Report On

Digital Presence of a Traditional Organization: A Case on Dabur Bangladesh

By

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

BRAC Business School Brac University August 2019

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Declaration

It is hereby declared that

1. The internship report submitted is my 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 have acknowledged all main sources of help.

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Letter of Transmittal

Saif Hossain

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Subject: Submission of Internship report on "Digital Presence of a Traditional Organization: A

case on Dabur Bangladesh."

Dear Sir,

It is my pleasure to hand-in my internship report of the three-month long internship program

completed at Dabur Bangladesh (Asian Consumer Care (Pvt.) Ltd.) under the marketing

department.

I have tried my best to include essential and significant data in the report to make it meaningful.

Through this report I could reflect on my learnings about different marketing aspects and

functions of an organization, and also the whole scenario of working in a corporate

environment. I hope that the report meets the desires.

Sincerely yours,

Afra Saiyara Iqbal

ID: 15104077

BRAC Business School

BRAC University

Date: August, 2019

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Non-Disclosure Agreement

This is to confirm that I have read the report and the information enclosed is correct and contains no confidential data or information. This agreement is made and entered into by and between Dabur Bangladesh and Afra Saiyara Iqbal of BRAC University.

Company:
Supervisor's Name:
Supervisor's Signature:
Date:

Acknowledgement

I would like to convey my utmost gratitude to my academic supervisor Mr. Saif Hossain, without his proper guidance preparing the internship report on my three-month long experience in Dabur Bangldesh would not have been possible.

I would also like to thank and show my appreciation to my supervisors Mr. Abu Obaida Imon and Mr. Tushar Ismal for helping me gather knowledge about the business and on the basics of the marketing department. They have guided me throughout my three-month long internship period at Dabur Bangladesh. I am thankful that they trusted me with the significant tasks and gave me opportunities to be an active member of the company.

I have met many people from different backgrounds and professions in the three months I have spent as a part of Dabur Bangladesh, I would like to show my gratitude to each one of them for their contribution in my experience.

Executive Summary

Dabur is an Indian owned company, it is one of India's largest 'ayurvedic' (Ayurveda) medicine and natural consumer products manufacturer. Through a joint venture with ACI Ltd. Dabur operates in Bangladesh as Asian Consumer Care (Pvt.) Ltd. Dabur Bangladesh has many popular consumer products such as Dabur Honey, Dabur Amla Hair Oil, Vatika Hair Oil, Vatika Shampoo, Odonil, Dabur Red Toothpaste, etc. The company aims to expand on introducing more of its other consumer brands and to introduce 'ayurvedic' (Ayurveda) products in the Bangladeshi market.

The three months spent in Dabur Bangladesh as a marketing intern has helped me immensely to learn about the FMCG industry and the basics of marketing functionalities in the Bangladesh market. But my learn scope was limited because of the short duration of the program and the lack of access I had to the company's data. Even so I got to understand the impact (negative/positive) of digital marketing on Dabur Bangladesh and their presence in the digital platforms which I found out using primary and secondary research.

Digital marketing is used to term the marketing of goods or services through digital technologies, mainly on the internet but also includes mobile phones, display advertisements, and any other digital medium. With the market dynamics changing due to technological intercepting daily life the marketing department at Dabur Bangladesh proposed to start digital marketing for their products, which was backed up by the departments as well. These information came to light after having an in-depth interview with the brand managers and the CFO of Dabur Bangladesh.

Even though the company has limited knowledge about digital marketing and has not still figured out how to calculate the ROI they are still looking forward to expand on this marketing strategy. Which they can successfully accomplish by proper training.

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List of Acronyms

RSM Regional Sales Manager

ASM Area Sales Manager

TSO Territory Sales Officer

TSE Territory Sales executive

SSM Stockiest Salesman

ROI Return On Investment

FMCG Fast Moving Consumer Goods

TVC Television Commercial

INR Indian Rupees

Glossary

Ayurvedic

Ayurvedic medicine ("Ayurveda" for short) is one of the world's oldest holistic ("whole-body") healing systems.

Organizational Overview

1.1 Dabur Bangladesh

Dabur is an Indian company, it is one of India's largest 'ayurvedic' (Ayurveda) medicine and natural consumer products manufacturer. Through a joint venture with ACI Ltd. Dabur operates in Bangladesh as Asian Consumer Care (Pvt.) Ltd. Dabur Bangladesh has many popular consumer products such as Dabur Honey, Dabur Amla Hair Oil, Vatika Hair Oil, Vatika Shampoo, Odonil, Dabur Red Toothpaste, etc. Dabur has full functioning manufacturing factory set up in Dhamrai, Dhaka, which has been operating since 2014. The sales targets and promotional schemes are set by the marketing department for both existing and new products which are then executed and distributed by their well carefully planned distribution channel of RSMs (Regional Sales Manager), ASMs (Area Sales Manager), TSOs (Territory Sales Officer), TSEs (Territory Sales Executive) and SSMs (Stockiest Salesman). The company aims to expand on introducing more of its other consumer brands and to introduce 'ayurvedic' (Ayurveda) products in the Bangladeshi market.

Company Background:

Dabur India Ltd. is the fourth biggest fast growing Consumer Goods (FMCG) Company in India with combined Revenues of over INR 8,500 Crores. Expanding on an inheritance of more than 135 years (Dabur, 2019), Dabur today is India's one of the most confided in name and the world's biggest 'Ayurvedic' (Ayurveda) prescription and related items maker and Natural Health Care Organization, with a portfolio of over 250 'ayurvedic' herbal products. A doctor in West-Bengal, Dr. S.K Burman, established Dabur in 1884 to create and administer 'Ayurvedic' medications. From its starting beginning in the by lanes of Calcutta

the 135-year-old company, promoted by the Burman family, has come a long way today to become one of the biggest Indian-owned consumer goods companies with the largest herbal and natural product portfolio in the world. Dabur from being a family-run business has now become a professionally managed enterprise.

Dabur's products have huge presence in the overseas markets and are today available in over 100 countries across the globe. Its brands are highly popular in the Middle East, SAARC countries, Africa, US, Europe and Russia. Dabur's overseas revenue today accounts for over 27% of the total turnover (Dabur, 2019).

1.2 Core Products of Dabur Bangladesh

Dabur Bangladesh's core products (which come in different sizes too) are Dabur Honey, Dabur Amla Hair Oil, Vatika Hair Oil, Vatika Shampoo, Methi Amla Hair Oil. Odonil, Dabur Red Toothpaste, Meswak Toothpaste, Dabur Gulabari, Hajmola, Real Juice and Dabur Chawanprush. Out of these top three brands were chosen to test the digital marketing scene in Bangladesh on a trial and error basis. Brands like Dabur Honey, Dabur Alma Hair Oil and Dabur Red Toothpaste started appearing on digital platforms as their profiles were created on Facebook on a time frame of April 2019- May 2019.

1.3 Core Marketing activities and campaigns

New product development and assisting the existing products in the market is basically what the marketing department is in charge of. They basically manage the entire process of product development in order to create awareness among the customers about their products' availability in the markets. They rely on both traditional marketing strategies as well as new one and most recently taking the aid of digital marketing. Marketing campaigns such as TVCs and on ground product trail generation are basically only done on peak seasons or if there is a new product to be introduced. Such as, this year during the month of Ramadan TVCs of Dabur Methi Amla Hair Oil were aired both on television channels and social media platforms like Facebook and Instagram. Also before the month of Ramadan free samples of Real fruit juice were given out at modern trades like Shwapno. Campaigns of handing out free samples and gifts are also executed in rural trades around Bangladesh. Dabur Bangladesh also sponsors different events and programs, their reality show RTV Dabur Vatika Campus Superstar has started its production for season two this year from July.

Introduction

2.1 Origin of the Report:

As per the requirements set by BRAC University and based on the outcome of my three months of work at Dabur Bangladesh this report has been prepared. It reflects my experience, observations and involvement gained from working with my co-workers and my supervisor. In Dabur Bangladesh I worked as a part of the marketing team for three months, which is under the marketing depratment. The first two months I monitored digital marketing and brand profiles on social media, while corresponding with the marketing agencies who were appointed by the company and making sure all contents and content plans ran smoothly meeting deadlines. On my last month I got the opportunity work on RTV Dabur Vatika Campus Superstar, which is a reality talent show sponsored by Dabur, my tasks were overseeing that the social media site was being updated according to plan and that communications to the interested parties were done correctly on time. I also got the opportunity to communicate with TSOs and TSEs to get sales and distribution updates while working with the brand managers who were my supervisors. Working alongside my the brand managers and observing has helped me understand a lot about marketing goods in Bangladesh and keeping a brand healthy which thus allowed me to research and evaluate this case thus completing this paper.

2.2 Scopes of Learning

The three month internship has pushed me to take on various responsibilities which lead to learning a wide range of ideals about the practical world of marketing and functionalities of a corporate organization. I have learned the proper guidelines and the kind of company protocols that needs to be followed before investing on any marketing strategies or campaigns. It has

helped me build connections not only within the company but also with other marketing agencies as well as television channels like RTV, getting to experience a full production and shoot of a reality television show has exposed me to different fields of work. Also getting to monitor the digital performance of different brands helped me learn about digital marketing further and the consumers' psychology too. Overall I got to know the industry and it's quirks while enhancing my job skills, polishing and gathering as much knowledge as I could acquire within a short time frame of three months.

2.3 Limitations

After joining Dabur Bangladesh I did face a few challenges as I was freshly testing the waters of the corporate world and overcoming those challenges were definitely a major part of the learning process. But a few challenges were hard to avoid and stood as barriers in the whole learning process. As an intern I had limited access to information and data, interacting with other departments was difficult too because everyone would be busy meeting deadlines and schedules. So the opportunity to even observe and learn from my supervisors was very limited. Also Dabur is a traditional organization so coping with the work environment was a little difficult, understanding the nature of the work environment was confusing at first and took long than usual for me to adjust. The lack of female employees in the office might have been a reason why the atmosphere and my co-workers behaviour felt a little hostile. However, Dabur Bangladesh is trying to fix the male-female ratio in the office which made the adjusting a little easier.

2.4 Objectives of the report

While working in this organization I got learn about different aspects of the FMCG industry in Bangladesh, but mostly I had the opportunity to study modern marketing and digital marketing more closely. In order to complete this report I collected revelant information by working and

observing the brand managers of Dabur Bangladesh, also having an in-depth conversation with them as well as the CFO to understand the case of digital marketing for their products better. With the experience I have had in this organization working as an intern helped me to critically think while preparing this report on a traditional organization like Dabur have a digital presence in the Bangladeshi market, for which I had some significant objectives, listed below:

Broad Objective:

• To understand the impact (negative/positive) of digital marketing on Dabur Bangladesh and their presence in the digital platforms.

Specific Objectives:

- To understand the feasibility of digital marketing in comparison to traditional marketing.
- Knowing how the company decided to use the digital platform to expand consumer reach.
- To find out the challenges faced when introducing digital marketing within the organization.
- To find out if consumers' response to digital marketing is easier to transcribe in comparison to consumers' response to other marketing campaigns, such as TVCs.

2.5 Methodology

Conducting a thorough research has two main keys which is collecting and organizing data.

My paper includes both Primary Data and Secondary Data to achieve the desired result of this study:

• Primary Data:

Personal Interviews:

Personal interviews with the brand managers and the CFO was the best way to understand the company's policy and vision of starting digital marketing. And their feedback on the digital marketing performance.

• Secondary Data:

to fully evaluate the digital marketing performance of Dabur Bangladesh's products I have collected date from the Facebook pages of Dabur Honey, Dabur Amla Bangladeh and Dabur Red Toothpaste, data collected are post reach and performance stats from different contents on the page as well as consumers comments and feedbacks. Also an approximate of total sales of two different years collected from the records of marketing and sales department.

Literature Review

The term digital marketing is used to term the marketing of goods or services through digital technologies, mainly on the internet but also includes mobile phones, display advertisements, and any other digital medium. Marketers and companies always look for fresh innovate strategies to advertise their products to the public, to break grounds and establish a foothold in the market as well as the minds of consumers. Since the 1990s and 2000s with the increasing use of the internet and variety of computers and mobile phones becoming more incorporated in peoples' life, brands and business started the use of technology for marketing. As digital platforms are actively becoming a significant part of everyday life digital marketing is becoming more efficient.

To make digital marketing prompt more tools have been developed to aid brands in marketing their products, such as search engine optimization (SEO), search engine marketing (SME), brands also use other methods like content marketing, influencer marketing, content automation, campaign marketing, social media marketing, e-mail marketing, etc. even non-internet based marketing such as SMS and on hold ringtones (Forbes, 2013). The term digital marketing was first coined in the 1990s (Nielsen, Nielsen Insights, 2016), which led to the first clickable banner ad the 'Will You' campaign by AT&T going live in 1994 and over the first four months of it going live out of all the people who saw it 44% clicked on it, shinning a light on the potential of digital marketing (Guardian, 2013). By the 2000s with more internet users and the birth of iPhone customers started searching for products and information online instead of the more traditional practice of asking a salesperson, thus creating more problems for companies as most retailers had not registered their own domain, these problems lead marketers to the ways of digital marketing (Hart, 2000).

Digital marketing became more sophiscated in the 2010s (Kates, 2013) 'when the proliferation of devices' capable of accessing digital media led to a sudden growth and statistics produced in 2012 and 2013 revealed that digital marketing was still growing (Brinkley, 2012). With the development of social media like Facebook, Linkedin, YouTude, Instagram and Twitter consumers became highly dependent on digital electronics in their daily lives which escalated their expectations of user experience and searching products' information across different channels. This change in consumer behavior improved the diversification of marketing technologies (Nielsen, Nielsen Insights, 2016). So a major topic in the marketing literature considering consumer behavior is digital marketing, companies now focus more on how consumers respond to various aspects of digital ads. In 2010 digital media growth was estimated at 4.5 trillion online ads served annually with digital spend at 48% growth (Commerce, 2013).

In this rapidly advancing world technology is creating new platforms for digital, leading to the creation of different methods to reach and connect with consumers more personally. Traditional media such as TV, print, and radio, limit marketing scopes and reaching consumers. Whereas digital marketing allows direct communication with potential consumers, through various display channels, such as video, mobile, social networks, and email. Digital marketing can be used to a brand's advantage as it enables a more targeted advertising, reaching the specific people in a niche or aids to brand awareness. Therefore it is necessary for marketers to monitor consumer behavior in digital environments because over the last decade technological advancements is dominating everyday life.

Findings

To understand Dabur's stance on digital marketing in Bangladesh and its expansion in marketing reaching outside traditional media and ways, I have done a qualitative research where I have interviewed the brand managers and the CFO of the company. In the interview session they explained their reasons and perceptions of digital marketing in general and for a traditional organization like Dabur, their answers will be analyzed further in this chapter.

4.1 Brand Managers perception on digital marketing

In conversation with Mr. Obaida Imon, brand manager of Dabur Bangladesh, he described modern marketing as understanding the audience better and figuring out what the gap in the market aligning your products in accordance. The idea of starting social media marketing and opening Facebook pages for Dabur's brands emerged because in the last five years there has been a shift in consumers' decision making behavior as more people in Bangladesh are being exposed to digital platforms due to lower internet prices, improvements in the telecom industry and technological developments. Different target groups are getting more used to social media which makes it a very influential platform to reach target customers. They started digital marketing as a pilot project selecting only a few brands with a bigger industry size to distribute the marketing budget on to digital marketing side as budgets are limited and the company does not have specified budget designated for investment on digital platforms. Popular brands like Dabur Honey, Dabur Alma and Dabur Red Toothpaste got separate profiles on Facebook and the contents were advertised through in-stream videos and sponsored posts on Facebook, Instagram and YouTube.

Getting a green signal on starting digital marketing was not hard answered both the brand managers Mr. Obaida Imon and Mr. Tushar, when asked if they had to face any internal challenges in aligning everyone within the company with the concept or launch of digital market. The country manager and the financial officer understood the potential digital platforms in the Bangladeshi market and was onboard. However, challenges took surface when the company started digital marketing starting with fully understanding the quirks of digitals marketing and functionalities of Facebook marketing as they did not have experience in that sector, to selecting a suitable digital marketing agency (from whom they got insights and knowledge about the digital marketing scenario of Bangladesh). The digital agency Wavemaker was selected to handle Dabur Bangladesh's digital marketing sector, and as the company internally does not have much knowledge on digital marketing having a third party involved helps for now. From the two months trail the marketing department is satisfied with the digital performance of their brands and the way digital marketing functions, as they get familiar with the concept. They said in comparison to other platforms like televisions or newspapers, getting a solid number on how many people has been reached and the number of people who has views the advertisement is easier to estimate on digital platforms as the stats are generated by Facebook ad tools. Digital marketing has generated awareness but it is still too soon to claim that sales has increased due to the exposure on social media platforms. With the recent market dynamics Dabur is benefiting from digital marketing as now they can communicate with the Bangladeshi digital platform which makes getting access to consumers' quries or concerns easy, also with geo-tracking and geo-targeting communicating messages to certain niches simpler. Even so it is too soon to say that digital marketing is better as it has not impacted sales gravely and to get a better understanding the organization has do more research such as brand health tracking. Traditional FMCG companies like Dabur cannot fully forgo traditional marketing practices like trail generations, sponsoring tea stall banners, etc. because it exposes consumers to the brand and people are familiar to such practices.

However, calculating the return on investment on marketing campaigns both traditional and digital has been a debatable topic for companies, and having concrete calculations is tough. Facebook ad tools do make the process of ROI calculation a little easier and they have not invested that much on digital marketing, thus they are looking forward on expanding on digital market and hopefully assign a designated separate budget for digital marketing.

4.2 CFO's perception on digital marketing

To find out the financial feasibility of digital marketing for Dabur Bangladesh I had an in-depth conversation with Mr. Rakesh Agrawal, the CFO of the organization. He believes it is the age of digital media and digital marketing as competition rapidly accelerates and digital advertisements get more creative. Following India's footsteps advertising on social platforms seemed like a good idea though initially calculating the ROI was a struggle, the finance department is still learning how to judge ROI on digital marketing campaigns. The launch of the first Facebook page of a brand was very exciting at first but they soon realized it required a lot of monitoring as in displays negativity from audience too, which is why the finance department is more focused on ecommerce websites than social media presence. The marketing budget has not been effected gravely due to investments in digital marketing because the amount sent is insignificant, there is no separate budget allocated specifically for it. But in two year time the organization will develop a proper plan and 20% of the marketing budget should be invested on digital marketing alone. Return on investment calculations are generally done for big campaigns and as very small percentage is invested on social media marketing the ROI is not being monitored that strictly.

As the organization is still traditional it prefers traditional channels and media. As they are more familiar with the process calculations and monitoring performance is easier for traditional

campaigns like TVCs. However, digital strategies can be altered to match the organization's personality and with the world rapidly moving towards digitalization there is a huge scope of success for Dabur Bangladesh, if the creative and content marketing are executed smartly. The CFO also add that digital marketing cannot be treated like other channels, as it is more risky and rapidly changing, (and even though the learning process is long) they are looking forward to learn and expanding invests on digital marketing.

Analysis

After interviews the brand managers and the CFO, and analyzing their responses lead to the need of highlighting some ascepts in order to answer my questions on the digital presence of Dabur in Bangladesh, those are:

- The company had decided to keep a digital presence in the Bangladeshi market because the platform is expanding with competitors also expanding their reach to consumers through social media leading to shifts in consumers' decision making behavior. Also since Dabur is multinational company with its headquarter based in India they have to imitate certain policies to be indemnified as the same.
- Convincing the management to be on board with the digital marketing of the brands was not difficult because they were well aware of the significance of digitalization taking place in the market. Though the entire organization had limited to no knowledge about the workings of digital marketing.
- For a traditional organization like Dabur who has relied of traditional marketing practices for generations it is hard to tradeoff between digital and traditional marketing. Since they only started to use social media to market their brands on a small scale it is not possible to determine the feasibility fully. However, calculating it is not impossible and is even easier and faster than that of traditional campaigns, if one knows the functionalities of Facebook ad tools.
- Due to technological advancements and digital platforms becoming more user friendly it is easier to track advisement performances, monitor responses, reach, communicate with and target consumers on social media platforms than on traditional channels.

5.1 Recommendations

After analyzing the highlighted areas there are a few things Dabur Bangladesh needs to address and take care of in order to successfully establish their digital foothold in Bangladesh:

- Dabur Bangladesh should organization a workshop on digital marketing which will
 make the learning process faster and all parties involved will be familiar with the
 functionalities and have clear knowledge on social media marketing.
- They should work closely with the digital marketing agency appointed to handle all social media marketing to both learn and be in line with how and what is happening.
 Closely monitoring the digital campaigns and performance will help them to understand and estimate future investments or digital strategies.

Conclusion

Dabur being a multination company should be rapidly adaptive to its environment in order to hold on to their generation long foothold in the FMCG industry. As Bangladeshi consumers rapidly become more technology oriented and dependent on digital platforms companies like Dabur should keep a digital presence to reach their target customers. The company should have started digital marketing sooner to benefit from first movers advantage over their competitors. However, expanding digital marketing now would be wise too and should expose more of their brands on digital platforms to create more awareness in the market and reaching more consumers.

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