

Sweet-shop Management

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OVERVIEW OF THE COMPANY

Cake Walk sweets and savories

Cake Walk is India's No. 1 confectionery and cake manufacturer with its products exported to over 20 countries around the world. They are dedicated to the art of producing innovative and delicious products for sweet lovers of all ages. Cake Walk's products offer tantalizing experiences that sparks the imagination in people who eat their candy. Of course, this has been Cake Walk's goal since their inception in 1947. Today, Cake Walk Candy continues to make some of the best candy in India. They also are a responsible business venture and contribute positively to the society with their "Learn to bake" initiative to encourage households to earn by starting their own small-scale businesses. Cake Walk products can be enjoyed by kids and adults alike, and their products come in an array of flavors, shapes and sizes.

Vision Statement of Cake Walk Foods

"To become a global food leader by spreading smiles through diversified Cake Walk products."

Mission Statement of Cake Walk Foods

"As India's leading Confectionery Company, our mission of giving you, "Reasons to Smile" is to provide consumers with the best tasting, most delicious choices in a wide range of confectionery and beverages for all occasions".

Cake Walk's Corporate objective

Cake Walk's co-operative objectives is to expand its business throughout India and then to capture a large International market. However they are still exporting few products through distributors to different countries. They want Cake Walk's products to be enjoyed by kids and adults alike. Cake Walk wants to give consumers a reason to smile through its diversified products satisfying the taste buds of every sect of the community.

Market Trend and Size of the market

Cake Walk has one of the largest market sizes among other confectionery makers in the country. They are market leaders in an organized industry and hold more than 70% share of the market. The market for Confectionery in India increased during 2010-2015, growing at an average annual rate of 10.3 %. This growing trend is a strong indication of the immense popularity and trust they have established in the society with their products.

Cake Walk Product Mix

Candies	Chew Toffees	Wafers	Chocolate	Cakes	Chewing Gum
Jamuni	-Rum Pum Roll	Short Cut	Choco911	Plum-blum	Bulbul
Neelam	Rum Pum	Kurmi	Doodh-bahar	Berry-jerry	Chicklet
Freeze	Puffy	Shilong	-Chicki	Russ-bunny	Chipchip
Imlichat	Fruity Roll	Shahi	Shimlai	Fluffy-bluffy	Sparkle
Aam Papad	Chatila	Break-break	Khandala	Coke-shoke	Hudhud
Rampuri	-	Crack-jack	Euler's delight	Blue-star	Dabangg
Barfi	-	-	Kalapani	Rangeela	Dazzle
Khatas	-	-	Chintu	Dark-forest	-
Chiku	-	-	Raja-Rani	Frankenstein	-

MARKETING PLAN OF CAKEWALK

Environmental Analysis

The external environment consists of a general environment and an operating environment. The general environment consists of the economic, political, cultural, technological, natural, demographic and international environments in which Cakewalk operates. The operating environment consists of the company's suppliers, customers, market intermediaries who link the company to its customers, competitors and the public. Both the general and operating environments provide business opportunities, harbor uncertainties and generate risks to which a business must adapt.

PEEST Analysis (Macro Environment)

- *Political & Legal Environment*

The political factors take the country's current political situation. It also reads the global political condition's effect on the country and business.

Factors effecting:

- Taxes laws and tariff
- Stability of government
- Entry mode regulations

Legislative changes take place from time to time. Many of these changes affect our business environment. As regulatory body sets up a regulation for our industries, the laws would impact industries and business. So, we analyzed the legal developments in respective environments.

We have mentioned some legal factors which affected our business:

- Product regulations
- Employment regulations
- Competitive regulations
- Patent infringements
- Health and safety regulations

Tax rates and tax structure are being set by government. Electricity prices, fuel and petrol prices are also set by a government. It has a direct impact on Cakewalk's Profit margins. Increase in the tax rates, duties or electricity and petrol prices increases the cost of production. Adjusting price of Cakewalk's Specials are not possible for company; it is difficult to take out one additional rupee after 10 for a 10 rupee product, so it has to sacrifice the profit margins. As India has large population, we work to have a large market size for our products. However, to offer its products in these markets both national and international, it is required to contend with government that erects obstacles to trade in the form of tariffs, product standards and customs procedures.

E for Environmental factors

The location influences business trades. Changes in climatic changes can affect the trade. The consumer reactions to particular offering can also be an issue. This most often affects food-businesses.

Some environmental factors we considered are:

- Geographical location
- The climate and weather
- Waste disposal laws
- Energy consumption regulation
- People's attitude towards the environment

These factors are dependent. They rely on each other.

Steps followed to conduct environmental analysis,

1. Understand all the environmental factors before moving to the next step.
2. Collect all the relevant information.
3. Identify the opportunities for your organization.
4. Recognize the threats your company faces.
5. The final step is to take action.

• *Economic Environment*

Economic factors involve all the determinants of the economy and its state. These are factors that can conclude the direction in which the economy might move. So, we analyze this factor based on the environment. It helps to set up strategies in line with changes.

We have listed some economic factors that are affecting our business below:

- The inflation rate
- The interest rate
- Disposable income of buyers
- Credit accessibility
- Unemployment rates
- The monetary or fiscal policies
- The foreign exchange rate

When poverty gets higher, these sorts of industries grow. In case of high inflation value of money goes down. It makes it more costly to import manufacturing machineries and raw materials.

• *Socio-Cultural Environment*

Some of the social factors that affect our organization are:

- The cultural implications
- The gender and connected demographics
- The social lifestyles
- The domestic structures
- Educational levels
- Distribution of Wealth

In Indian culture social gatherings are more often. Most of the Middle class families take tea in the evening. In social gatherings, at tea time and to serve guests Cakewalks delicacies can be a better option. During many festivals and eves Indians have the habit of serving sweets among families and with neighbor's, so there is a huge demand for quality sweets and savories which Cakewalk presents to the customers all year long.

• *Technological Environment*

Technology is advancing continuously. This advancement is greatly influencing our business. Performing environmental analysis on these factors is helping us to stay up to date with the changes. Technological factors will help to know how our consumers react to various trends.

Factors we are using for our benefit are:

- New discoveries
- Rate of technological obsolescence
- Rate of technological advances
- Innovative technological platforms

In today's highly competitive environment it has become essential to equip with technological advancement and

automation. Cakewalk has the state of art equipment to get difficult compositions. To keep items fresh and safe from fungus for 6 months, Cakewalk foods use latest technology. Hazard Analysis is also done at Cakewalk for safety precautions.

PEEST Analysis (Micro Environment)

- **Market Analysis**
Cakewalk has a mass market and capturing a large share in Layer Cake market.
- **Company**
Company itself is the part of Micro environment. The recipe used to make cakewalk savories are traditional and has oldest confectionary in India. It is well known organization nationwide. There is a strong integration among departments of Cakewalk foods.
- **Suppliers**
Cakewalk believes in maintaining strong relationship with suppliers.
- **Intermediaries**
Cakewalk Marketing Team is young and energetic and believes in making partnership for creating, communicating and delivering value to the final consumers. It has good relations with its media partners, finance division and other distributors.
- **Competitors**
Cakewalk has strong competition with Sarvani Sweets by Danny. Sarvani Sweets is the first mover in this category. Other competitors include Euro Cake and bakery baked cakes. Cakewalk Special cake is also facing internal competition with Cakewalk Cup cake and Cakewalk Chocolate sections.
- **Customers**
Consumers are the most important part of any organization's micro environment. Cakewalk has chosen a mass market, it is essential to provide quality, availability, variety and taste to the customers nationwide.
- **Purchase Motivation**
CAKE is a ready to eat snack, so purchase decision of the consumer might not be as long as it could be in general means. Consumer will show variety seeking buying behavior in this sort of product. Buying nature will be very frequent, less expensive, low involvement and quick decision.

Competitive Advantage

Cakewalk is produced for middle class and first class because normally lower class in India goes for product which is locally produced by bakers with no good or attractive packing. They also have cheaper prices. There are several reasons why Cakewalk is better than other competitor:

Brand name: Cakewalk is known everywhere because of Cakewalk's strong market position.

Price: we are offering cakes, sweets and savories ranging from Rs. 15 but its competitors are offering cake in Rs. 20. So for the consumer Rs. 15 is very much affordable. Cakewalk uses high quality raw materials to make the best food products.

Variety of Flavors: They introduce new flavors day by day. They introduced unique flavor which is not available in any other soft cake company. Flavors like blueberry, khopra etc.

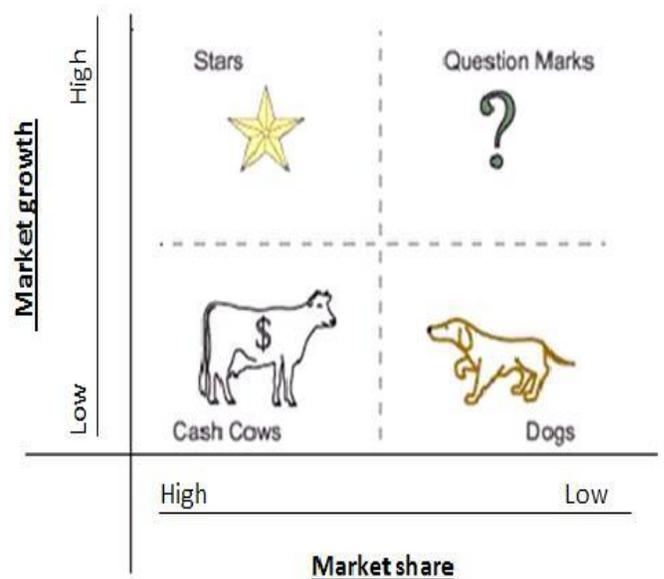
Softness: Cakewalk bakery products are much softer than any other products in the market. Most people like it test and buy it.

Packaging: The packaging of Cakewalk is most attractive. People can find out it among many different cakes.

Competitive Advantage: Although above discussed points are contributing to Cakewalk's strong position, but wide distribution of Cakewalk branches is the competitive advantage of the brand.

BCG (Growth-Share) Matrix

The Boston Consulting Group (BCG) Matrix is a tool for assessing a company's position in terms of its product range. It also helps a company to about its products and services and make appropriate decisions about what to be kept to invest in further.



BCG Matrix for Cake Walk sweets

In BCG matrix, special sweets will be placed as Question Mark; Sweet market is relatively growing. Strategies made to get market from Rs.3 Layer sweet to Cake Walk Special sweet.

SWOT Analysis

Pista cake	CAKE WALK Special “meetha”
Mint Fresh up	Sweet gummies and roll

Strengths:	Weakness:
<ul style="list-style-type: none"> • Market Leader & exporter of Sweets. • Catering to multiple segments with different brands. • Power brands have friendly connections with consumers. • Hazard Analysis • Distribution in wide range. • Product Development 	<ul style="list-style-type: none"> • Reactive strategies to market. • Weak Positioning • Reactive Advertisement • Lack of Innovation
Threats:	Opportunities:
<ul style="list-style-type: none"> • Increase in competition, specifically from the small producers of low quality sweets in the unorganized sectors where taxes aren't paid and operated illegally. • Chinese and Sri Lankan products are biggest threats for the CAKE WALK sweet market 	<ul style="list-style-type: none"> • As prices are increasing, there can be a significant potential in exportation of more products. • The market size expands continuously due to growing population in India • Appeal to health conscious segment of the consumers by launching some sugar free and low fat sweets.

RESEARCH AND DEVELOPMENT

Marketing Research: Market research is conducted before launching of new products and services. It helps marketers to know their customers and conveys them about their needs and

wants. The company would not be able to offer people which is valuable and serve them better than other competitors in absence of insights

Cake Walk is currently focusing on research and development which had lacked over years due to the absence of market research. The marketing department was introduced few years back that emphasizes on taking insights from customers and is more interested in acquiring knowledge about the need and wants of customers.

Both qualitative and quantitative manners of research are conducted at Cake Walk. Blind Testing is also preferred besides this.

Research Methodologies used by Cake Walk

Continuous research is essential due to heavy competition. Cake Walk sweets conducts various research programs using primary and secondary sources in order to get both qualitative and quantitative results.

Secondary Data Collection

Data is gathered from its sales department, creative department and retailers where information about the insight of market trends and new product development is received.

Primary Data Collection

Central Location Testing

A Central Location Test (CLT) is a face-to-face survey method where respondents are invited, with or without prior notice, to some convenient place which ranges from a public meeting place to a research field facility.

This type of testing is usually used for research into new or modified products, though it also finds successful application in testing advertising or packaging materials. Cake Walk Special “meetha” is modified form of Cake Walk sweets. Cake Walk sweets also established central location testing for its Special “meetha”.

Blind Testing

Blind test market research is done by asking consumers to compare the tastes of different brands, usually competitor’s brands, the identities of the products are concealed, else the consumers will generally tend to prefer the brand they are familiar with. Cake Walk sweets uses blind testing for getting significant insights for further improvement in its taste.

Screening Questionnaires

Screening process builds the foundation for reliable and valid data collection. Cake Walk Foods use screening questionnaire method to get customer attitude towards brands, frequency of purchase, competitive analysis etc. This research is carried out by research agencies.

Segment Profile



Targeting

‘CAKE WALK’ targeted not only any single segment but the mixture of some variables of geographic, demographics, psychographic and behavioral segmentations.

Positioning

‘CAKE WALK’ is dynamic company and always looks for opportunity to build a strong emotional attachment with consumers through their products. ‘CAKE WALK’ is a big company in a market and recently they are planning to expand their warehouse networks. They have strong brand image in consumer minds.

Slogan: REASONS TO SMILE

MARKETING PLAN OF CAKE WALK’S SPECIAL

Product

CAKE WALK’S Special the product of baked product line of the ‘CAKE WALK’ Confectionery. It is a Fresh, high quality, nutritious layer cakes. It is available in many different flavors

such as Chocolate, Coffee, Chocolate Chip, and Strawberry, Blueberry and others.

Creating Value

CAKE WALK’S Special is creating value for customers by meeting their needs and wants particularly it is beneficial for mothers who give this cake to their kids in lunch. Secondly, in Indian society we are usually habitual of eating some baked items at tea time. So in this way CAKE WALK’S Special is providing a core benefit of ready to eat healthy cake in different flavors.

Product Life Cycle

PLC consists of the stages that a product goes through by the course of its lifetime/existence in the market, in terms of its sales and profits. It has 5 stages:

Product Development:

The point where there are no sales as the product is still in the production and development stage and only investments costs are there.

Introduction:

When the products are launched in the world market and made available for purchase. As it's only the initial stage so it takes time for sales to happen and generate profits. The costs are still high due to distribution, export and promotion expenses involved.

- High failure rates
- No competition
- Frequent product modification
- Limited distribution
- High marketing and production costs
- Promotion focuses on awareness and information

Growth:

When the products finally are accepted by the customers and purchases begin. Here the sales go up quickly as more and more tend to buy the product. Here competitors would also enter the market.

- Increasing rate of sales
- Entrance of competitors
- Initial healthy profits
- Promotion emphasizes brand ads
- Prices normally fall
- Development costs are recovered

Maturity:

The stage where the products sales has gone slow and by that time the product has become so strong that it gives a tough competition to the competitors and at the end only well-established competitors remain.

- Declining sales growth
- Saturated markets
- Extending product line
- Stylistic product changes
- Heavy promotions to dealers and consumers
- Prices and profits fall

Decline:

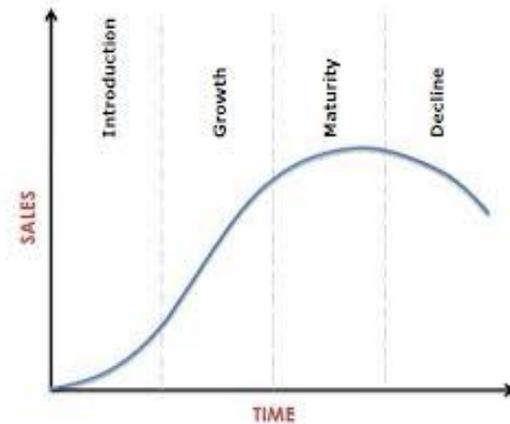
The stage where the product ceases to exist and its sales start to go down drastically because it was able to keep up well with the competitors and wasn't able to come up with effective competitive strategies.

- Long-run drop in sales
- Large inventories of unsold items
- Elimination of all nonessential marketing expenses

Cake Walk's PLC

Regarding PLC, the brand 'Cake Walk' is in maturity stage, as it has been in the market since a very long time and it

possesses recognition in the minds of the people, and people tend to associate themselves with it.



The product form, i.e. layered cakes is in the introductory stage, as it hasn't been long since they were introduced, so there is a lot of new innovation and much could be done so as to make it the preferred choice of the customers.

The product category is lies in the maturity stage, as there a lot of varieties of cakes available in the market and in different forms.

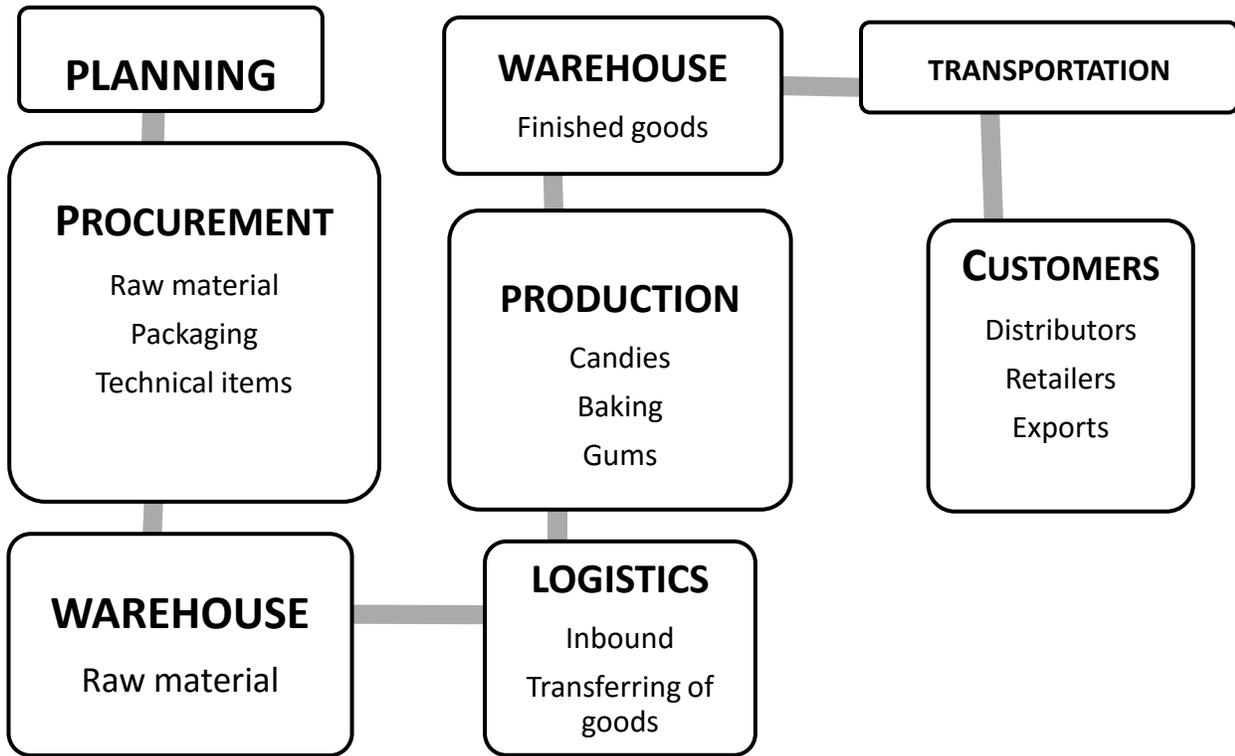
Place (Distribution)

Distribution refers to the steps taken to move and store goods from the supplier stage to a customer stage in supply chain. Distribution itself is the most significant part and driver of the overall profitability of the company because it influences the cost of supply chain and also the customer experience. It also creates time and place utility. They transfer or depot all stock from their factories to distributors and then from distributors, their goods transfer to wholesalers and then to retailers and then directly deliver to customers. Cake Walk have a direct contact with retailers like super stores, so they directly transfer their goods to super stores as well.

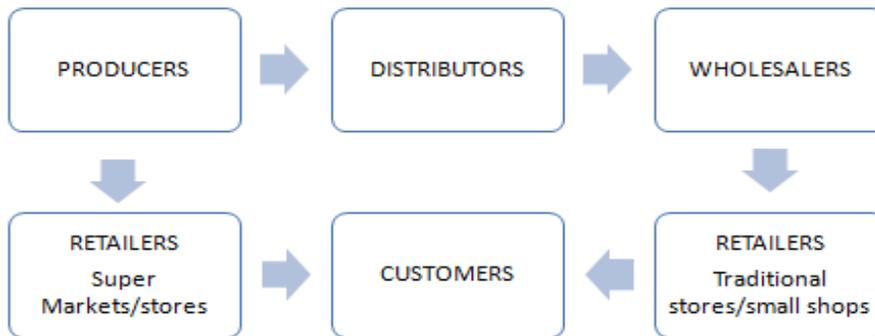
As far as distribution is concern, Cake Walk uses intensive distribution (stocking the product in many outlets as possible); to make sure that it is available in every outlet. Their products are easily available allover India at every road corner store as well as at all big stores. It is available in all provinces in urban, suburban and rural areas but in rural areas, their distribution is limited.

Cake Walk manages relationship with their suppliers, distributors and resellers by offering incentives against which they are expected to achieve certain sales target.

Supply Chain Structure Of Cake Walk Confectionary



PARTICIPANTS OF SUPPLY CHAIN



PROMOTION

Promotional Goals

There are three basic goals of promotion

Awareness: Where the company is tells or informs their customers about their offering and the benefits it brings along.

Persuade: When marketers are tend to convince their target market to go and make the actual purchase.

Remind: When the company is only reminding its customers that we are still there and we still exist. It's just to tell them that we haven't gone anywhere.

The promotional goal was to inform customers about the launch of Cake Walk Special cake, its new and unique flavors and to inform them that they have come up with something which is meant for the whole of the family and everyone can equally enjoy it.

Promotional Mix

Promotional mix consists of all the promotional tools a company might use so to communicate their target market about their offering. They include electronic media, print media, social media, direct marketing, personal selling, public relations etc.

They had promoted their product through TVCs, printed ads, bill boards as well as through social media as well. The reason being the product is meant for the whole of the family and it was targeted for the mass market, so it was promoted using various channels so that the message reaches in wider terms. Cake Walk is using social media effectively to enrich its promotional mix.

To increase the visibility of the Cake Walk brand, the company has placed its hoardings in high traffic areas such as train stations and bus stations. Posters are designed for display on public transport vehicles such as buses and hoardings.

Packaging is an important aspect of Cake Walk product promotion. Since cakes like icream cakes, are impulse purchase items, attractive packaging in different colors influences purchases. Cake Walk uses the latest technology (food items werpacked in nitrogen filled pouches) to increase the shelf life of its products. The product is under a week, the shelf life Cake Walk's product is about four months. The company projects the shelf life of its products asits unique selling proposition. Posters highlighting the shelf life of its products carried the captions like.

'Time I choosing and seconds in your mouth'

'Handmade delicacies simply south'

Decoration of cakes are important aspect to attract customers. Decoration is done in front of customers to captivate them .By using advanced methods like

- Buttercream Piping
- Royal Icing, Fondant and Pastillage
- Rolled Fondant and Hand-Modelling Skills
- Sugar Flowers and Airbrushing
- Contemporary Cake Design

CONCLUSION

To bring the range of 'CAKE WALK' special to market, 'CAKE WALK' has put together an effective marketing mix, but there are some shortcomings related to promotional strategies. 'CAKE WALK' has the capability to response competitor's product launch due to high standing of market share. Growth of Confectionary industry is a good sign for 'CAKE WALK'.

RECOMMENDATIONS

- 'CAKE WALK' should take proactive stances rather applying reactive strategies.
- Continuous environmental analysis must be followed.
- 'CAKE WALK' must clearly identify its target market to make specific marketing programs.
- Improvement of Promotional and advertising theme is required.
- A fresh and healthy image should be used to promote 'CAKE WALK' Special in the media. Kids at school lunch time, family parties and Tea time fun would me more attractive and useful.
- Introducing new variant "Sugar free soft cakes" which offer product development and market development as well, would also help 'CAKE WALK' to hold leading position.
- Telling customers about new uses of product such as using with deserts and custards will increase frequency of use or usage.

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