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## Demand chain excellence: a case study of HUL vis-a-vis P&G India

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**Abstract:** Demand Chain Management (DCM) is a new demand-driven based business model based on 'sense-and-respond' philosophy that offers maximum customer value in the dynamic market condition through integration of processes and activities of marketing and Supply Chain Management (SCM). This paper examines DCM practices of two leading FMCG firms in India, namely, Hindustan Unilever Limited and Procter & Gamble Home Products Limited in relative terms on various critical success factors of DCM and found that HUL has a 'make-and-sell' philosophy whereas P&G India has a 'sense-and-respond' philosophy as the cores of their respective business models.

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### 1 Introduction

Conceptual and empirical research on market orientation has long suggested that inter-functional coordination is a key to achieving the main goal of marketing – the creation of superior customer value (Jaworski and Kohli, 1993; Day, 1999). As a consequence, the relationship between marketing and Supply Chain Management (SCM) has rapidly become a strategic priority (Christopher, 1998; La Londe and Masters, 1994). SCM has been defined by the Global Supply Chain Forum as "the integration of key business processes from the end user through original suppliers providing products, services and information that add value for customers". The synergy between SCM and marketing has been widely acknowledged (Martin and Grbac, 2003; Ellinger, 2000; Svensson, 2002), leading some to