Internship Report

On

"INTEGRATED MARKETING COMMUNICATIONS OF PREMIER CEMENT"



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Integrated Marketing Communications of



Submitted To

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Internship Report, BUS 400

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LETTER OF TRANSMITTAL

11th September, 2011

Husain Salilul Akareem

Jr. Lecturer BBS, BRAC University 66, Mohakhali, Dhaka-1212

Subject: Submission of Internship report.

Dear Sir,

With great pleasure I am submitting my internship report on "Integrated Marketing Communications of Premier Cement" as requirement of my internship (BUS-400). The report has been completed as per your requirements and according to the general format of internship report assigned to me.

The report is based on my academic knowledge, work experiences and skills that I have acquired during my internship period at **Premier Cement Mills Ltd.** While preparing the report I found the study interesting, beneficial and insightful that gives me a wide range of exposure on my report topic.

I honestly, not only anticipate that my analysis will assist to provide a clear idea about the *marketing communication program* of an organization in the real work scenario, but also optimistic enough to believe that you will find this report's worth for all the labor I have put in it.

Therefore, with immense gratification I am submitting my internship report and I welcome your entire query about the report and take pride to answer them.

Thanking you

Sincerely

Imtiaz Arefin

ID: 07304093 BRAC Business School

BRAC University, Dhaka.

i

ACKNOWLEDGEMENT

First of all, I would like to thanks my academic supervisor, *Mr. Husain Salilul Akareem* for giving me his kind assistance and support. I am very thankful to him for devoting his precious time and knowledge to guide me correctly preparing this report. Undoubtedly, this report will help me in future in my career. Thus preparing this report has given me a great experience to reveals the marketing communication of a recognized local company like Premier Cement.

I am indebted to *Mr. Chowdhury Saifuddin Haider*, my onsite supervisor and *Mr. Tanvir Jamil*, Sr. Executive, *Brand & Creative*; who have given me their precious time, attention and facilitated me with information about Premier Cement brand communications. Moreover, my sincere gratitude to them for guiding me properly through out my internship period and helping me to prepare the report. I also give my special thanks to *Mr. Md. Kurshed Alam*, General Manager, *Sales & Marketing* for his cooperation and kindness. I would also like to thank the total team of Brand, and Sales & Marketing department of Premier Cement.

Lastly, I would like to thank the authority and employees of *Premier Cement* for their support and cooperation during my internship period.

Imtiaz Arefin

BBA, Marketing Internship, Summer'11 Premier Cement Mills Ltd. Corporate Office, 13, T K Bhaban Karwan Bazar, Dhaka-1215, Bangladesh.

TABLE OF CONTENTS

Titles	Page No.
 Letter of Transmittal Acknowledgement Executive Summary 	i ii iv
CHAPTER 1 1. Project Description 1.1. Background 1.2 Report Objectives 1.3 Methodology 1.4 Limitations	1 1 1 2 2
CHAPTER 2 2. The Organization 2.1 Introduction 2.2 History 2.3 Product offerings 2.4 Visions for the future 2.5 SWOT Analysis of Premier Cement 2.6 Organization Hierarchy	3 3 4 5 7 7
CHAPTER 3 3.Job as an Intern 3.1 Job Description 3.2 Specific responsibilities 3.3 Different aspects of job performance	10 10 10 10
CHAPTER 4 4. The Project 4.1 Industry & Competitors analysis 4.2 The Concept of IMC 4.3 Company Analysis: Current marketing communications of Premier Cement 4.4 Integration of Communication Mix 4.5 IMC of Premier Cement & Brand equity 4.6 IMC Strategy development of Premier Cement 4.7 Media planning and analysis 4.8 Execution of Brand Marketing Program 4.9 Managing & Evaluating IMC of Premier Cement	12 12 14 19 22 22 24 26 27 28
5.Critical Observations & Recommendations 6. Conclusion 7. References	29 31 32

EXECUTIVE SUMMARY

Integrated marketing communication (IMC) has emerged as a new concept in marketing in the twenty-first century. Its customer focus, intended to grow and retain customers, is more than just advertising and promotion, and it takes into consideration more than just customers or clients. This report examines how IMC is more than simply the integration of advertising and promotional activities in perspective of one of the leading cement brand of the country **Premier Cement**. This report firstly provides an overview of integrated marketing communications, its concept, current trends and how it is important to build a strong brand. Next, the report contains about the analysis of major tenets of Premier Cement brand communications, its functions, current strategy, how it related to the company's brand equity and lastly a brief evaluations of the marketing communication programs of the company. Also provides a critical observations and recommendations according to my point of view on the basis of findings on integrated marketing communications of the company.

Though Premier Cement started their journey in 2004 commercially but it initiated heavy investment in their marketing program from 2007. And from then the company able to peak up its growth as well as created strong market in the cement industry. Currently the company is running with an annual production capacity of 12 lacs metric tons producing 80,000 tons of cement per month which is a significant achievement in such a short time. Moreover, the company has a plan to increase its production capacity to expand market share. In a very competitive and saturated cement market the company is able to increase its sales growth and can think of to increase their market share because of its marketing and brand communication programs. Though the market communications of the company is quite traditional but they are successful in integrating the market communication programs effectively. Premier cement offered two promotional campaign last year; CASH++ Offer and Eid 2 Eid offer. This proved to be a successful campaign for Premier Cement as they achieve 98% of their sales target from this This year the company also re-launched the CASH++ offer and till August 2011, the offer is quite successful to achieve the sales target. And the company is planning to launch a new promotional campaign from this September 2011. The company always tries to integrate its communication mix, brand tools, IMC and brand equity strategy in a way so that it goes hand in hand with their marketing programs. Thus, all the promotional campaign of Premier Cement achieving its expectation because of proper integration and management of marketing communication programs.

However, Premier Cement required lots of improvement and strategic development in their communication programs. As I mentioned, the IMC programs of the company are quite conventional and not sustainable in a long run. So the company needs to update and have to think out of the conventional way of market communications in order to sustain in a long run. At the same time the company should have to increase their investment on marketing programs since it called the life blood of any business to generate the ultimate sales, customer satisfaction and sustainable brand image.



1. PROJECT DESCRIPTION

1.1 Background

This report is on "Integrated Marketing Communications of Premier Cement Mills Ltd." which I have to prepare to fulfill the requirement of the BUS400 (Internship) course. The task is supervised by the academic supervisor Mr. Husain Salilul Akareem. I have been working with Premier Cement Mills Ltd. for three months period (June- August) as an intern in Brand & Creative department. Here I have the opportunity to see, learn and work with practical things in a job life as well as to gain knowledge on my respective industry about how a cement company basically operating in Bangladesh. This internship report mainly reflects about the in-depth understanding about the various aspects of the company especially how the branding of Premier Cement currently functioning and detail analysis of this component.

1.2 Report Objective

The objectives of the report are divided into two parts; broader objectives and specific objectives. These are:

Broader Objectives:

- ✓ To know insights about integrated marketing communications and its application in a company.
- ✓ To know about the effective strategy of communicating customer value that creates brand equity in a real life scenario.
- ✓ To know about how company design and manage integrated marketing communications to establish a strong band in that industry.

Specific Objectives:

- ✓ To know about job environment and have a practical experience of job life.
- ✓ To find out the relevance and application of the theoretical knowledge in practical life.
- ✓ To know about the real life scenarios and problems that occurs in workplace and how to manage them properly.
- ✓ To gain in-depth knowledge about company particular department functions and how it utilize its resources effectively.
- ✓ To prepare a report based on the experience that I gain.



1.3 Methodology

The report is completed by taking information from different relevant sources and through a literature review on the topic. Some data had been taken by observing and working with the company itself and also from company previous records. However, the report is also consisting of information obtained from mainly primary data and few secondary data. These are:

Secondary Sources:

- ✓ Company previous records, data, journal, report, brochure etc.
- ✓ Company website, internet, newspaper and various other sources provided by the company and academic teacher.
- ✓ Books, article, literature, research related to the industry and the respective topic.

Primary Sources:

- ✓ On the job experience obtained while working for the company and by observing real work scenario.
- ✓ Talking with supervisor, senior personnel, office staff and also the in-hand data.
- ✓ Data from attending meetings, visiting the factory and retail shops.

The method that I applied to prepare the report is an effective method that helps me to finish the project successfully. Through observing and working with the real life scenario as well as analyzing various internal and external data the report is prepared.

1.4 Limitations

While working and preparing this report I faced some limitations. These are:

- ➤ Difficulty in having access of information and getting data because of company confidentiality since I worked there as an intern.
- ➤ There are lack of market data available (journal, publications, company magazines etc.) related to my topic in terms of cement company.
- Time constraint is another limitation of this report.



2. THE ORGANIZATION

2.1 Introduction

Cement is a hydraulic binder, i.e. a finely ground inorganic material which when mixed with water, forms a paste which sets and harden by means of hydration reaction and processes, which after hardening retains its strength and stability. Cement can be described as a binder material with adhesive and cohesive properties which can set and harden even under water.

The cement industry of Bangladesh is a rapidly developing sector of the economy. Over the years, the amount of construction projects have followed an increasing trend as the urban growth rate has boosted all across the country in places like Chittagong, Bogra, Mongla and others in addition to the expanding capital city, Dhaka. Over the years, however, cement emerged as a substitute to traditional construction materials and by the mid-1980s, with an increase in hefty infrastructure projects, accelerated rate of urbanization and increased construction of multistoried buildings, there was a sharp increase in its demand. Currently, there are 70+ cement factories in Bangladesh and daily production capacity is 16.687 million Mt.

Premier cement is a leading manufacturer of cement in Bangladesh. The products are all around us, providing strength and durability to buildings of soaring dimensions, in infrastructure that speeds the lines of commerce, and for housing that provides comfort and security to families across Bangladesh. The brand name Premier Cement means best quality, dependability and technical excellence. Their associated companies adhere to the same demanding standards as they cater to Government, Real Estate, Developers, Industrialists, and Manufactures of construction materials such as Ready Mixed Concrete, Block, Pipe, and other pre-stressed concrete units. They have a large, dedicated and qualified customer support and sales team and the technical support team are always ready to provide the quality service to its customer. Premier cement enjoys a long history and sustaining reputation in Bangladesh. It is their experience that excels on top of the game in the market where supply capacity is double the demand of the country. The company also exports their products to India and Srilanka every year. The company has recently acquired a factory of a cement company in Chittagong which will help them to expand and increase their production in the coming years.



2.2 History

A Group of highly experienced and leading businessmen in the country set together and decided to establish Premier Cement factory with the sanctioned capacity of cement manufacturing plant. The team consists of three leading group of companies in Bangladesh T.K Group of Industries, Seacom Group and Jahangir & Others.

The Board of Directors consisted of members from each of the above three groups. The Company, **Premier Cement Mills Limited** was incorporated on 14th October 2001 and commercially started production on 12th March 2004. Today, with an annual production capacity of 1.6 million tons, 450 employees in operation nationwide, Premier Cement Mills Limited is one of the leading cement producers in Bangladesh. The corporate office and the commercial building of Premier Cement Mills Ltd is located in TK Bhaban, Karwan Bazar, Dhaka. The other office of PCML is located in Chittagong.

The Company purchased most sophisticated plant and machineries entirely from its own funds, without any project borrowing. The Company also purchased most ideal piece of Factory Land, measuring 15 acres, at West Muktarpur, Munshiganj; on the front side of the Land is Dhaka-Munshiganj Road and on the near side is the river Shitalakhya, which meets the river Dhaleshwari about two kilometers down stream and both together falls at the mighty river Meghna. Thus there is wonderful accessibility both by land and river from factory site.

Factory Information

- **Area**: 15 Acres (aprox)
- **Power facility**: 6KV individual feeder & 4 MW+1.3 MW gas generator
- Ball mill :
- 2 chamber ball mill
- Capacity:90 T/Hr
- Origin: German
- Separator:
- Type: Sepax
- Capacity:150 T/Hr
- Origin: German
- Packing System:
- 50 kg bag
- Packer type: Rotary packer
- Capacity:150 T/Hr
- Origin: German





- Crane:
- Electric crane
- Crane qty: 02
- Capacity: 250 T/Hr
- PFA unloaded:
- Vacuum Unloader
- Capacity:90 T/Hr
- Raw Material:
- Clinker
- Gypsum
- Fly ash/ PFA
- Lime stone
- Slag
- Raw material source:
 - Clinker: Thailand, China
 - Gypsum: Thailand, Oman
 - PFA & Slag: India, Japan

Key Features

- \perp PCML has the capacity of 4000 ton per day and projected will be 9200 MTD at 2012.
- 🖶 It has its own backward and forward linkage.
- 4 It has own sea going vessel as backward linkage which consume cost.
- ♣ PCML has well-equipped modern laboratory facilities. So, it assures the best quality.
- ♣ Premier cement has more clinker than the most other brands and it always gives the maximum early strength.
- ♣ PCML is one of the largest exporters of cement in South Asia, mostly in India.
- ♣ It is available all over Bangladesh.
- ♣ It has an experienced and well-trained engineering team to provide technical assistance in the construction sites.

2.3 Product offerings

Premier Cement consistently delivers quality cement to the customers. The company uses the European Standard Method (ESTM) to manufacture their products. They are also one of the few companies in Bangladesh who use





European machineries and technologies to produce their products. Their Automated manufacturing facilities and fully equipped laboratory with dedicated team ensure quality in each batch of production. They have been consistently ensuring:

Exceptional Strength: At Premier Cement the chemical composition and grinding fineness are closely monitored to ensure the Bangladeshi BDSEN, American ASTM, European EN, and Indian BIS standards are surpassed and the customers get cement of exceptional strength. Ideal setting time: In order to allow sufficient time for application, cement must have a quick initial settings time. However once in place, the final settings should not take too long; at Premier Cement, ideal initial and final setting times are maintained.

Currently they are manufacturing following types of cement:

- **1. Ordinary Portland Cement (OPC):** Ordinary Portland cement Type-I is the most common type of cement in general use around the world. It is a basic ingredient of concrete, mortar, stucco and most non-specialty grout cement. It is a fine powder produced by grinding clinker (95%), a limited amount of Gypsum which controls the setting time.
- **2**. **Portland Composite Cement (PCC):** It is the most common type of cement used in Bangladesh which consists of Clinker, Slag, PFA (Pulverized Fly Ash), Gypsum, and Limestone.

Test Method

The factory is equipped with world-class European technology built in Denmark and Germany. Within the span of first 5 months, the company has achieved the ISO 9000-2001 certification from TUV. With highly skilled employees the company is persistently striving to reach highest standard with technology superiority. PCML publishes its BUET test results in the newspaper, thus to be accountable to the customers, engineers and consultants.

- The ASTM standards C-150, C-595 and C-1157
- The European standard EN 197
- Bangladesh standards- BDS EN 197/1-2003
- Indian standard-IS-1489:1991





2.4 Visions for the Future

Premier Cement has very basic, well specified goals and objectives outlined for the company which is mentioned below:

- ❖ To improve comprehensively in the current success areas.
- ❖ Expand the current market share by increasing production capacity to generate more sales and revenue.
- ❖ To become in the top 3 cement company of Bangladesh.
- ❖ To improve the brand image and sales services through right marketing program.
- ❖ Providing customer satisfaction constantly through the best quality cement.

2.5 SWOT Analysis of Premier Cement

The strength, weakness, opportunity and threat analysis of Premier cement in company's internal and external environment are given below:

Strengths:

- Well established management
- Effective quality control policy and quality cement
- High R & D resources and cost efficient production management
- Strong logistic support with own mother vessel and inner vessel
- Perfect factory location; large riverfront and own jetty
- Own power supply plant
- Effective sales team and channel support

Weaknesses:

- Market share is low in compare to the company target
- Distribution set up is not covers the whole country
- Level of marketing program is very low
- Poor brand image and customer relations
- Management practice is very traditional



Opportunities:

- Opportunity for export in the developing countries
- People are becoming conscious in purchasing local brand cement
- Infrastructural work are increasing day by day
- As the cities going towards urbanization so great potential for growth and profitability in this industry

Threats:

- Multinational competitors and intense competition between the local producers
- Political instability in the country
- Transportation cost and other cost are increasing rapidly cause of high inflation in the market.





2.6 Organization Hierarchy

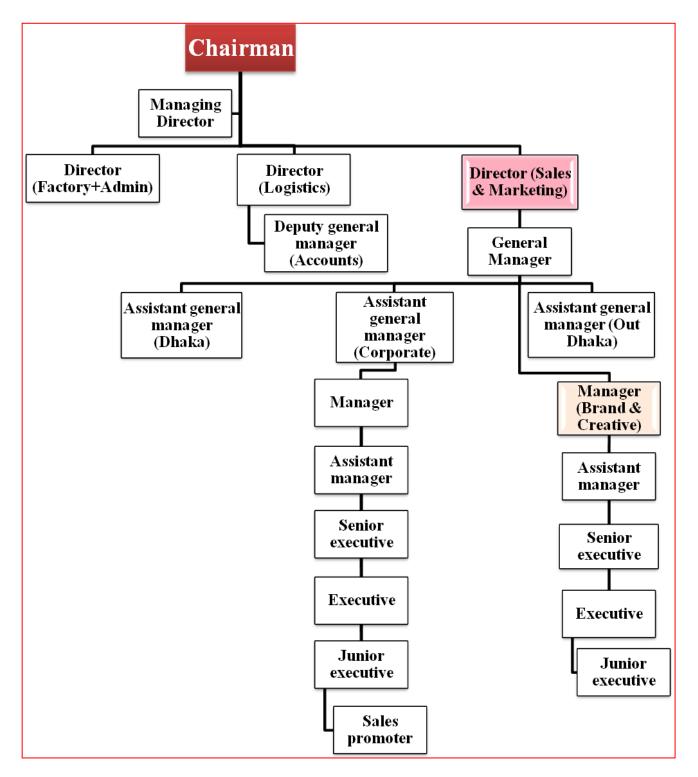


Figure 1: Premier Cement Organization Hierarchy (Sales & Marketing)



3. JOB AS AN INTERN

3.1 Job Description

I worked with *Brand & Creative Department* during my 3 months internship period at Premier Cement. The company takes intern in this department to assist them in their marketing campaign of Cash++ offer during a period. As soon as I joined the company for my internship, my responsibilities of the position were given to me which consisted of the schedule working with the respective department, supervise daily brand activities, maintain record of the campaign actions, develop data sheets for documentation, maintain communication with different ad agencies' personnel, distributing offer related materials and preparing meeting agendas etc.

3.2 Specific Responsibilities

Although a significant amount of time was spent for learning by observing how each of the works of brand department works, I however had a number of job responsibilities assigned which I had to perform during the period of my internship. These were:

- ✓ Receiving and distributing brand tools. Communicate with the respective channels
- ✓ Checking brand requisition, record them in a data and distribute them
- ✓ Managing and tracking the offer related task and assist with the team
- ✓ Follow-up the brand marketing programs
- ✓ Evaluating brand performance through market research and reporting
- ✓ Preparing meeting agendas and sharing creative idea about market offerings etc.

3.3 Different aspects of Job Performance

In the Brand & Creative department, I was given the opportunity to learn new things by observing and interacting with the Brand team of the company. I was involved with the launching, preparation and the management of the Cash++ offer. Receiving the company's brand tools (poster, banner, festoon, sticker, leaflet, brochure etc.) for the offer, checking them and sent the receiving invoice to the respective agent was my initial responsibility. After that the brand tools have to send to the different area managers across the country through courier. This was all



done for the promotion purpose of Cash++ offer. Later on, a huge number of gold cards (for cash++ offer) was received by the department for distribution and I had to count and check those carefully whether there were any damage card remained. After receiving and recording the sales order my task was to give the area managers the gold cards which were given proportionately on the basis of their ordered sales. I was assigned for recording the sales order in a data sheet and distributing gold card on the basis of that. Beside this, my job was to check and record the information of the brand tools which were distributing across the country. I was also involved in the meetings on decision making and the planning of activities to increase the sales and brand image of the company. I also responsible for doing a market research to evaluate the effectiveness of the brand tools that the company using by visiting cement outlet and prepared a report on that. With the kind instruction of my on site supervisor I completed my entire task successfully.



4. THE PROJECT

4.1 Industry and Competitors Analysis

The cement industry of Bangladesh is a rapidly developing sector of the economy. Over the years, the amount of construction projects have followed an increasing trend as the urban growth rate has boosted all across the country in places like Chittagong, Bogra, Mongla and others in addition to the expanding capital city, Dhaka. Over the years, however, cement emerged as a substitute to traditional construction materials and by the mid-1980s, with an increase in hefty infrastructure projects, accelerated rate of urbanization and increased construction of multistoried buildings, there was a sharp increase in its demand.

Out of the 123 cement companies that had been registered with the Board of Investment, only 73 came into operation. According to market players, the industry is saturated with to many companies registered with an annual capacity of 23

Cement industry in Bangladesh: At a glance

- Total production capacity: 21 million tonnes
- Total consumption: 8 million tonnes (2007)
- Total factories registered: 123
- Factories started operation: 70
- Currently only 30-35 plants are in operation
- Retail price of top premium brands (MNCs):
 Tk 355-370 per bag
- Local companies' top brands: Tk 350-360 per bag, while normal brands Tk 330-340 per bag



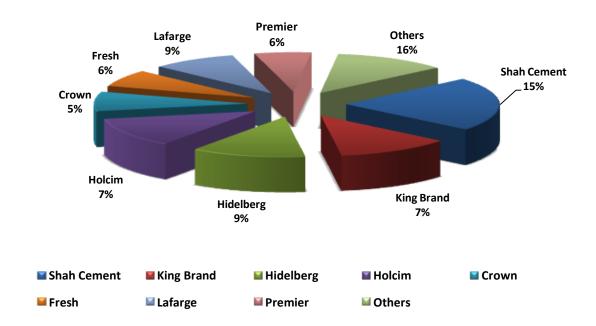
million tons against demand for around 11-12 million tons as per the 2010 consumption pattern. Bangladesh's cement industry totally depends on imported raw materials, of which clinker is the main one. Every year about 5-6 million tones of clinker is imported from Thailand, Indonesia, Malaysia and Philippines. Clinker is also imported in small quantity from India by railway.

The retail prices of each bag of cement of major brands Holcim, Scan, Cemex and Lafarge are Tk. 415, Tk. 410, Tk. 425 and Tk. 415 respectively. Other major brands, such as Shah, Crown, Seven Ring, Fresh and Premier are selling at Tk. 400, Tk. 390, Tk. 380, Tk. 370 and Tk. 360 per bag respectively.

Heidelberg (Bangladesh) that makes Scan and Ruby brands, MI Cement Factory that makes Crown brand and Bashundhara Group, the manufacturer of King brand, have decided to raise its



capacity to have a bigger share of the growing market. Meghna Groups' Fresh Cement is going to raise its capacity by 4,000 tons a day to take production at 11,000 tons. Heidelberg is likely to increase its capacity by 2,000 tons a day and Bashundhara 1,000 tons, while MI Cement plans to double the existing 3,000-tonne production a day, according to officials of the companies. From the below chart we can see that Premier Cement now only serving 6% of the market and there are lots of national and multinational competitors for them. The product of TK group "Premier Cement" is also increasing its capacity, 2000 tons/ day to 4000 tons/day tons this year. The ratio of market share of different cement companies in Bangladesh is presented below.



Graph 1: Market share ratio of different cement companies in Bangladesh



4.2 The Concept of IMC

Modern marketing calls for more than developing a good product, pricing it attractively and making it accessible. Companies must also communicate with present and potential stakeholders and the general public. Therefore, the question is not whether to communicate but rather what to say, how and when to say it, to whom, and how often. To effectively reach and influence target markets, marketers are creatively employing multiple forms of communications. Before going to the analysis of how Premier cement deploying IMC to develop their brand, the theoretical aspects of Integrated Marketing Communications in present phenomena are describe below:

The Role of Marketing Communications:

Integrated marketing communication (IMC) has emerged as a new concept in marketing in the twenty-first century. IMC is mostly thought of, taught and written about as simply the integration of advertising and promotional activities. IMC can be seen as a new paradigm in marketing, equipped with central concepts that apply to many business environments. One of the major reasons for the growing importance of IMC is the major role it plays in the process of developing and sustaining brand identity and brand equity. Marketing communication represents the 'voice' of the brand (Kotler and Keller 2006). It is the vehicle in which companies can establish a dialogue with customers concerning their product offerings (Keller 2001) and it is the integrating factor around which all marketing and communication should be built (Schultz 1998). Marketing communications allow companies to link their brand to other people, places, events, brands, experiences, feelings, and things. They can contribute to brand equity-by establishing the brand in memory and creating a brand image-as well as drive sales and even affect shareholder value.

Marketing Communications, Brand Equity and Sales:

Recently, IMC has evolved from being a mere "inside-out" device that brings promotional tools together to being a strategic process associated with brand management. Following Schultz (2004a), we define *IMC strategy* as a set of processes that include the planning, development, execution, and evaluation of coordinated, measurable, persuasive brand communications programs over time with consumers, customers, prospects, employees, associates, and other



targeted, relevant external and internal audiences. Therefore, effective IMC is an integral pare of an effective brand equity strategy. Furthermore, effective IMC potentially enhances the effectiveness of the firm's portfolio of brands, and hence, could positively influence brand equity. As such IMC leads to total marketing communication strategy aimed at building strong customer relationships by showing how the company and its products can help customers solve their problems.

Marketing Communications Mix

The eight major modes of marketing communications mix are:

- 1. Advertising
- 2. Sales Promotion
- **3.** Events and Experiences
- 4. Public relations and publicity
- **5.** Direct marketing
- **6.** Interactive marketing
- 7. Word-of-mouth marketing
- **8.** Personal selling

Company communication goes beyond these specific platforms. Hence, every brand contact delivers an impression that can strengthen or weaken a customer's view of a company.

In the following figure 1 shows, marketing communications

activities contribute to brand equity and drives sales in many ways: by creating awareness of the brand, linking the right associations to the brand image in consumer's memory, eliciting positive brand judgments and feelings, and facilitating a strong consumer-brand connection. Company must consider the following:





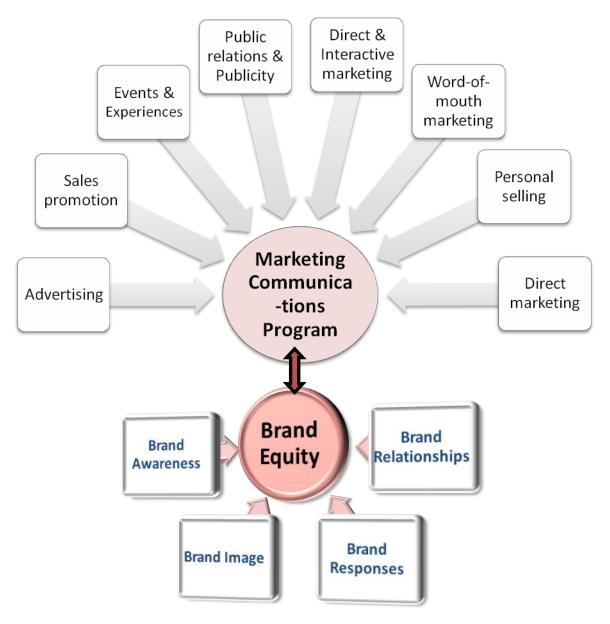


Figure 2: Integrated marketing communications to build Brand Equity

IMC Strategy Development

There are certain steps for IMC strategy development that firm follows. These steps to develop effective communication are:



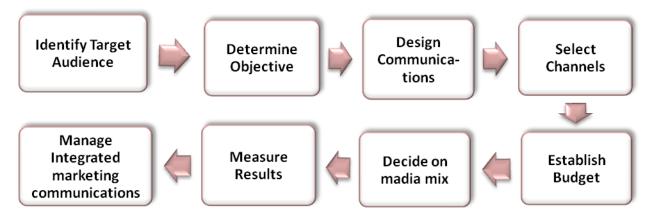


Figure 3: Steps of IMC Strategy development

For a cement company like Premier Cement, in preparing marketing communications the marketers' first task is to identify the target audience and its characteristics. Next, the marketers' must have to determine the communication objectives and define the response sought, whether it be awareness, knowledge, liking, preference, conviction or purchase. Then, a massage should be constructed with an effective content and structure. Media must be selected, both the personal and non-personal communication. The marketers must find highly credible sources to deliver massages. Finally, the marketers must collect feedback by watching how much of the market becomes aware, tries the product, and is satisfied in the process.

Planning and Implementing Brand marketing Program

Integrated marketing communications can produce stronger massage consistency and help to build brand equity and create greater sales impact. It forces management to think about every way to customer comes in contact with the company, how the company communicates its positioning, the relative importance of each vehicle, and timing issues. IMC should improve the company's ability to reach the right customers with the right massages at the right time and in the right place. Building brand equity requires creating a brand that consumers are sufficiently aware of and with which they have strong, favorable and unique brand associations. Knowledge building process depends on three factors —

- i. The initial choices for the brand elements or identities making up the brand.
- ii. The marketing activities and supporting marketing program and the manner by which the brand is integrated into them.



iii. Other associations indirectly transferred to the brand by linking it to some other entity (e.g. the company, country of origin, channel of distribution or another brand).

For company like Premier Cement to implement the brand marketing programs, they have to consider on these three elements with extra focus.

- 1. Choosing Brand Elements Carefully
- 2. Integrating the Brand into Marketing Activities and the Supporting Marketing Program
- 3. Leveraging Secondary Associations

Managing and Evaluating IMC Programs

In assessing the collective impact of an IMC program, the marketer's overriding goal is to create the most effective and efficient communications program possible. The following six criteria can help determine whether communications are truly integrated.

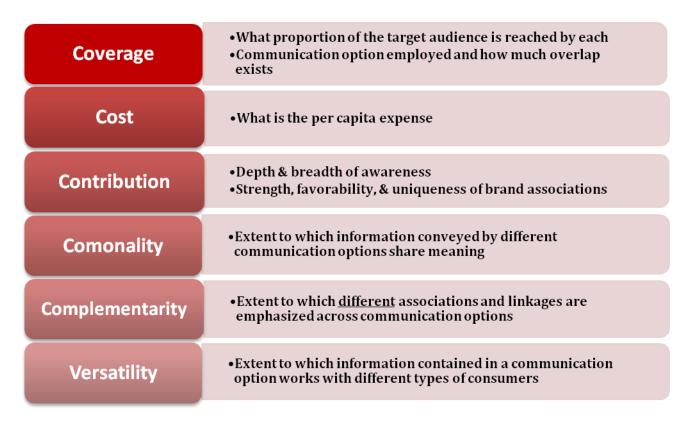


Figure 4: How Integrated is IMC Program



Company Analysis

4.3 Current Marketing Communications of Premier Cement

To establish their brand Premier Cement is currently using some communication mix. They are conducting few consumer promotions and few trade promotions. The activities that Premier Cement has taken are following:

- Media Advertising: Premier Cement use newspaper, magazine, TV Ad for promotion purpose of Cash++ offer and Eid 2 Eid offer in the off peak season to increase sales. They give print and broadcast advertisement of their offer at The Daily Shomokal, Noya Diganto, Inqelab, Azker Khobor, Bangladesh Protidin etc. newspapers and also in various business magazines and directories. Currently they don't give any corporate ad in TV or newspaper.
- Direct Response Advertising: Premier Cement use direct response advertising for their corporate clients. They use mailing, telemarketing, fax mail or other communication tools to communicate directly to their corporate customer. Sometimes this communication tool is also use for general customers as well on specific occasion.
- Outdoor Advertising: Premier Cement is also engage in huge outdoor advertising. They have some billboard ad in Dhaka city and some billboards are in different districts. They are more concentrating in High wall and low wall painting beside highways. The company has huge number of shop paint in whole Bangladesh. Premier Cement also does postering, police box pasting all over the country especially in Dhaka. The outdoor advertising is placed mainly before the offer time of Premier Cement focusing the Cash++ offer and Eid 2 Eid offer. They also provide signboards and light box to the dealers and project boards for the developers.

The total advertising tools that Premier Cement used is shown below:



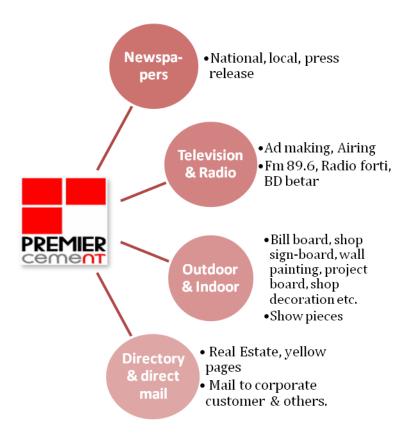


Figure 5: Total advertising tools of Premier cement

- Consumer Promotion: To promote sale the company has credit facilities for its distributors. Premier Cement give short term incentives (during the off peak season) to their customers. They give a gold card on cement purchase where certain cash is given back to the customer from their purchase. Besides this the company also provides some gifts to its retailers and distributors.
- Trade Promotion: Premier cement provides certain benefits to its distributors and retailers. The Eid 2 Eid offer is basically for the retailers. They give coupons to its retailers and provide some incentives on the basis of their sales. Besides this the company arranges yearly conference with the dealer in a 5 star restaurant where special gift items is given to them with free vacation package or tour.
- Publicity or Public Relations: Premier Cement expense a lot in company publicity and public relations. For publicity they have company brochure, leaflet, banner, festoon, BUET Test sticker etc. and they provide these to the cement shops all over the country. Also company has publications, community relations in the industry. In maintaining



public relations company provides T-shirt, mug, dinner set, note book, calendar, slip pads, umbrella, shopping bags and other stuff to company publics. Company organizes mason meeting, dealer meeting, and engineer meeting in every month at different districts. Company arranges workshop on house building, mazban and other different programs that helps to increase the bondage within company various publics.

• Sponsorship and Event Marketing: Premier Cement always sponsored different kinds of program which is related to buildings and architectures. They also sponsor different kinds of cultural program like 100 year anniversary of Teachers Training College Dhaka, International Mother Language day program at Dhaka University etc. Premier Cement also sponsor of football clubs in divisional league.

The total sales promotion and public relations used by Premier cement is shown in the following figure:



Figure 6: Total sales promotion and Public relations of Premier cement



4.4 Integration of Communication Mix

The tools that Premier cement uses on its communication mix are integrated to each other strongly. As mentioned earlier the company's promotional activities is based on its offers during the off peak season when sales decreases because of rain. So, company's promotion and communication mixes works as an important element since it helps to match up with the sales target during the dull season. As such, the company's communication tools works combinely so that its sales offer becomes successful in the end. For example, after launching of Cash++ offer this year the company gave paper ad immediately on the daily newspapers as well as did postering all over the country to make people aware of their offer. Company also gives bill-board ad, wall painting and Police box painting across the city so that the offer can create impact in the customer mind. After that when a customer is aware and goes for purchase in near cement shop they see festoon and leaflet of Premier cement new offer. Thus because of distributing, arranging and integration of communication tools properly it creates a positive impact to the customer mind.

4.5 IMC of Premier Cement and Brand Equity

Building and properly managing brand equity is a priority of Premier Cement. The traditional communication process which depicts the flow of massages from senders to receivers via elements such as encoding, media, and decoding are still followed by the company as it is an integral part of brand communication process. Kitchen et al. (2004) point out that IMC is no longer just a communication process, but a process associated with management and brands. Furthermore, IMC involves managing marketing communications in a holistic manner to achieve strategic objectives. Thus, strength of the Premier cement's brand equity from communications depends on how well the brand identities are integrated into the supporting marketing programs.



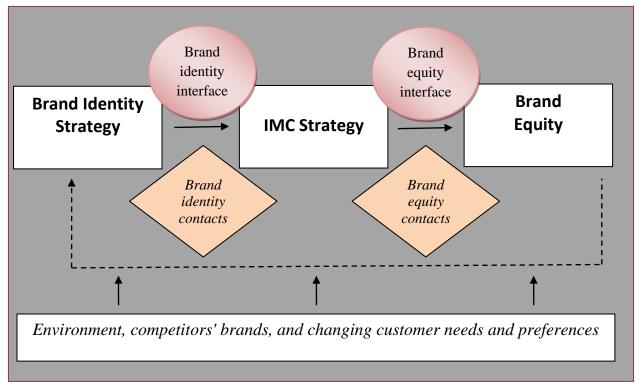


Figure 7: Brand equity strategy

Here, *Brand identity contacts* are all message- carrying interactions concerning the brand Premier Cement between its brand strategies and the brand stewards. Brand stewards are all internal and external entities of Premier cement (individuals and groups) that have responsibility for communicating the brand to customers, prospects, and publics. Premier Cement brand stewards can include advertising and public relations agencies, direct marketers, and salespeople. *Brand equity contacts* are all Premier Cement-sponsored interactions concerning the brand between brand stewards and its customers, prospects, and publics that are intended to create or maintain strong and highly favorable associations to the company.

As shown in Figure 4, Premier Cement is trying to influence their IMC through their brand identity contacts that will be better to influence their brand equity through their brand equity contacts. There are two interfaces that fall into the company's brand equity strategy; (1) The interface between the firm's IMC strategy and brand equity, and (2) the interface between the firm's brand identity strategy and IMC strategy. Thus, Premier Cement overall brand equity strategy is influenced by the feedback loop from the firm's customer-based brand equity to the firm's brand identity strategy, external environment, competitors' brands, and changing customer needs and preferences. As such IMC is giving the momentum to Premier Cement in gaining



customer acceptance. And the company is trying to build an effective communication as it is critical in enabling the formation of brand awareness and brand image, that is, brand equity.

4.6 IMC Strategy Development at Premier Cement

In developing IMC strategy there are certain steps that Premier Cement follows. In promoting their brand and new offer the company tries to implement that effectively to remain successful in the competition. The sequence of developing effective communications that Premier Cement follows are describe below:

Indentify the target customers: In launching and promoting the new offer at first Premier cement identify who are there target customers. They target for both their existing customers and potential new customers for the offer. The customer group can be general customer, corporate customer or government. As such Premier cement currently has two offers, so they design their communication strategy one for their general customer (**Cash** ++ **Offer**) and other for their retailers (**Eid 2 Eid Offer**).

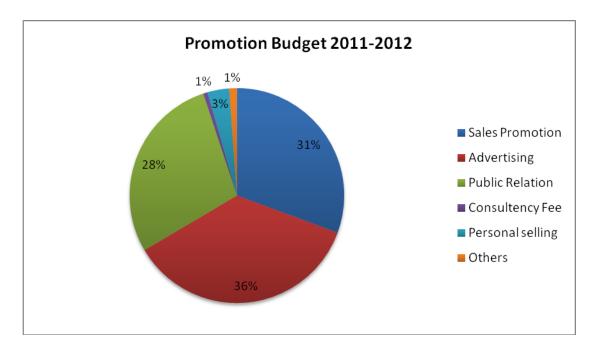
Designing the communications: After determining the target customers Premier cement formulates their communication massage. And they try to do it in a creative way so that it reach and adapt to the customer easily. In designing the communication massage effectively Premier cement goes for different ad agencies (*Biborton, Jara, Panshi etc.*) under the supervision of the brand department. The company gives responsibility to design the communication massage to the ad firm to ensure that the massage appeals, theme or ideas are different and sustainable.

Communication Channels: Nonpersonal communication channel is used by Premier cement in order to select the communication channels. It includes media, sales promotion, events and public relations to affects the customers' behavior directly. In different phases the company uses the communication channels to send the massage.

Setting total communication budget: Determining total promotion budget is a quite difficult task since company has to set it before the promotion campaign. In setting up total promotion budget and mix Premier cement uses the combination of affordable method and percentage-of sales method. At first the company sees how much they can afford on promotion and setting the budget at a certain percentage of the unit sales price. The company does it to



manipulate promotion spending, selling price and profit per unit. The overall promotion budget (in percentage) of Premier cement for the year 2011-2012 is shown below:



Graph 2: Overall Promotion budget, 2011-2012

Decide on the communication mix: Premier cement allocates their marketing and promotion budget on the following communication mixes (figure 7). Each of these communication mixes that has its own characteristics and costs are briefly shown below:

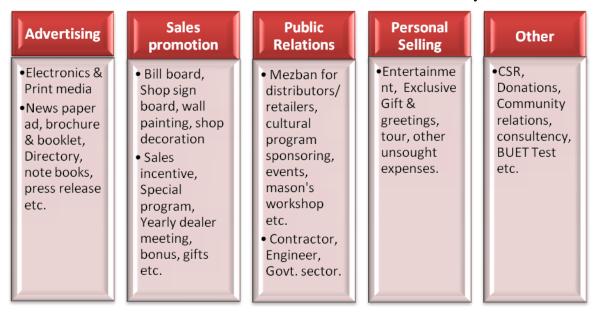


Figure 8: Premier cement budgeting; sectors of promotion



Managing the integrated marketing communications: Having set the promotion budget and mix, in managing the integrated marketing communication process Premier cement does not use such tactics. However, the company evaluates the role of various communication disciplines after ending of each promotion campaign. But Premier cement needs to check, control and combines the communication disciplines so that it provide clarity, consistency, and maximum impact through the accurate integration of massages. The company currently relying on traditional communication tools using media companies and ad agencies to ensure all the promotion tools are integrating and working properly. The company analyzes the trends, audit the communications spending on a regular basis and they appoint marketing consultant to monitor the promotional programs. In implementing the IMC the method that company use is because it is quite easier and cost effective way to manage and control the overall communication process.

4.7 Media Planning and Analysis

A number of specific considerations, problems, competitors' action etc. are analyzed by Premier Cement in their media planning and analysis. The tactical considerations of Premier Cement that they are following in executing brand marketing programs are given below.

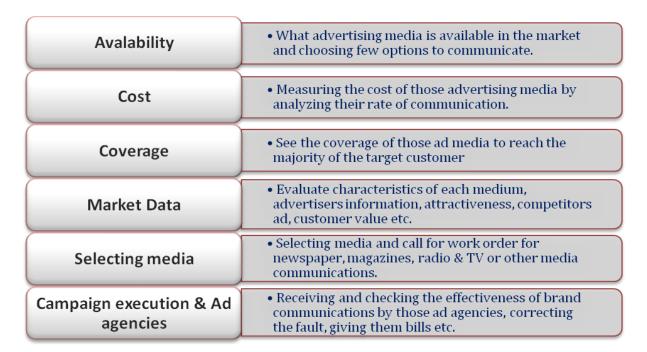


Figure 9: Media Planning and Analysis of Premier Cement



4.8 Execution of Brand Marketing Program

After the strategy development on how promotion and integrated marketing communications will be working; the company Premier cement gives emphasize on the proper execution of their brand marketing program. The company believes through proper execution of IMC it can produce stronger massage consistency and help to build brand equity that creates greater sales impact. Right execution of brand marketing programs can help company to communicate its positioning and understanding of relative importance of each vehicle, and timing issues. The application of brand marketing programs given the company's function is describe below:

1. Choosing Brand Elements:

For choosing brand elements, a number of options and criteria are applied by Premier cement. In company's promotional activities the common brand elements like brand (company) names, logos, image of cement package and company slogans are chosen to enhance brand awareness or facilitate the formation of strong, favorable and unique brand associations. In the offer period mostly the offer and its prizes like i.e. truck, car, motorcycle, TV, freeze, raffle draw etc. are highlighted in the promotional campaign. Brand elements are also employed on those special programs.

2. Integrating the Brand into Marketing Activities and the Supporting Marketing Programs

Brand elements of Premier cement also used in the company's marketing activities and the supporting marketing programs. For example, the brand tools (brochure, leaflet, sticker, company diary etc) are used in the company's sales promotion and trade promotions. And it enhances the company's image to its customers and associates. In the company's supporting marketing programs like mezban, dealer/retailer meeting, mason's workshop, sponsorship etc. programs brand tools are also used to increase brand equity among the company's stakeholders as well.

3. Leveraging Secondary Associations

We all know that, another significant ways of building brand equity is to leverage secondary associations. As such Premier cement is quite new in the industry, so to link with the other entity or with the secondary associations is not practice yet by the company. However, the company



willing to borrow or leverage with some other associations for the brand to create some associations of the brands own and thus help build its brand equity. Currently, they are doing though through its sponsorship, event marketing or CSR activities so that its customers may infer that the brand shares associations with that entity, thus producing indirect or secondary associations for the brand.

4.9 Managing and Evaluating IMC Programs of Premier Cement

We all know managing and coordinating the entire communications process calls for integrated marketing communications (IMC); assessing the collective impact of an IMC program is very important. By the following six criteria I try to examine whether Premier Cement communications are truly integrated or not and its discrepancy.

- Coverage: Premier Cement does communications in all their distribution zones and also distributes their brand tools in that zones. Though its communications is all over the divisions but it is limited and the communication options are not adequate enough to reach the target market. For example, the market communications are heavily based on the Dhaka city and areas where their sale is high. Thus at present the distributed brand communication tools do not covers their targeted market.
- Contribution: Through Premier Cement present marketing communications options it able to create awareness, brand image and exposure to enhance sales. However, it can not produce their desired customer response using their traditional communication options. As a result, their sales target is fluctuating since promotional campaign is only based on the specific seasons.
- Commonality: Premier Cement uses its communication options to its common associations so that it reinforced the common meaning consistently and cohesively. Here, different communication options should be used to reach its current and additional associations so that the massage can be recalled and easily linked the brand in memory. It is important to remain competitive in the market.
- Complementarity: Though different brand associations are used by Premier Cement to complement with communication options that eliciting customer response. Nonetheless,



particular type of brand associations' linkage with the communication options that complement with the marketing program is still missing at Premier Cement. The company has to emphasized brand associations and linkage across its communication options.

- **Versatility:** Premier Cement gives communication program taking different customer group in mind so that they behave in the desired response. Here, the company's problem is the communication program is not so robust to reach different customer group. The company has to arrange programs that effectively communicate to customers who have or have not seen other communications.
- Cost: Premier Cement weigh out all their communication cost to do effectively and efficiently all their communication program. The company has to increase expense in their promotion to the above criteria to implement the marketing communication options in a right way.

5. Critical Observations and Recommendations

There are some critical areas of the company which I found while working with their Brand & Creative department. I took these observations into consideration and suggested some recommendations to the PCML management which they might want to work with in the near future. The observations and recommendations are related to my job and report topic, these are given below:

- ❖ The media advertising (electronic & print media) that Premier Cement uses is quite seasonal basis and limited, moreover related to only the promotional campaign (Cash++ or Eid 2 Eid) during the off peak season of cement sales. So, PCML have to increase their media advertising and should have to do it through out the year in order to increase their sales as well as brand image. As such it will increase their promotion cost but at the same time it will increases their sales as well.
- ❖ As corporate and government clients play a vital role in revenue generation for the company but the direct response advertisement that the company using for them is not so adequate. To increase their corporate clients the direct response advertising also should increase by improving the effectiveness of existing strategy or by raising manpower.



- ❖ Though Premier Cement focuses more on outdoor advertising but the methods they are employing is quite traditional. Moreover the outdoor ads are only concentrating the areas where Premier Cement sale is high. So, the company should have to employ new methods of outdoor ads and also have to concentrate on those areas where sale is low to increase their market share in those areas.
- ❖ For customer promotion Premier Cement initiate the Cash++ offer. A certain cash discount is given to customer on the basis of their purchase. However, most often because of lack of integration in market communication the customers are not aware of the offer and the chance is taken by the retailer. So, ultimately the customers are not getting the benefit. Thus, to give the end customer a benefit the company should have to improve their current market communication so that the customers are aware of the cash discount offer and demand it to the retailers.
- ❖ The trade promotion for the retailers that Premier Cement giving is not properly communicated to the retailers. Premier Cement retailers are getting incentives but sometimes they are not aware of it because of lack of market communication and promotion. Thus direct sales incentives, credit facilities, gifts or prizes are more motivating to the retailers that PCML can initiate. On the other hand the trade promotion for distributors and retailers that Premier Cement using is not appealing in compare to the competitors' brand. So, proper planning and investment is required for the company in this area.
- ❖ Premier Cement invests a lot in the public relations program. But at the same time the company has to increase their sponsorship and event marketing programs as well. It is very important in increasing company's brand association and brand equity. The company should have to linked up with the industry related associations and can sponsors many events that help to increase the company's brand image to its customer.
- The overall integration of marketing communication of Premier Cement is effective but not efficient. Premier Cement has to be fast in their marketing decision making and implementation. On the other hand, in the promotion mix the company should employ new tools of promotion and also should increase their brand tools to stand out in the market. Beside these, the company should have to properly manage, coordinate and evaluate the effectiveness of each marketing programs when it finishes.



- ❖ Only the marketing communication program is not enough for Premier Cement in building sustainable brand equity. The company should have to invest more on creating secondary associations, supporting marketing programs, after sales service facilities, customer-based engineer and technical support team, sponsorship and on CSR activities. These programs can help to create strong brand association and brand equity in customers mind.
- ❖ The promotion and communication budget prepared for the year is not properly maintained and executed according to the plan. This is a big problem for the company. Premier Cement should have to coordinate appropriately between the inter department so that there is no miscommunication and they can run in the same direction to implement their objectives and can stick to their budget or plan.
- Another major observation that I found is that, in managing and evaluating the IMC programs the company did not have any preset process to follow. Whether marketing communication program is working to the plan or is it really effective to generate more sales or brand value; to determine that there is no specific procedure at Premier Cement. So, the company should have to specify or set a method on how they evaluate their marketing communications effectiveness.

6. Conclusion

The cement industry came into picture in Bangladesh during the middle of 1980's as some infrastructural development projects took place. However, the starting point of the cement industry took place began from the year 1995. Within the time span of a decade, the smaller companies shut down while the bigger ones expanded more and more, making a more dominant place for themselves in the market of cement today. The industry which was mainly import based till the year of 1999 to 2000, now not only makes their own cement but also exports their products to countries abroad as well.

Marketing communication involves disseminating information about a product or product line, brand or company as it is one of the four key aspects of the marketing mix. As such the cement market is becoming more and more complicated, creative and attractive promotional strategies are considered as the key to stay in the competition and for a sustainable growth in this industry. Keep that in mind Premier Cement is trying to establish a strong network with their customers



and associates all over the country to stay in the long run in the cement industry. Doing so, the company should have to think about their integrated marketing communications program not in a conventional way but in a contemporary way to stand out in competition.

On the other hand building powerful brands has its rewards. Marketing professionals can look for an increased ROI, new efficiencies, channel cooperation and reduced competition because of an established powerful brand. As Premier Cement is still new in the industry and they are gaining the momentum day by day, so there is a good opportunity ahead for the company to establish their brand and become the ultimate choice for the customers.

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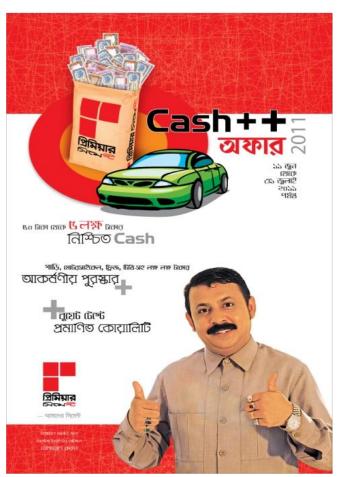
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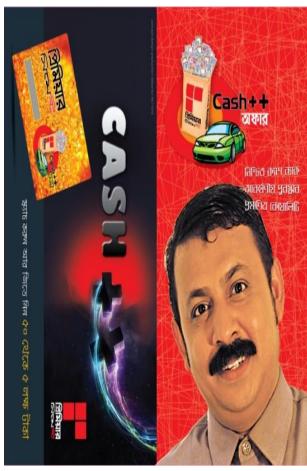


Appendix 01

Promotional Campaigns of Premier Cement

1. Premier Cement Cash++ Offer 2011







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2. Offer scratch card/Gold card for customers



3. Offer Coupon book for the retailers





Appendix 02

Premier Cement distribution







