation remains uncommon—only about 5% of men aged 45-59 years are ex-smokers. India has about 4 current male smokers for every quitter at these ages. Female smoking at ages 15 – 69 years has not likely risen

.Cigarette sales volume will continue to be under pressure in India with government's tough anti-smoking initiatives and a thriving grey market, as per the latest report by Euro monitor international .The research agency estimates sales volume declined by 4% last year and poised to decline at a CAGR of 3% till 2021 whereby the market will fall below 72.6 billion sticks per annum by then from 84.9 billion sticks per annum in 2016.

ITC LTD. has around 79% share of the Indian cigarette market by volume followed by Godfrey Phillips India at 11% and VST Industries at 8%.

Faced with increasingly onerous regulation on their activities towards the end of the review period, India's cigarette brands continued to look for innovative ways to offset the negative influence of tax increases and other legislative actions designed to suppress demand for their products. VST for instance sought to circumvent the excise tax hike applied to 64mm cigarettes by introducing its main brands in 69mm and 84mm variants, while other companies have shifted their focus to other tobacco categories.

Many consumers prefer low odour cigarettes with unique flavours. Flavoured cigarettes with capsules have generated interest among consumers as they help them minimise odours after smoking.

Sales of cigarettes are dominated by the category's three leading players: ITC Ltd, Godfrey Phillips India Ltd (GPI) and VST Industries Ltd. The proposed ban on FDI in India's tobacco industry means that domestic players such as ITC and GPI are likely to remain dominant, leaving little room for growth among foreign players such as Japan Tobacco International and Philip Morris.

Objectives of the Study

The objective of the training is to ensure that as a management student I should develop in real life experience for handling the specific projects and also to develop all understanding of the various management activities related to the area of our specialization. This training gives a substantial corporate exposure and also serves as a useful tool of interaction with the corporate sector. The training has been derived from the field of Marketing and is entitled as “An Study of ITC’s Mix Strategies”.

The main objective of the study is:

- Devising the marketing strategy for consumer engagement through various channels.
- And suggest ways of connecting and engaging through various consumer touch point.
- Detailed understanding of the consumer group we can target.
- Determine the competition of GOLD FLAKE’S and there promotional strategies.

INTRODUCTION

An organization is a social arrangement which pursues collective goals which controls its own performance, and which has a boundary separating it from its environment. Organization is the association formed by a group of people who see that there are benefits available from working together towards some common goal. Organization studies are the study of individual and group dynamics in an organizational setting, as well as the nature of organizations themselves. Whenever people interact in organizations, many factors come in to play. Organizational studies attempt to understand and model these factors.

Organizational study is essential to any MBA graduate as it helps them to connect theory with practice. Organization study refers to the study of organization as a whole and getting adequate knowledge with various departments in the organization. The study was carried out at ITC Limited. This study is based on the different aspects and dimensions of different departments of the company.

Marketing concept:

Marketing is the communication between a company and the consumer audience that aims to increase the value of the company or its merchandise, or to raise the profile of the company and its products in the public mind. The purpose of marketing is to induce behavioural change in the receptive audience. The American Marketing Association has defined marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."

The techniques used in marketing include choosing target markets through market analysis and market segmentation, as well as understanding methods of influence on the consumer behaviour.

From a societal point of view, marketing provides the link between a society's material requirements and its economic patterns of response. This way marketing satisfies these needs and wants through the development of exchange processes and the building of long-term relationships. In the case of non-profit organization marketing, the aim is to deliver a message about the organization's services to the applicable audience. Governments often employ marketing to communicate messages with a social purpose, such as a public health or safety message, to citizens.

Scope of the study:

The organization study at ITC Limited. aims at getting accustomed to the business environment for a period of 20 days. The study will be conducted to understand the structure, function and process of various departments and their interdependence.

IMPORTANCE OF THE STUDY:

- It helps to analyse the interaction among various levels of management.
- It help to find out the satisfaction level of meeting organized in the organization.
- It helps to analyse the scope for the improvement of existing system.
- It helps to find out the effectiveness of periodical training provided for the employees regularly in the organization.

Company Profile

ITC is one of India's foremost multi-business enterprises with a market capitalisation of US \$ 50 billion and Gross Sales Value of US \$ 10 billion. ITC is rated among the World's Best Big Companies , 'Fab 50' and the World's Most Reputable Companies by Forbes magazine and as 'India's Most Admired Company' in a survey conducted by Fortune India magazine and Hay Group. ITC also features as one of world's largest sustainable value creator in the consumer goods industry in a study by the Boston Consulting Group. ITC has been listed among India's Most Valuable Companies by Business Today magazine. The Company is among India's '10 Most Valuable (Company) Brands ', according to a study conducted by Brand Finance and published by the Economic Times. ITC also ranks among Asia's 50 best performing companies compiled by Business Week.

As one of India's most valuable & respected corporations ITC is widely perceived be dedicatedly nation- oriented. Chairman Y C Deveshwar calls this source of inspiration (a commitment beyond the market).

In his own words: (ITC believes that its aspiration to create enduring value for the nation provides the motive force to sustain growing shareholder value. ITC practices this philosophy by not only driving each of its businesses towards international competitiveness but by also consciously contributing to enhancing the competitiveness of the larger value chain of which it is a part).

ITC's diversified status originates from its corporate strategy aimed at creating multiple drivers of growth anchored on its time-tested core competencies unmatched distribution reach, superior brand-building capabilities, effective supply chain management & acknowledged services skills in hoteliering. Over time, the strategy forays into new businesses are expected to grammar a significant share of these emerging high-growth markets in India

- One of India's most Admired and Valuable companies-Market Capitalisation: - Rs. 3.2 lakh crores.
- A US\$ 8 billion enterprise by Revenue -58% of Net Revenue from non-Cigarette segments.
- Leading Fast Moving Consumer Goods (FMCG) marketer in India Established several world-class brands in the last 10 years.
- 10 year Value Addition Rs. 2.8 lakh crores (US\$ 51 billion), 75% of the incremental Value-Added accrued to the Exchequer over the last 5 years. Among the top tax payers in the country.
- ITC & its Group Companies employ over 32,000 people directly: Sustainable development models and value chains have supported creation of -6 million sustainable livelihoods.

- A global exemplar in sustainable business practices –Only enterprise in the world of comparable dimension to have achieved and sustainable the 3 key global indices of environmental sustainability of being ‘water positive’ (for 15 year), ‘carbon positive’ (for 12 year), and solid waste recycling positive ‘(10 year).

ITC’s aspiration to create enduring value for the nation and its stakeholders is manifest in its robust portfolio of traditional and Greenfield businesses encompassing Fast Moving Consumer Goods (FMCG), Hotels, Paperboards & Specialty Papers, Packaging, Agri-Business, and Information Technology. This diversified presence in the businesses of tomorrow is powered by a strategy to pursue multiple drivers of growth based on its proven competencies, enterprise strengths and strong synergies between its businesses.

The competitiveness of ITC’s diverse businesses rest on the strong foundations of institution strengths derived from its deep consumer insights, cutting-edge Research & Development, differentiated product development capacity, brand-building capability, world-class manufacturing infrastructure, extensive rural linkages, efficient trade marketing and distribution network and dedicated human resources. ITC’s ability to leverage internal synergies residing across its diverse. Businesses lends a unique source of competitive advantage to its products and services.

HISTORY OF ITC

ITC Ltd (ITC) was incorporated on August 24, 1910, under the name Imperial Tobacco Company of India Ltd. to make cigarettes and tobacco. In 1975 the company entered the hospitality business with the acquisition of ITC-Welcome group Hotel Chola, the name of Company was changed to L.T.C. Limited in 1974. In recognition of the Company's multi-business portfolio encompassing a wide range of businesses-Cigarettes & Tobacco, Hotels, Information Technology, Packaging, Paperboard's & Specialty Papers, Agri-Exports Foods, Lifestyle Retailing and Greeting Gifting & Stationery- the full stops in the Company's name were removed effective September 18, 2001. The Company now stands rechristened TTC Limited.

ITC is one of India's foremost private sector companies with a market capitalization of nearly US \$14 billion and a turnover of over \$ 5 billion. ITC is rated among the World's Best Big Companies, Asia's Fab 50' and the World's Most Reputable Companies by Forbes magazine, among India's Most Respected. Companies by Business World and among India's Most Valuable Companies by Business Today, ITC ranks among India's 10 Most Valuable (Company) Brands'. In a study conducted by Brand Finance and published by the Economic Times: ITC also ranks among Asia's 50 best performing companies compiled by Business Week.

ITC has a diversified presence in Cigarettes, Hotels Paperboard's & Specialty Papers, Packaging, Agri-Business, Packaged Foods & Confectionery. Information Technology. Branded Apparel, Personal Care, Stationery, Safety Matches and other FMCG products. While ITC is an outstanding market leader in its traditional businesses of Cigarettes, Hotels, Paperboard's, Packaging and Agri Exports, it is rapidly gaining market share even in its nascent businesses of Packaged Foods & Confectionery, Branded Apparel, Personal Care and Stationery. As one of India's most valuable and respected corporations. ITC is widely perceived to be dedicatedly nation-oriented.

ITC's Agri-Business is one of India's largest exporters of agricultural products ITC is one of the country's biggest foreign exchange earners (\$32 billion in the last decade). The Company's 'e-Chou pal' initiative is enabling Indian t agriculture significantly enhance its competitiveness by empowering Indian farmers through the power of the Internet. This transformational strategy, which has already become the subject matter of a case study at Harvard Business School. Is expected to progressively create for ITC a huge rural distribution infrastructure, significantly enhancing the Company's marketing reach.

ITC's wholly owned Information Technology subsidiary. ITC Infotech India Ltd, provides IT services and solutions to leading global customers. ITC Infotech has carved a niche for itself by addressing customer challenges through innovative IT solutions.

Its beginnings were humble. A leased office on Radha Bazaar Lane, Kolkata, was the centre of the Company's existence. The Company celebrated its 16th birthday on August 24, 1926, by purchasing the plot - land situated at 37, Chowringhee, (now renamed J.L. Nehru Road) Kolkata, for the sum of Rs 310,000. This decision of the Company was historic in more ways than one. It was to mark the beginning of a long and eventful journey into India's future. The Company's headquarter building, Virginia House, which came up on that plot two years later, would go on to become one of Kolkata's most venerated landmarks. The Company's ownership progressively Indianized, and the name of the Company was changed to I.T.C. Limited in 1974. In recognition of the Company's multi-business portfolio encompassing a wide range of businesses-Cigarettes & Tobacco, Hotels, Information Technology, Packaging Paperboard's & Specialty Papers, Agri Exports, Foods, Lifestyle Retailing and Greeting Gifting & Stationery- the full stops in the Company's name were removed effective September 18, 2001. The Company now stands rechristened 'ITC Limited'.

Though the first six decades of the Company's existence were primarily devoted to the growth and consolidation of the Cigarettes and Leaf Tobacco businesses, the Seventies witnessed the beginnings of a corporate transformation that would usher in momentous changes in the life of the Company.

ITC's Packaging & Printing Business was set up in 1925 as a strategic backward integration for ITC's Cigarettes business. It is today India's most sophisticated packaging house.

In 1975 the Company launched its Hotels business with the acquisition of a hotel in Chennai which was rechristened 'TTC-Welcome group Hotel Chola'. The objective of ITC's entry into the hotels business was rooted in the concept of creating value for the nation. ITC chose the hotels business for its potential to earn high levels of foreign exchange, create tourism infrastructure and generate large scale direct and indirect employment. Since then ITC's Hotels business has grown to occupy a position of leadership, with over 100 owned and managed properties spread across India.

In 1979, ITC entered the Paperboard's business by promoting ITC Bhadrachalam Paperboards Limited, which today has become the market leader in India, Bhadrachalam Paperboard's amalgamated with the Company effective March 13, 2002 and became a Division of the Company. Bhadrachalam Paperboard's Division. In November 2002, this division merged with the Company's Tribeni Tissues Division to form the Paperboard's & Specialty Papers Division. ITC's paperboard's technology, productivity, quality and manufacturing processes are

comparable to the best in the world. It has also made an immense contribution to the development of Sarapaka, an economically backward area in the state of Andhra Pradesh. It is directly involved in education, environmental protection and community development. In 2004, ITC acquired the paperboard manufacturing facility of BILT Industrial Packaging Co. Ltd (BIPCO), near Coimbatore, Tamilnadu. The Kovai Unit allows ITC to improve customer service with reduced lead time and a wider product range.

In 1985, ITC set up Surya Tobacco Co. in Nepal as an Indo-Nepal and British joint venture. Since inception, its shares have been held by ITC, British American Tobacco and various independent shareholders in Nepal. In August 2002, Surya Tobacco became a subsidiary of ITC Limited and its name was changed to Surya Nepal Private Limited (Surya Nepal).

In 1990, ITC acquired Tribeni Tissues Limited, a Specialty paper manufacturing company and a major supplier of tissue paper to the cigarette industry. The merged entity was named the Tribeni Tissues Division (TTD). To harness strategic and operational synergies, TTD was merged with the Bhadrachalam Paperboards Division to form the Paperboards & Specialty Papers Division November 2002.

Also in 1990. Leveraging its agri-sourcing competency. ITC set up the Agri Business Division for export of agri-commodities. The Division is today one of India's largest exporters. ITC's unique and now widely acknowledged e Choupal initiative began in 2000 with soya farmers in Madhya Pradesh. Now it extends to 10 states covering over 4 million farmers. ITC's first rural mall. Christened 'Choupal' was inaugurated in August 2004 at Sehore. On the rural retail front, 24 Choupal are now operational in the 3 states of Madhya Pradesh, Maharashtra and Uttar Pradesh.

In 2000, ITC forayed into the Greeting. Gifting and Stationery products business with the launch of Expressions range of greeting cards. A line of premium range of notebooks under brand "PaperKraft" was launched in 2002. To augment its offering and to reach a wider student population, the popular range of notebooks was launched under brand "Classmate" in 2003. "Classmate" over the years has grown to become India's largest notebook brand and has also increased its portfolio to occupy a greater share of the school bag. Years 2007-2009 saw the launch of Children Books, Slam Books, Geometry Boxes, Pens and Pencils under the "Classmate" brand. In 2008, ITC re-positioned the business as the Education. And Stationery Products Business and launched India's first environment friendly premium business paper under the "PaperKraft" Brand. "PaperKraft" offers a diverse portfolio in the premium executive stationery and office consumables segment. Paperkraft entered new categories in the office consumable segment with the launch of Text liners, Permanent Ink Markers and White Board Markers in 2009.

ITC also entered the Lifestyle Retailing business with the Wills Sport range of international quality relaxed wear for men and women in 2000. The Wills Lifestyle chain of exclusive stores later expanded its range to include Wills Classic formal wear (2002) and Wills Club-life evening wear (2003). ITC also initiated a foray into the popular segment with its men's wear brand, John Players, in 2002. In 2006, Wills Lifestyle became title partner of the country's most premier fashion event-Wills Lifestyle India Fashion Week - that has gained recognition from buyers and retailers as the single largest B-2-B platform for the Fashion Design industry. To mark the occasion, ITC launched a special 'Celebration Series', taking the event forward to consumers. In 2007, the Company introduced 'Miss Players' a fashion brand in the popular segment for the young woman.

In 2000, ITC spun off its information technology business into a wholly owned subsidiary. ITC Infotech India Limited, to more aggressively pursue emerging opportunities in this area. Today ITC Infotech is one of India's fastest growing global IT and IT-enabled services companies and has established itself as a key player in offshore outsourcing, providing outsourced IT solutions and services to leading global customers across key focus verticals – Manufacturing, BFSI (Banking, Financial Services & Insurance), CPG&R (Consumer Packaged Goods & Retail), THT (Travel, Hospitality and Transportation) and Media & Entertainment.

ITC's foray into the Foods business is an outstanding example of successfully blending multiple internal competencies to create a new driver of business growth. It began in August 2001 with the introduction of 'Kitchens of India' ready-to-eat Indian gourmet dishes. In 2002, ITC entered the confectionery and staples segments with the launch of the brands mint-o and Candman confectionery and Aashirvaad Atta (wheat flour). 2003 witnessed the introduction of Sunfeast as the Company entered the biscuits segment. ITC's entered the fast growing branded snacks category with Bingo! In 2007, in just seven years, the Foods business has grown to a significant size with over 200 differentiated products under six distinctive brands, with an enviable distribution reach, a rapidly growing market share and a solid market standing.

In 2002, ITC's philosophy of contributing to enhancing the competitiveness of the entire value chain found yet another expression in the Safety Matches initiative. ITC now markets popular safety matches brands like iKno, Mangaldeep, Aim, Aim Mega and Aim Metro.

ITC's foray into the marketing of Agarbattis (incense sticks) in 2003 marked the manifestation of its partnership with the cottage sector. ITC's popular agarbattis brands include Spriha and Mangaldeep across a range of fragrances like Rose, Jasmine, Bouquet, Sandalwood, Madhur, Sambrani and Nagchampa.

ITC introduced Essenza Di Wills, an exclusive range of fine fragrances. And bath & body care products for men and women in July 2005. Inizio, the signature range under Essenza Di Wills provides a comprehensive grooming regimen with distinct lines for men (Inizio Homme) and women (Inizio Femme). Continuing with its tradition of bringing world class products to Indian consumers the Company launched 'Fiama Di Wills', a premium range of Shampoos. Shower Gels and Soaps in September, October and December 2007 respectively. The Company also launched the 'Superia' range of Soaps and Shampoos in the mass market segment at select markets in October 2007 and Vivel De Wills & Vivel range of soaps in February and Vivel range of shampoos in June 2008.

Something about CEO:

MR. Sanjiv Puri



Sanjiv puri is the Chairman & Managing Director of ITC effective May 13, 2019. He was appointed as a Director on the Board of ITC with effect from December 6, 2015 and Chief Executive officer from February 5, 2017.

Headquarters:

ITC LIMITED

ITC

Virginia House, No 37,

Jawahar Lal Nehru Road,

Kolkata, West Bengal, 700071 India

www.itcportal.com Company Type: Public Limited Company Parent.

ITC VISION

Sustain ITC's position as one of the India's most valuable corporation through world Class performance, creating growing value For the Indian & the company's Stakeholders. Sustain ITC's position as one of the India's most Valuable corporations.

ITC MISSION

To enhance the wealth generating capability of Enterprise in a globalizing environment. Delivering Superior & sustainable stake holder value. Over the years. ITC has evolved from a single Product Company to a multiple business corporation. Its business separated over a wide spectrum, Ranging from cigarettes & tobacco to hotels Packaging, paper & paperboard & international.

Commodities trading

ITC defined Corporate Governance as a systemic Process by which companies are directed & controlled to enhance their wealth generating capacity. Since large corporation employ vast quantum of a societal Resources, we believe that the governance process should ensure that these companies are managed in a manner that Meets stake holder's aspirations & societal expectations.

CORE PRINCIPLES

ITC's Corporate Governance initiative is based on two core principles. These are Management must have the executive freedom to drive the enterprise forward without undue restraints; and This freedom of management should be exercised with in a framework of effective accountability.

CONTROL

ITC believe that control is a necessary concomitant of its second core principle of governance that the freedom of management should be exercised within a framework of appropriate checks and balances. Control should prevent misuse of power, facilities timely management response to change, and ensure that business risk are pre-emptively and effectively managed.

Core Values

ITC's Core Values are aimed at developing a customer-focused, high-performance organization which creates value for all its stakeholders:

Trusteeship

As professional managers, we are conscious that ITC has been given to us in "trust" by all our stakeholders. We will actualize stakeholder value and interest on a long-term sustainable basis.

Customer Focus

We are always customer focused and will deliver what the customer needs in terms of value, quality and satisfaction.

Respect for People

We are result oriented, setting high performance standards for ourselves as individuals and teams. We will simultaneously respect and value people and uphold humanness and human dignity. We acknowledge that every individual brings different perspectives and capabilities to the team and that a strong team is founded on a variety of perspectives. We want individuals to dream, value differences, create and experiment in pursuit of opportunities and achieve leadership through teamwork.

Excellence

We do what is right, do it well and win. We will strive for excellence in whatever we do.

Innovation

We will constantly pursue newer and better processes, products, services and management practices.

Nation Orientation

We are aware of our responsibility to generate economic value for the Nation. In pursuit of our goals, we will make no compromise in complying with applicable laws and regulations at all level.

ACHIEVEMENTS AND RECOGNITIONS:

In 2014 ITC has been voted among the top two "Buzziest Brands" in the "Corporate" category by "afaqs", one of the world's largest marketing and advertising portals. 2013 ITC Infotech becomes the 1st PTC Authorized Training Partner India.

ITC Hotels ties up with RP Group Hotels & Resorts to manage 5 hotels in India and Dubai Fiamma Di Wills Launches Second Edition of Couture Spa Range of Gel Bathing Bars.

In 2012- Mr Y C Deveshwar, Chairman, ITC Limited has been ranked the 7th Best Performing CEO in the World in the global scorecard on "100 Best Performing CEOs in the World" published by the Harvard Business Review (HBR) in its January February 2013 edition.

ITC Bags Asian CSR Award-2012

ITC Infotech collaborates with Oracle to develop the Oracle Airline Data Model, part of Oracle's Passenger Data Management solution for the Airline Industry.

ITC launches its iconic hotel in Chennai

2011- ITC Hotels adjudged 'People's Choice Most Trusted Hotel Brand'

2011-ITC Infotech launches first indigenously developed sustainability management and reporting tool

'Best Manufacturer of Cigarettes for the year 2008 & 2007 and Best Exporter of Cigarettes for 2008 by the Tobacco Board based on previous three years performance.

Occupational Health and Safety Award 2007 for Excellence in Safety Management to the Bengaluru, Saharanpur and Kolkata factories from the Royal Society for

Prevention of Accidents (ROSPA), U.K.

5 Star Health and Safety Rating in 2007 from the British Safety Council to the Bengaluru, Munger, Kolkata and Saharanpur factories and the 'Sword of Honour' for Bengaluru & Saharanpur factories in 2006.

Greentech Gold Award for excellence in Safety Management for the year 2007 to the Bengaluru, Kolkata and Saharanpur cigarette factories for the high level of performance that the units have achieved in Environment Health and Safety (EHS). Saharanpur along with Kolkata and Munger factories were honored with the Gold award and the Bengaluru Factory with the Platinum Award in 2006. Greentech Gold Award for Excellence in Environment Management 2007 to the Bengaluru, Kolkata and Munger factories,

Safety Innovation Award for 2007 and 2006 for Innovative Safety Management System to the Bengaluru Factory from the Institution of Engineers and also the Unnatha Suraksha Puraskara Award 2006 from NSC Kamataka Chapter. Golden Peacock Award for Occupational Health and Safety from the Institute of Directors, New Delhi; Award for Outstanding Performance in

Environment Health and Safety from the CII and the Suraksha Puraskar Award from the National Safety Council, Mumbai to the Kolkata factory in 2007 and the 1st Nation Security Today Award' in the category of Best Maintained Fire Safety System in 2005.

Occupational Health and Safety Gold Award from the ROSPA, UK: the Winner's Trophy Safety Health and Environment Award from the CII Eastern region: National Award for Excellence in Water Management and Innovative Project Award Initiatives for Energy Conservation from the CII to the Munger factory in 2007 and also the Excellence in Water Management Award from CI-GBC for 2006.

All the four factories are certified by Det Norske Veritas (DNV) for ISO 14001, for their Environment Management Systems, OHSAS 18001 for their Occupational Health and Safety Management Systems (OHSMS) and the ISO 9000-2000 for Quality Management Systems. The Kolkata factory is the first cigarette factory in India to be awarded the SA 8000 Certificate for Social Accountability by Der Norske Veritas (DNV) in June 2004.

ITCX R&D Centre at Peenya , Bengaluru has the distinction of being the first independent R&D centre in India to get ISO 9001 accreditation and certified with ISO 14001 for Environment Management Systems by DNV. The R&D Centre is also certified for the standard ISOTEC17025:2005, by National Accreditation Board for Testing and Calibration Laboratories (NABL). This certification is awarded for General requirement for the competence of Testing & Calibration Laboratories. 2010

ITC launched its handrolled cigar, Armenteros, in the Indian market. Armenteros cigars are available exclusively at tobacco selling outlets in select hotels, fine dining restaurants and exclusive clubs. ITC's Bhadrachalam Facility gets coveted Forest Stewardship Council Certification.

Vivel Launches Deo Spirit to turn the heat on!

USIBC honors Y C Deveshwar with its Global Leadership Award

ITC Infotech Achieves Platinum Partner status in the Oracle(R) Partner Network

ITC Infotech Launches Services for Life Sciences Industry

Awards:

2012 ITC CONFERRED WORLD BUSINESS AND DEVELOPMENT AWARD 2012

2007-SAM/SPG Sustainability Leadership Award conferred at the International Sustainability Leadership Symposium. Zurich.

2006 Business Person of the Year from UK Trade & Investment, the UK Government organization that supports overseas businesses in that country.

2006 Inducted into the Hall of Pride by the 93 Indian Science Congress

2005-Honored with the Teacher's Lifetime Achievement Award.

2001 Manager Entrepreneur of the Year from Ernst & Young Retail Visionary of The Year from Images, India's only fashion and retail trade magazine.

1998-Honorary Fellowship from the All India Management Association

1996-Distinguished Alumni Award from IIT.Delhi.

1998- Marketing Man of the year from IIT, Delhi.

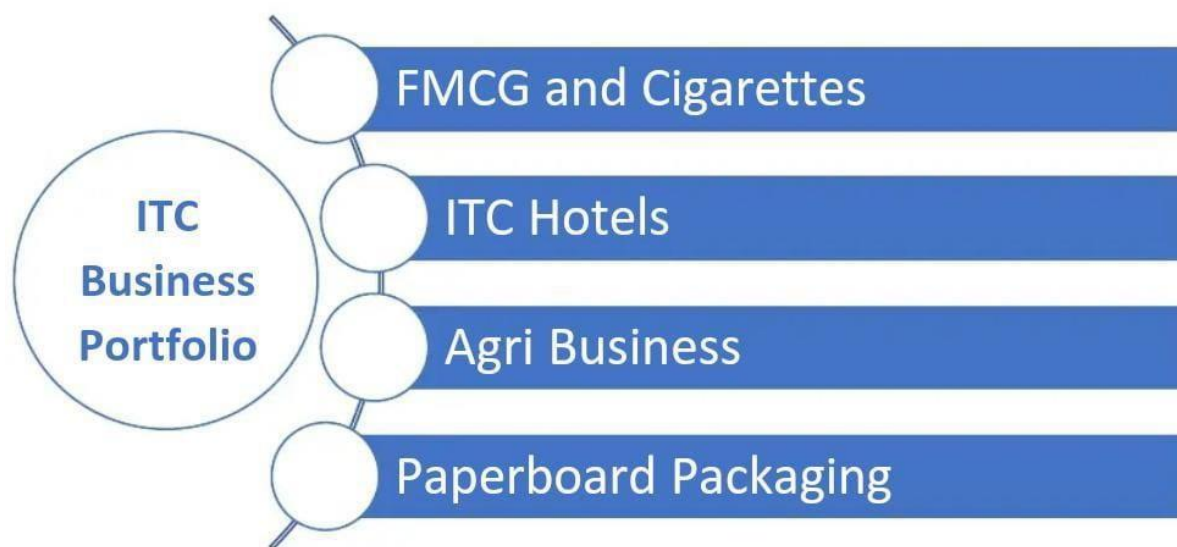
1996-Meridien Hotelier of the year.

ITC FMCG

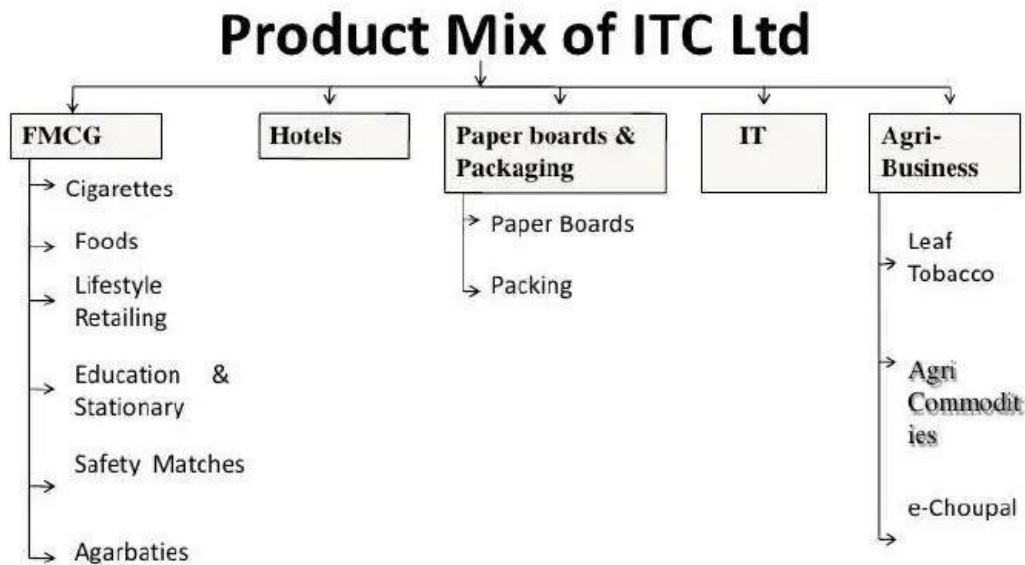
It is ITC's strategic intent to secure long-term growth by synergizing and blending the diverse pool of competencies residing in its various businesses to exploit emerging opportunities in the FMCG sector. The Company's institutional strengths - deep understanding of the Indian consumer, strong trademarks, deep and wide distribution network, agri-sourcing skills, packaging know-how and cuisine expertise - continue to be effectively leveraged to rapidly grow the new FMCG businesses. ITC has rapidly scaled up presence in its newer FMCG businesses comprising Branded Packaged Foods, Lifestyle Retailing, Education and Stationery products, Personal Care products, Safety Matches and Incense Sticks (Agarbatti), at an impressive pace over the last several years, crossing ₹10,500 crore mark in 2016-17.

ITC LTD. FMCG Segments:

- **Cigarettes and Cigar**
- **Foods**
- **Personal Care**
- **Education and Stationary**
- **Lifestyle Retailing**
- **Safety Matches**
- **Agarbattis**



Marketing mix of ITC



Product in the Marketing Mix Of ITC:

ITC has a diversified business portfolio and includes:

ITC occupies 81% of market share in terms of selling Cigarettes in India and some of its main brands are

Gold Flake Kings, Wills Navy Cut, Golds Flake Super Star and India Kings

ITC is ranked at first position in terms of branded foods and some of its food brands are Bingo, Sunfeast, Aashirvad and Yippee. Its food business is related to confectionery, juice, ready-to-eats, snack foods and staples.

The company sells lifestyle apparel under John Players and Wills Lifestyle brands.

Products related to personal care include skincare, hair care and perfumes it is involved in stationary business and its brands include Classmate and Color:

Crew

ITC manufactures and sells agar battles and safety matches with brands like Ship and Mangaldeep.

The company is involved in Hotel and service business and occupies the second position as largest chain of hotels in India with more than ninety hotels to its name.

ITC is involved in Paperboard business and sells graphic, speciality paper and

Other papers under its own brand name Company offers services like printing and packaging to international and domestic market.

ITC operates Information Technology business sector via its subsidiary ITC Infotech India Limited

Place in the Marketing Mix of ITC;

ITC has been ranked as one of the best companies in the world with an experienced and strong management and distribution network. It is served by an efficient workforce that includes services of more than 25,000 employees by the end of the year 2013. ITC has spread its network to nearly sixty locations in most part of India. Its headquarters base is at Kolkata in West Bengal.

Price in the Marketing Mix of ITC:

ITC has an operating income of estimated rupees 15,037 crore at the end of the fiscal year 2015 and revenues worth rupees 53.748 crores at the end of the financial year 2015-16. It has several business interests and faces lots of competition from rival companies. Moreover, it has decided to market its products in every nook and corner of India and hence has maintained both competitive and penetration pricing policies to deal with competitors and to successfully spread its product reach to remotest parts in India.

ITC for its luxurious products like hotel business has adopted a premium pricing policy but for consumer products, it has adopted a reasonable pricing policy as it recognized that most Indians belong to middle-class section of society and if the product prices are pocket friendly and affordable, it will help in creating sales and ultimately will lead to better revenue figures

Promotions in the Marketing Mix Of ITC:

ITC has a well-built brand presence because of the diversified and extended product portfolio, It has taken help of several promotional activities to market its products and create positive brand awareness. ITC has adopted an aggressive marketing strategy and taken help of every promotional tool like electronic, print and social media at its disposal to market its products. It has launched several ad campaigns which are shown via popular television channels, aired on radio and displayed via hoardings. It has also roped in famous personalities for better visibility like Kareena Kapoor and Shahrukh Khan.

Segmentation, targeting, positioning in the Marketing strategy of ITC

ITC as a brand caters to the needs of a diverse range of consumer segments which is done by segmenting the population based on similar sorts of characteristics

ITC uses a mix of geographic demographic and segmentation variables such as profession, income class, gender, age, region, behavior etc.

ITC uses selective and differentiated targeting strategy is used by the company for offerings of the different group of companies.

SWOT of ITC

Strengths

ITC has a strong and experienced management.

- Strong brand presence, excellent products advertising.
- Diversified product and services portfolio which includes FMCG, Hotel chains, paper & packaging and agri-business.
- Over 6500 E- Choupal CSR activities and sustainability initiatives enhance ITC's brand image reaching over 4 million farmers.
- ITC limited employees over 25,000 people.
- Excellent research and development facilities.

Weaknesses

- ITC is still dependant on its tobacco revenues and people have cheaper substitutes and other brands.
- Hotel industry has not been able to create a huge market share.

Opportunities

- Tap rural markets and increase penetration in urban areas.
- Mergers and acquisitions to strengthen the brand.
- Increasing purchasing power of people thereby increasing demand.
- More publicity of hotel chains to increase market share.

Threats

- Strict govt regulations and policies regarding cigarettes.
- Intense and increasing competition amongst other FMCG companies and hotel chains.
- FDI in retail thereby allowing international brands.

CIGARETTES AND CIGARS

ITC is the market leader in cigarettes in India. With its wide range of invaluable brands, ITC has a leadership position in every segment of the market. ITC's cigarette business stands testimony to the company's unwavering and unrivalled commitment to quality, innovation and consumer focus. With more than one hundred years of expertise in developing products to match the evolving taste of the consumers, ITC's cigarette business continues to be relentless in its pursuit of strengthening its leadership position in every segment of the market in India. ITC's wide range of brands, includes Insignia, India Kings, Classic, Gold Flake, American Club, Navy Cut, Players, Scissors, Capstan, Berkeley, Bristol, Flake, Silk Cut, Duke & Royal.

The Company has been able to consolidate its leadership position with single minded focus on continuous value creation for consumers through significant investments in creating & bringing to market innovative product designs, maintaining consistent & superior quality, state-of-the-art manufacturing technology, & superior marketing and distribution. With consumers & consumer insights driving strategy, ITC has been able to fortify market standing in the long-term, by developing & delivering contemporary offers relevant to the changing attitudes & aspirations of the constantly evolving consumer.



ITC's cigarettes are manufactured in state-of-the-art factories at Bengaluru, Munger, Saharanpur, Kolkata and Pune, with cutting-edge technology & excellent work practices benchmarked to the best globally. An efficient supply chain & distribution network reaches India's popular brands across the length & breadth of the country. In overseas markets, ITC's cigarette business continues to maintain high standards of international quality and

competitiveness. West Asia is a key export region for ITC and we offer a wide portfolio of high-quality cigarettes in this region. With a Portfolio of brands under the Classic, Wills and Scissors Umbrella, ITC has cemented its international standing being the 3rd largest player in the countries of Bahrain & Qatar. ITC was also the first company to introduce a flavor on demand (capsule) product in the economy industry segment in West Asia region. ITC Ltd sells 81% of the cigarettes BIDI in Asia, where 275 million people use tobacco products and the total cigarette market is worth close to \$11 billion (around Rs. 757399.4 million).



ITC's Cigarette Segments

Type	Full Form	Length	ITC's Products	Competitor's Products
KSFT	King Size Filter Tip	84mm	India King, B&H, Classics, G.F King (Red & Blue)	Marlboro
Longs	-	74mm	Navy Cut Longs	
RSFT	Regular Size Filter Tip	69mm	G.F Premium/Mint Switch, Navy Cut RSFT	F.S Premier 68/Crush 85/Clove Crush 89
DSFT	Deluxe Size Filter Tip	64mm	G.F Superstar/Capsule, Flake Liberty	F.S Premier 49/Crush Mini 49

Top Selling Cigarettes of ITC:

Sr. No.	Type	Competitor's Product	Segment
1	G.F Superstar	Four Square Premier	DSFT
2	G.F Superstar Capsule (Blue)	Four Square Crush Mini	DSFT
3	G.F Premium	Four Square Premier	RSFT
4	G.F Premium Mint Switch	Four Square Crush	RSFT
5	G.F King Size	-	KSFT
6	Classics	Marlboro	KSFT

The tobacco industry is very peculiar. You can't advertise your product. You can't package it the way you like. If you really want to build a stronghold, you'll have to have a distribution network that can reach the most remote corners of this country. And these subtle features make it an impenetrable fortress.

Consider a case study from the US.

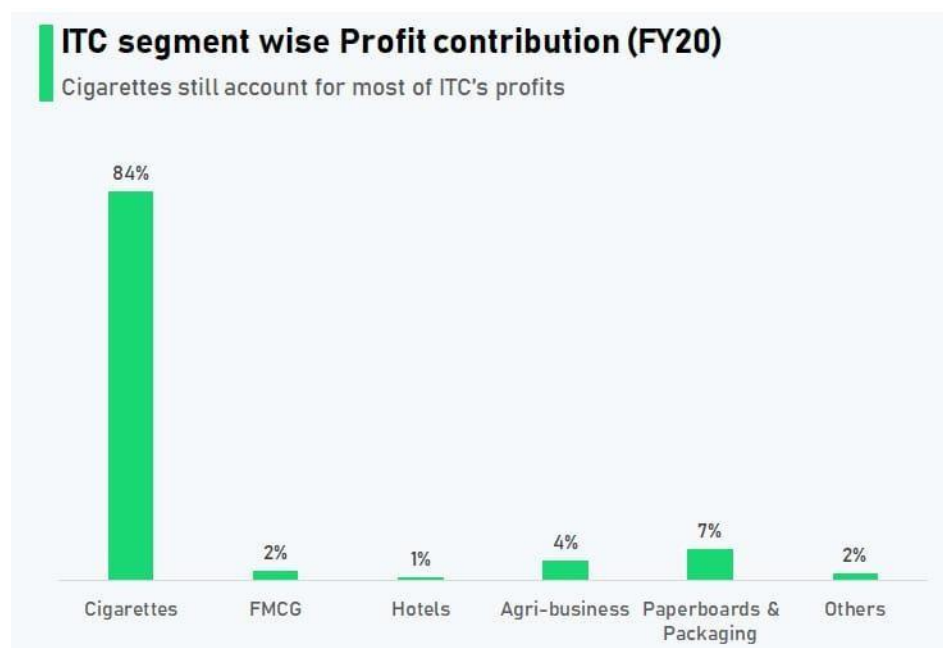
Back in the '70s & '80s, there was considerable interest surrounding a blanket ban on the advertising of tobacco in the United States of America. One would be inclined to think such a ban on advertising would have a detrimental impact on the industry. However, one study concluded that the ban had a very different kind of impact. It limited the entry of new players in the industry, thus yielding higher profits for the incumbents, like Phillip Morris (makers of Marlboro).

Technically you could make the same case for ITC. They are an established player in the market. They've got popular cigarette brands. They have an unparalleled distribution network. And they've been at it for almost a century now. So when advertising was banned in the early

millennium it effectively cemented their place on top. In fact, you don't have to argue about it. Just look at the company's influence. ITC has an 84% market share in the organized sector. That's borderline monopoly status. So it's clear that the company has everything going for it.

It's only real risk stems from the government's tax regime. After all, cigarettes are sin products. The government can tax them and get away with it, all in the name of public interest.

On a good day, the likes of ITC will simply pass on the tax hike to the consumer. Compulsive smokers are sticky customers. They'll pay a premium no matter what. However, if you push them too far, even the most hardened smokers will have to make some tough choices. Maybe they'll switch brands. Maybe they'll switch to other tobacco products. Maybe they'll look elsewhere. In fact, the legal cigarette industry only makes up about 10% of the entire tobacco universe. So smokers clearly have alternatives and a lopsided tax regime can have a visible impact on the company's bottom line. Especially when you consider ITC still derives 80% of its profits from this segment alone.



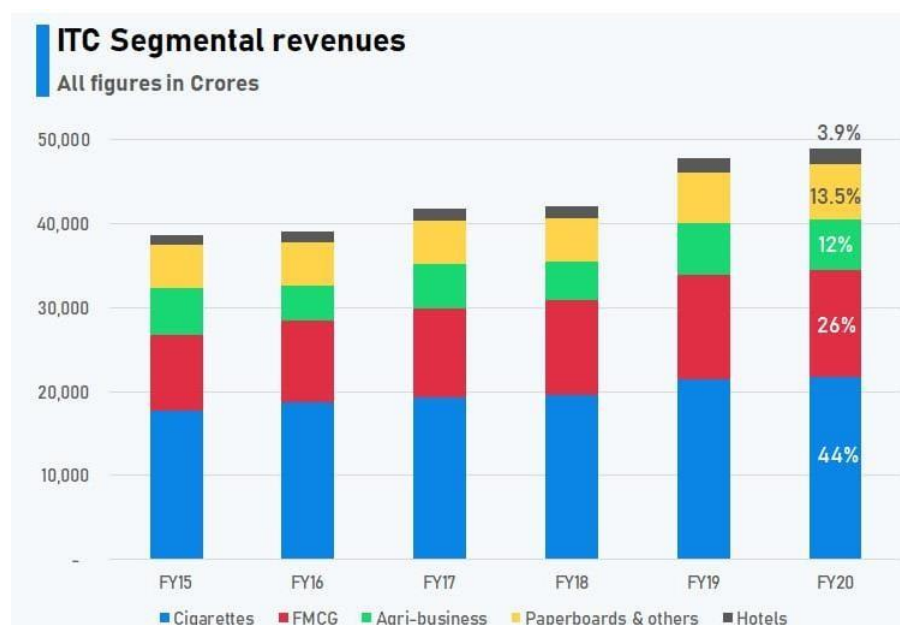
But that being said, the cigarette business is still a cash cow. ITC makes so much money here that they don't even know what to do with it. Actually that's not true. They do know what to do with it. As we already noted, the company made a foray into other industries i.e. the luxury hotel business in the mid-1970s.

But luxury hotels aren't like cigarette companies. They only cater to a small group of customers. The business here is highly seasonal. Even when your hotels lay vacant, you'll still have to furnish fixed costs and pay salaries. Add to it interest expense, licensing fee and

maintenance charge — you are probably looking at some pretty grim financials. In fact, the economics of running a luxury hotel chain is so messed up that ITC barely makes a return of 3% on all the capital (money) they've deployed in creating this business. That's ROCE (Return on Capital Employed) by the way. So despite a lot of bling, hotels aren't exactly big money makers.

ITC also flirted with edible oils and financial services at one point in time. But these ventures never really took off and the company shelved it a couple of decades ago. That means we are left with one final alternative — the FMCG business. In the mid-2000s the company made a flashy entry by challenging incumbents on every single product vertical. They were challenging HUL and P&G with their own line of personal care products. They began competing with Britannia and Parle-G, by introducing their own line of biscuits. They even laid siege to instant noodles and confectioneries going up against the likes of Nestle. And while revenues from the FMCG segment grew from ₹500 crores (in 2005) to ₹13,000 crores in 2020, profitability is still a concern.

In fact, this segment only has margins of about 2–3% when some of its peers have margins of 15–20%. So even though the FMCG business brings in a quarter of the company's total revenues, it only contributes to ~3% of ITC's profit.



ABOUT Gold Flake

ITC (Indian Tobacco Company) is the market leader for cigarettes in India and Gold Flake is one of its highly popular brands. Originally, Gold Flake was a British brand by W.D & H.O Wills. Later, ITC launched the brand in India. Gold Flake today is one of the largest FMCG brands by sales.

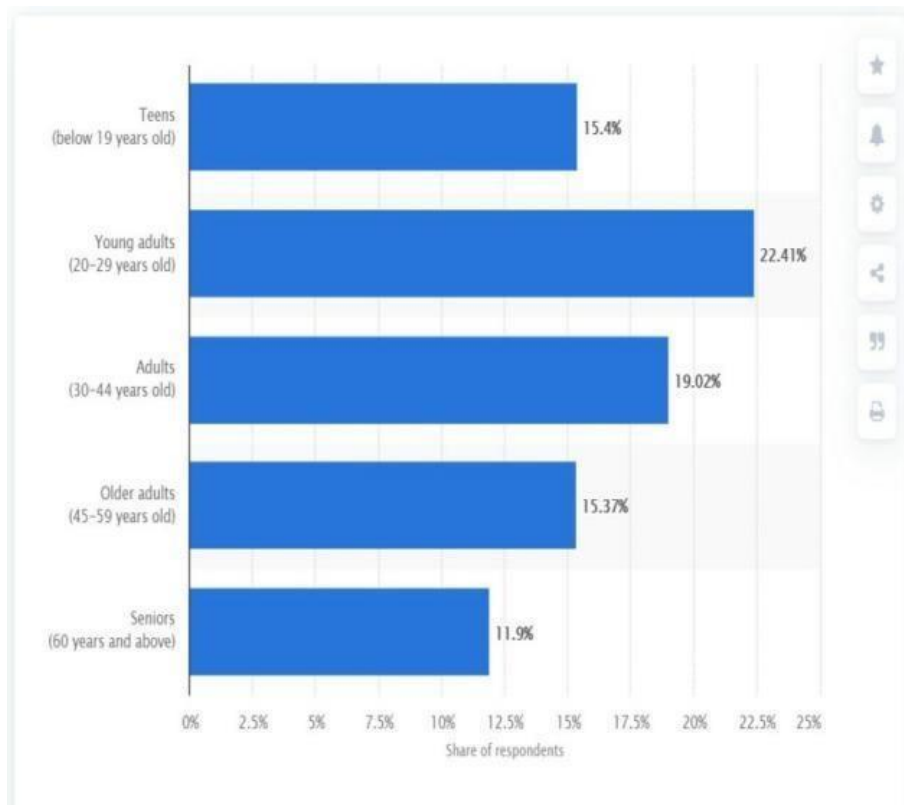


Gold Flake is an Indian cigarette brand that has been around for many years and is extremely popular in the country. Tobacco products are completely banned from advertising and marketing of any kind in India. Thus it is a challenge for the company to market cigarettes and build its brand image.

Gold Flake's Target Audience

A target market is the group of customers that a company wishes to market to. Age, gender, income, education, and location are all behavioral and demographic characteristics that can be used to characterize a target audience.

During the initial days of Gold Flake, their main target audience was the adult male. But as the company grew, its target audience expanded to include more segments.



The above graph shows Gold Flake's customer base by age. We can see that their main audience is the group of 20-29 year-olds, although teenagers and older adults are not that far behind. This is put into perspective when read along with the fact that one in four of all adult Indians consumes tobacco in some form.

Let us understand how the company markets to this target audience by looking at its marketing mix.

GOLD FLAKE'S MARKETING MIX



A marketing mix is a collection of tactics used by a business to increase demand for its brand or product. The 4Ps make up a typical marketing mix, which includes Product, Price, Place and Promotion. Let's look at Gold Flake's marketing mix.

Product

There are four broad categories of cigarettes sold under the Gold Flake brand and each of these serve as separate product lines. These are –

- Gold Flake Kings (84 mm)
- Gold Flake Kings Lights (84mm)
- Gold Flake Filter (tipped)
- Gold Flake (plain)

PRICE

- Currently, the company is following a competitive pricing strategy. This means the price depends upon the demand for its cigarettes and also upon the prices of other brands.
- They also use the product bundle pricing method, where products are bundled together and sold at prices lower than the total of individual items. This is a proven sales tool.
- The prices also change as per the tax rate and government rules and regulations.

Place

- Gold Flake has an impeccable distribution strategy. The wholesalers buy from the distributors and sell the cigarettes to the retailers located all over the country. These retailers further appoint certain agents to deliver the product directly to even smaller retailers. And the cigarettes are then directly sold to the consumer.
- They cover a wide range of the retail spectrum, from premium outlets in the metros to small shops in the interiors of rural India.
- They follow an intensive marketing strategy where they gather as many retailers as possible to ensure that their products are accessible to customers.

Promotion

Gold Flake promoted its products heavily before the ban on advertising for tobacco products. They used to market through the then-popular media channels such as television, radio, print ads, posters, etc. Cigarette brands today can engage in surrogate advertising but ITC, Gold

Flake's parent company does not practice it. So all of Gold Flake's promotion today is by word of mouth.

The marketing mix has helped us understand that Gold Flakes has impressive business and promotion strategies that have contributed to its leading position. But this spot is not without its set of challenges. In order to get an equal idea of the company's pain point as well, I have conducted a SWOT analysis.

Gold Flake's Marketing Strategy before Advertisement Ban.

India, a tobacco and cigarette advertising ban has been in place since 2002, but companies continue to produce cigarettes because consumers' smoking habits have not changed.

Despite the ill effects and health hazards, people continue to smoke cigarettes for their personal liking or out of habit. It's a debated grey area, but as long as there is demand, companies will continue to supply their products.

- Gold Flake tries to generate brand awareness and promote its products through sponsorships.
- The company advertises through movies and shows where celebrities are shown smoking their cigarettes. This helps the brand in sales promotion.
- ITC collaborates with Indian tennis stars to endorse Gold Flake cigarettes.
- To ensure maximum exposure and encourage impulse purchases, most cigarettes and advertisements are strategically placed around checkout counters.

They also conducted campaign through print before the ban. Let us see how these marketing campaigns have evolved over all the year.

Gold Flake's Marketing Campaigns

In this section, we shall briefly talk about Gold Flake's initial campaigns and how they have continued to change ever since.

During its early days, the product was positioned to offer the user a sense of belonging to the upper class. For creating a favourable brand image, the advertisements of Gold Flake were as per the consumer's taste and preference at the moment.

One of the very first and distinguished campaigns that the company conducted was the one titled "For the Gracious People". These ads showed that Gold Flake cigarettes were a tribute to the gracious people of India.

Gold Flake had always been marketed as a high-end cigarette back then. It was supposed to be a cigarette for the highest and the richest- India's gracious people.

For the standard and demonstrated the purity of experience, the brand was compared to Gold. The company positioned the cigarettes for the premium class.

But of course, as time passed, this campaign became outdated because the young smokers did not understand its positioning nor did they relate to it.

To overcome this problem, the company followed a brand repositioning strategy. Gold Flake then targeted adults as well as young smokers.

The campaign "for the Gracious People" was continued. With slogans added to it such as "Celebrate the Feeling" to encourage and appeal to young smokers as a recreational product.

But after the ban on advertisements, Gold Flake has not been able to conduct any campaigns.



COTPA ACT, 2003

The Cigarette and other Tobacco Products Act, 2003 (It prohibits of advertisement and regulation of trade and commerce, production, supply and distribution)

Section 5(1) of Cotpa Act

INDIRECT ADVERTISEMENT

- The use of a name or brand of tobacco products for marketing, promotion or advertising of other goods and services.
- The marketing of tobacco products with the aid of a brand name or trademark which is known as, or in use as, a name or brand for other goods and services.
- The use of particular colours and layout or presentation those are associated with particular tobacco product, and use of tobacco products and smoking situation when advertising other goods and services.

STRATEGIES OF OTHER BANNED ADVERTISING PRODUCTS

BLENDER'S PRIDE

Blender's Pride is a brand of Indian Whiskey and QUOTED "*My Life .My Pride.*" A famous actress Priyanka Chopra featured this brand through a fashion tour.

IMPERIAL BLUE

Imperial Blue, is a brand of Indian Whiskey and launched in 1997, it is a blend of Indian grain spirits with imported scotch malts and QUOTED "*Men will be Men.*" A surrogate advertisement done through music CD's.

ROYAL STAGE

Royal stage is also an Indian brand of Whiskey which was launched in 1995 QUOTED as "*It's your life make it large* ". An Indian actor Ranveer Singh featured as a boy who works too hard to achieve his dreams.

KINGFISHER

Kingfisher is an Indian Beer launched in 1978 QUOTED “*Enjoy the good time anytime anywhere*”. Kingfisher promoted through surrogate advertising through alternative products- cassettes and CD’s, music, mineral water, soda.

MALBORO; The best promotion strategy.

It is an American brand of cigarettes. They came out with a campaign called “THE MALBORO MEN “ where in they introduced a character who was supposed to have everything a men want to be like. They named this as The Marlboro Men. The commercial showcased in as the manhood he was tough, affectionate. The men’s of 1960 were so fascinated about this Ad and they started using Marlboro cigarette.

AVAILABLE CHANNELS TO PROMOTE GOLDFLAKES

1. DIRECT MARKETING

It involves engaging with leads of customers directly. After COTPA Act came into action it prohibited all the advertisement and sponsorship and promotion of tobacco and alcohol. Staying within the legal purview we can do some type of direct advertisement through :

- Large size of Boards and Posters.
- Two boards next to each other in small Pan Shops.
- Use of Product’s picture on the Board.
- Advertising in non-Tobacco shops like Restaurant and Bars / Night Clubs.
- Illumination of the Board.
- Showcasing of Product Dangers in Pan Shops and Bars.
- We can expose the product packets so that it can be eye catching for the customers.
- The company can make official website for promoting Gold Flakes in social media like Instagram, Twitter, Facebook and many more. Kingfisher, Imperial Blue, Absolute Vodka have adopted this type of promotion.



2. INDIRECT MARKETING

After the COTPA ACT came into law many brands have adopted some unique ways to promote their product indirectly to their customers. Gold Flake promoted its products heavily before the ban on advertising for tobacco products. Gold Flakes can adopt surrogate advertisement by promoting other products like CD's, Playing Cards and many more. As per my study Gold Flakes have not adopted any surrogate advertisement. The company can adopt lifestyle or influencer marketing like for example in 1990 kids were fascinated about the MRF cricket bat without knowing the quality or anything about MRF because there only focus was on the bat used by Sachin Tendulkar while playing cricket so after that the demand for the bats with the brand tag MRF was high . Similarly we can also adopt lifestyle marketing by paid promotion for example the Bollywood movie Kabir Singh in which Shahid Kapoor who was in the character and he played the role of chain smoker and alcoholic. The cigarette used by him in the movie can be a cigarette brand which is ultimately promoting indirectly through influencer or lifestyle marketing.



ITC Limited Cigarettes Competition



Godfrey Philips India Ltd.



VST Industries



NTC Industries



Golden Tobacco

ITC's Distribution Channel



The company operates with its own sales channel, products are made available to the wholesale Dealers through Carried & Forward Agents (CFA's) which is then forwarded to the Retailers in towns

Directly or through Small Wholesale Dealers to reach the consumers in the remotest of locations of the country.

GOLD FLAKE'S SWOT ANALYSIS

A SWOT Analysis is used by companies during strategic planning to gauge whether their product is doing well, where it can improve, and how it fits in the competitive landscape.

It helps an organization to identify the:

- Internal strategic factors- Strengths and Weaknesses
- External strategic factors- Opportunities and Threats

Gold Flake can use the SWOT results to exploit the opportunities and minimize its threats.

Following is the SWOT analysis of Gold Flake:

GOLD FLAKE'S STRENGTH'S

- Despite a ban on advertising, the product was at the Number 1 position in FMCG products in 2019-2020 and the brand has built a reliable distribution network over the years that can cover the major potential market.
- Brand image is the company's main strength.
- It has a high perceived quality that has helped the company to keep a steady margin.

GOLD FLAKE'S WEAKNESSES

- Lengthy and time-consuming manufacturing process.
- Consumers focus on price and buy cheaper local cigarettes ignoring quality.
- Inability to advertise due to the legal ban

GOLD FLAKE'S OPPORTUNITIES

- Capitalize on the increase in demand and popularity of less-harmful cigarettes by launching mild or tobacco-free cigarettes under the Gold Flake brand.
- New and cheaper products. They can offer new flavours, increasing their customer base.

GOLD FLAKE'S THREATS

- International players deliver low-cost, high-quality goods, increasing the competition for Gold Flake.
- The habits of consumers are continuously changing. They are becoming increasingly more careful about their health after the Covid-19 outbreak and quitting smoking due to its respiratory effects.

Conclusion

Gold Flake's product portfolio is strong and targets the right consumers. Today ITC is already poised in the front line of multiple business that will become the powerhouse of tomorrow as the Indian economy surge ahead. The company's distribution network is also a major plus point. While its brand name and image have been very effective so far in garnering sales, it could definitely benefit from developing an innovative marketing strategy that overcomes the advertising restrictions. They will eventually have to find new ways to attract their consumers. This can also be achieved by expanding their product line to include tobacco alternatives in cigarettes to reach a wider audience. For the time being, their main strength continues to be word of mouth by loyal consumers. The brand can also capitalize on online presence as its target audience is largely present online and can adopt the above promotional strategies to reach the customer through various channels available [staying within the legal boundaries].

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