

Project Proposal

On

Comparative Market Study on Powder Milk

Brand of Arla Foods Bangladesh Ltd in Bangladesh



Course Name: Internship, BUS-699

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Letter of Transmittal

24 December, 2015

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Subject: Regarding submission of internship report entitled “comparative market study on milk powder brand in Bangladesh of Arla foods bd Ltd”

Dear Sir

With profound respect and honor I would like to inform you that, I have completed my internship report on “comparative market study on milk powder brand of Arla Foods Bangladesh Limited.” This report is going to provide valuable assistance to the organization in finding out the quality products or services, achievement and exclusive activities to make competitive advantages by comparative market study with perfection and experience.

Therefore, I need your kind attention to assess my report considering the limitations of the study. Your kindness is my esteem if you do recognize this report and accept it.

Thank You.

Sincerely Yours,

Md. Abdullah Al mamon

ID # 13164022

Acknowledgement

At first, I would like to thank almighty Allah for giving me the opportunity to complete my internship report. I also want to thank all the people who have given their support and assistance and extremely grateful to all of them for the completion of the report successfully. BRAC University and Arla FoodsBd Ltd. both provided me with enormous support and guidance for my Internship program to be completed successfully.

I would like to thank Ms. Morshed Moslem, Arla foods Bangladesh Limited, my organizational supervisor, for his valuable time and constant guideline throughout the internship period.

I would also like to thank Mr. Tamzidul Islam, my internship supervisor, for his kind concern, valuable time, advice and constant guideline throughout the internship period and making of the report.

I would like to express my foremost gratitude to other officials of Arla foods Bangladesh Limited, who helped me and gave me their valuable time, providing me with the most relevant information on the basis of which I have prepared this report. I am thankful to all of them for helping and guiding me and for being nice and kind to me.

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Chapter-1

Background of the report

Abstract

In every field of study, theoretical course work and the field experience play major role to shape the knowledge and skill of a student. I have selected Arla Foods Bangladesh Ltd. as a part of my internship program of Masters of Business Administration requirements because I was keen to work with world's largest health, nutrition and wellness company that can give me the real life exposure in one of the well-known corporate of Bangladesh. In the following report, I have tried to neatly sort all my activities separately to describe a clearer picture of my responsibilities assigned by my supervisor at Arla Foods Bangladesh. The report covers how Arla holds its number one position and does business with comparative market Strategy by providing its products and services to the customers, and how customers accept those products or services.

In Chapter-1, Company summary, Objectives, Methodology and limitation of study. In Chapter-2, there is an overview of Arla Foods Bangladesh Limited, which contains the corporate mission, vision, strategy of Arla Bangladesh Ltd. In this chapter, there is a description of products and services offered by Arla, through which they satisfy their customers. In Chapter- 3, Comparative market strategy creates market differentiate. Powder milk brand of Arla compares with another milk powder brand for analysis of quality and customer satisfaction according to creating brand loyalty. In Chapter-4, Customer acceptance on product or service to analysis the standards of marketing for comparing of powder milk brands. In Chapter-5, Company finding problem and solution according to comparative market study.

To conclude, in the report I tried to express how my academic knowledge was applied in different situations in the internship tenure. Also, it needs to be mentioned that some processes cannot be explained clearly in this report due to the confidential policy of the company.

Executive Summary

Bangladesh is a developing and densely populated country. For decades, Bangladesh has a large domestic market for milk products which was largely met through importation of subsidized milk, powder milk and milk products from developed countries. During 1989-90, Bangladesh imported milk and milk products worth 400 million taka to meet a shortfall of 40 percent of domestic demand. Bangladesh milk sector is failed to provide sufficient supply for liquid milk. To minimize this shortage government has taken some steps such as urgent meet up through imported powder milk and try to develop dairy farms to the private entrepreneurs' levels. Only local dairy farm could not provide sufficient supply of liquid milk according to consumers demand. To fill up this gap there are a lot of companies launch in Bangladesh to sell milk powder product. One of them is DANO which is a familiar word for each household in rural and urban area in Bangladesh. Mutual Group is primarily a 'Toll Manufacturing & Distribution company' with the legacy of establishing two global brands, 'Horlicks' and 'Dano', as the household name in Bangladesh. It separated from Mutual Group and created a joint venture with Arla Foods a.m.b.a in Denmark in 2011. In Bangladesh, Arla foods has varieties of product for powder milk like regular and instant milk powder, baby foods- Deelac, Dano mom for pregnant women in Bangladesh. Arla Foods is home to some of Bangladesh's best-loved dairy brands. We work hard to make sure that our suppliers meet our exceptionally high standards of production and animal welfare and with nearly 1500 employees and a turnover of more than tk1.2bn. Globally we are 19,000 colleagues across 30 countries and 12,700 dairy farmer owners in Denmark, Sweden, United Kingdom, Germany, Belgium, Luxembourg, Netherlands and Bangladesh. Together, we share a strong identity Good Growth that guides our decisions as we create the future of dairy.

Objectives

The objectives of this report are:

General objectives:

The general objective is to prepare and submit a report on “**Comparative market study on powder milk brand in Bangladesh of Arla Foods Bd Ltd.**”

Specific Objectives:

- 1) To determine the Arla position in comparative market strategy.
- 2) To know the comparative market strategy of Arla Foods Bangladesh Limited.
- 3) To determine the Arla consumers products acceptance status and services usages.

Methodology

Type of Research:

My study on this report is based both on primary and secondary resources as well. I have applied “Descriptive Research” to conduct the report. This includes the methods of data collection & the sources of the data or information of the research. The total number of Arla consumers are considered as the population of the research and out of these total consumers randomly picked 50 consumers in the sample.

Sources of Data:

Primary data sources:

All the necessary information are collected by using,

1. Informal discussion with honorable officials.
2. Direct observation and work practically.
3. Taking interview of the consumer.

Secondary data sources:

The secondary data collection source was official website, and the different files of Arla Foods Bangladesh Ltd.

Limitation of the study:

In every research work there are some limitations faces when conducting different activities. Some of this notable limitations are-

The report has been conducted within a short time frame as I have to prepare this report along with my regular office work.

There were some limitations of access to information, which are strictly confidential for the company.

Last but not the least; it won't be possible to obtain 100% accurate data since the study was done on a set of sample, not the entire population.



Chapter-2

Organization Part

Overview of Arla Foods Bangladesh Ltd.

Arla Foods dates back to the 1880s, when dairy farmers in Denmark and Sweden joined forces with one common goal: to produce and provide the best dairy products, creating new opportunities for business growth. Today we have farmer owners in seven countries in Europe. The two companies behind Arla Foods, the Danish MD Foods and the Swedish Arla, are both rooted in the co-operative movement. . Globally we are 19,000 colleagues across 30 countries and 12,700 dairy farmer owners in Denmark, Sweden, United Kingdom, Germany, Belgium, Luxembourg, Netherlands and Bangladesh.

Arla in Bangladesh:

Dano Milk powder is the leading milk powder product in Bangladesh. Dano was introduced in the market in 1962 by MD Foods all over the world. MD Foods is a Danish company and operation business in European market. Some of Bangladeshi (Former East Pakistan) businessmen were imported Dano milk powder from Denmark in 1962. Basically their market was whole sales point like Moulovi Bazar base. They distribute Dano milk powder all over East Pakistan. They continue their import Dano as scattered from Denmark till 1970. MD Foods was recognized one Bangladeshi person as intender in 1973. Bangladesh indenter was collected & identifies importer demand and authorized indent of importer letter of credit from Bangladesh to Denmark till 1994.

In 1989, MD Foods was setup liaison office in Bangladesh. MD foods basically monitor the market by various activities like sales promotion (Both for consumer & Traders) and advertisement in print and electronic media.

In 1995, Mutual Trading Ltd was got import license of Dano milk powder from Denmark as an exclusive importer in Bangladesh. Mutual Trading Ltd. is only one Bangladesh Company, who can import Dano milk powder from Denmark.

In 1995, Arla foods take over MD foods and merger new company name as Arla Foods Ingredient. Arla Foods Ingredients owned Dano milk powder all over the world. In 1998, Mutual Trading ltd was setup new factory in Bangladesh for packing of Dano milk powder product as per Arla Foods recommendation and Mutual Trading Ltd changed company name as Mutual Milk Products Ltd.

In 2011, Arla Foods is detached from Mutual Trading Ltd and it would make solely joint venture with Arla Foods amba. This company is established as Arla Foods Bangladesh Ltd.

VISION,MISSION AND STRATEGIES

Vision:

“Our vision is to be the leading dairy company in the world through considerable value creation and active market leadership to obtain the highest possible milk price.”

Our aim is to maximize the price paid for our owners’ raw material – the milk. To achieve this objective, we are committed to creating added value and demonstrating proactive market leadership. Being market leader means a strong negotiating position. We wish to be the most attractive dairy company for our owners and employees and for our customers and suppliers.

Mission:

“Our mission is to provide modern consumers with natural milk-based products that create inspiration, confidence and well-being.”

Our task is to meet your wishes and requirements. By doing so, we create the greatest possible value in the market and maximize the price paid to our owners for their milk.

Strategies:

Arla foods Bangladesh Ltd. has these strategically key Success Factors:

- Strong brands / relationships with consumers
- Research and development
- Innovation and renovation
- Product availability

Marketing structure and Segmentation:

Arla Foods Ingredients' milk powder products for retail sale are much more than milk powder alone. Consumer produce team is dedicated to meeting the nutritional needs of all age groups and ensuring that regional taste preferences are satisfied to achieve this goal, regular surveys to find out exactly what the consumers on specific markets want from milk powder, how they use it and how much they consume. The information obtained forms the basis for current consumer range and Future developments. Arla Foods Bd Ltd has divided its entire geographic market into 9 Regions; these are Dhaka-A, Dhaka- B, Dhaka-C, Chittagong, Comilla, Sylhet, Khulna, Barisal and Rajshahi.

To better meet the needs of specific groups of consumers, most marketers adopted a policy of market segmentation, which called for the division of their total potential markets into smaller, homogeneous segments for which they could design specific products and / or promotional campaigns. They also used promotional techniques to vary the image of their products needs of certain target segments. In selecting the target segment, organizations usually follow any one of the following strategies:

- * Single segment concentration
- * Selective specialization
- * Product specialization
- * Market specialization
- * Full market coverage

Based on analysis of marketing practice? Of Arla Foods' it seems they are currently follows a "Product Specialization Strategy". Aral Foods' concentrates on making a certain product that it sells to several segments through the strategy of organization build up a strong reputation in a specific product area.

Target Marketing Strategies:

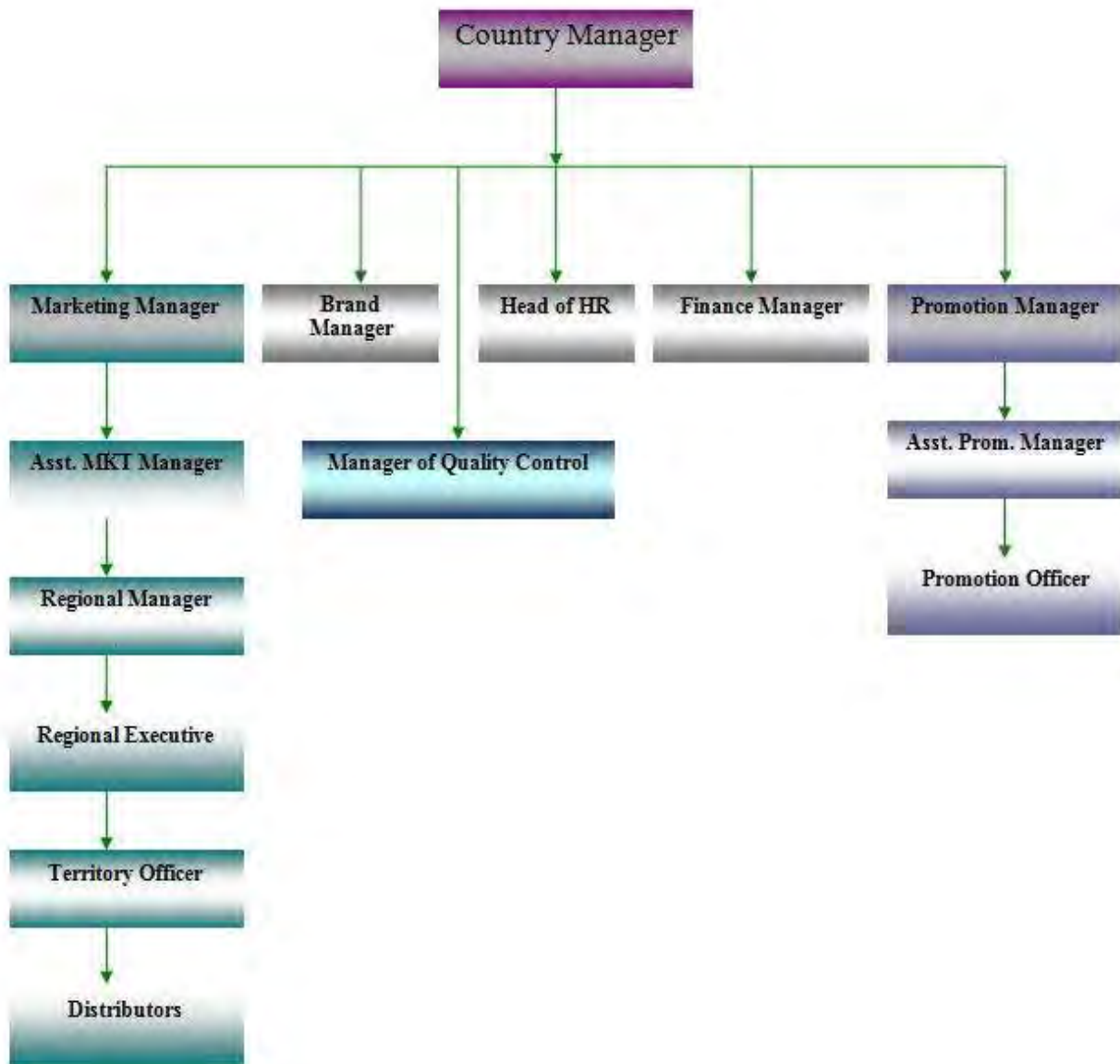
Arla Foods Bangladesh Ltd uses Differentiated marketing for target market. It targets different market segments and designs separate offers for each. It has launched various types of products to achieve higher sales and stronger position in the

markets within the segments. It has targeted the markets by ages, family sizes, income, and occupation and thus they are launching their products. They are also targeting the market by loyalty status. Thus consumer can be loyal to their Brands.

Segmentation and Target Consumer Market of Dano:

Types of Variable factors	Empirical factors	Target Areas
Geographic factors	Region	Dhaka-A, Dhaka-B, Dhaka-C, Chittagong, Comilla, Sylhet, Khulna, Barisal, Rajshahi
Demographic Factors	Age	Below 14;15-24;;25-34;35-44;45-54; and above 54
	Income	8000-10000; 10000-16000; 16000-20999, 21000-25999; above 26000.
	Occupation	Student, Service, Business and Housewife.
Psychographics factors	Social	Lower, middle and upper,
Behavioral factors	Benefit, Loyalty Status	*Hard Core loyal *Shifting loyal *Switchers

ORGANIZATION STRUCTURE:



Products of Arla Foods in Bangladesh:

Arla Foods' milk powder products are marketed under the brand names of Dano. Dano milk powder provides a series of functional and nutritional properties, making it widely used both as an ingredient in food and dietetic products and in its own right as a consumer product, Company want to hold their existing market and increase sales through Company strategy. To achieve this goal product breadth should *be* increased through satisfied consumers need. In this connection company's ranges of milk powder products and its functions are as follows:

i) Full cream milk powder – the family's choice

Give your family the essential energy and nutrition they need with Dano full cream milk powder. Available in Regular and Instant versions, this highly nutritious product has an identical composition to liquid cow's milk – not to mention an authentic creamy taste. Dano full cream milk powder is also rich in vitamins A and D3 and contains a high level of calcium, essential for development, growth and the maintenance of bones and teeth.

ii) Kinder – for a good start in life

Children love the delicious creamy taste of kinder products. Specially formulated for children need between 1 and 5, this Instant milk powder is a balanced source of nutrients vital to physical and mental development. In addition to the nutrients naturally present in . Kinder 1-5 contains iron and extra vitamins.

iii) Hi & Low – the taste of healthy living

Instant Hi & Low has been specifically developed for consumers of all ages who priorities a healthy lifestyle and require a nutritious low-fat milk powder with the rich, creamy flavor of milk. Products meet all those requirements with an extra supplement of natural milk calcium and vitamins A and D3 thrown in. Just two glasses a day are sufficient to obtain the recommended daily intake.

iv) Sterilized canned cream

In addition to powder products. Company supply sterilized cream with all the natural, rich flavor of fresh cream, Contract manufacturing teams are dedicated to seeing each alignment through all phases of development to production, packaging and dispatch.

SKU wise Arla Products:

SL No.	Name Of Products	SKU
01	Dano 2 Kg Tin	6pcs.
02	Dano Super Instant 2Kg Tin	6pcs.
03	Dano Super Instant 1Kg Tin	12pcs.
04	Dano-400gm Tin	24pcs.
05	Dano St. Cream	48pcs.
06	Dano 1Kg Packet	12pcs.
07	Dano 1Kg Packet (Instant)	12pcs.
08	Dano 500gm Poly	24pcs.
09	Dano 500gm Poly(Instant)	24pcs.
10	Dano 400gm Packet	24pcs.
11	Dano 400gm Packet (Instant)	24cs.
12	Dano Vita Kids 400gm	24pcs.
13	Dano Light-400gm Packet	24pcs.
14	Dano 100gm Packet	96pcs.
15	Dano 50gm Packet	192pcs.
16	Dano 25gm Packet	288pcs.



Chapter-3

Comparative Market Study

Major Competitor Brands& Company profile:

Sl.no.	Brand Name	Country of Origin	Marketing by
01	Dano	Denmark	Arla Foods & MMPL
02	Nido	New Zealand	Nestle Bangladesh
03	Red Cow	Australia	New Zealand Dairy Products Ltd.
04	Anchor	New Zealand	New Zealand Dairy Products Ltd.
05	Diploma	Australia	New Zealand Dairy Products Ltd.
06	Farmland	New Zealand	New Zealand Dairy Products Ltd.
07	Kwality	Australia	Sanowara Corporation
08	Marks	Australia	AbulKairBhuiyan
09	Starship	China	AbulKairBhuiyan
10	Fresh	China	Tanvir Foods (Megna Group)
11	Milk Vita	Bangladesh	Bangladesh

Market Share comparing with another powder milk brands:

DANO has been packed at an independent packing plant in Bangladesh since 1996. The success of this packing venture and prospects for further sales growth mean the time has come to invest in a packing plant built to improve production flow and quality control processes and to give greater production flexibility and capacity. In this regard Mutual, AFI's local distributor and packer, invested in the plant following request from AFI which has seen sales of the market leading brand, Dano, quadruple in Bangladesh over the past four years. Focusing on one site offers greater quality, flexibility and efficiency and allows them to rapidly adjust their procedures to the market's requirements.

Market Share of Major Brand (2011-2015)

SL No	Brand Name	Yearly Market Share of %				
		2011	2012	2013	2014	2015
1	Dano	23	26	28	11	14
2	Diploma	14	15	18	23	19
3	Nido	9	10	11	17	18
4	Red Cow	7	7	8	9	6
5	Anchor	5	5	6	7	7
6	Marks	11	12	11	12	12
7	Kwality	6	4	7	7	8
8	Others	25	21	11	14	16
Total		100	100	100	100	100

Sources: AC nelson Bangladesh yearly Report (2011-2015)

Brand Preferences of milk powder according to choice:

SL No	Brand Name	Rank Frequency					
		1	2	3	4	5	6
1	Nido	36	38	20	6	0	0
2	Diploma	14	10	42	20	10	4
3	Kwality	6	6	10	34	30	14
4	Dano	44	32	14	8	2	0
5	Fresh	0	14	10	20	40	16
6	Marks	0	0	4	12	18	66

The present study revealed that brand preferences of milk powder according to consumer's choice followed by highest preference to lowest preference are- Dano>Nido>Diploma>Marks>Fresh>Marks.

Immediate previous brand for milk powder:

SL No	Previous Brand	Respondents	Percentage	Majority
1	Nido	22	22%	
2	Diploma	16	16%	
3	Dano	45	45%	Dano
4	Marks	10	10%	
5	Fresh	7	7%	

From the data it is observed that the immediate previous brand for milk powder are. Dano-45%; Nido-22%; Diploma-16%, Marks-10%; and Fresh 7%. Majority of the consumers mentioned their immediate previous brand for milk powder is Dano and the second highest immediate previous brand for milk powder is Nido.

Most profitable brands of milk powder:

SL No	Profitable Brand	Respondents	Percentage	Majority
1	Nido	10	20%	
2	Dano	4	8%	
3	Diploma	11	22%	
4	Marks	13	26%	Marks
5	Fresh	12	24%	

The data and information received by the research from the retailers of different areas it is found that the most profitable brand of milk powder the percentages are. Marks-26%; Fresh-24%; Diploma-22% Nido-20%; and Dano-8%. Majority of the retailers are mentioned that Marks is the most profitable brand of milk powder and Fresh is the second highest profitable brand of milk powder.

Competitor's Trade Promotional Activities:

1. PRAN offered 1 spoon free with PRAN Full Cream Milk Powder Poly Pack (500gm).
2. Newzeland Dairy has given a glass free with Anchor full cream Milk powder poly pack (500gm) and 1 bowl free at 350gm pack.
3. Meghna Group has given a promotion on Fresh full cream milk powder where consumer will get 400gm with discounted price 208TK which price was 219TK and 500gm with 260TK instead of 275 TK.
4. Partex Group has offered a Tiffin box free with Danish Full cream milk powder (400gm).
5. AbulKhayer group arranged a lottery system with 400gm Marks full cream milk powder, where customers have got Hotpots, Tiffin boxes, Pencil boxes, Color Pencil etc.

But, here Arla groups present Dano full cream milk powder where consumer will get 40Tk off with 400gm Dano Polly pack and 70Tk off with 500gm and 1kg Dano Poly pack.

Consumer Point of View to accept Dano:

1. In the occupation category of consumers the percentages of occupation are: Service 60 %, Housewife 20 %, Business 16 % and Student 4 %. It is also found that the number of respondents according to age and income group in the class interval are: Age – below 14-0 %, 15-24 = 6 %, 25-34 = 34 %, 35-44 = 38 %, 45-54 = 22 %, and above 54-0 % ;and Income group – 2000-5999 = 0 %, 6000-9999 = 10 %, 10000-15999 = 26 %, 16000-20999 = 28 %, 21000-25999 – 26 %,and above 26000 = 10 %.
2. Buying habits of consumer for milk powder that 90 %consumers are buying regularly and 10% are buying occasionally
3. Brand preferences of milk powder according to consumer's choice accordingly followed by highest preference to lowest preference are Dano>Nido>Diploma>Kwality>Fresh>Starship.
4. Majority of the 80 % consumer express their positive altitude about intention to purchase high priced brand of milk powder where comparatively low prices products are available in the market. And 6 % respondents don't purchase high priced brand. Rest of the 14 % respondents' opinion about product quality should be maintained and price will be the less than that of high price brand.
5. Most of the 62 % consumers are mentioned their favorite type of milk powder pack like soft pack (pouch) and rest of the 38 % respondents are mentioned Tin.
6. The preference of pack size for milk powder accordingly followed by highest preference to lowest preference are: 1,00 kg (72 %), 400gm (52 %), 500gm (40 %), 2.00kg (38 %), 1.8 kg (16 %), 125gm (14 %), 900gm (10 %), and 28gm (0 %).
7. Among the respondents 84 % of the consumer prefers to purchase milk powder at the nearest convenience shop and only 16 % said that they are purchasing their milk powder from the shop where the other items are normally purchases. In this analysis it is understood that the majority of the consumer like to purchase milk powder to prefer their convenience shop.
8. It is found that all the consumers are brand awareness while they purchase milk powder for their daily purposes.
9. The immediate previous brand for milk powder are: Dano- 50 %; Nido- 30 %; Diploma- 10 %; Fresh- 6 %; and Kwality- 4 %. Majority consumer mentioned

their immediate previous brand for milk powder is Dano and the second highest immediate previous brand for milk powder is Nido.

10. Different consumers have different in nature of buying milk powder. In this connection the majority of the 88 % consumers are buying their milk powder when earlier stock is almost finished and 8 % of the consumers are like to buy milk powder when home stock is finished, it means that consumers are not interested to pile up the stock of milk powder.

11. The majority of the 48 % consumer said that they are buying milk powder most of the time at same shop and 32 % mentioned that they are buying milk powder of different time in different shop. On the other hand only 20 % said that they are buying milk powder always from the same shop.

12. Majority of the 80 % consumers express their opinion when preferred brand is not available then they finds other shop and 14 % of the respondents informed that they would wait to buy until their preferred brand is available. It is also observed that 4 % of the consumers are buying by asking the salesman what they are available i.e. they do not bother about the brand.

13. The consumers mention that the type of media which is influence to purchase DANO milk powder the percentages are: TV- 98 %; Newspaper- 60 %; Poster- 12 %; Others-10 %; Radio- 6 %; Weekly magazine- 4 %; Billboards- 0 %; and Neon sign-0 %.

14. The Consumers are requested to answer for the multiple choices listed with different type of information to find in advertisement to tick more than one. It is observed about the type of information that they found in advertisement are: Quality- 100 %; Price- 88 %; Packaging- 46 %; Quantity- 10 %; and Appeal 4 %.

15. The consumer's opinions about DANO milk powder in relation to various features are mentioned about Quality- 96 % is 'good' and the rest 4 % express their opinion is 'moderate'. About Taste, 78 % said 'good' and 22 % mentioned 'moderate'. About Availability, 96 % of the consumer's opinion is 'good' and 4 % are mentioned 'moderate'. Also the feature of Price, 48 % respondents opinion is 'good' and the rest 52 % of respondent's opinion is 'moderate'. From the data analysis, it is found that features of Quality, Taste, and Availability are 'good' and only the feature of Price is 'moderate' received by the respondent's opinion about DANO milk powder. It is also observed that opinion of the consumers about DANO milk powder in relation to various features, the consumers are satisfied with DANO milk powder because they have no opinion about bad of all the features.

The present study revealed from the retailers that the rank of different brands for milk powder in relation to various aspects accordingly followed by highest rank to lowest rank is:

Availability	:Nido>Dano>Diploma>Marks>Fresh>Red Cow
Price	:Fresh>Marks> Diploma > Red Cow >Dano>Nido
Quality	:Nido>Dan o>Diploma>Red Cow>Fresh>Marks
Packaging Hygienic	:Nido>Dano>Diploma>Fresh>Kwality> Marks
Sales Promotion	:Nido>Dano>Diploma>Kwality>Fresh> Marks
Advertisement	:Nido>Fresh> Marks >Kwality>Diploma>Dano
Distribution System	:Nido>Fresh>Red Cow>Diploma>Dano> Marks
Steady Delivery	:Nido>Dano>Diploma>Fresh>Kwality> Marks
Salesman Pushes	:Marks>Fresh>Kwality>Diploma>Dano>Nido

Above all features consideration Nido brand is the highest preference and Dano is the second highest rank position. But price is the key factor for the consumer which might be helpful to increase sale for revenue. In this regard, retailer's opinion Diploma is the best price for the consumer of milk powder.



Chapter-5

Why Customer More Choose Dano than another Powder Milk Brands

Wide Recognition:

Arla Foods Ingredients is an independent, company within Aria Foods, Europe's largest dairy group. It gives the strength and solidity of a large organization and, at the same time, the flexibility of a much smaller business, enabling us to react promptly and efficiently to customer needs.

Company production capacity is extensive, as is the pool of professional experience and expertise on which it depends. At present, company have seven plants in Denmark, four in Sweden and a new functional milk proteins plant in Argentina, which began serving the South American food industry in June 2002.

International Brand Image:

In many parts of the world, DANO milk powder brand is household name. The market leader in Yemen and well established in Bangladesh, DANO is widespread in many Middle Eastern countries.

Talented Workforce:

Arla Foods Ingredients employs more than 19,000 people worldwide, selling more than 301,000 tone of powder milk products a year to some 30 countries. Mutual milk Products Ltd. distributor of Arla Foods Ingredients established a packing plant in Bangladesh on December 2004. The packing plant employs 40 talented workforces with another 10 to come. Talented workforces are engaged in marketing activities to promote their brand and increase sell to the consumer.

Superior Technology:

Ongoing research continues to reveal new ingredients and new opportunities to use them. Within company research and development department, company project managers, technicians and laboratory assistants are dedicated to anticipating the future needs of the market and optimizing the products and production processes of Market and optimizing the products and production processes of customers. Company modern laboratory facilities in R&D are complemented by the advanced facilities with their application centers. Here, formulations and processes are thoroughly tested at every stage of production ironing out any potential problem before commercial production begins. Just we guarantee our customers need when launching a product on the highly competitive powder milk market.

Better Product Quality Relative to the Rivals:

As mentioned earlier Arla foods' maintains its consistent high quality and excellent flavor of Dano milk powder in production process through superior technology, thus Dano milk powder is always in an advantages position compare lo its competitors Presently new packing plant establish in Bangladesh lo meet up demand of consumers of their competitors do not have the packing plant.

Distribution System:

Distribution system of Dano milk powder to the retailer's outlet throughout the country is maintained proper channel and frequently company personnel visit to retailer's outlets one day per week. A market study report found that retailer's positive attitude about satisfaction with current procedure of distribution system of the company.

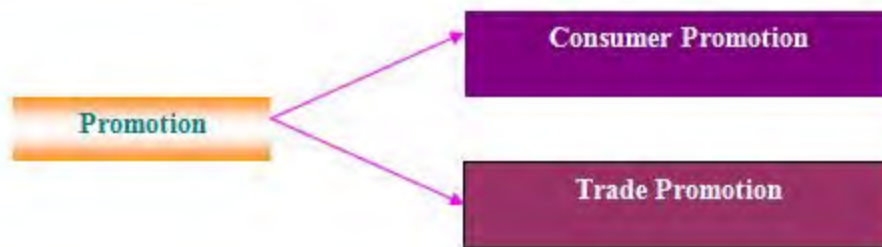
Team Work:

Marketing is a networking system of which team work is essential part to achieve the organizational goals. Team works of the company is another strategy to operate smooth business by the organizational plan and it is continuous monitored by the higher authority of the company.

Growing Marketing Demand:

Now a day's milk is essential part for every man but we could not get sufficient supply of liquid milk. In this regard consumers are becoming habited with powder milk instead of liquid milk. The use of powder milk is becoming diversified such as Hotel, Restaurant, Coffee House, Fermented products. Bakery products. Mother and Child, Active living, Healthy recovery, conscious consumer etc. So, milk powder market of Bangladesh is expanding with time and buying behavior of consumers is changing due to changing of life style & attitude.

Promotional Activities for Consumer and Customer:



i) Consumer promotion:

Consumer promotion plays a vital role on product selling because consumers are main users. To keep their attention and to grow intention to purchase this product through lucrative prizes through scratch card while a consumer may get a Refrigerator, TV, Radio, etc. and another promotional strategy is used for produce are used within the product package.

ii) Trade promotion:

Trade promotion is undertaken to stimulate the middlemen's (market Sales go up in Bangladesh as retailers aim for big DANO prizes. Shop owners cleared their shelves, stacked them high with DANO milk powder and decorated their entire premises with DANO posters and festive lights for a DANO display competition. Participation alone was rewarded with a DANO t-shirt and dock, but bigger prizes were also at stake, including a trip to abroad (India) an incentive that inspired a strong competitive spirit among local retailers.

Part of a high profile campaign in Bangladesh, the competition was backed by a series of television commercials which have brought DANO to the attention of consumers across the nation, It involved a lot of hard legwork by company sales team in the country but, in the end, the local people had never seen anything like it. Prizes were awarded at a special reception to the retailers with the most eye-catching displays and best DANO sales figures. Newspaper coverage of the event was another feather for the prize-winners.

Whether you're the kind that sticks to the traditional or the kind that prefers the newest variation, the DANO milk powder range has something for you. Such was the message to consumers in Bangladesh during Aria Foods Ingredients' latest DANO promotion.

The display contest run in Bangladesh at the same time as the Television campaign increased the focus on DANO, both among consumers and retailers. Shop owners, who received free DANO gifts just for participating, stood to win a series of attractive prizes if their DANO display was judged to be among the most creative, varied and prominent and resulted in high sales.

Best Quality Maintaining:

Arla foods ensures the best quality to capture the premium customers for best quality provider to create brand loyalty. Another powder milk brands like Diploma, Fresh and Marks follow to capture all classes of people by average quality maintaining.

Brand Name	Quality %
Dano	98%
Diploma	95%
Nido	97%
Marks	92%
Fresh	94%
Pran	96%

Best Cost Provider for Price:

Dano treats its customer as a premier customer by giving value of money. Moderate people willingly accept the price to use our product. It has attempt to go for niche market by specific product like Dano Daily (1 glass milk by 10tk) at the range of poor people.



5

Chapter-

Findings and Recommendation by
Comparative Market Study

The findings of the research work have been summarized as follows:

- The result of research work found that all the retailers express their positive attitude about selling of milk powder of different brand by the retailer; daily requirement of Dano milk powder fulfilled through Direct Sales Distribution (DSD); satisfied with current procedure of distribution system of the company; receiving Dano milk powder in time; receiving increased supply from distributor of Dano milk powder during the period of high sales. On the other hand most of the retailers express their negative attitude about Quality complain, and increases sales by increasing number of distributors. All the retailers said that they are getting Dano brand of milk powder directly from the company; weekly frequently supplied with milk powder of Dano brand; frequently the company personnel visit to retailers outlets on one day per week; place complains of Dano milk powder to Sales Representative (SR); duration of problems resolved within one week; reasons for satisfaction of existing distribution channel is the Quality product. From the analysts it is revealed that besides Dano brand, majority of the retailers are stock for sale Nido, Diploma, Red cow, Kwality, Fresh and Anchor brand of milk powder for their business. Majority of the retailers opinion are: Dano is the highest selling brand of milk powder; Diploma is the most profitable brand of milk powder; the price of Dano milk powder is higher compare to the competitors price; promotional activity of Dano milk powder is not sufficient.
- The present study showed that the retailers rank of different brands for milk powder in relation to various aspects these are- Availability, Price, Quality, Hygienic, Packaging, Sales Promotion, Advertisement, Distribution System, Steady Delivery and Salesman Pushes. From all features consideration, Nido brand is the highest preference among the retailers and Dano is the second highest rank position among the respondents opinion. But price is the key factor for consumers which might be helpful to increase sale for revenue. In this regard retailers opinion that Diploma is the best price for the consumer.
- The study was carried out that the majority consumer's are: occupation category- Service; age- 35-44 years; income group-Tk. 16000-20999. Majority of the consumers express their positive attitude about brand awareness of milk powder while they purchase milk powder for their daily purposes, and mentioned about sufficient supply of Dano milk powder on demand while they are purchasing milk powder at different shop. On the other hand most of the consumers also express their positive attitude about intention to purchase high priced brand of milk powder where comparatively low prices products are available. Majority of the consumers said that they are buying milk powder on regularly basis; their favorite type of milk powder pack is the soft pack (pouch); highest preference of pack size for milk powder is the 1.00 kg peek; purchasing place of milk powder at the nearest convenience shop; the highest immediate previous brand for milk powder is

Danobrand; consumers are buying their milk powder when earlier stock *is* almost finished; consumers are buying milk powder most of the time at same shop; consumer fed another shop when they *fail* to find their preferred brand at their convenient shop; the media influences to purchase Dano milk powder are the TV (98 %) & Newspaper (60 %); type of information Eon to find in the advertisement are Quality and Price.

- The present study revealed that brand preferences of milk powder according to consumer's choice accordingly followed by highest preference to lowest preference for Dano than Nido, Diploma, Kwality, Fresh, Starship.
- It is found that most of the consumer's opinion about Dano milk powder in relation to the features of 'Quality', 'Taste' and "Availability" are good, and feature of "Price" is moderate.
- The study carried out only for academic purposes which might be helpful for the organization's decision making. Yet, further investigation needs to understand the full range of benefits of comparative marketing strategy and prospect of Dano milk powder in Bangladesh

Recommendation

The study made a number of investigations and thereby made analysis from the data received. As a result, some of the recommendations are found to be useful for the purpose of comparative marketing strategy and prospect of DANO milk powder in Bangladesh. These are formulated in the academic pattern, but will have at least some impact on the part of designing activities of DANO milk powder marketing operation in Bangladesh. Arla will be able to make competitive advantages by comparative market strategy. Those recommendations are outlined below:

1. Media selection plays a major role to be brand awareness for the consumers of a certain product. Integrated advertisement is a modern tool for aggressive selling of the desired product to develop the advertising plan by setting objective on media planning operations. It increases the frequency and duration of the advertisement in different media opportunities.
2. Promotional activities of Dano milk powder are to be maintained on a regular basis. The main media like Radio, Television, Poster, and Newspaper should be included with the right time, duration and frequency. And may be used hoarding signboard for advertising hi the main viewpoints. Attractive and fruitful campaigning for Dano milk powder would be introduced under the campaign plan strategy.
3. Dano is the market leading brand of milk powder market in Bangladesh so the authority of Dano milkpowder must find the ways to expand total market demand. The authority must protect its current market share through good defensive and offensive actions. The company should try to increase market share further, even if the market size remains constant.
4. The price of Dano milk powder is higher to the retailers and also consumer's point of view price is moderate to the competitors. So pricing policy may be reviewed with competitors for higher sales of the product.

5. Majority consumers purchase milk powder nearest convenience shop. When preferred brand is not available they find another shop. So, company should ensure the availability of the product to pocket outlets because most of the outlets are under the distributor of the company but they do not cover fully.
6. The authority of Arla Foods should undertake activities such as right incentives, gift for higher sales, sample gifts to the retailers even to the consumers for the increasing sales volume are also would be useful.
7. Most of the time category; C' and 'D' retailers don't purchase sufficient product from the distributor of the company due to their financial bindings. Company should take necessary steps to ensure the sufficient supply of product through credit system or supply of product twice a week for convenient to the retailers to keep the to keep the product by cash in hand or company personnel should continuous monitor lo wholesale & retail outlets minimum twice a week which would might help to know the current situation of market and make facilities to rapid adjustments for unwanted situation by the authority of the company.
8. Product display attract the customer for to grow intention to purchase the product and it would be ensured to display product to wholesale & retail outlets by rented selves on that outlet to provide extra monthly payment by the company to increase sales and might help to grow consumers brand loyalty of the company product.
9. Doctor's prescription plays a vital role to purchase any products through consumers to build up their health recovery for expanding market share and market area.
10. Dano milk powder products are acknowledged to be better quality and this has to be maintained in all the way.

- 11.** Aral Foods must undertake integrated marketing promotion approach to aware the consumers of Dano milk powder about the quality, taste, its benefits and thereby motivate them to purchase.
- 12.** Planned activities of Dano milk powder should be materialized within the speculated time so that the other development activities do not encompass in traffic jam wasting time and money both.
- 13.** The organization should exert relentless effort to increase Dano milk powder production through motivation and persuasion.
- 14.** Finally, integrated and coordinated efforts with the scope of monitoring and feedback analysis should be practiced in the process of materializing the activities relating to the comparative marketing strategy of Dano milk powder by which Arla will be differentiated and unique for its products and services in Bangladesh.

Conclusion

Arla Foods Bangladesh Ltd. is a strongly positioned organization. The Company is continuously growing through the policy of constant innovation, concentrating on its core competencies and its commitment to high quality food to the people. People feel respect in their mind when they think about Arla brand. Arla deserves as a market leader of powder milk brands by using valuable marketing tools that are creating competitive advantage for competition which ultimately helps us to reach our market as well as organizational objectives.

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