

Report On
**An Analysis of B2B Supply Chain- Challenges and
Opportunities with gemsclip.com**

By

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An internship report submitted to BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

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BRAC University
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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

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Letter of Transmittal

Md. Hasan Maksud Chowdhury
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Subject: An analysis of B2B supply chain- Challenges and Opportunities with gemsclip.com

Dear Sir,

I am here to inform you that I have successfully completed my internship program at gemsclip.com. The internship tenure comprised of three months from 09 June, 2019 to 09 September, 2019. I am quite delighted to submit my internship report that is titled as ‘An analysis of B2B supply chain- Challenges and Opportunities with gemsclip.com’. I always tried to maintain all the guidelines provided by you to work on and write the report as well.

Moreover, it was an honor to have you as my supervisor. Your generous guidance helped me decide a lot of things and complete this report. I tried to include every possible learnings and experiences in this paper which I had received from the organization I worked for.

Sincerely yours,

S. M. Farhan Atique
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BRAC Business School
BRAC University
Date: 25.08.2019

Non-Disclosure Agreement

This agreement is made and entered into by and between gemsclip.com and the undersigned student at BRAC University S. M. Farhan Atique.

Acknowledgement

Any comprehensive work such as the report with a research on the supply chain is certainly the results of contributions from a whole lot of people. I am very grateful to some people, who helped me selflessly to complete the report successfully. Certainly I want to light upon the important influence of my respective advisor Md. Hasan Maksud Chowdhury, Assistant Professor of BRAC Business School who had been supporting me and advising me since long when I started the internship. The incredible support and guidance that he provided surely made it possible to complete this report. Secondly, I would also like to thank my internship supervisor Sheikh Md Ishtiaque Hussain for his incredible support and help to every aspect of the journey. I would also like to thank Shakhawat Hossain, Md. Robiul Islam and A.S.N. Jufar Hasan for guiding me during my tenure of work. It was tough and challenging for me to work in a supply chain team which in time got very easy for me just because of the great support from everyone.

Executive Summary

Being a B2B concern of the mother company eGeneration Ltd. Gemsclip.com provides all the office accessories together after categorizing them as stationary, pantry, cleaning and IT items. B2B e-commerce that is basically web-based certainly increases coordination among organizations and saves lots of costs helping competitive sourcing opportunities specifically for the buyer organization as well. There has been a small study as to what are the factors those are hampering the process leading to find out that the route condition, weather, manpower and technical support are the main factors hindering the process. Creating a framework for research this has been found out after performing a research in SPSS and showing that those factors are the ones to cause this. Moreover, the competition is also rising as many B2B business companies are taking their place in the market not to mention Amazon's soon to be presence in our country as well. This report shows the reasons behind the problem and possible solutions to this as well.

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List of Acronyms

PO Purchase Order

SBU Strategic Business Unit

Glossary

B2B

B2B is short for “business to business.” It talks about the business where sales you make to other businesses instead of individual consumers.

Backend

The behind the scene tasks that the customers do not come in contact with. They help in running a business function and a very substantial part of the system.

Chapter 1

Organizational Overview, Department and Operations

1.1 Background of gemsclip.com

Gemsclip.com is a sister concern of egeneration ltd. They provide stationary, cleaning and pantry items to around 63 clients including Marico, BRAC, bKash etc. Firstly, eGeneration Ltd. is an IT consulting and software solutions company of Bangladesh that has been growing so well and now one of the leading ones as well. It is the first software technology company in Bangladesh going for IPO. eGeneration has been working hard to provide innovative solutions to clients as they have the highest number of clients in the Banking and Financial sector, eGovernance and Manufacturing. To be the only LSP (Licensing Solution Partner) of Microsoft right now is another uniqueness of them. Now, eGeneration has two sister concerns, namely-

a) Bagdoom

b) Gemsclip

Now, Gemsclip is B2B e-commerce business platform and Bagdoom is the B2C platform of e-commerce business. As a matter of fact, here we are discussing B2B e-commerce and the rise of B2B e-commerce solutions has reshaped the bond between businesses and suppliers. Being a product of the digital revolution, these businesses sell products directly to the companies by dint of digital platforms and also updating the clients about the products and services. Web development, supply and procurement exchanges, and infomediaries are the most common B2B companies. With population of around 20 million Dhaka city is one of the most crowded cities in the world, if not the most crowded. Being in this very busy city the corporate offices need different items for the daily functions which is hard to collect from different stores through this busy traffic. With that keeping in mind Gemsclip operates basically as intermediaries' online business. They are e-commerce service providers but not a manufacturing company

though. Coming up with this B2B business idea which is providing various kinds of product to the clients after accumulating them from their orders and started their business just three and half year ago. It is noteworthy that they are the first service provider of procurement tracking and easy reordering. Their title is “Your Everyday Office Need.” They provide all the necessary products of daily office needs categorized from stationary, pantry, IT, cleaning items. It is an emerging B2B e-commerce platform for complete office supplies at the highest of its convenience. They bring all that you need for your office supplies under one roof. They are providing genuine products to pick from one open place guaranteeing cost efficiency through online where the companies get all the necessary updates about the products and saving a good amount of expenses. They have skilled support team to provide a to z office supply solution to clients within just one click or just one phone call.

1.2 Mission, Vision and values

Mission:

- Delivering world-class e-commerce services in a professional environment by sharing success with global partners.
- Serving the best of product quality, quantity management and time saving.
- Provide delivery in timely.

Vision:

To become the leading e-commerce service provider across Bangladesh.

Values:

- Reducing cost of clients and enhancing performance.
- Treating customers, employees and society with integrity and transparency.

1.3 Organization Structure and Department

Organizational structure is basically the typically hierarchical arrangement of lines of authority, communications, rights and duties of any institution. Organizational structure determines how the roles, power and responsibilities are allotted, controlled, and synchronized. Moreover, it also determines how information flow between the different levels of management. The corporate divisions of Gemsclip in order to function are given here :

- Accounts & Finance Department,
- Human Resource & Admin Department,
- Marketing & Merchandising Department,
- Operation & Inventory Department.

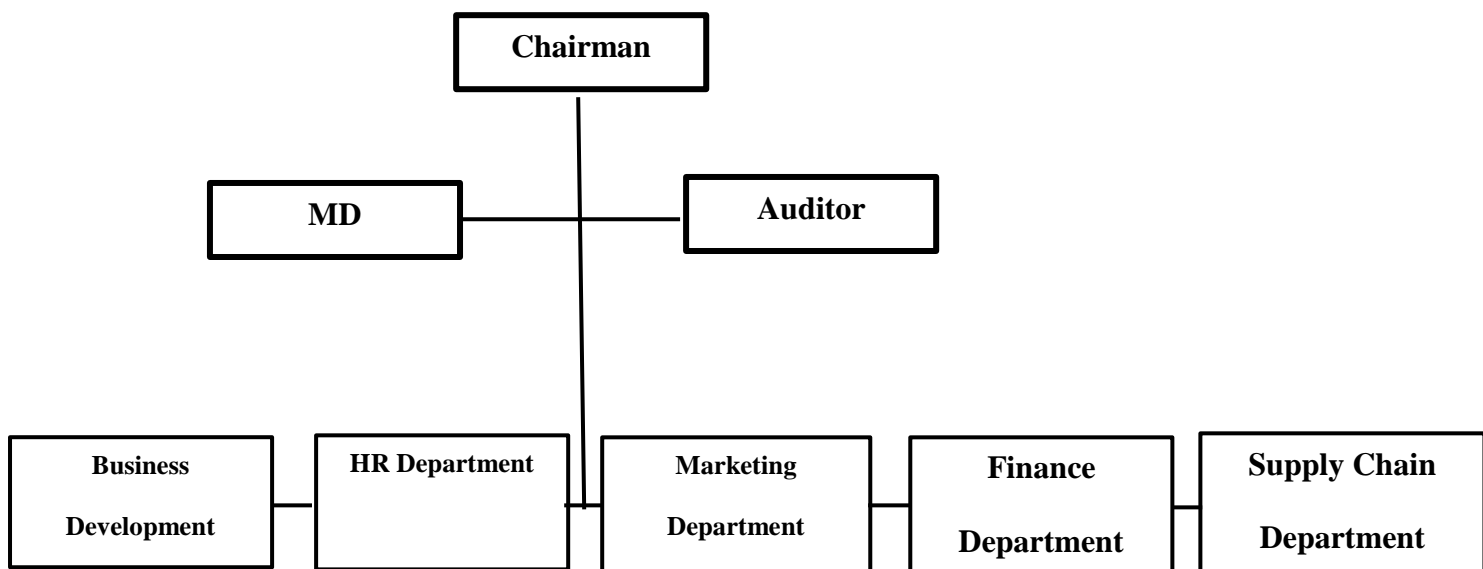


Fig : Organogram of gemsclip.com

1.4 Supply Chain Operations

As already said it is a SBU of eGeneration Ltd., one of the leading management consulting, SI, NLP, data analyzing and researching IT company of Bangladesh. Their main target is to simplify the supply difficulties of a procurement manager and serving the best of product quality, quantity management and time saving as well. They are providing highest transparency with genuine products to pick from one open platform with zero counterfeit chances and guaranteeing cost efficiency through their e commerce portal where companies can order online, gets door-step delivery and can buy in bulk to save time consumption. Everyday with the help of our website the clients can get the items they need as they have a great team behind that to provide this support. Now, categorizing all their office needs products the category comprises of three types : Cleaning, Stationary, Pantry and IT. They have 63 clients and they provide about 150 products all together. They list their products in accordance to their categories :

Stationary :

- i.** Paper- Double A, Papertech, Paper One, Idea.
- ii.** All Kind Office File.
- iii.** Blade like- Anti Cutter Blade.
- iv.** Toner.
- v.** Pencil- HB, 2B.
- vi.** Rubber.
- vii.** Punch Machine- Kangaro.
- viii.** Book- Register Book.

Pantry :

- i.** Biscuit- Kaju, Lexus.
- ii.** Tea- Ispahani, Tetly, Fenly, Sealon.
- iii.** Sugar- Fresh.

- iv. Water- Mum, Acquafina.
- v. Milk- Diploma, Danish, Starship.
- vi. Coffee- Nestle, Nescafe.

Cleaning :

- i. Refill Pack- Lifebouy, Savlon, Trix.
- ii. Soap- Savlon, Lux, Lifebouy.
- iii. Washing Powder- Wheel, Surf excel.
- iv. Hand wash- Lifebouy, Savlon.
- v. Tissue- Bashundhara, Bangla, Fay, Sonali.
- vi. Shampoo- Sunsilk.

1.5 Operations

As all of the operations are on online platform in the e commerce, it is needless to say gemsclip.com also operates all of it through their website. Firstly, after sourcing a product they provide a sample to the customer. Upon approving the sample products from the tender they become a new client of the company. However, the existing clients send PO of the items they need to get from gemsclip within 48-72 hours. Following that PO the company then accept and send a bill to the client. It is worth mentioning that credit duration is also an important factor to source a product from certain merchants. However, gemsclip then purchases products from merchants on credit or cash. After delivery in time the clients are supposed to make payment in the respective time to finish a single order process. Few exceptions in the item list sometimes appears that is purchased on cash which are not the common ones like umbrella, sandals, brooms etc.

1.6 Roles and Responsibility

My three months long internship period was quite a versatile one with full of variety in terms of responsibilities, duties and more importantly it was a mixture of desk job experience and on the field experience as well. In the supply chain design, I worked under inventory department and sourcing department as well. As a matter of fact, I had the opportunity to learn practically about various tasks and ways of working and dealing with the merchants. Moreover, I had the idea about maintaining inventory quantities. The tasks I had learnt and had were as follows :

- Preparing PO
- Backend tasks
- Editing and printing delivery challans
- Checking product quality
- Visiting merchants
- Preparing products to be delivered
- Checking items in the warehouse

Chapter 2

Research Topic

Currently, the following four types of e Commerce are popular in Bangladesh:

- Business-to-Business (B2B)
- Business-to-Consumer (B2C)
- Consumer-to-Consumer (C2C)
- Business-to-Employees (B2E)

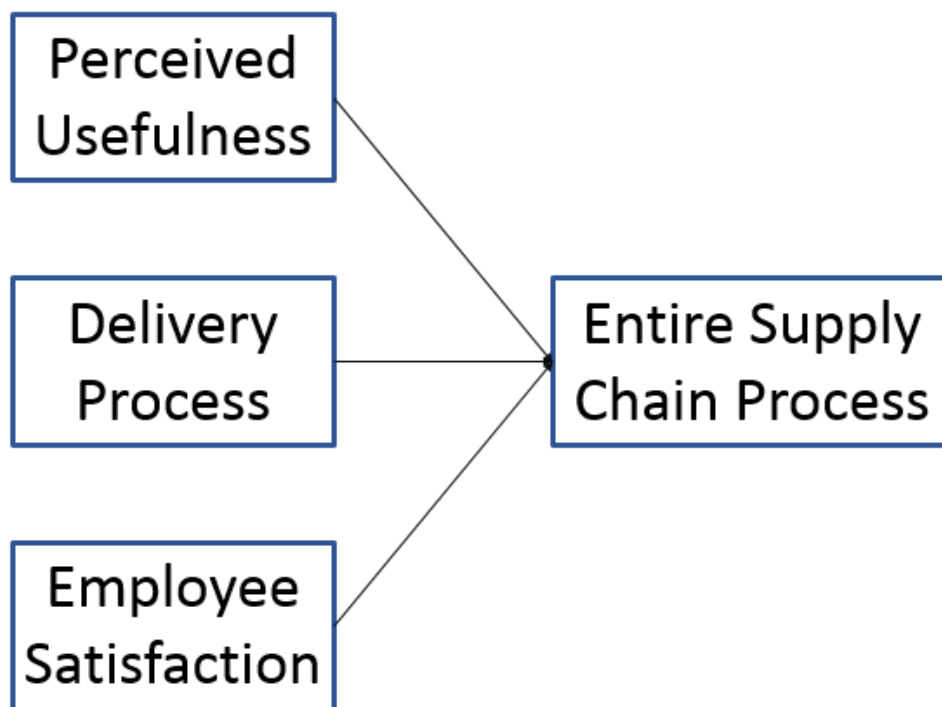
Here in this report, a small research has been conducted based on the B2B business in our country and the challenges it faces.

The purpose of conducting this research is to find out the challenges B2B companies face in Bangladesh. The main research question guiding this study is "What factors affect the B2B supply chain process of the companies in Bangladesh?" This study can be a small step in order to understand the broader scenario of challenges the employees and the companies face in the B2B supply chain of Bangladesh. The samples I took for this research are the people engaged in or were engaged in the supply chain management jobs in this country and more specifically in the B2B business.

Chapter 3

Research Model

This research model has been developed to support the research question, as it shows that entire supply chain process is dependent on the perceived usefulness, delivery process and employee satisfaction in this model.



Model : Factor Affecting B2B Supply Chain Process

Perceived Usefulness:

Perceived usefulness refers to that meaning, which states that how people think that he or she can improve his performance in the workplace by using a particular procedure or service. It also describes that what benefit a user expect from a particular service when he or she is using it. When people got the expected perceived usefulness the entire supply chain results become positive as well.

Delivery Process :

It basically talks about the hurdles and challenges that the company faces during delivering the products to the customers as lots of things depend on this. For instance, delivery in time results customer satisfaction and vice versa.

Employee Satisfaction :

This one deals with the questions of employee satisfaction regarding the B2B supply chain business and what effects it has in their career.

Measurement:

The constructed questionnaire was asked to the respondents to share the supply chain experience in their career. This process included perceptual measures which was rated by five point Likert scales. The items in every scale were measured as numerical one with respect to the statement “strongly agree” and as numerical five to “strongly disagree”. to evaluate the measurement on reliability and validity number of items were used to measure every variable. The items of the scale which measures the dependent variable were chosen with respect to the employees’ overall experience about B2B supply chain. In addition, demographic data were also collected from the people who responded to the survey.

Sampling:

We randomly selected our respondents among who have experience or working in supply chain departments. Survey questionnaire was constructed and provided through the Google form in the social media. Total 50 people responded to the survey. Moreover, every respondent's identity was anonymous as they did not need to provide name or addresses.

Chapter 4

Analysis :

The KMO and Bartlett's test of test of sphericity table, total variance explained and rotated component matrix is given below.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.580
	Approx. Chi-Square	181.948
Bartlett's Test of Sphericity	df	55
	Sig.	.000

Rotated Component Matrix^a

	Component			
	1	2	3	4
PU1	.836			
PU2	.879			
PU3	.763			
SC2		.749		
SC3		.825		
SC4		.890		
ES1			.895	
ES2			.877	
DP1				.734
DP2				.742
DP4				.690

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.^a

a. Rotation converged in 5 iterations.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.660	24.178	24.178	2.660	24.178	24.178	2.202	20.017	20.017
2	2.184	19.852	44.030	2.184	19.852	44.030	2.142	19.472	39.489
3	1.619	14.714	58.744	1.619	14.714	58.744	1.807	16.431	55.920
4	1.385	12.593	71.337	1.385	12.593	71.337	1.696	15.416	71.337
5	.823	7.480	78.816						
6	.726	6.596	85.412						
7	.502	4.566	89.978						
8	.471	4.279	94.258						
9	.247	2.247	96.504						
10	.200	1.819	98.323						
11	.184	1.677	100.000						

Extraction Method: Principal Component Analysis.

There was one non-mandatory question but all the respondents answered all the questions.

4.1 Reliability :

PUU				SCC			
	λ	λ^2	$1-\lambda^2$		λ	λ^2	$1-\lambda^2$
	.836	0.69888 5	0.30111 5		.749	0.56033 6	0.43966 4
	.879	0.77240 7	0.22759 3		.825	0.68068 1	0.31931 9
	.763	0.58264 1	0.41735 9		.890	0.79278 9	0.20721 1
Sum	2.478	2.054	.946	Sum	2.464	2.034	.966
Ave	0.68464 4			Ave	0.67793 5		
Cronbac h	0.81682 1			Cronbac h	0.81064 5		
		ESS				DPP	
	λ	λ^2	$1-\lambda^2$		λ	λ^2	$1-\lambda^2$
	.895	0.80050 2	0.19949 8		.734	0.53904 4	0.46095 6
	.877	0.76923 4	0.23076 6		.742	0.55075 1	0.44924 9
					.690	0.47645 2	0.52354 8
Sum	1.772	1.570	.430	Sum	2.167	1.566	1.434
Ave	0.78486 8			Ave	0.52208 2		
Cronbac h	0.85134 3			Cronbac h	0.63113		

4.2 Validity:

The results given here gives us the fact that sustenance for convergent validity that each of the variables are quite different from the other variable. It also shows that the intra item correlations are much more than inter items correlations.

	PU1	PU2	PU3	SC2	SC3	SC4	ES1	ES2	DP1	DP2	DP4
PU1	1										
PU2	.669**	1									
PU3	.447**	.518**	1								
SC2	.074	.227	.169	1							
SC3	-.296*	-.042	-.082	.360*	1						
SC4	-.046	.203	.032	.525**	.744**	1					
ES1	-.217	.081	.182	.061	.193	.077	1				
ES2	-.103	.162	.081	-.047	.241	.162	.657**	1			
DP1	.070	.132	.061	.291*	.076	.256	.005	.171	1		
DP2	.070	.064	-.034	-.007	.101	.167	.088	.350*	.341*	1	
DP4	.034	-.109	-.016	.097	.178	.181	.102	.114	.331*	.271	1

4.3 Regression :

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	19.000	3	6.333	1.177	.329 ^b
1 Residual	247.500	46	5.380		
Total	266.500	49			

a. Dependent Variable: SCC

b. Predictors: (Constant), DPP, PUU, ESS

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.835	3.073		1.899	.064
1 PUU	-.007	.177	-.006	-.040	.968
1 ESS	.190	.243	.113	.782	.438
1 DPP	.274	.179	.221	1.527	.134

a. Dependent Variable: SCC

4.4 Results :

Among the three factors, all three factors have a significant effect on entire supply chain process. The independent variables are Perceived Usefulness, Delivery Process and Employee satisfaction. Where the values are as follows respectively perceived usefulness has $b = -.006$, $p = 0.968$, employee satisfaction has $b = 0.113$, $p = 0.438$, delivery process has $b = 0.221$, $p = 0.134$. From the mentioned value Perceived Usefulness, Employee Satisfaction and Delivery Process are statistically significant as they have a values of p less than 0.050. The standardized beta value suggests that Delivery Process is the strongest variable for Entire Supply Chain Process, Employee Satisfaction is the second strongest variable and Perceived Usefulness is the third strongest variable.

4.5 Discussion :

This research was done to find out the challenges and hindrances that are here in the way of a B2B supply chain business. The results were achieved from taking the sample which is the employees of B2B business who know the challenges and face the challenges themselves. However, from the result we identify that as entire supply chain process is the dependent variable where delivery process is the important factor to the dependent variable. This variable reflects how the way of delivering products have a huge impact on the employees in terms of facing the challenges in the supply chain. Actually the late delivery and payment cause breach of trust between companies and customers and merchants. So, ultimately delivery process is the most important factor in this regard. As shown by regression coefficients, Perceived usefulness has the least influence on creating the challenges in the B2B supply chain process

meaning that the service of B2B business that is providing all goods together to the customers according to their orders is very satisfactory to them and it saves time and cost.

Recommendation :

To improve the condition and face and fight against the challenges of the B2B business we could take certain steps as solutions to these problems.

- Proper inventory management and be prepared for future deliveries with stocking the inventory with common products.
- Use of software to maintain the whole system.
- Proper allocation of manpower for swift delivery.
- Enough number of vehicles for timely delivery to different customers at the same time.
- Enough manpower and allocation of them properly in order to go for purchase of products and delivery in time.

Conclusion :

This study attempted to investigate the features of B2B supply chain hurdles in the country the businesses face from the people expert in the respective field. The findings of the study lead to find the solutions we can apply to lessen the hazards of this business.

The whole study says that the country's condition is very much causing the whole business to become weak. However, from this internship experience in case of Gemsclip

they had faced some major financial risks those risk are credit risk management, liquidity risk, operational risk. Moreover, due to the common transport problems they have also faced the challenges of maintaining client and merchants relationships as well. So, for them and all the recommended steps should be taken to compete hard as the competition is rising in the country as well.

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Appendix A.

Survey Questionnaire:

Demographic Information

1. Gender-

(a) Male

(b) Female

2. Level of education

(a) Bachelor's Degree

(b) Master's Degree

(c) Doctorate Degree

3. Age-

(a) 18-25

(b) 26-35

(c) 36-45

(d) 46-above

4. Income (per month)-

(a) 15000-25000

(b) 25000-35000

(c) 35000-45000

(d) 46000 and above

5. How many years have you worked in supply chain management ?

(a) 0 - 1

(b) 2 – 3

(c) 3 - 4

(d) 4 - 5

Perceived Usefulness

6. The service of getting various items altogether instead of buying one by one seems satisfactory to clients.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

7. The B2B service saves plenty time and cost of the clients. (a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

9. The competition of rivals is rising in B2B sector in our country.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

Delivery Process

10. Late payment to merchants and clients might hamper their trust on the company.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

11. The traffic of the country creates hurdles for product delivery in time.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

12. The broken and narrow roads are also responsible for late delivery.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

13. Weather is sometimes responsible for late delivery. (a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

Employee Satisfaction

14. Supply chain duties might take longer work time than usual.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

15. Supply chain helps to build expertise in multiple fields of business.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

16. Payment and benefits are generally in correspondence with the job.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

17. Supply chain work experience helps a lot in career growth.

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

Entire Supply Chain Process

19. Anticipating customer needs and desires is not so easy.

(a) Strongly Agree

(b) Agree

(c) Neutral

(d) Disagree

(E) Strongly Disagree

20. Ensuring best customer experience is very tough.

(a) Strongly agree

- (b) Agree
- (c) Neutral
- (d) Disagree
- (E) Strongly Disagree

21. Ensuring best quality of every miscellaneous items to client is challenging.

- (a) Strongly agree
- (b) Agree
- (c) Neutral
- (d) Disagree
- (E) Strongly Disagree