

# Monginis – The slowing growth curve of Celebration King

## Monginis (the Indian Cake shop)

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# INTRODUCTION :

## **Monginis – The slowing growth curve of Celebration King**

Monginis(the Indian Cake shop)

**Main Motto:** High quality and a reasonable price

**Found in:** Bombay by two Italian brothers.

**1902:** Messrs Mongini opened **Mongini Ltd** restaurant and confectionery shop on Churchgate Street (Bombay)

**1919:** following a widening of Churchgate street and business opened their new and large building as **Mongini Brothers**.

**March 20, 1919:** Times of India reported “Messrs Mongini’s building will prove a valuable addition to the palatial business establishments of the city”

## **Allotments and usage of the floors:**

Ground floor: Refreshment room and confectionery.

First floor: Dining room.

Second floor: Reservation and arrangements made for wedding receptions, dinner parties, presentation ceremonies etc.

As Mongini cakes and puffs were quality products and affordable they began selling them in the grocery stores too.

Then exclusively it was thought to open a cake shop franchise network as “**Monginis cake shop**” which is being run all over the India today by **Mr. H.T.Khorakhiwala** Founder President of India's National Association of The Baking Industry, who pioneered the operations that resulted in the establishment of the first Monginis Cake Shop in 1971.

From being a single shop then, to the highly-evolved franchise network of nearly two hundred stores across India. The emphasis now had moved on to localized production for local tastes.

Expansion:

expanded to Calcutta under the banner *Mio Amore.*

Ownership passed:

After Independence the ownership passed to Indian hands as the brothers left the country.

Khuranas: kept it for some months and then sold it.

Khorakiwalla family: 1958- changed to “Monginis Foods Private Limited”.

The place was actually brought for their departmental store “Akbarallys”

As Mongini cakes and puffs were quality products and affordable they began selling them in the grocery stores too.

There was a lack of interest in selling by the retailer hence it ended up with no rise in the sales.

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From being a single shop then, to the highly-evolved franchise network of nearly two hundred stores across India. The emphasis now had moved on to localized production for local tastes.

Focuses on: Quality, presentation and service.

Taking a step forward to fabricate : whole range of cakes and bakery products which are both packaged and oven-fresh. Celebration Cakes, Cookies, Specialty Breads, Chocolates, Snack Foods and Savories and also into Party Decoration, from supplying buntings to disposable-plates and party take-home gifts.

# SUMMARY

FAMOUS FOR:

CAKES,

THE PLACE FOR BOMBAY'S EUROPEAN AND INDIAN ELITE TO HAVE DINNER WHILE THEY LISTENED TO CLASSICAL MUSIC, HOLD MEETINGS, BOOK CLUBS AND OTHER CULTURAL AND BUSINESS AFFAIRS.

1930: FAMOUS FOR HUNGARIAN ORCHESTRA.

TUESDAY'S FOR CONCERTS.

FRIDAYS/SATURDAYS FOR DINNER DANCES.

"FAVOURED HAUNT IN THE AFTERNOON AND EVENING BY CITY'S SOCIALITES, INTELLIGENTSIA AND BUSINESS BOSSES".

ON THE OCCASION OF ANNUAL EASTER AND CHRISTMAS BAZAARS SPECIAL CHOCOLATES AND CAKES WERE SOLD. THE CRACKERS AND CHOCOLATES, SWEETS FRESHLY MADE AND IMPORTED, WERE ALL TIME FAVOURITES. SUGAR-COATED ALMONDS, TOFFEES, WAFERS, BUTTERFLIES AND BLACK CATS FOR TABLE DECORATIONS, FRESHLY BAKED CHRISTMAS CAKES SENT ALL OVER INDIA, MADE MONGINI STAND APART IN THE CONFECTIONERY AND CAKE BUSINESS.

# IDENTIFICATION OF THE PROBLEMS :

## Increase competitions

Competitors are using modern technology and techniques, sudden increase in the cake variant dealer shops have given options to the cake consumers to pull the distinctive and difference of opinions, with respect to taste, cost and service

## Customer relationship

The Modern day customer follows the digital mode, is accustomed to Value added Services and enjoys experiencing novelty through the purchase. Young consumers are being wooed by the competitors through their highly effective customer relationship management methods. An over dependence on franchisee model may put brakes on innovation and any mismanagement by any franchisee may damage the brand reputation.

## Effectiveness

Monginis' acceptance beyond Mumbai is still very good. It is about time to plan aggressive modernization and restructuring plan. MFL still has some strong business fundamentals in its favor. Need of the hour is to closely monitor customers changing preferences and map an effective strategy to get back on the growth track.

# ANALYSIS:

## Monginis vision

### Reasons for its rise as a retail franchise network:

Essence of brand growth

- To provide best quality products with value for money.
- To continue maintaining national leadership in cakes
- To develop resources

Customer's wish/need

- A brand which would offer quality at affordable prices in cakes and confentionery

The unwritten rule

- Creating value-for-money produts without compromising on quality in terms of taste or appearance

Principle to fulfil its vision

- "Customer remains the most important consideration around whom all other activities



## Increasing Monginis Brand visibility

Monginis  
Lollipops

- As a part of marketing strategy “Monginis Lollipops” were introduced as a signage of monginis in the shape of Lollipops

School  
Promotion

- For promoting existing range of bar cakes and slice

Promotional  
campaign  
(2002-2003)  
3 steps

- 1 step: schools were enrolled and approached
- 2 step: schools were given opportunity to visit Monginis factory for entire day.
- 3 step: Hosting drawing contests and quiz contests

# ALTERNATE SOLUTIONS :

1. More social media exposure Pages or accounts on social media platforms
2. Change in the packaging of the product to make it more attractive
3. Change in the product line Introduce more bakery products like puffs, herbed dinner roles, pizza bread, burger buns
4. Introduce newer flavors in cakes like red velvet and such which are trending in the market
5. Launch new line of product in the market with vegan fruit cakes to cater to specific type of customers and they don't have very big platform available as of now Vegan rolls and buns can be introduced as well Vegan- no meat of any kind of seafood, also no animal produce like milk, honey etc. Being completely plant based
6. The place for Bombay's European and Indian elite to have dinner while they listened to classical music, hold meetings, book clubs and other cultural and business affairs. Tuesday's for concerts. Fridays/Saturdays for dinner dances.

# BEST SOLUTION

1. Social media Platforms like Facebook, Instagram and YouTube can be used for creating more awareness about the brand and the customer engagement can be done through this platforms.
2. The survey could be conducted to understand the customer preference and according to that the new flavours could be introduced in the market.
3. For Customer engagement various events could be done at the store outlets like book clubs , classical music etc.
4. Completely new line of products like buns, puffs, dinner rolls could be introduced to get the competitive advantage in the market.