



Inspiring Excellence

**Internship Report**

**On**

**Daraz.com.bd**

The Daraz logo is positioned at the bottom of the page. It features a lowercase letter 'd' on the left, which is filled with a multi-colored geometric pattern of triangles in shades of blue, red, orange, and green. To the right of the 'd' is the word "araz" in a bold, dark blue, sans-serif font.

**Topic:**

**“Takeover of Daraz Bangladesh by Alibaba Group and change in vendor acquisition process at Daraz Bangladesh”**





Inspiring Excellence

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**Submission Date:**

13<sup>th</sup> December 2018

13<sup>th</sup> December 2018

Mr Saif Hossain

Assistant Professor

BRAC Business School, BRAC University

**Subject: Submission of Internship Report**

Dear Sir,

With due respect and admiration, I am delighted to state that, I am submitting my internship report on “Takeover of Daraz.com.bd by Alibaba.com and change in vendor acquisition process at Daraz.com.bd”. I have successfully completed my three months internship in an online retail platform-based company named Daraz Bangladesh, under the supervision of Md Sahid Alam, Acquisition Manager of Commercial Department.

In my whole internship period I was responsible for vendor acquisition under commercial department, which is a process of new seller acquisition and keep update the Daraz vendor. Moreover, I was able to communicate with different corporate person who are responsible for marketing sector of a particular company or store. During formulating this report, I always make sure that this report must be informative and resourceful.

I would take the opportunity to thank you sir for the support and guidelines that you have provided, which I hope to continue getting in the future.

Sincerely yours,

Md Shakir Uddin Dipta

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BRAC Business School

BRAC University

## Acknowledgement

In the first place, I would like to thank Almighty Allah for all strength and with the help of Almighty Allah and my parents' blessings finally I have successfully done my three months long internship at Daraz Bangladesh.

I want to show my thankfulness to all the people who have helped me and co-operated with me while I am making my internship report. Moreover, I express my enormous gratefulness toward my advisor Mr Saif Hossain, Assistant Professor of BRAC Business School, BRAC University, for his continuous observation and suggestions.

I am pleased to all individuals of commercial department of Daraz Bangladesh and also Md Sahid Alam (acquisition manager of Daraz), Md Mafijur Rahman (senior project manager of Daraz) helped me and suggested me the resources which helped me while I am preparing my report.

Furthermore, I would like to thank Md Najmul Islam, Humaira Hasib, Sefat Sorna, acquisition executives for assisting me and giving me the guideline and suggestions for the last three months.

Finally, I would like to thank all interns who helped me from different point of view and also thanks to BRACU OCSAR for providing the updated news and support me to fulfill my internship.

## *Executive Summery*

*Daraz Bangladesh is the pioneer of the E-commerce industry who has brought a new trend of online retail platform in Bangladesh and change the shopping trend of Bangladesh. Daraz Bangladesh create new platform for our all generation alone with who loves to do shopping from online platform. As I completed my internship under Commercial Department as a Vendor Acquisition Executive at Daraz Bangladesh therefore while I was preparing the report, I have tried to bring possible information regarding the Commercial Department and its work. First of all, I have provided the Introduction of my report. Then I provide the overview and history of Daraz Bangladesh. Later on, I have discussed about service offerings and Daraz operational network organogram and its vision for the future. After that, I talked about my objectives and how I achieved my targeted objectives, additionally the limitations what I face during my analysis period. Likewise, I mentioned about my job and responsibilities which I did entire my three months internship period where I talked about how the commercial department works and how the acquisition members acquire the seller. Moreover, I also talked about the newly launched seller center and its new features and what type of changes happen in the seller center. Then I talked about the new Daraz commission policy and the very new administration software titled Alilang. Finally, I end up by mentioning the advantages and disadvantages of the newly launched seller center and conclusion.*

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# The Organization - Daraz Bangladesh

## **Introduction:**

Electronic Commerce known as E-Commerce is an online buying and selling platform of goods and services by the help of internet and also makes their transaction of money with the help of internet. Now a day's internet growth and E-Commerce growth is increasing rapidly. There are different sections of Ecommerce platform like B2B, B2C, and C2C But in Bangladesh perspective B2C Ecommerce process in now a day gets the attention of local customer as well as the ecommerce websites have become popular in largely in urban areas. Now a day's local Bangladeshi customer can order from online websites and Facebook pages. Moreover, they also order their product from leading online shopping sites like Amazon.com, ebay.co.uk and Alibaba.com. If we analysis some real facts that the ecommerce association of Bangladesh estimated that there are around 700 ecommerce sites and around 8000 ecommerce pages on Facebook and all those ecommerce sites meet the ten billion-taka transactions with in a year. (export.gov, 2017). On the other site, peoples willing to buy from online platform but it's not in satisfactory level, despite off all measurement the growth of this sector is only 2% of all population and only 23% people who know about internet and use it regularly buy from online store like Daraz.com, Othoba.com etc. (Mahbub, 2016 )

## **Overview of Daraz Bangladesh:**

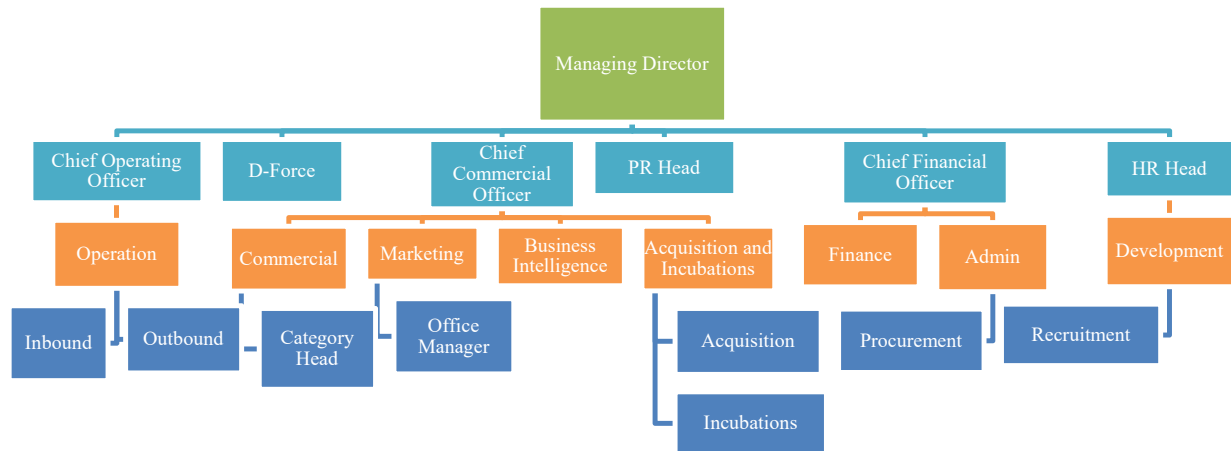
DARAZ Bangladesh is one of the leading online retailer platforms that established in 2012 by the German investment organization, Rocket Internet and it runs its business in 2013 in Bangladesh. Mainly Daraz group operates its web base marketplace in Pakistan, Nepal, Srilanka, Myanmar as well as Bangladesh. Recently Daraz group was acquired by the leading online giant Alibaba Group. Alibaba is founded in 1999 and runs their operation by C2C, B2C and mainly focused on B2B (Alibaba.com). Daraz Bangladesh is a young, dynamic and creative team that brings innovation and different innovative concept for the upcoming and developing digital Bangladesh. Moreover, Daraz Bangladesh brings different campaigns and flash sales which price offering and sales target Bangladeshi people never dreams.

## **Daraz Bangladesh Product and Service offerings:**

Daraz is the online retail platform which constantly modifying their product offering and alone with their product line to meet their valuable customer. Daraz Bangladesh is

marketplace where different individuals and brands will sell their product under different categories like, Phones & Tablets, Home & Living, Baby Kids & Toys, Women's Fashion, Multi Category, Computing & Gaming, Appliances, Beauty & Health, Musical Instruments, Sports & Travels, TVs Audio & Cameras, Men's Fashion, Book and Stationary etc. Moreover, Daraz offer different payment methods those are COD (Cash on Delivery), facility of card payment. Company also start selling digital goods like Coupons, Vouchers, e-books, different software etc. which takes Daraz selling in a different dimension.

### Daraz operational network organogram:



In the month of May 2018 Alibaba group acquire the Daraz group and take the control over the operation officially. Danial Zhang, CEO of Alibaba Group, Said Alibaba was exited for Daraz to become a part of its ecosystem and serve better Together toward the customer (Ovi, 2018).

### Mission of Daraz Bangladesh:

There are few mission statements of Daraz Bangladesh. I have been interviewed to Mr. Md Mafijur Rahman Khan, senior project manager of Daraz Bangladesh regarding the mission and vision of this online marketplace.

According to Mr. Md Mafijur Rahman Khan,

- To take the shopping experience to a different dimension and provide an enjoyable as well as trustable shopping experience for the customer.
- For Daraz vendor control, serve different value-added services to support the seller and ensure the 100% satisfaction of seller.
- Daraz Bangladesh is committed to ensure the long-term growth, Capture the whole Bangladesh market and also create job opportunities for the e-commerce development.

### **Vision of Daraz Bangladesh:**

“To be the most solid commercial center and offering the best administrations to our clients, customer and also the vendor or importer” (Group, 2015)

### **The Job:**

#### **Description of the job and responsibility:**

Every tree has a root which will support that tree as long as that alive. Like, commercial department of Daraz Bangladesh. The main work of commercial department is to acquire the new seller as well as the importer alone with dealers. Daraz’s Commercial department gives training to seller and gives them the briefing about Daraz selling process and its seller center. Moreover, commercial department divided into two different groups like, Acquisition and Key account manager. Acquisition group acquire different seller under different category and control their seller center. Likewise, key account manager handles those sellers for further nursing.

Among two of those group I am in the Acquisition department and my responsibility is to handle the seller, approach different seller or shop manager or marker manager and offer them to do business in our international marketplace. Furthermore, I have assigned to train up the seller and manage their seller center.

## **Different aspect of the job and observation:**

Commercial department mainly manage all Daraz seller and its vendors to meet their ultimate sales target and meet their annual targets. There are two different groups ACQ and Key account manager combined manage the entire responsible job and manage different issues. Those are written bellow,

- Seller account open
- Seller account verify process
- Seller account control and overlook
- Campaign Management
- Product stock management
- Solve the problem of seller
- Update the price and maintain the orders
- Maintain the QC process of ordered products
- Observation of different packaging stations
- Maintain the seller review and comments

## **The Main Topic – “Change in vendor acquisition process at Daraz Bangladesh”**

### **Description of the project:**

This project is all about the process of Daraz Bangladesh acquisition process and its change in different process of seller center, seller taking and vendor management. Through this project I tried my level best to provide the correct information about the Daraz Bangladesh.

- **Literature Review:**

Daraz, the South-Asian online retailer was founded in 2012 and its operations launched in Pakistan. After changing its strategy, it progressed towards becoming a general online

marketplace in 2014, and is now South Asia's most rapid emerging online shopping platform. The China-based global e-commerce giant, Alibaba, acquired Daraz in a surprise move. The operations will continue under the brand name of Daraz, and the acquisitions include Daraz operations in Bangladesh, Pakistan, Nepal, Sri Lanka, and Myanmar. The algorithms corroborate that the customers easily find exactly what they are scavenging at the best prices available. The privacy of the buyers is respected, with their personal information being secured and protected, and the experienced prioritized, with their safe and secure online shopping. There was a slight change in the commission policy after Alibaba took over. Due to the developed Artificial Intelligence integrated in their system, the commission rates per products are now automatically put, which was, before, done manually. This proves that the system is improving and is making things easier for the acquisition members and merchants. After the acquisition, there were many changes with the process of delivering the packages of goods. The seller now needs to buy verified packaging materials from Daraz, wrap the goods with it and drop it to the nearest packaging stations. This is done to ensure that the goods delivered are perfectly conveyed to the customers, without damaging the merchandise. The sellers are given a better access to their seller center account, from which they can easily give promotional offers to the customers, leading to a boost in sales. All these small changes in policies are exceling to a better experience for everyone.

- **Objective of the project:**

It is always true that to write a good report about any organization set objectives is mandatory. If the objectives are clear and accurate everyone can easily write a great report by providing great information. I have to fulfill some of the objectives to prepare the report under my topic.

- My first objective is to find out the internal process of vendor acquisition from commercial team before and after takeover of Daraz By Alibaba Group. I have to know about how commercial team acquires the seller, how the control the vendor and how they are become verified that the seller is authentic for the daraz marketplace and provide proper, pure product toward the customer.
- Moreover, I have to know and study about the old and new seller center and its changing features. I have to know about the how new seller open a seller center account and how they are control their seller center and how they manage different promotions.
- Furthermore, I have to know about the new commission policy which new in Daraz basket an also know about the different function of new operation software titled Alilang.

- Finally, find out the advantage and disadvantage about the new seller center, compare to old seller center.

- **Methodology of the report:**

Methodology is the process or method of report writing process how the research was conducted. It also mentions that what type of research methods we are used and the cause of choosing that and also mentions the research method used like surveys and interviews.

- First of all, to find out the internal process of vendor acquisition from commercial team before and after takeover of Daraz By Alibaba Group, I do interview the acquisition manager of commercial department “Md, Sahid Alam” to get all the requirement information of my report.
- Likewise, I make a one to one discussion with our business intelligence executive “Md Anarul Hoque” and take training from him about the new seller center to learn how it works and the responsibility of seller and vendor operator to control the new seller center.
- Then I have taken the training about the SSU trainer about the Alilang software which is controlled by our parent company Alibaba.com.
- Lastly, I learned about the new and old seller center and compare it, along with find out the additional advantage and disadvantage of the new seller center.

- **Limitations of the report:**

I have attempted my level best to make this report with best assurance and duty yet there are still some limitations of this report. Like,

- The entire report was prepared based on individual experience and by interviewing few workforces of Daraz Bangladesh. Therefore, there will be different viewpoint of particular individuals.
- The report is only based on Daraz Bangladesh and its Hub’s. This findings and results would not be considered for the whole Daraz group or its mother company.

## **Findings and Analysis:**

Daraz have different department and different department have different assign jobs and operations. I do my internship under commercial department, to get my information and achieve my objective requirement I interviewed different persons, my finding based on that and alone with my work experience.

## **Internal process of vendor acquisition:**

Vendor acquisition is the main require for run the Daraz marketplace and this is the first procedure to started business with daraz. Basically, we are talked with the dealers and importer and give them a brief about Daraz and how they are become benefited to work with Daraz. There is some difference happen to acquisition process when Alibaba group takeover the Daraz.

In the old process we convince the dealers and importer to do business with daraz, if they agree to do business with us then we will open the seller center and take their banks information, note down their commission percentage and run the business portal in our Daraz marketplace. Lastly, we maintain the proper relationship with the seller and provide every update and collect feedback from them.

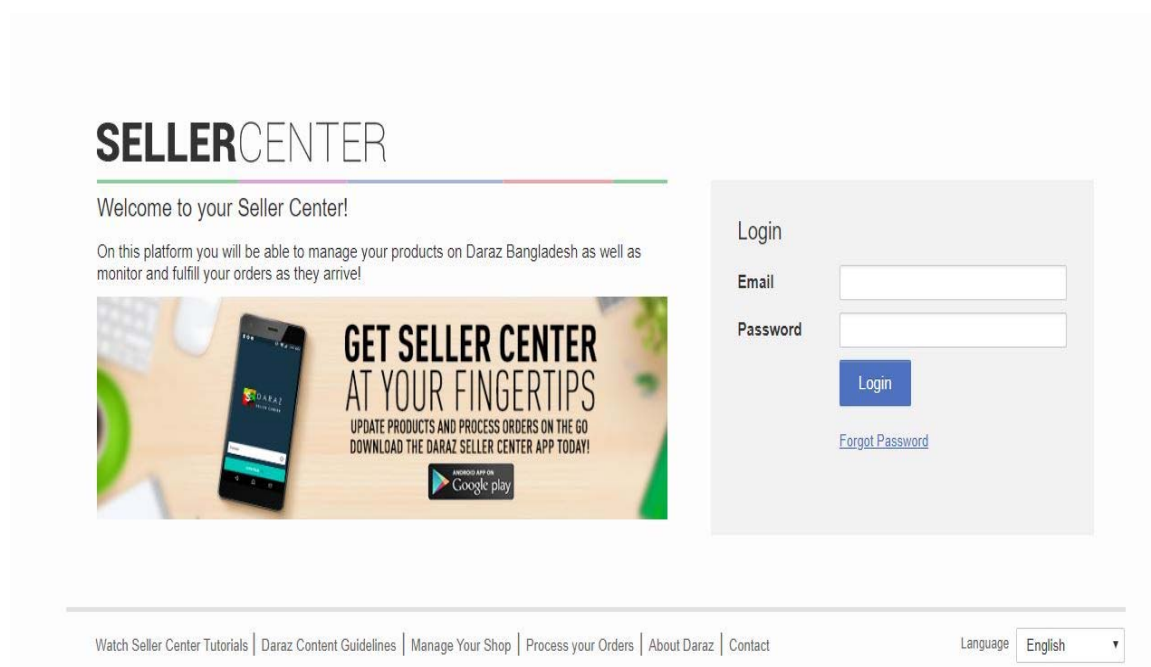
On the other hand, in the new process when the Alibaba take over the Daraz this process become more formal and organized, more secure. In this process firstly, we send a formal proposal letter and set a business meeting with the particular company or brand. If they are agreed to be with us, we make a legal agreement between the seller and Daraz Bangladesh. After making that we open seller center and take the trade license and bank information and put it on our seller center. Moreover, after that for the seller verify purpose seller have given an exam and then SSU team check all the information and if they feel all ok then approved that seller as our official marketplace seller.

## Daraz Bangladesh Seller Center:

Daraz seller center is the main operation portal used by Daraz seller as well as the Daraz employees. If any seller wants to sell any kind of product through Daraz marketplace they need seller center access. In the seller center seller can get to know about the order, know about the live products, their balance, promotions status and many more.

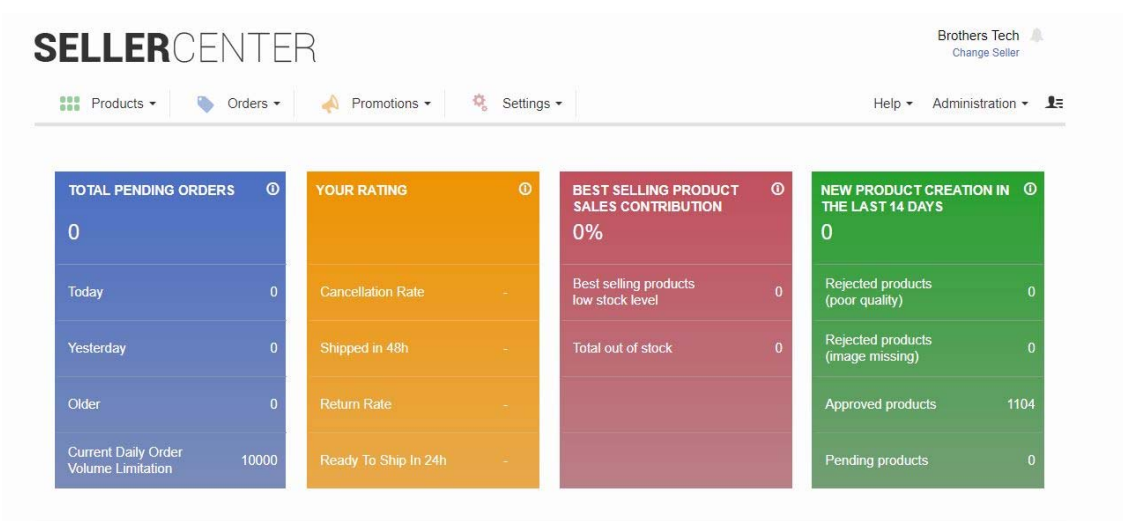
In 2012 daraz started their operation and launch their seller center in 2014 and till 2018 (April) they are using the seller center but when the Alibaba takeover the Daraz the seller center is changed and they launched the “5<sup>th</sup> Generation Seller center portal” till now no one used that much advanced seller center.

- **Review of old seller center:**

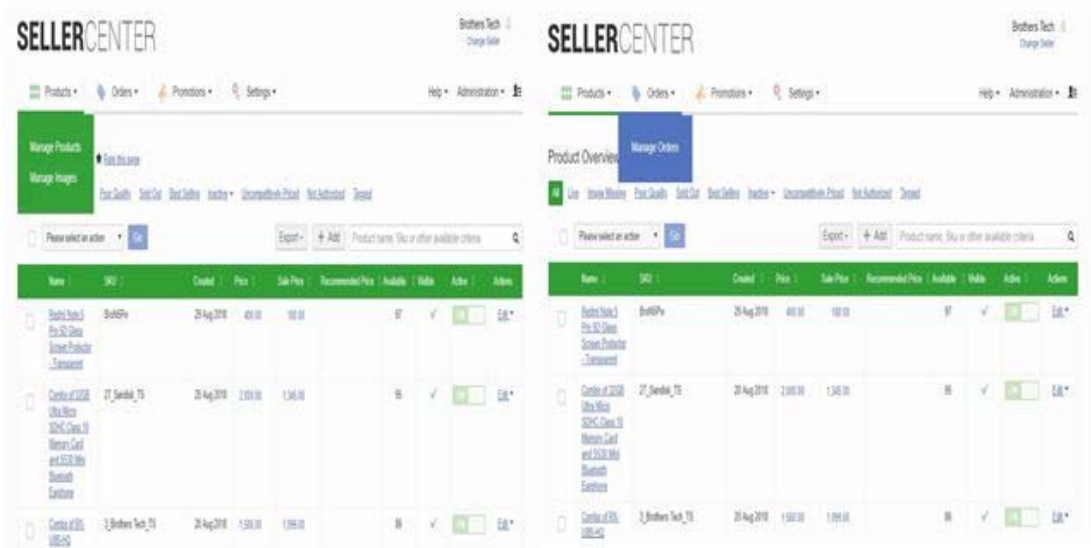


This is the main page of the old Daraz seller center, where we have to put the user id and password for the access. Every seller and employee should be authorized to get in the seller center to control all the things of seller.





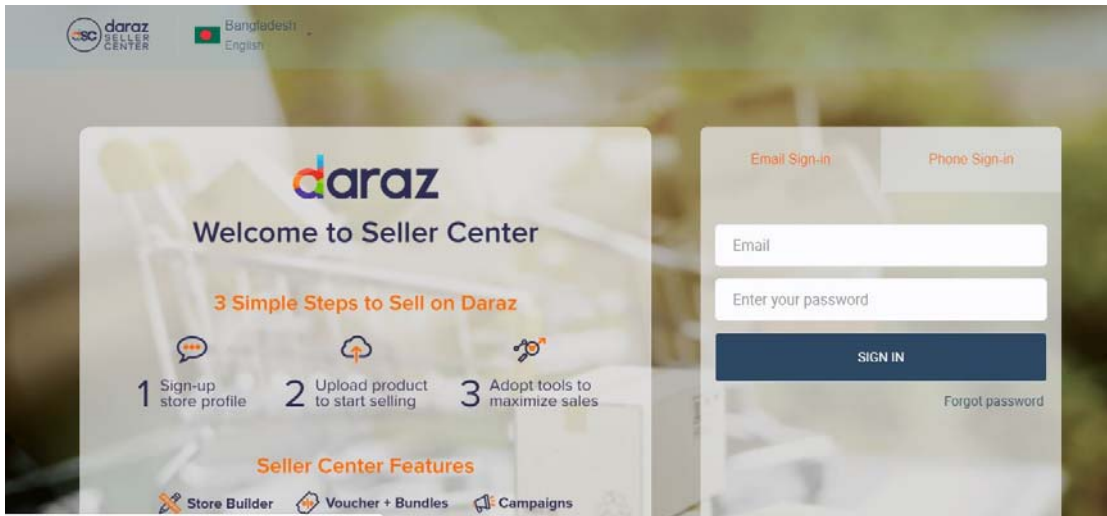
This is the internal dashboard of the individual seller center from where we can know about different seller position, reviews as well as the status of that seller.



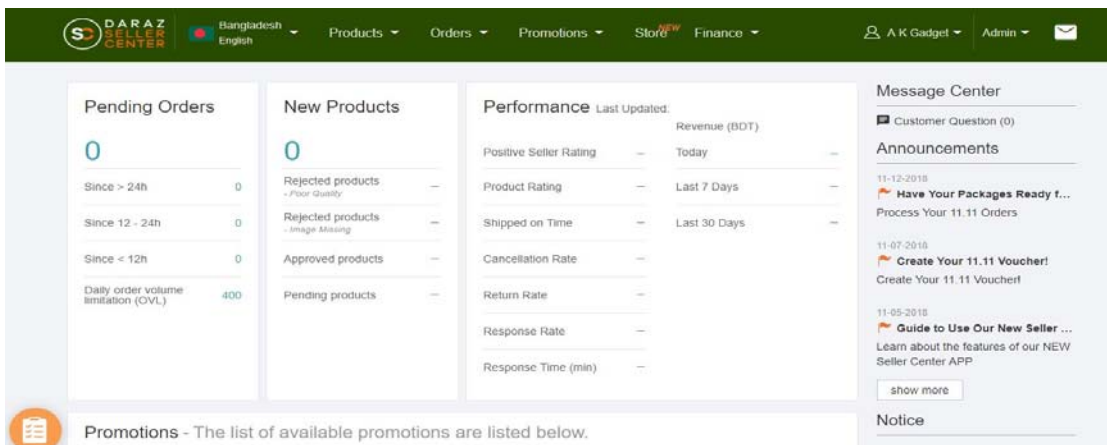
This is the internal view of seller center where seller can see their product details and also the order review that helps the seller to manage their account to see the updates and other works. They also use this portal to upload their product but Daraz employee do the work as a representative of seller.

- **Review of new seller center:**

This seller center is the 5<sup>th</sup> generation software system that no other online marketplace till now used. This portal automatically understands different error issue and it's more organized rather than the old one.



This is the new seller center front view of Daraz Bangladesh. It's a unified seller center that Daraz group used all over the Asia.



This the internal dashboard of the individual seller center from where they can know about different seller position, reviews as well as the status of that seller. In addition to their cancelation rate order pending time etc.

Name	SKU	Created	Retail Price	Sale Price	Lowest Price	Available	Visible	Active	Actions
Rubber Back Cover For Oppo F3 Plus - Black	NSS_BC_33_JFD	2018-07-23	483	-	-	0	×	<input type="checkbox"/>	Actions
Galaxy J2 Back Cover - Blue	3062017_Galaxy J2_AH_44	2018-07-23	230	-	-	0	×	<input type="checkbox"/>	Actions
Back Cover For 4X - Pink	4X_AH_6	2018-07-23	340	-	-	0	×	<input checked="" type="checkbox"/>	Actions
G7 Plus Flip Cover - Crimson	3062017_G7 Plus_AH_87	2018-07-23	360	-	-	0	×	<input type="checkbox"/>	Actions

This is the internal panel of the seller center where seller can see the order details, products details, what type of promotion they offer etc. In this portal seller can upload their products, make their own promotions, and easily they can join in any kind of promotion.

## Main changes of seller center:

There are some changes happen in the seller center like:

- Seller switch option
- New promotion tab
- New campaign option
- New Store Builder option
- New seller center admin panel

## Daraz commission structure:

Daraz Bangladesh provide customer a great platform and marketplace to boost their business and earn form them. Alone with Daraz provide their seller free packaging materials and promotion for the seller product selling betterment, for all of those Daraz charge a commission which is vary from product to product. In the time of Rucker Internet which is the old parents of Daraz group, have a commission structure which we can set manually and rate is not fixed. On the other hand, when Alibaba group takeover the Daraz Bangladesh they introduce the new automated commission structure, which is fixed in the seller center application.

## About Alilang Software:



This is the front view of Alilang software. This is a software which is used by the whole Alibaba network and the core new introduced platform which used by Daraz Bangladesh. Moreover, through this we have connected to Alibaba's intranet and get the admiration accesses of Daraz Bangladesh.

## Advantage and disadvantage of new seller center:

Every book has the cover page and back page, like that Daraz new seller center also have some advantages and disadvantages when Alibaba takeover Daraz Bangladesh. Some of the advantages and disadvantages are written bellow,

### Advantages:

- New promotion tab comes in from their seller can manage and make their own offers, bundles and vouchers.
- New campaign dashboard comes in the action that automatically shows and pops the upcoming promotions and campaigns.
- Get the new store builder option by which seller or vendors can make their own made design web page which displayed in Daraz website.
- Get the new seller center admin panel which is controlled by Alibaba Group

### Disadvantages:

- Block the seller switch option in the new seller center admin panel. In previous seller center all admin can able to switch the seller but after new one comes it needs permission to access.
- Alibaba change the product upload process. In the old system we can upload the picture through CVS, it's a bulk uploading process, but now we have to upload it one by one by providing full information.

## **Results and discussion:**

As one of the top multinational marketplace, Daraz Bangladesh is placed in the top chat of interest over its competitive market and its rivals companies. Also Daraz Bangladesh facing some difficulties in their workplace because of the new setup of software system, the network flow and the vendor acquisition process change after takeover by Alibaba Group. Moreover, Daraz Bangladesh main focuses to take the control all over the Bangladesh marketplace and 80% of customer who are willing to buy from online platform said by Md, Sahid Alam, Acquisition Manager, Daraz Bangladesh. Likewise, Daraz also provide different types of training and presentation to create their vendor more creative and ensure their productivity. Alone with the Key account managers ensure that all the seller of Daraz do the effective use of their seller platform to boost up their sales. Daraz also have different strategic partner and brand partner who offers customer different attractive promotions.

## **Conclusion:**

Daraz Bangladesh is one of the top business platform and marketplace which brings a great opportunity for all customers those who wants to love shopping through online and like digital platform. Daraz Bangladesh also brings new facility for young generation by providing them job opportunities. Moreover, Daraz Bangladesh recently launched the biggest sale day 11.11 and achieved huge success from the Bangladeshi marketplace and brings new offers and products for the people. In the end of your 2018 Daraz Bangladesh cover the inside Dhaka and other arrears through parcel partner but Daraz set a target to cover each and every urban area with their own personal D-Force. Alone with Daraz Bangladesh a lot of other e-commerce business is growing now a days. Therefore, I want to see a standard e-commerce sector growth with better and organized structure.

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