

Report On  
**Brand Management Strategies in The Textile Raw Material  
and Garment Industry**

By

Neehal Islam Dastagir

Student ID: 18204069

An internship report submitted to the Brac Business School (BBS) in partial fulfillment of the requirements for the degree of Bachelor of Business Administration (BBA)

Brac Business School

Brac University

October 2022

## **Declaration**

It is hereby declared that

1. This internship report which has been submitted is my own original work and was done while completing my bachelor's degree at Brac University.
2. This report does not contain material or content which was previously published or written by a third party, except where this is clearly and appropriately cited by complete and accurate referencing.
3. This report does not contain material or content which was previously accepted or submitted, for any other program, degree or diploma at a university or other institutions.
4. I have acknowledged all my main sources of help.

**Student's Full Name & Signature:**

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**Neehal Islam Dastagir**  
18204069

**Supervisor's Full Name & Signature:**

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**Dr. Mohammad Shahidul Islam**  
Assistant Professor, BRAC Business School  
BRAC University

## Letter of Transmittal

Dr. Mohammad Shahidul Islam

Assistant Professor

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “Brand Management Strategies in The Textile Raw Material and Garment Industry”.

Dear Sir,

With due respect I would like to state that as a part of my academic requirement for completion of my degree at Brac University, I have completed my internship and am submitting this report to you.

I am humbly appreciative for your kind advice and guidance during my internship period especially when composing and completing this report. I consider myself very fortunate that I got the opportunity to complete my internship under your supervision and it is indeed a great honor for me. This report will give insights into my intern role in the textile raw materials division at Excelsior Trading Corporation Ltd. An overview of the organization with an in-depth analysis of my topic “Brand Management Strategies in The Textile Raw Material and Garment Industry” has also been included in this report.

I hope and pray that the report will satisfy your expectations.

Sincerely yours,

---

Neehal Islam Dastagir

Student ID: 18204069

BRAC Business School

BRAC University

Date: 17/10/2022

## **Non-Disclosure Agreement**

This agreement has been made and entered into between Excelsior Trading Corporation Ltd. and the undersigned student at Brac University, Neehal Islam Dastagir, ID: 18204069.

## Acknowledgement

I would like to express my gratitude to Excelsior Trading Corporation Ltd.'s management and team for welcoming me into the organization and for giving me the opportunity to work there as an intern. Additionally, I would like to express my heartfelt appreciation to my organizational internship supervisor, Mr. Farrukh Ahmad, Vice President of Excelsior Trading Corporation Ltd, for providing me with such a comprehensive learning experience. He was my supervisor during my internship and the wealth of information and guidance shared by him was phenomenal. During the time we worked together, he treated me like a fellow teammate and encouraged me to develop my skills and knowledge.

Finally, I would like to express my deepest gratitude to Dr. Mohammad Shahidul Islam, Assistant Professor, BRAC Business School, for his recommendations in every aspect of my report. He has provided me with excellent feedback and direction which allowed me to complete this report.

## Executive Summary

Excelsior Trading Corporation Ltd. is one of the most experienced and popular indenting and trading companies in Bangladesh. Their operations began in Bangladesh in 1972 and has grown since. Excelsior Trading Corporation Ltd. is a member company under the Excelsior group of companies in Bangladesh totaling an employee count of 4,000. Excelsior Trading Corporation Ltd. has earned a reputation for being a reliable agent for handling business transactions and trading between customers and suppliers. They serve their customers mainly by providing updated market information, assisting them in meeting import requirements and also help customers while choosing the most suitable raw materials and machinery from sources world-wide. They can be categorized as the middleman between suppliers and customers. Excelsior's success can be boiled down to their strong relationships with customers, their known track record of satisfying customer's individual needs and providing effective solutions and after sales services to meet every conceivable requirement while trading. Their plans for the future involve making technological advancements to serve its customers and suppliers in more convenient and modern methods, adapting with the times.

This report has been divided into 3 individual parts, among them the first part will include basic information about the internship, for example the internship outcomes, problem faced during the internship, job responsibilities and more. The second part will include data and insights about the organization, for example its vision, mission, marketing practices and more. The third part will focus on some research and analysis about my project "Brand Management Strategies in The Textile Raw Material and Garment Industry".

This project has revealed that there are multiple brand management strategies at play in this sector in Bangladesh. These strategies are had been implemented by the textile raw material firms and have been in practice for years. Moreover, branding was found to be playing a vital role in this industry, increasing the overall value and playing a part in retaining market share. The findings from this project will help the textile raw material industry to improve their brand management. Additionally, it will help upper managements to make a well-informed strategic decision when trying to enhance marketing and branding to maintain market share in the industry.

**Keywords:** *Textile raw materials industry; Strategic branding; Maintaining market share; Lycra;*

*Excelsior Trading Corp.*

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## List of Acronyms

B2B	Business to Business
PI	Proforma Invoice
ID Check	Identification Check
RMG	Ready Made Garments
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BTMA	Bangladesh Textile Mills Association
US	United States
LC	Letter of Credit
HR	Human Resources
EMP	Excelsior Management Process
QA	Question Answer

R&D	Research and Development
H&M	Hennes & Mauritz AB
MIS	Management Information System
IT	Information Technology
BD	Business Division
Ps	Price, Product, Place, Promotion
SWOT	Strength, Weakness, Opportunity, Threats
VR	Virtual Reality
OEM	Original Equipment Manufacturing
SEO	Search Engine Optimization
CLV	Customer Lifetime Value
NPS	Net Promoter Score
IMC	Integrated Marketing Communication



*Figure 1- Company Logo*

## Chapter 1: Overview of Internship

### 1.1 Students Information:

Details	Information
<b>Name</b>	Neehal Islam Dastagir
<b>ID</b>	18204069
<b>Department</b>	Brac Business School (BBS)
<b>Program</b>	Bachelor of Business Administration (BBA)
<b>Major</b>	Marketing

*Table 1 Students Information*

### 1.2 Internship Information:

#### 1.2.1 Period, Company Name, Department/Division, Address

Details	Information
<b>Company Name</b>	Excelsior Trading Corporation Ltd.
<b>Department</b>	Textile Raw Materials Division
<b>Address</b>	345, Segun Bagicha, Dhaka-1000
<b>Period</b>	11 <sup>th</sup> October to 31 <sup>st</sup> December

*Table 2 Internship Information*

#### 1.2.2 Supervisors Information:

Supervisor's Name	Designation
<b>Farrukh Ahmed</b>	Vice President

*Table 3 Supervisors Information*

### 1.2.3 Job Scope:

#### **Key Responsibilities (Textile Raw Materials Division):**

- Helping division members to reduce some of their workload
- Marketing email communication
- Customer visits
- Studying B2B relationship with buying house of Lycra
- Documentation
- Market research

### 1.3 Internship Outcomes:

#### 1.3.1 Contribution to the company:

- **Plan for improving email communication skills:**

While discussing emails with the head of the textile raw material division, Mr. Muhammad Omar Faruk I was aware of a communication problem in the division, specifically the problem was that some members were unable to write exactly what they meant in emails. I was tasked with finding emails that were hard to understand and provide suggestions on how to make them easier to understand. While I did provide some suggestions, I also proposed a plan to have the emails of the division checked by a member of another division who has excellent communication and writing composition skills and would provide suggestions. The second part of the plan involved randomly selecting emails with bad writing composition for the weekly meeting where all the division members will view and correct the email and make it easier to understand, after a few meetings like this it would eventually train all members to identify their errors in writing and correct them. This plan was appreciated by the Vice President, Mr. Farrukh Ahmed who also acknowledged that audits done by the company already cover this point to some extent.

- **Plan to reduce costs:** As the global economy heads into a likely recession, it is essential to reduce costs for the business to survive, this was one of the agendas at the organization. I

proposed a plan to reduce some costs by eliminating the printing of emails which will save costs that incur from buying paper. This plan was shared with and appreciated by the Vice President, Mr. Farrukh Ahmed.

- **Plan to increase customer retention rate:** There are some customers, who buy from Excelsior quite frequently, my plan was to send a corporate gift or a letter of appreciation to these customers. These gifts or letters will make the customers feel that they are valued by Excelsior and will increase the chances of doing repeat business and securing more orders therefore increasing the customer retention rate. The plan was appreciated by the division head Mr. Muhammad Omar Faruk who also mentioned that for special events like the 50 years anniversary which happened in 2022, all Excelsior employees delivered sweets by hand to all their customers.
- **Prepared customer visit report:**  
As I visited some customers, I was tasked with preparing the customer visit report. The report included visit number, dates, type, customer names, meeting representative and purpose of visit. (Figure 2)



**EXCELSIOR TRADING CORPORATION LIMITED** www.etcibd.com

345, Segun Bagicha, G.P.O. Box No. 6, Dhaka-1000, Bangladesh, E-mail: info@etcibd.com

Tel: + 880-2-8316805, 8316271, 9353485, Fax: +880-2-8313687, 9330909

List of Visit available in excelsior MIS Database  
BD - 4 - (Mr. Rony Sarkaer - 1026 - Business Executive)

SL#	Visit No.	visit Date	Type	Customer	Meeting Representative	Visit by	Visit for
1	222485	10/26/2022	Sales	[REDACTED]	No record found	Mr. Rony Sarkaer(Business Executive)	Collection of Information,
2	222484	10/26/2022	Sales	[REDACTED]	No record found	Mr. Rony Sarkaer(Business Executive)	Collection of Information,
3	222483	10/26/2022	Sale	[REDACTED]	No record found	Mr. Rony Sarkaer(Business Executive)	Collection of Information,
4	222482	10/25/2022	Sales	[REDACTED]	No record found	Mr. Rony Sarkaer(Business Executive)	Others,
5	222480	10/25/2022	Sales	[REDACTED]	No record found	Mr. Rony Sarkaer(Business Executive)	Collection of Information,

Figure 2 Customer Visit Report

- **Crosschecking documents for appropriate banking details**

Checking banking details in the PI (Proforma Invoice) document was a very important task because The Lycra Company’s only bank through which they do business is HSBC Bank, additionally customers also state their banks to Excelsior in the PI and this is then verified because bad actors may change banking details and if this is gone unnoticed, it may result in the theft of money from a transaction.

- **Checking emails**

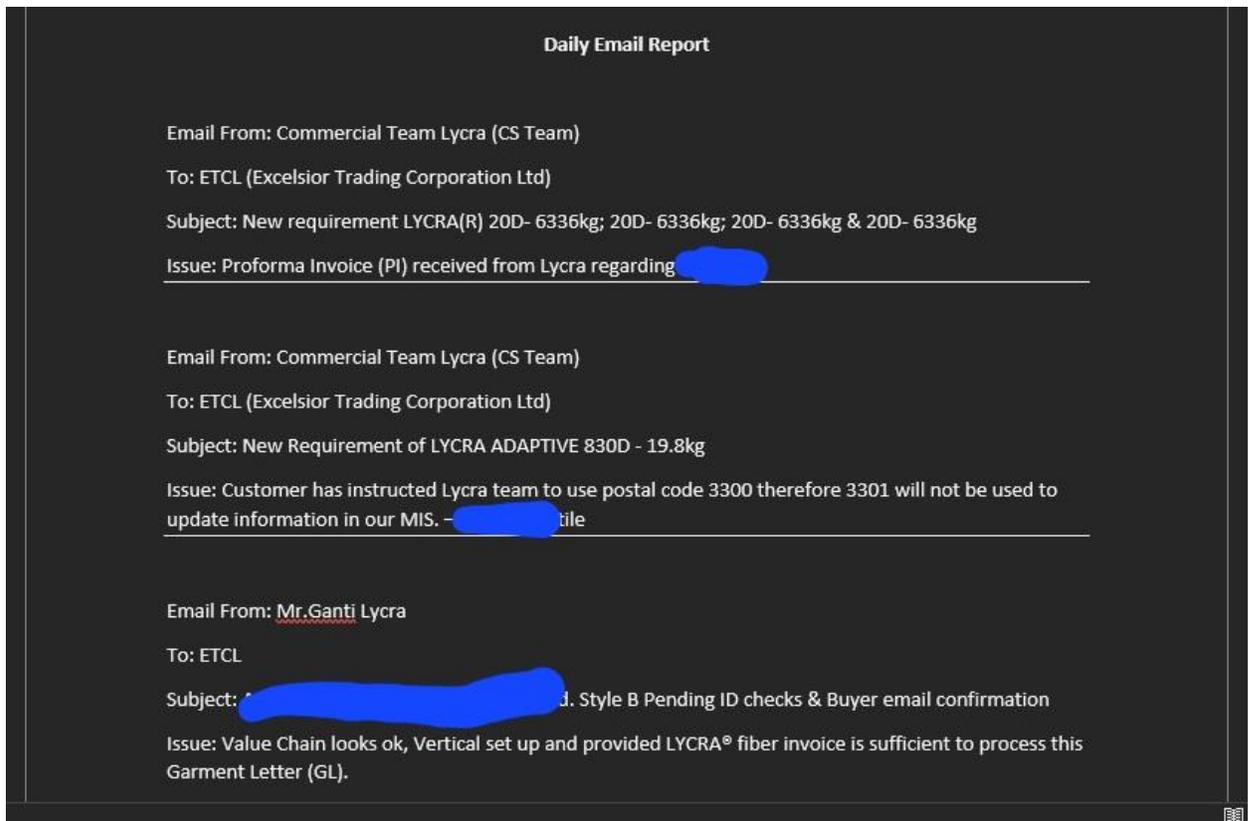
While anti-virus software is able to block emails from scammers and other bad actors, some emails still manage to get through. I was tasked with identifying such emails and deleting them. These emails only waste time of the marketing team, and failure to identify these emails may result in the leaking of confidential customer information and in extreme cases,

the loss of money. Additionally, I was also tasked with checking the spam folder because some legitimate emails end up there, and if these emails have high priority, it may cause confusion and delay in corresponding tasks.

- **Making daily email reports**

I was tasked with making daily email reports, I would read the emails which were categorized with high importance, make a report of those emails highlighting the issue on hand, at the end of the day I would present the report to the divisional head who would formulate further strategic decisions and execute the next steps or follow up on that issue.

(Figure 3)



*Figure 3 Daily Email Report*

### 1.3.2 Benefits to the student

- **Learning the trading business:**

The trading business is quite complex with multiple parties involved. During my time as intern I had the opportunity to learn the trading business. As I had read many emails, I began to understand the whole indenting process and got familiar with the multiple documents involved in trading. I also began to understand that maintaining a good relationship with both customers and suppliers is key to this business.

- **Actual work experience:**

Even though I had studied marketing, branding and consumer behavior, my experience in the field was different. I gained real work experience, especially from interacting with customers.

- **Learning on the job through observation:**

On the job, I was able to observe and learn certain skills such as how to communicate with customers effectively and how to develop emotional intelligence to understand needs much better while on customer visits. During ID check visits, I also learned how to perform a basic initial examination of a piece of garment made with Lycra and how to calculate weights of those garments.

- **Creating professional network:**

I was able to create a professional network, and am eager to grow and maintain this network. It opened up the doors to much more opportunity.

- **Learning discipline and punctuality:**

Working in a corporate environment, I learned discipline and punctuality, it helped me be on time, develop a schedule and finish tasks on time.

- **Friendly corporate culture:**

Everyone I interacted with at the office were friendly, helpful and kind. Everyone was open to questions and even made small talk.

### 1.3.3 Problems/ Difficulties faced during internship:

- **Understanding various processes in trading:**

When I initially started working, I did not have much idea about the indenting process or the various kinds of requirements or enquiry from customers therefore I really didn't understand the email communications. The whole process of learning the flow of documents was hard because I was not familiar with the documents and since there were multiple documents with some degree of variation, and different customers would refer to the same document with different names, it was difficult to catch at first.

- **Location:**

I had to start early to beat the rush hour traffic that was always present on route to office, traffic was something I had to experience on a daily basis.

- **Confusing names:**

Since there were multiple departments and business divisions, it was confusing at the beginning remembering which department was which and who was who, after spending 2-3 weeks in office I was able to remember the various names, departments and divisions.

### 1.3.4 Recommendations:

- **Training session for interns:**

Since the business operations are complex and multiple customers, products and documents are involved, it would be best for Excelsior to provide a short training program for interns and new recruits to help them grasp the basics of the indenting business and respective industries.

- **A dedicated internship program:**

Excelsior could implement and run a dedicated internship program, which could help them recruit fresh graduates and interns if required in the future.

- **Offer flexible work options:**

Excelsior could offer interns more flexible work options as interns are expected to complete an internship report and may have other courses at university therefore this option would be very convenient for them as it could allow them to work from home or work flexible hours.

- **Feedback session:**

Regular employees get performance appraisals and can present their feedback; however, interns usually don't get these options therefore it's hard for them to measure their performance or provide feedback. Giving these options could help interns greatly.

## **Chapter 2: Organization Part**

### 2.1 Introduction:

The “Made in Bangladesh” tag is a big achievement for Bangladesh. The RMG (ready-made garments) sector in Bangladesh has grown significantly since its inception and has become one of the leading reasons behind Bangladesh's extraordinary growth. According to BGMEA (2020), the garments export business is growing quick and reported an earning totaling to \$17 billion this year

alone, furthermore 83% of total export earnings in Bangladesh are attributed to this sector. However, the war in Ukraine, global inflation and energy crisis means that Europeans and Americans aren't spending a lot of their income on garments which means less orders for Bangladesh.

BTMA states that Bangladesh has 34 denim fabric manufacturing mills making their production capacity to around 435 million yards of fabric annually. Eco-friendly modes of production and high-end garments have also come into focus. More demand for fabrics such as denim or spandex will mean more demand for Lycra, the stretchy raw material used to make these.

## 2.2 Overview of Excelsior Trading Corporation Ltd.

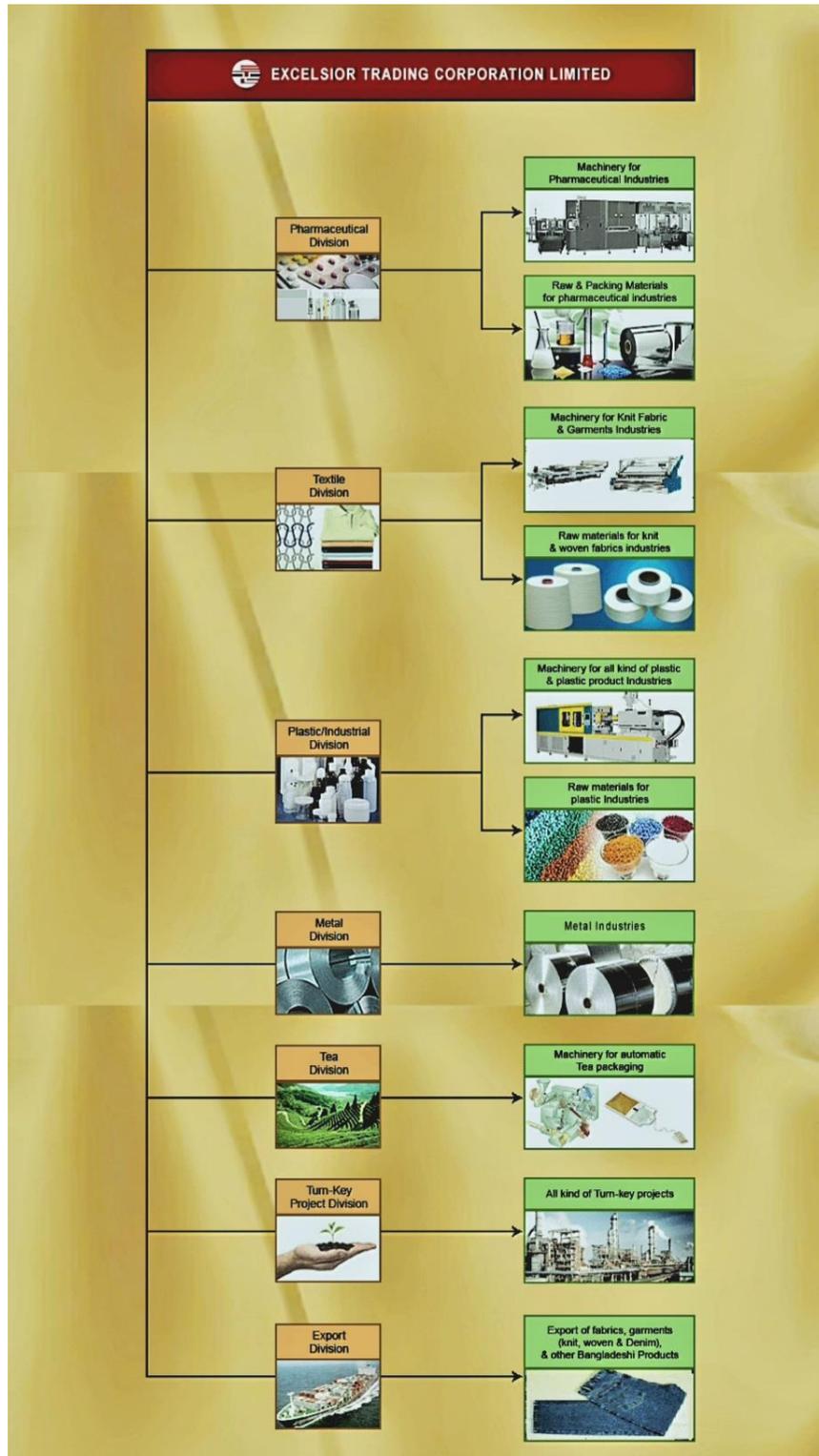


Figure 4 Overview of Excelsior

Excelsior Trading Corporation Ltd has 5 business divisions including pharmaceutical raw materials and machinery, industrial raw materials and machinery and textile raw materials. Excelsior has exclusive and contractual rights to act as an agent of The Lycra Company, helping them do business with customers of Lycra in Bangladesh. Excelsior has a national reach and good relationships with some of the biggest buyers of Lycra in Bangladesh. The Lycra Company, on the supplier end has a global reach. They are US based and provide innovative fiber and technology to all textile industries around the globe. They have good relationships with some of the most innovative fabric mills and garment makers globally for many years. In 2020 alone, The Lycra Company certified over 10,000 fabrics from 1,900 mills in 50 countries as reported by The Lycra Company (2020) on their website. (Figure 5)



Advantages

Technologies

Services

Sustainability

News

## Our network

**23,000+** Certified fabrics available

**3,000+** Mills

**600+** Garment makers

01

### Global reach

Source stretch fabrics in any region

02

### Sustainable fashion

Select fibers with recycled materials

03

### Proven performance

Increase sales with the quality assurance of LYCRA® brand

04

### Source fabrics

Anytime, anywhere online on LYCRA ONETM

05

### Sourcing in Asia?

Access exclusive support and unique services

Figure 5 - Overview of The Lycra Company

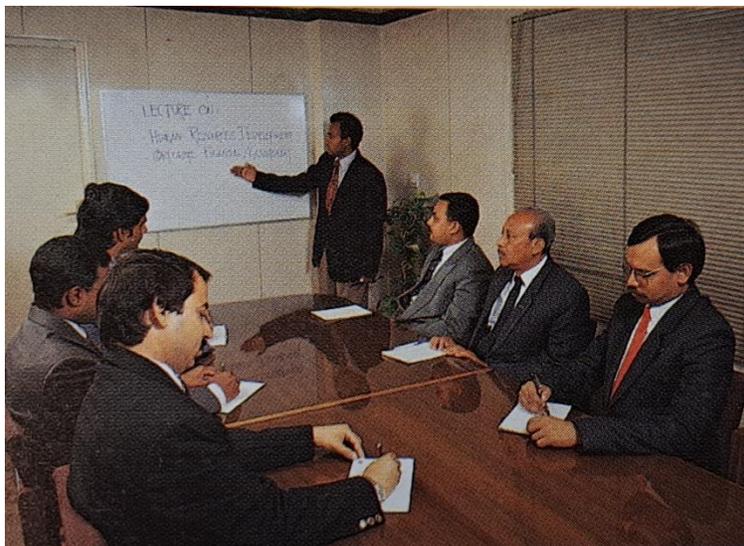
### 2.2.1 Vision, Mission & Values

Vision – To be the leading sales & marketing company by working in harmony with customers, principals and employees.

Mission – To commit to performance with responsibility, dedication, loyalty and involvement to the best of our ability.

Values –

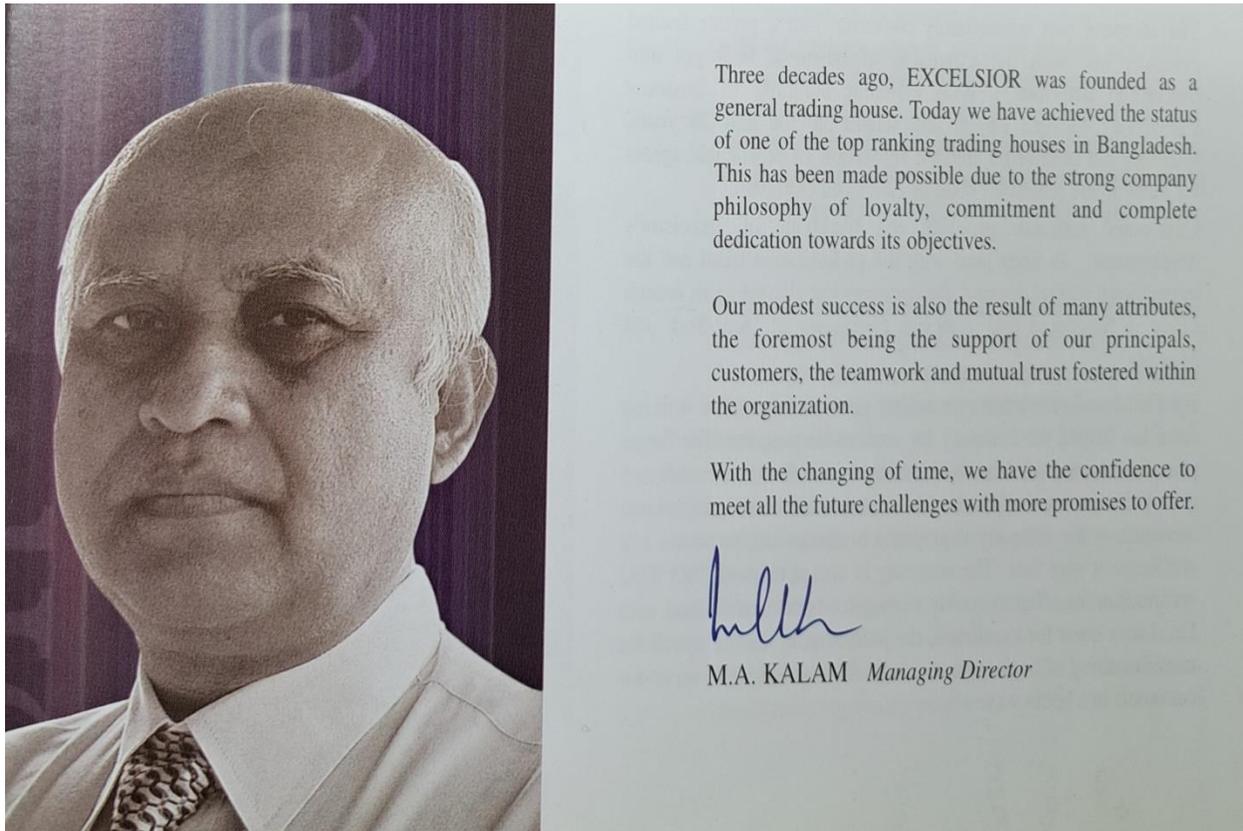
- Respect
- Loyalty
- Honesty
- Accountability
- Value-centricity
- To not harm anyone or the nation



*Figure 6 - Excelsior Training Session*

## Company History –

Ever since the start, Excelsior has been on a quest for excellence. With bold optimism and confidence Excelsior started its journey in 1972 right after the liberation war in Bangladesh. On 31<sup>st</sup> of March Late Mr. M. A. Kalam, the managing director founded the company as a proprietorship concern to find success as a general trading house. After a few years the company was subsequently converted into a private limited company and later expanded and diversified into other sectors. With globalization trends, the company also set up a branch in Singapore and associate companies in the U.S.



*Figure 7- Excelsior Founder Poster*

## 2.2.2 Business Structure

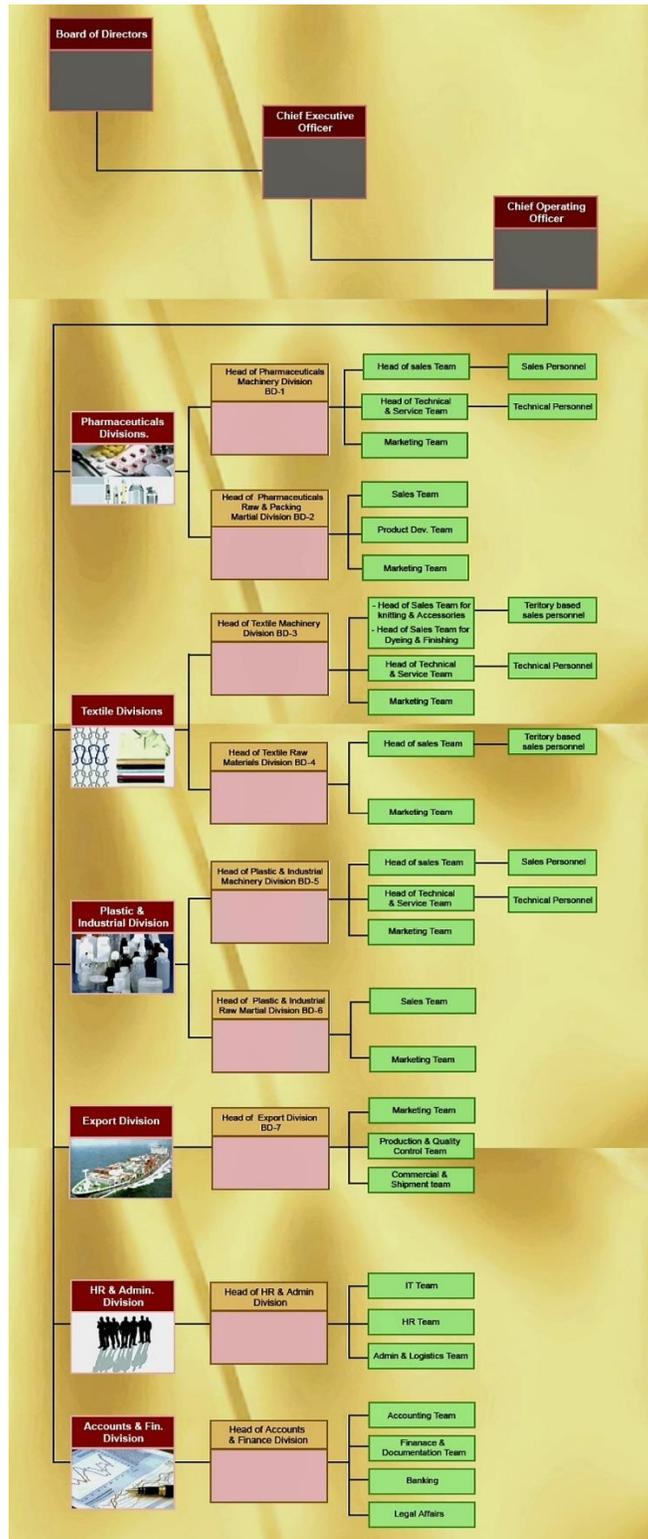


Figure 8 - Business Structure of Excelsior

## 2.2.4 Departments of Excelsior:



*Figure 9 - Departments of Excelsior*

## 2.3 Management Practices of Excelsior

The management of Excelsior believe in Market Based Management, which includes a framework for dealing with market changes and growth challenges to adjust to the ever-changing marketplace. Excelsior believes that only past performance does not guarantee future success. Excelsior has developed the “Excelsior Management Process (EMP)” from all its years of experience. EMP drives the company for continuous improvement and to understand the market better and provide better value for its buyers & sellers. ISO 9002 and Total Quality Management Procedure have been incorporated into EMP. EMP is also subject to a never-ending process of learning and improvement and will help maintain harmony with buyers and sellers. Currently EMP has added even more focus to B2B relationships, as reported by Excelsior.



*Figure 10 - Excelsior Employees with Management*

### 2.3.1 Excelsior's Leadership style:

According to Excelsior, the leadership style can be described as a Participative leadership style, all members of the organization work together to make decisions however in certain conditions, if the situation demands it, other leadership styles such as democratic and autocratic are also used. A participative leadership style helps Excelsior achieve its goals and objectives because this style gives every member a say and when collaborating on a common goal this helps build the team and operate efficiently, this helps Excelsior come up with creative solutions to customer's queries and problems and helps their business divisions to more readily accept decisions. Excelsior deals with multiple requirements, queries, documentations and more from both customers and suppliers on a daily basis therefore effective communication is key and a leadership style that supports everyone participating and communicating benefits Excelsior immensely.

### 2.3.2 Human Resource Excelsior:

The Human Resources department is responsible for managing, recruiting, training, motivating and firing employees. They are also responsible for administering employee benefits and checking if all rules and regulations are being followed at the office and any dispute is avoided or resolved quickly as reported by Excelsior.

### 2.3.3 Core Strategies of HR at Excelsior:

#### Event management strategy:

The event management strategy was created as many events take place annually at Excelsior including the Business Plan Meeting, Bengali New Year celebration, Iftar parties and Cricket matches. The strategy primarily focuses on timing, planning and budgeting of these events so the appropriate resources can be allocated on time.



*Figure 11 - Excelsior Employees*

### Recruitment strategy:

The strategy for recruitment was made so that competent candidates are chosen only. The strategy states that candidates with less than 1 year of experience will not be considered. Candidates also must complete their education before joining. The capacity of work under pressure is considered highly. The candidate must meet all of Excelsior's requirements. The jobs are usually posted on bdjobs however other recruitment agencies and services are also considered.

### Motivational Strategy:

The purpose of this strategy is to interact and motivate all employees to achieve their set objectives and goals. It involves discussing and motivating with employees so that they meet their targets, identifying and correcting short comings and guidance for improvement because motivated employees are corelated to giving customers a smooth service. Employees will also be wished on their birthdays, when they become parents, gift them when they get married and visited at home if they have a serious medical problem. Any extraordinary success of any employee is celebrated.



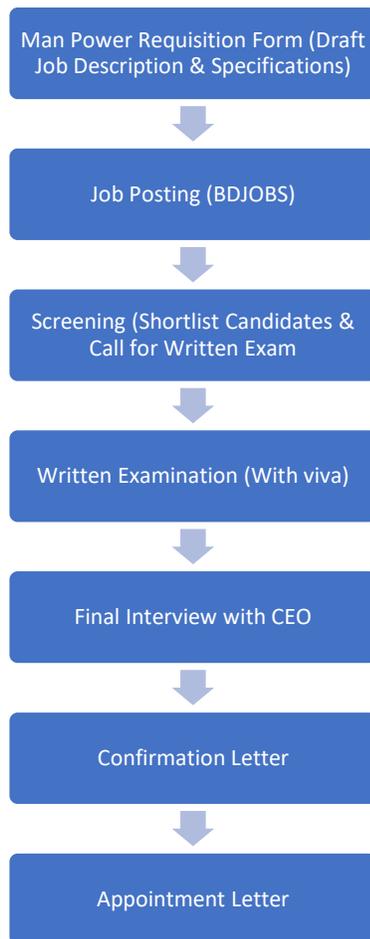
*Figure 12 - Excelsior Meetings*

#### 2.3.4 The HR Department's Goals and Duties in Excelsior

- Training
- Motivation
- Dispute avoidance precautions
- Arrangement of remuneration and benefits
- Listing of incompetent employees
- Surveys & audits
- Ensuring proper work environment

### 2.3.5 Recruitment and Selection Process of Excelsior:

The recruiting process of Excelsior is quite rigorous with multiple steps involving a written exam and a few interviews. (Figure 13)



*Figure 13 - Recruitment and Selection Process of Excelsior*

### 2.3.6 Training and Development:

Training sessions adapt according to the specific lacking, needs and purpose of the training. These sessions help employees identify their lacking, mistakes and provide guidance on how to correct them. New employees are also trained on the job, as they observe an existing employee doing the tasks. Some guidance is also given in the weekly meetings, these meetings are also utilized by management to give guidance and their judgment for emails, communications, interactions etc. In

depth videos and presentations are also used to train employees. Product trainings also occur regularly where divisional members give presentations on the products, they sell which is then followed by a QA session and quizzes are also sometimes taken to ensure that all employees have in depth detailed knowledge about everything they are selling.

#### 2.3.7 Performance Appraisal:

A performance appraisal means all employees will be reviewed according to their job performance by the divisional leader and HR. At Excelsior an appraisal is conducted weekly (Weekly Performance Index). The number of attendances, sales visits, customer interactions, orders lost and confirmed etc. are all considered. Whether they are operating within the budget and reaching set targets according to the business plan are also considered. Other surveys where HR grades each division, members grade the leader etc. are also conducted to understand their positioning. Certain aspects such as creativity, flexibility, personal growth, suitability of attitude and more are given emphasis.

#### 2.3.8 Compensation system

Excelsior has two types of compensation; one is financial while another is non-financial. All employees are paid salaries, and some other financial compensations are also made based on performance – such as the most sales male or other extraordinary accomplishments such as developing the business. Non-financial compensations include free lunch, tea, coffee, birthday wishes, other gifts for life events and also certificates, awards and medals for excellent performance, the employees receive these awards on stage at the annual Business Plan Meeting.

## 2.4 Marketing Practices

Marketing is an extremely important function for Excelsior. Marketing strategies are used for efficient email marketing communications, and on the field, marketing of the products that Excelsior can supply are done in person. Emotional intelligence and smoothness of a marketing presentation are very important for chasing leads and encouraging more sales and orders in the field. Collection of information and data from the market is also done for marketing research purposes which may be used to take strategic decisions at Excelsior. The marketing mix has had many iterations throughout the years.

### **Product:**

Lycra is one of the oldest and most well-known spandex (elastane) fiber globally. The Lycra Company is one of the most well-known producers of it and Excelsior is also known for marketing it in Bangladesh. The Lycra Company offers a wide range of lycra spandex (elastane) fiber products. A lot of research and development is also done for lycra fibers resulting in new technologies in the industry. The Lycra Company is also known for making no compromise when it comes to lycra and therefore is regarded as one of the best companies for providing high quality genuine lycra because they test and maintain fabric standards. Some of the popular products include Lycra Dual Comfort Technology, Lycra Anti-Slip Fiber 866L, Lycra Adaptive Fiber and Lycra CoolMax EcoMade Fiber. Clothing brands from Europe and U.S demand high quality raw materials be used at the garment factories in Bangladesh because this ensures their products are of good quality and this often means use of fibers from The Lycra Company. According to The Lycra Company, currently there are 800+ patents and applications and 2,300+ global trademark filings resulting in new product development and a unique product portfolio which keeps them competitive. (Figure 14)

## HIGHLY RECOGNIZABLE CONSUMER AND TRADE BRANDS

**87%**  
Global awareness  
for LYCRA® fiber\*



**1.3 billion+**  
hangtags and on-pack  
logos used annually to  
identify LYCRA® fiber



THERMOLITE®

COOLMAX®

Supplex

Tactel

ELASPAN®

\*Source: 2017 Global Insights Study, IPSOS



Figure 14 - Lycra Company Profile

### Brand:

Branding is essential to Lycra and Excelsior because it helps to market their products effectively. Lycra products are branded with their unique properties in mind for example a lycra fiber which prevents slippage is branded as Lycra Anti-Slip Fiber, because its innovative and unique technology prevents clothing from looking baggy or puckered after slipping during garment wash and use. The end user of the clothing also recognizes the Lycra brand when they see the Lycra hand tags attached with the clothes at the point of purchase which indicates to them that the clothing is of good quality and has genuine spandex (elastane) lycra fiber and has lasting performance benefits. **(Figure 15)**

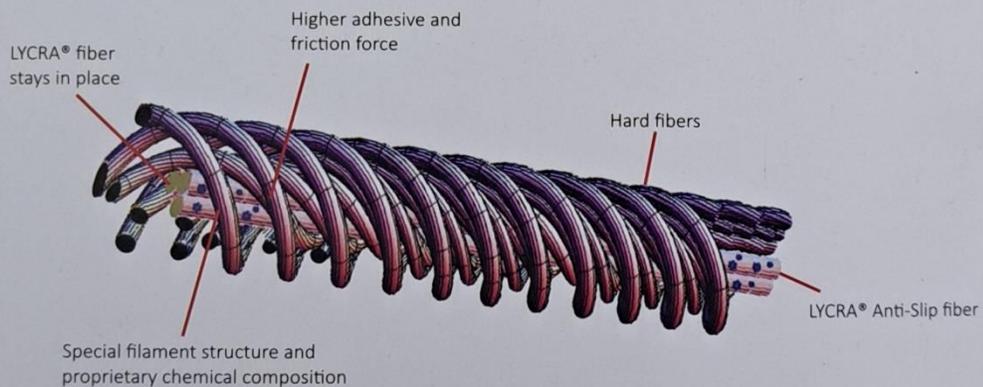
The LYCRA Company



## LYCRA® Anti-Slip Fiber 866L

### A NEW INNOVATION FRONTIER

With the increased use of polyester, rayon and other fiber blends in denim, seam slippage is a challenge experienced by mills, brands and retailers, and ultimately the end-consumer which can result in product returns and consumer dissatisfaction in quality and the aesthetics of the garment. It can also affect the wear life of garments after home laundry. The patent pending LYCRA® Anti-Slip fiber is developed to help prevent seam slippage and improve garment quality in denim applications.



### What is seam slippage?

In the seam area, slippage happens when the elastane fiber is retracted towards the inside of the yarn bundle causing immediate adverse impact on fabric quality appearance.



Spandex slipping back during garment wash & use.



Baggy or puckered appearance caused by slippage

Figure 15 - Lycra Company Branding

**Some other brands include:**

- LYCRA® fiber
- LYCRA® T400® EcoMade
- COOLMAX®
- THERMOLITE®
- LYCRA® T400® fiber
- LYCRA HyFit®

**Price:**

The price is an essential factor for the marketing mix. The Lycra Company can be said to follow a premium pricing policy. The Lycra Company has built the image of itself as a premium brand and have focus on high-end authentic fibers. Extreme price cuts would only dilute the brand image. The Lycra Company's high-end innovative technology and superior original quality justifies its higher prices.

**Place/Distribution:**

Currently The Lycra Company offers its products globally. The most orders come from countries who have many garment manufacturing units or factories such as Bangladesh, Vietnam etc. Their distribution channel starts from the place of manufacture such as Brazil, U.S, China or India and ends when the raw material reaches the factories or warehouses of the garment factories. There are currently 4 R&D labs and 7 manufacturing facilities located around the world. (Figure 16)

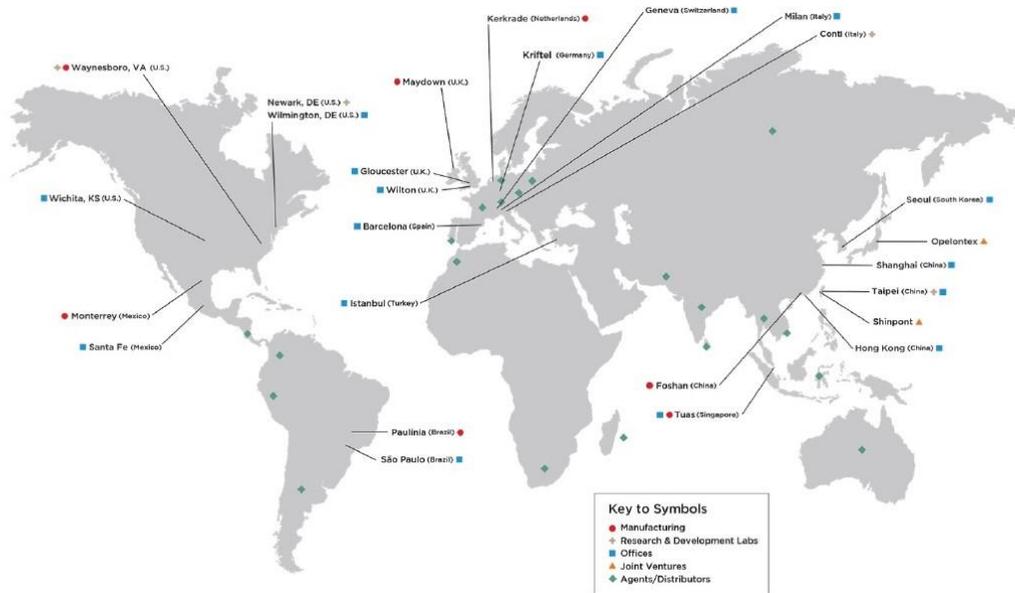


Figure 16 - Lycra Company Locations

**Promotion:**

The Lycra Company carries out robust promotion of their products globally while Excelsior supports them in this essential function in Bangladesh. Because lycra is a textile raw material, it doesn't really make sense to do widespread public advertisements, instead targeted advertising on selective marketing channels at smaller scales is much more effective. One channel focuses on the end user of the product, this is where the lycra hand tags come into effect as customers see the hand tag while purchasing while another form of promotion in this channel includes Lycra's online strategies for promotion. The second marketing channel focuses on other businesses, which involves promoting to the clothing brands, clothing manufacturers and factories and any other businesses who are involved with the manufacture of garments. For them, The Lycra Company holds seminars where they promote and reveal their products. In Bangladesh, Excelsior also plays a smaller part in promoting The Lycra Company as a sales team from Excelsior visit the customers and promote some products in person, leading to word-of-mouth promotions in addition to promotion via email and product catalogues to interested parties.

#### 2.4.1 STP Analysis:

- **Segmentation:**

The Lycra Company segments the entire textile industry based on one criterion which is the type of business and instructs Excelsior to follow the same. If the business is involved in the manufacturing of garments and clothing and needs or uses textile raw materials, it fulfils the criteria and can be segmented according to this, be it a super exclusive fashion boutique in Europe requiring comfortable lycra or a large-scale manufacturer of garments with huge factories in Bangladesh needing extra stretch or durable lycra or a massively popular clothing brand like H&M requiring eco-friendly sustainable lycra. This can be called demographic segmenting as it's based on criteria and characteristics.

- **Targeting:** Once the segments are identified, they move on to targeting. The Lycra Company may choose to target some of the segments identified or all of the segments identified as ideally all of them may be worth pursuing if the company offers products that meet the buyer's specific requirements. The segments can also be worthwhile targeting if they can be easily reached, businesses like Excelsior can help enhance reachability in the target country by taking care of all the transactional and legal complications, making targeting much easier.

- **Positioning:** The Lycra Company uses the insights gained from segmentation and targeting and then decide how they'll communicate their products to the chosen segments. They may use different types of positioning strategies to reach different segments, for example they may prefer to reach the massively popular clothing brands in the U.S directly and create a marketing mix which will appeal to them and prefer to reach the large-scale manufacturer of garments with huge factories in Bangladesh through an agent like Excelsior, in such cases they may take in

inputs from Excelsior about the local market and create a marketing mix accordingly.

## 2.5 Operations Management and Information System Practices

### 2.5 Excelsior MIS

According to Excelsior, the Management Information System (MIS) is only accessible by a select few personnel. The MIS is used for keeping a detailed log of all sales activity including visits, budgets, targets and more. The MIS is also capable of calculating ratios regarding sales activity which are later used to measure performance of individual divisions and employees in real time. This analytics feature is also used to calculate ratios regarding sale leads, orders generated and lost etc. Other uses of the MIS include maintain database of employees. There are 7 modules:

- IT
- HR
- Pharmaceutical Raw
- Pharmaceutical Machinery
- Textile Raw
- Industrial Raw
- Industrial Machinery

#### 2.5.1 Excelsior IT:

The IT department is also responsible for maintaining all email servers and protection of all data, computers and websites inside the company. (Figure 17)



*Figure 17 - Excelsior MIS Login Screen*

## 2.6 Industry and Competitive Analysis:

According to Grand View Research (2021) the global textile market has a value of 993.6 billion dollars in 2021 and is anticipated to grow at 4.0% from 2022 throughout 2030. According to Garments Merchandising (2015), Bangladesh's garments and RMG sector is the country's largest export earner valued over \$24.49bn of exports and about 80% of total export earnings also come from this sector. As the industry has grown so has competition. Currently competition has become intense. The big players in this industry are the main competitors namely Creora, furthermore their agents who carry out a big part of sales and marketing in Bangladesh can be considered as secondary competitors. Huafu can be considered as another smaller competitor who follows the same business model. If we look at Creora's 4 Ps, we can clearly see their products, place and promotion tactics are all similar to The Lycra Company's with slight variations however the biggest difference is reported to be their pricing strategy as they are known to charge lower prices

than competitors. This ability to offer similar products at lower prices can be speculated to be their strength along with their production capacity which has been increasing year on year, while their weakness can be speculated to be in research and development as per their website does not show significant evidence or listings of innovations or patents or large scale research and development operations, additionally there are some innovative products and technologies like Lycra Adaptive and Lycra Thermolite which The Lycra Company was first to market however Creora still has not created similar products which could also signal that they may be slightly behind on the research and development front.

#### 2.6.1 Porter's five forces for Excelsior

Porter's five forces is used to analyze five competitive forces which shape an industry. (Figure 18)



*Figure 18 - Porter's 5 Forces for Excelsior*

### 2.6.2 Industry rivalry –

The degree of rivalry in the textile raw material and garments sector is high as there many competitors, some of these competitors also have agents in Bangladesh therefore competition in the indenting industry is also high. All companies in the industry go head-to-head based on their competitive advantages on all fronts including customer service, marketing and sales, product innovations, research and development, product quality, production capacity, supply chain, prices and more. Excelsior has generated its own marketable competitive edge, which are its ability to create contracts with suppliers and a strong marketing and sales force as they train their sales team in all kinds of scenarios and improve product knowledge, furthermore their marketing team carries out marketing research to stay ahead of the curve and helps in ensuring both a good customer experience and a good supplier experience which give Excelsior a competitive edge.

#### Customer bargaining power

Customers in this industry do have some ability to put pressure on sellers. Customer bargaining power can be said to be moderate as there are many competitors offering lower prices with not much difference. Costs of switching is high because the clothing brands or retailers usually specify what kind of raw materials are to be used to make their clothing therefore using lycra from a specified company may become a requirement therefore the buyers are unable to switch to anything else however if buyers can convince their retailers, they may be able to switch to an alternative product lowering the costs of switching.

#### Suppliers bargaining power

The negotiation position of suppliers is good because there are multiple buyers meaning not one buyer represents a large portion of supplier's sales therefore meaning their bargaining power is

high. Furthermore, while there are some substitutes for textile raw materials, not all of them have substitutes, especially the newer more advanced ones, furthermore this allows suppliers to have more control over the availability of these products also indicating that suppliers bargaining power is high.

#### Threat of new entrants

Currently the threat of new entrants is low. There are many barriers to go through while entering the industry. Any entrant must have a large number of financial resources because they would need to first set up a corporate office, then set up multiple production facilities and then set up contracts with an indenting agent if they want to reach foreign markets without entering each and every market directly. Finance for research and development in technologies is also needed. To make textile raw material and innovate in them, the human capital is required for research and development in technology.

#### Threat of Substitutes

The threat of substitutes for older and non-patented textile raw materials is very high as they can be copied with some variation and are widely available however the newer, patented textile raw materials are more advanced and are harder to copy therefore many of them do not have substitutes therefore the overall threat of substitutes can be said to be moderate.

### 2.6.3 SWOT ANALYSIS OF Excelsior –



*Figure 19 - SWOT Analysis for Excelsior*

#### STRENGTH:

##### Experience

Excelsior has many years of experience under its belt and this has turned out to be one of their strengths as they've already faced many kinds of scenarios and it means they know what to do in those scenarios in the business environment. This is also a distinctive strength as Excelsior is one of the oldest companies in the indenting business and experience is something that can't be copied easily.

##### Exceptional customer relationship building

Excelsior also has exceptional customer relationship building, they know how to communicate clearly and gain the support and trust of customers.

## Powerful System of Documentation

Over the years Excelsior has streamlined all the documentation process which are required while importing raw materials meaning they save a lot of time and there is less errors in the documentation process however this is an imitable strength.

## Sales generation

Every customer is different and Excelsior knows this therefore they have mastered the art of understanding the customer and have refined the process of attracting and converting potential customers into existing customers. This is a common strength as multiple organizations have this strength.

## WEAKNESS:

### Lowered market shares due to competition

Competition exists in the textile raw material space, and some companies have entered the market, these companies then appoint their own indenting agent in Bangladesh increasing competition. Furthermore, companies from other industries also started working with indenting agents increasing the competition further and reducing market shares.

### Quality of communication

The quality of internal communication may sometimes not be up to the mark as in some situations, employees may fail to communicate on time or communicate unclearly which downgrades the synergy in the team.

## OPPORTUNITY:

Higher demand overall –

Some opportunities for this business include capturing the textile raw material production orders from China as they are slowly shifting away focus to more high-end products. There is also opportunity in Europe where brands are focusing more on sustainable, bio-degradable yarn market as consumers increasingly demand environmentally friendly products. Furthermore, there has been an unexpected increase of orders from the U.S which amounts to much opportunity. Another area of opportunity is in socks where there is a new trend of using lycra rather than rubber or elastic for manufacturing.

## THREAT:

Poor Global Situation

We are moving towards a more vulnerable world, as many economists warn us of a global recession where overall demand around the world will be low as people cut back on spending. There is also the increasing problem of inflation which hurts people's purchasing power and created a dollar crisis which has hurt bank's ability to open LCs. Furthermore, there is a war raging on in Europe, created panic and fear in Europe which results in low demand for clothing or spending.

Supply chain pressure

During the covid pandemic, a lot of changes occurred in supply chains around the world, the backlog created by the pandemic is still proving problematic as the supply chain pressures still exist to a degree.

## Rivals innovating

Currently, rivals in the industry are making moves to improve research and development, while they may not be there yet but in the coming years, they might be able to enter the market with a new innovative textile technology which may prove detrimental to our competitive advantage.

## 2.7 Conclusion:

In conclusion, Excelsior has been marketing and selling textile raw materials for some time now, they are already well established and they have been through many kinds of business environments and have the needed experience in this industry and will continue operations for the foreseeable future. Their business model and operations have solid structures and as long as every employee is working, the company keeps going and operates like a machine. There are some hurdles both internal and external but Excelsior is aware of those and will take precaution and correct those so that any damage that may occur is limited and that all success is maximized. With the backing of The Lycra Company in their textile raw material division, they will continue to make sales and offer attractive options in terms of textile raw materials in Bangladesh. Furthermore, Excelsior itself is already diversified because of their other business divisions in different industries meaning the overall business risk continues to be low. Excelsior is already preparing for the coming recession and they know when the recession ends, there will be a period of growth and they will capitalize on it. Their positioning remains good in the overall market.

## 2.8 Recommendations:

- Excelsior might consider diversifying even further into other industries and landing an exclusive deal or contract with the manufacturer just like their current contract with The Lycra Company. Some explorable sectors include food and agriculture.
- Excelsior could improve their customer service even further if they can manage to collect more data from customers, one way could be to use anonymous surveys to track all complaints from customers and find ways for improvement.
- Excelsior could also consider taking over or acquiring other smaller indenting agents who have a different customer base, as these kinds of acquisitions will only widen Excelsior's customer base and increase market share.
- Excelsior could also explore completely new markets, many future garment factories will be set up in developing nations in South America and Africa as brands try to find cheaper labor and as they move away from China, using Excelsior's current business model, they could set up branches in those countries bringing in a new stream of revenue.
- Excelsior could also experiment with VR technology, their customers could see the products in VR as the scale will be the same as real life, and more product interactions such as using the textile raw material virtually in textile machine and experimenting the different use cases of the raw material can all be explored and may add a new layer of customer experience for Excelsior.

## Chapter 3: Project Part

### 3.1 Abstract

**Purpose**– This is a general review study with the objective of identifying, specifying, and analyzing the essential brand management tactics utilized by textile raw material companies to sell their products and retain their market position.

**Design/methodology/approach** – The study employs a general literature review based on theory to investigate the branding techniques employed by textile raw material companies. A variety of newly published (2015-2022) works aim to equip individual practitioners with a method for managing their brand.

**Findings** –This study has defined, characterized, and examined all of the essential brand management tactics utilized by textile raw material companies. Notable outcomes include a model, which is an amalgamation of all the critical brand strategies, such as the creation and management of a brand identity, brand strategies that make the brand more recognizable and link the customer experience more closely, including brand collaboration, content marketing, and a brand performance measurement strategy, all of which help textile raw material brands to market their products and maintain their market position.

**Research limitations/implications** – The findings of this study will inform and assist the upper management of textile raw material enterprises in making strategic branding decisions, which will assist them in maintaining or expanding their brand position. As with other research papers, this one has limitations, namely the absence of discussions on the brand benchmark test, brand exploration through the 6-legged spider, brand contingency plan, brand report card, in-depth

discussions on brand equity, decline, and revitalization, and the collection of actual customer brand perception data.

**Originality** –Few studies have evaluated the brand management tactics utilized by textile raw material enterprises in Bangladesh to preserve market position, making this a vastly underexplored topic of study.

**Keywords:** textile raw materials sector; strategic branding; market share maintenance; Lycra; Excelsior Trading Corp.

**Type of document** - Research paper

### 3.1.1 Introduction

Branding has become an essential part of marketing and is considered highly by strategic decision makers. According to Swaminathan et al. (2020) technological advances have brought about a hyperconnected world which means branding research has to be reassessed from the perspectives of firms, consumers, and society. Instant access to information is commonplace today, therefore allowing more stakeholders to cocreate brand experiences and meanings along with brand managers. Bangladesh's RMG sector has been growing fast and competition in textile raw material and garments industry has become fierce. If businesses can do branding right the benefits are plenty. Branding strategies have been used by the suppliers of textile raw materials and garments industry for some time now and it has helped them become established and reach many customers in Bangladesh and aided them in creating a brand image which benefit them greatly in maintaining their market position therefore this was considered as an appropriate research subject worth investigating. Currently there are very few papers studying brand management strategies of textile raw material firms and therefore the phenomenon is not well documented resulted in limited

knowledge in this area. This research paper will dive into those very branding strategies in detail and explore how those strategies are created and implemented and provide a model for other businesses to use and help upper managements in the textile industry to make strategic decisions and perhaps help them replicate some of the success in terms of branding which makes it essential to know these branding strategies. The implications of successful branding in textile raw material and garment industry are also be explored.

### 3.2 Brand Management

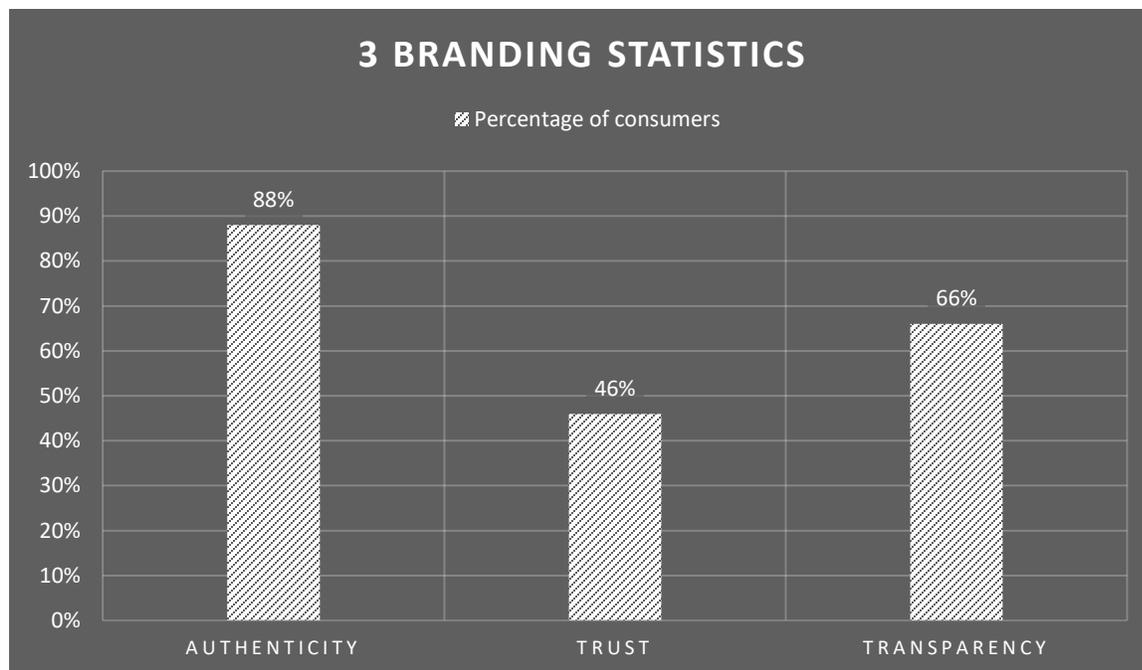
Brand management is essentially used by many organizations to increase the perceived value of the products offered by them. If done correctly, it can create loyal customers and help the price of a product to increase. This is all enabled by solid brand awareness, associations or imagery. Some examples of organizations who have done brand management extraordinarily are – Apple who has made economic gains and has created its ability to leverage its reputation and has resulted in a strong market-based perception and influence as reported by Razak, et. al. (2020). Another organization who has successfully managed their brand is Nike. The Nike products themselves are hardly present in their brand building strategy, because the brand itself is positioned to be something bigger than the products and it's designed to make customers think they want Nike products because they succeed, this kind of brand management strategy is implemented using emotional branding according to Pankaj & Srivastava (2016).

#### 3.2.1 Definition of brand management

According to Mindrut, et. al. (2015) brand management can be called a process which can be done with various methods involving logos, designs, packaging and more which help build a positive image.

Brand management can also be described as a broad term which is used in marketing strategies for making people aware, maintaining and improving the wider value of a brand over time according to Keller (2016).

Brand Management is also done by foreign textile raw material suppliers in Bangladesh and around the world because they realize the value added to their businesses from branding and the value of maintaining the brand using branding strategies. These brands help them create awareness about their products which are very technical in nature and hard to show physically because they're raw materials and this is why branding helps them so much because it puts a spotlight on their products. An article by Maryam Mohsin at Oberlo talks about research sourced from Stackla (2021) which reveals that 88% of consumers consider authenticity a key factor for deciding what brands they would like and support, 46% stated they are willing to pay more for a brand they can trust and 66% surveyed stated that transparency is a good quality (Figure 20) they look for in brands as reported by Stackla (2021). When looking at the Bangladeshi market, one must also consider these 3 factors when branding because the Bangladeshi market is extra careful with their money and spending, therefore they are very likely to look for authenticity, trust and transparency.



*Figure 20 - Branding Statistics Sourced from Stackla, 2021*

### **3.3 Four brand management strategies used by textile raw material & garment suppliers –**

In recent years if we consider a firm's profitability and power, activities such as marketing, branding, and design have become even more important as stated by Chen, (2019). Businesses may realize the damage or lost value when branding is missing, which can be seen in the real-life case of Iran's textile industry which is missing good branding according to Hudson & Hudson, (2017)

The textile raw material and garment suppliers carry out a range of marketing activities which in turn result in creating a brand inside the heads of target audiences. Creating a logo and color scheme are the very basics, however more marketing activities are needed for a thorough branding strategy. Taking The Lycra Company as an example, we can see their branding has some elements which are customer centric and others that can be said to be business centric.

They usually leave the price out of their branding and instead focus on their innovations, performance and comfort.

According to Hobday (2020), businesses can become capable enough for technological learning through original equipment manufacturing (OEM), make production upgrades, develop research and development (R&D) and eventually extend business scope upward to design, marketing and branding. Understanding this is essential because the textile raw material and garment suppliers are doing the same. They're investing in R&D to create new innovations in regard to textile raw material technology then patenting them and eventually branding those technologies according to each invention's unique properties.

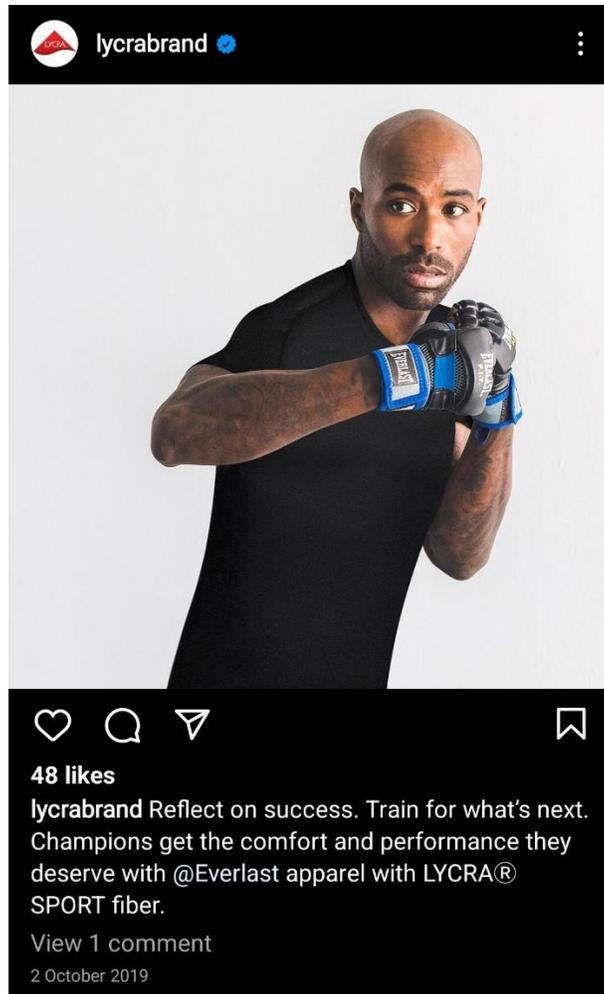
**Hangtags:** In visual merchandising, in-store branding and window displays have to communicate with the customer and add to the overall experience for shoppers to be successful in the textile industry according to Nobbs, (2015). From taking the The Lycra Company as an example, we can deduce that they try to make their brand presence known in such environments using branded hand tags attached with the garment, which signal to the shopper that the garment is indeed using authentic lycra. The hand tags act as in-store branding and are visible from window displays as well. When a shopper tries on a garment with lycra, the shopper immediately feels the comfort associated with stretchy lycra, which adds to their overall experience in-store. These factors all together are responsible for creating and maintaining the brand of a textile raw material supplier and when used correctly can help in creating an effective branding strategy in the industry.

**Online Branding:** Another branding strategy is to use the online platforms available to carry out marketing activities to remind the customers of the brand and to build the brand further. Offline marketing strategies are widely used by all businesses with little new options for competing

however online marketing has unlimited possibilities and open up new options as reported by Schwarzl & Grabowska (2015). If we take The Lycra Company as an example, we can see that they maintain their online presence in various ways, the most notable being their website, an Instagram page and YouTube. Using these platforms, The Lycra Company can reach their end customers directly, increase their brand awareness, search engine optimization (SEO) ranking, boost content marketing and generate leads and sales. A variety of activities are carried out on Instagram, including using other Instagram accounts to promote the Lycra company account and using content marketing such as creating looks and outfits their customers could try with different types of garments, this type of marketing makes the promotion feel more like content and something a user would search for instead of being disruptive like traditional ads. They can also be seen promoting the benefits associated with lycra such as comfort, shape-keeping, fit and stretch in colorful and eye-catching ways on Instagram, utilizing both stories and posts on the platform. Partnering with other brands such as Levi's and paid partnerships are also utilized for maximum exposure (Figure 22). All these activities are essential in creating the brand image of lycra, primarily it helps create a strong, energetic brand personality and they can portray themselves as being authentic and trustworthy. (Figure 21) Lycra's brand identity such as their red color scheme, typography and logo can be considered a manifestation of their brand personality.



Figure 21 - Lycra's Marketing Activities in Instagram Stories



*Figure 22 - Lycra's Brand Collaboration with Everlast on Instagram*

According to Aziza et al. (2019) the use of YouTube advertising by companies to communicate with their customers is increasing nowadays, along with the increasing number of YouTube audiences, the study also demonstrated the advertising value of YouTube and the effects on purchase intention. This highlights that YouTube has become a serious option to consider in marketing activities and that it can engage users with a brand. For a textile raw material supplier, for example The Lycra Company, it has become yet another integral part of online branding. YouTube can help define and create the soul of the brand also known as brand essence. Furthermore, this marketing channel is responsible for creating the brand image of the company

in the heads of both the end customers and other businesses who buy textile raw materials. For end users, they can feel the emotional benefits through demonstrations on social media of how good a lycra fabric can stretch and fit oneself, giving them confidence, and how versatile one can feel with lycra active wear with often energetic and scenic demonstrations which define the brand essence. Similarly, other businesses who buy the raw materials can view videos about the value proposition of lycra, its unique features and properties along with other technical details presented beautifully on video. Seminars are also uploaded to the YouTube channel adding on to more useful information for businesses. YouTube puts the Lycra brand in context according to the end customer and other businesses and shows that the company understands their two target audiences. Using these platforms, the company's brand values become clear as well, its focus on value co-creation with third parties and partners, focus on sustainable raw materials, focus on high quality raw materials and focus on innovation in textile technologies are apparent, making clear how far online branding can have taken them.

**Catalogues:** Another form of offline marketing as reported by The Lycra Company include the use of catalogues, the target audience for these catalogues are other business who buy textile raw materials. Using this simplistic yet effective form of marketing, a brand image is created in the minds of textile raw material buyers. While many assume that the catalogue business was killed off by the internet, in reality this is yet to be proven as thousands of catalogues are still being mailed as reported by Mark, et. al. (2019). The Lycra Company focuses on a specific brand in each catalogue, for example their CoolMax EcoMade catalogue (Figure 23), attached below primarily focuses on sustainable raw materials and “bringing new life to textile waste” is written with imagery containing greenery and on the other side, all key attributes, benefits, setting stages and

all information a technical officer or merchandiser would want is mentioned. This structured display of information is responsible for creating a brand image with respect to the company and communicates its brand value, essence and value propositions.



*Figure 23 - Lycra CoolMax EcoMade Catalogue*

**Seminars:** Another tool utilized as reported by the Lycra Company are seminars. The target audience for seminars are mainly other businesses. The brand essence, brand identity, brand values are all easily communicated here, as can be seen through the employees and product presentations to potential buyers as they are invited to the seminars. All forms of media such as video presentations and slides, catalogues all communicate what the brand is all about, everything at the

seminars are structured in such a way that it reflects company's brand image. A question answer session is also arranged, further portraying the brand in a positive light as this proves that they indeed care about concerns and are not afraid to engage with customers and buyers.

Using these strategies, The Lycra Company makes a good brand perception among customers and are able to maintain their brand position which in turn helps the maintain their market share. For further maintenance of the brand, brand awareness needs to be measured, consumer sentiment needs to be analyzed and brand loyalty needs to be assessed to make sure if these strategies are working or if they need tweaking.

### **3.4 Brand Performance Measurement Tools:**

According to Iyer et. al. (2019), the importance of B2B branding is on the rise yet it is still an underexplored area. Iyer et. al.'s paper (2019) also explores the possible connections between market orientation types and brand positioning, and examines the effects that these positioning strategies have on brand performance, similarly when we have executed our brand strategy, the positioning is already set and therefore we must also measure brand performance. To make sure that the branding strategy is working properly we need to measure the brand performance and asses the results and if required necessary changes can be made to the strategy for better performance. Therefore, it is important to keep monitoring the brand performance.

**Measuring Brand Awareness** – Barreda et. al. (2015), defines brand awareness as the customer's ability to recognize and recall the brand. However, this can be broken down into two parts, one is the customers' ability to recall the brand without any aid and another as their ability to recall the brand when exposed to a stimulus. In my opinion, certain online tests, questionnaire can be carried out as market research which could reveal the level of brand awareness customers may have. If

they can recall with stimulation, it's a good sign however recalling the brand without aid is much more powerful and effective as it means they are fully aware of the brand.

**Brand Knowledge** – A network full of associations inside the heads of the consumers is so-called brand knowledge as reported by Han, Nguyen & Lee, (2015). These associations include feelings, thoughts and experiences. To measure these using tests, questionnaires etc can be used. There should be focus on the brand's story, unique selling point, brand collaborations and products. For example, if a garment factory knows the story behind The Lycra Company, their unique selling points and knows all their products and offerings, it can be said that the garment factory has good brand knowledge, this is the ideal scenario all brands should strive to achieve.

**Brand Loyalty** – As reported by Nobar & Rostamzadeh (2018) managers always look for ways to increase brand loyalty, they need to consider the positive brand relationships and to see the importance of consumer engagement often associated with the brand relationships which often help in building brand loyalty. Brand loyalty measurement tools are already well established.

- **Customer Lifetime Value** – As revealed by Zhang et. al. (2016) customer lifetime value (CLV) makes it easy to assess the present and future value in a customer base. The marketing resource allocation and the wider marketing strategy are often based on this metric and hence making it a good tool for measuring brand loyalty. Moreover, it allows for prediction of the retention for managers and also the purchase behavior of customer which are all relevant information for measuring brand loyalty and for making decisions regarding the branding strategy. The following shows the most widely used formula for customer lifetime value.

Formula - Customer Lifetime Value = (Customer Value \* Average Customer Lifespan)

- Net Promoter Score – This metric is credited with measuring customer experience and predicts business growth. This metric is often regarded as proven and has added value to the corporate world and now finds itself being used in any campaign or management regarding customer experience.

According to Krol et. al. (2015) the search for a more straightforward and simple method of customer experience and satisfaction assessment in surveying has revealed an increasing interest in involving a net promoter score because of the value and insight this metric can provide. It is also sometimes regarded as the “ultimate question”, referring it is a summary of sorts for customer satisfaction. The Net Promoter Score is often calculated as the percentage of promoters minus the percentage of detractors.

Formula -  $NPS = \% \text{ promoters} - \% \text{ detractors}$ .

- Repeat business ratio – When considering brand loyalty, repeat business or repeat purchases is always discussed. A good repeat purchase ratio or repeat business or purchases in general is a good sign for strong brand loyalty. Surveying repurchase intention is therefore worthwhile however when doing such surveys, one must take into account the type of good being sold, for example consumer goods which are bought frequently are easy to survey but consumer goods with a long product life or non-consumer goods like textile raw materials will be harder to survey according to Kato, (2019). When it comes to textile raw materials, they have a long product life, and depending on the numbers of clothing being manufactured or the capacity of the factory, repurchase ratio and surveys regarding them will be affected. This metric is often calculated by dividing the number of customers

who have purchased more than once by the total number of customers over the same time period.

Formula – Number of customers with more than one purchase/total number of customers in the same time period

**Sales Number** – Other than these metrics, there is also another way to measure brand performance, namely the sales number. The sales number is readily available to any organization and there is no calculations or surveys involved with this one. The construct is very simple here, if sales have increased after the branding strategy was implemented and if sales are still strong and high over the time period and even when the branding strategy was changed, that would usually mean that brand is performing well however the sales number should not be used solely while measuring brand performance as that would not give the big picture when discussing overall brand performance.

### **3.5 Problems faced by textile raw material and garment suppliers while managing their brand –**

**Achieving integrated marketing communication (IMC):** Every organization tries to achieve IMC because it ensures that all customers are getting the same message when they engage with a brand in different forms or mediums. According to Šerić, (2017), IMC is potentially a valuable tool in addressing the accountability and effectiveness issues of brand equity and brand development. In this regard, scores of researchers have explored the possibilities of implementing the tenets of IMC in branding. If we take the Lycra Company as an example, we can see that they

have 2 marketing channels, one for business and another for consumers and they use multiple platforms and methods for marketing making things a bit more complex and very dynamic therefore they can be said to face some difficulty and problems reaching integrating marketing communication (IMC) mainly because sending the same message to both their business and end user customers won't be very effective therefore some end user customers may have a different brand image in their minds if compared to business customers. Furthermore, the messaging of the company may sometimes be inconsistent because of multiple products and features they decide to focus on at different time periods making achieving integrated marketing communication (IMC) much more distant. Furthermore, trying to achieve IMC in both individual marketing channel may prove more efficient however it could also confuse audiences who are aware of both marketing channels further complicating the decision regarding achieving IMC.

**Building brand internally** – Focusing on the role of employees in brand consistency for a brand identity, which just like humans, need a continuous and consistent identity for trust, is needed to build the brand internally as stated by Saraniemi, & Komppula, (2019). Therefore, internal brand building refers to building the brand among employees inside the company. Employees are expected to have the knowledge they require to support and advocate for the brand. Employees can't expect strangers to become lifelong loyal customers if they don't believe in the brand themselves according to Erkmen, & Hancer, (2015). However, building brand internally may become a problem faced by textile raw material and garment suppliers while managing their brand primarily because many textiles raw material businesses nominate another organization to act as an agent or representative for them in a foreign market, for example, Excelsior acts an agent of The Lycra Company in Bangladesh meaning the brand now spans two organizations making

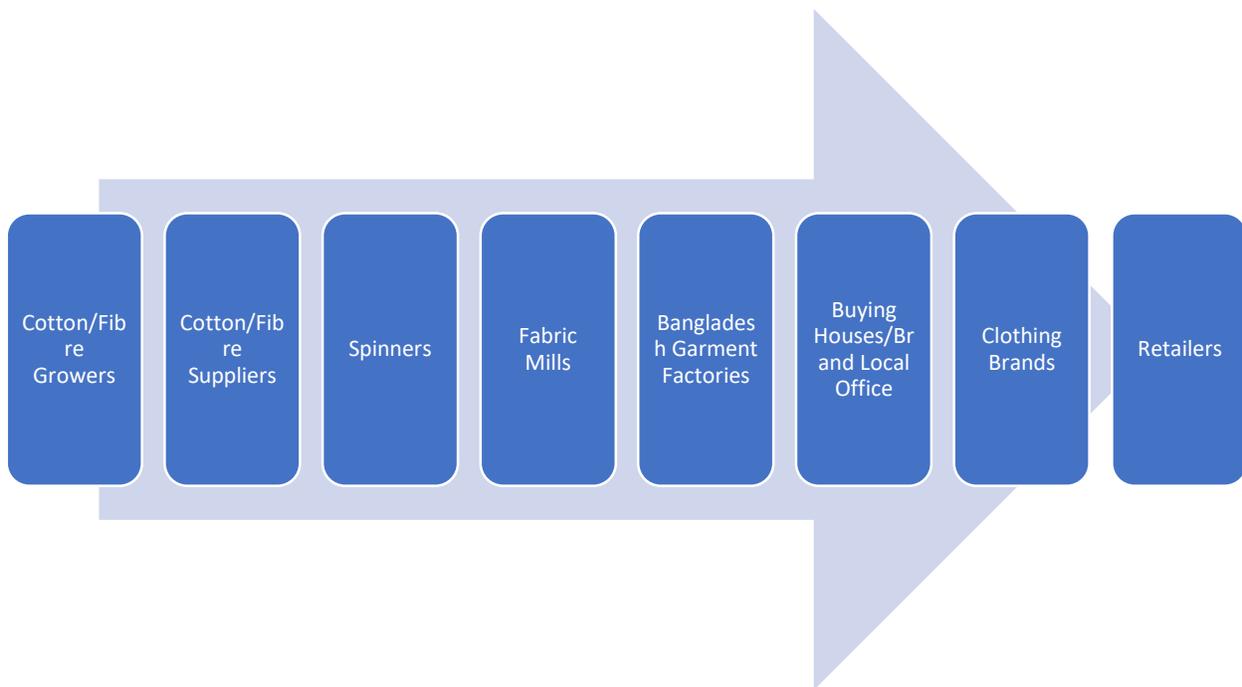
building the brand internally more challenging and time consuming. Therefore, Lycra needs to make sure Excelsior plays its part and that their employees know the vision and have extensive product knowledge and that all their employees are aligned.

**Maintaining brand relevance:** For sustaining and growing brand equity, the main challenge is finding the balance between preservation of existing brand identity by being consistent and the need to maintain brand relevance, which in turn needs change and innovation as reported by Beverland, Wilner and Micheli (2015). Maintaining brand relevance is a problem faced by textile raw material and garment suppliers while managing their brand particularly as brands and their product starts to age, also there are fewer customers as time goes on. For example, The Lycra Company may have struggled with some of their very old products which are being ordered less and less today, also as time went on, slight changes to brand names had occurred to maintain brand relevance for example the use of “Invista” in the brand name which over time was dropped but some veterans of the industry still refer to it as Invista and may fail to learn that they’re brand names from the same company and not different companies showcasing that over time, brands will face problems maintaining brand relevancy. Another reason behind this problem could be from emerging reasons to not buy, mainly driven by competition and innovations by competition. The more branding activities there is from competition, the more saturated the market gets to the point where product offered by each organization become clear substitutes and customers face difficulty distinguishing them. To overcome this problem in-depth knowledge of the market and positive attitude towards investment and change are essential.

### **Value-chain:**

Whenever we consider building the brand, we also look into the value chain. The textile and apparel value chain are one of the most global value chains and a lot of work needs to be done to

keep the branding consistent when building the brand internally and externally according to Theurer, et al. (2018). The value chain for the textile raw materials and garment industry starts with cotton and fiber growers then it reaches the cotton and fiber suppliers who sell it to the spinners who spin the raw material into yarn. After this step, the yarn reaches the fabric mills where it is turned into threads or fabrics. This fabric is then sold to the garment factories in Bangladesh who use it to create clothes which international brands buy and then sell the end product to their customers through their own retail store or other retailers to the final customer. (Figure 24) The main problem faced by textile raw material and garment suppliers while managing their brand when it comes to value chain are defects. Like every other business, textile raw materials can also be vulnerable to defects and like every other product, customers will not be happy and this in turn affects the brand image for a short period of time until the issue is resolved which again repairs the brand image. Many kinds of inspections, quality checks and more quality assurance measures are also put in place to make sure that this sort of damage to the brand doesn't occur in the first place and that any if any problem does arise, it can be tested and traced back easily which leads to the problem being resolved quicker.



*Figure 24 - Value Chain*

### **3.6 New textile technologies and branding –**

Another key ingredient for textile raw material and garment suppliers in their brand management strategy is the flexibility in their marketing and branding because the textile raw materials are branded according to their unique properties, therefore a new textile technology would have to be branded accordingly to its unique properties which are also patented. Therefore, each company must make sure their brand will fit the new incoming textile technologies and vice versa. They need to make sure that brand values are followed and that the brand can adapt to these products, they need to make sure the brand doesn't adopt multiple personalities or become too complex or saturated. If done properly, this gives the inventor of such new textile technology a good competitive advantage, keep the brand consistent and reduce brand aging.

Many new textile technologies are being invented and tested today which will eventually market in the future. Some technologies to put under the radar include -

Wearable e-textile tech - Wearable e-textiles are known for the ability to execute electronic functions and can also add features into common wearables garments which can give them competitive advantages. Also apparent are production challenges for existing industrial processes to make these garments, technical difficulties are also common at early stages. Examples of e-textile technologies include garments with sensors, actuators and more according to Gonçalves (2018).

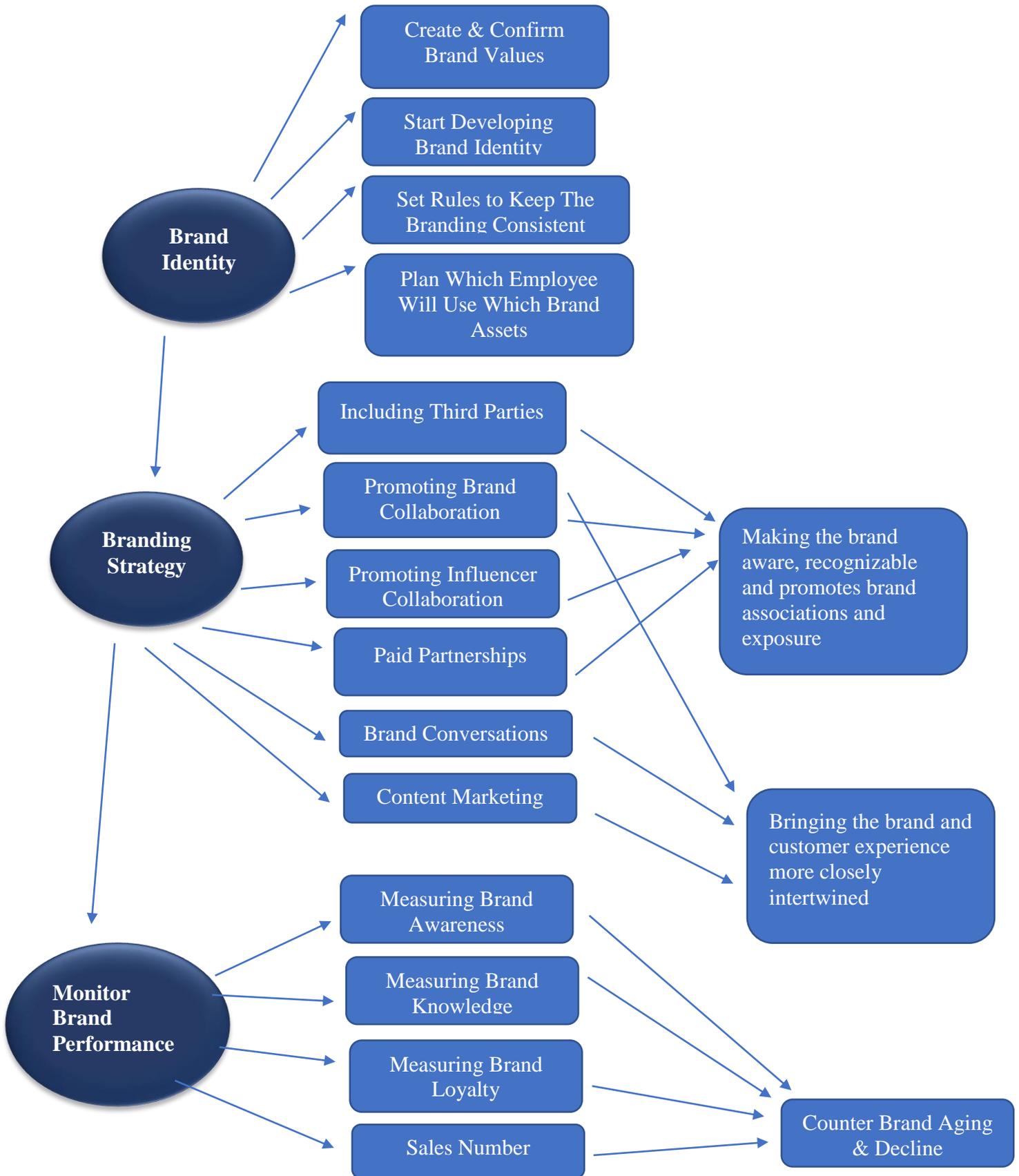
Sustainable textile tech – Sustainable textile technologies have already made some progress. The conventional textile production technologies have stayed the same since ancient times. Basic methods of yarn spinning, weaving, circular knitting, braiding, dyeing have stayed the same. Each of these techniques and everything else in the chain all leave behind its footprint on the environment. Sometimes these are very environmentally harmful. The end consumers are now more concerned about the environment than ever, therefore sustainable textile technologies are more important than ever. In this space, man-made biodegradable fibers offer promising possibilities for sustainability as reported by Stenton, et. al. (2021)

### **3.7 Results and Discussion –**

The aim of this project was to identify, specify and analyze the key brand management strategies that are put to use by textile raw material firms to market their products and maintain market position. The findings included a model which is an amalgamation of all the key brand strategies used. The first step of this strategy includes the creation of the brand, the confirmation of the brand values and the development of the brand identity and setting of rules to keep the branding consistent and decisions about which employee will be in charge of which brand assets. The 2<sup>nd</sup> step includes the main brand strategies such as including third parties such as influencers in branding, promoting brand collaborations and partnerships with them and other suitable brands

and businesses. Brand conversations should also be planned with customers and other businesses along with a content marketing strategy which is non-disruptive in nature therefore making sure that customers and businesses can educate themselves about the brand and products by searching for it themselves and consumption of these information feels like a piece of content rather than a irrelevant disruptive advertisement. The purpose of promoting brand collaboration, brand conversations and content marketing is to bring the brand and customers experience more closely intertwined while the purpose of including third parties, brand and influencer collaborations, paid partnerships is to make the brand aware, recognizable and to make brand associations and exposure. In textile raw material industry, the use of hand-tags, Instagram, YouTube, Catalogues and Seminars fall under this sphere. The 3<sup>rd</sup> step is to measure brand performance by measuring brand awareness, brand knowledge, brand loyalty and sales number. The purpose of these measurements is to keep the brand in check and counter brand aging and decline by making changes and tweaks to the overall strategy whenever the performance is poor or whenever the situation requires it. In the textile raw material industry if the brand performance is good, it means that the brand won't face huge problems maintaining brand relevance. In some cases, it may also indicate good internal brand building and good integrated marketing communications and brand consistency to some extent. A brand must also keep an eye on where the market is moving, such as the newer textile technologies and branding because over the long term, many products and technologies may become irrelevant and if the brand doesn't adapt to the market, they will have a very hard time maintaining brand relevance and brand performance will be poor.

Figure 25 - Model for Brand Management Strategy



### 3.8 Conclusion –

In conclusion, for an effective brand management strategy in the textile raw material and garment industry, a business must first create and confirm their brand values and start developing their brand identity. Most importantly they must set rules to keep the branding consistent and clear, they must be aligned on what their brand image should be and what are things that go hand in hand with that brand image and what doesn't go with the brand image. For more efficiency, they could plan which employees would be allowed to use which marketing and branding assets. Another element in strategic branding is including third parties, promoting brand collaboration, influencer collaboration, paid partnerships which all help making the brand aware, recognizable and promotes brand associations and exposure, especially online. It is also important to define target audiences and accordingly reach out to them using the appropriate channels and have brand conversations while also focusing on content marketing which doesn't disrupt the audience. Another brand strategy for textile raw material and garment industry is bringing the brand and customer experience more closely intertwined, the experience should not just be wearing the garment in a trial room in the shop to feel the garment but also more creative techniques like sharing outfit ideas with those garments on social media and educating customers about the unique properties of the raw material and how it makes the garment what it is and how it benefits the customer. Furthermore, they must monitor the brand strategies for performance to improve relevancy for countering brand aging and brand decline. Textile raw materials are not everyday products where you can just stamp a logo on, different branding strategies must be implemented to create the overall brand image inside the customer's head which benefits the raw material manufacturing company to become more relevant and visible to both end customers and other businesses. Some implications of this study are that it has provided a helpful and new perspective on how to use

existing branding strategies to maintain market share in the textile raw material and garment industry. The findings of this study can help businesses in the textile raw material and garment industry to understand, create and refine their branding strategies in both a business to customer and business to business environment.

### **3.9 Limitations –**

Like other research papers, this paper also has limitations. The limitations include discussion about the brand benchmark test which would have shown a comparison of media coverage of our company to that of our competitors and identified the areas of branding where the company is doing well and which places it should improve regarding to their content. Another limitation is exploration of the brand using a 6-legged spider, which would have given a mental map of the brand and shown exactly what comes to mind when a customer hears the name of the brand which could have given clues about brand awareness and brand associations. Another limitation is the lack of a brand contingency plan, in a world where cancel culture is apparent, it is important for a brand to not take risks and do something which customers might find offensive, in a scenario where a brand fails to do this, a contingency plan is required which would have explored a strategy for how a brand should respond to critical and important events that negatively affect the original plans and take them off course. If a brand contingency plan is executed properly, the plan can help mitigate risk and help the brand and business get back to their usual business operations in a quick manner, also repairing some of the brand image lost. Another limitation is the brand report card, this card would have some important points in some criteria, the overall score on the card would reveal areas that need improvement and help recognize areas in which the brand is strong. Another small limitation includes more in-depth discussion about brand equity, decline, aging and

revitalization. Another big limitation includes collection of the actual brand perception by customers as the condition of the business environment, namely business to business and unwillingness of customers to participate made it hard to collect such brand perception data in textile raw material sector.

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