

Report On
**Consumer behavior towards Bata Shoe Company in Bangladesh: A
study on customer satisfaction, brand loyalty, and buying patterns**

By

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**An internship report submitted to the BRAC BUSINESS SCHOOL in partial fulfillment
of the requirements for the degree of
BACHELOR OF BUSINESS ADMINISTRATION**

**BRAC BUSINESS SCHOOL
BRAC University
April 2023**

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Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Mohammad Nazmus Saquib
19104018

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Mr. Riyashad Ahmed
Assistant Professor, BRAC Business School
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Letter of Transmittal

Mr. Riyashad Ahmed
Assistant Professor,
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Internship Report

Dear Sir,

I am delighted to submit my report after a three-month internship program at Bata Shoe Company Bangladesh where I served as a Finance Intern. I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

I believe that the report will be valuable for anyone who wants to gain an insight into the company's business and the retail shoe industry of Bangladesh.

I hope that the report will meet your expectations.

Sincerely yours,

Mohammad Nazmus Saquib
19104018
BRAC Business School
BRAC University
Date: 04/04/2023

Non-Disclosure Agreement

This agreement is made and entered into by and between Bata Shoe Company Bangladesh Limited and the undersigned student at BRAC University.

Mohammad Nazmus Saquib

ID: 19104018

Department: BRAC Business School

Acknowledgement

I am writing to express my sincere gratitude and appreciation to all parties involved in the successful completion of my three-month internship at Bata Bangladesh. It was an enriching and valuable experience that I will always cherish.

First and foremost, I would like to express my heartfelt thanks to my supervisor, Asia Afrin, ACA, for her guidance, support, and encouragement throughout my internship. Her invaluable insights, constructive feedback, and continuous encouragement have been instrumental in shaping my professional growth and development.

I would also like to extend my gratitude to the entire finance team of Bata Bangladesh for their cooperation, help, and support during my internship. I am grateful for the opportunities they provided me to learn and gain practical experience in the finance field.

Furthermore, I would like to express my appreciation to the management of Bata Bangladesh for providing me with the opportunity to intern at their esteemed organization. It was an honor to work for a company with such a rich history and strong reputation.

Last but not least, I would like to thank my academic supervisor, Mr. Riyashad Ahmed for his guidance and support in preparing my internship report. His valuable feedback and suggestions helped me to improve the quality of my work.

Thank you once again for your support and encouragement. I look forward to applying the knowledge and skills I have gained during my internship in my future endeavors.

Sincerely,

Mohammad Nazmus Saquib (19104018)

Executive Summary

This research examines the consumer behavior towards Bata Shoe Company in Bangladesh by analyzing customer satisfaction, brand loyalty, and buying patterns. The research was conducted through a survey of 219 respondents using a structured questionnaire. The findings show that the majority of the respondents were satisfied with Bata's products, which indicates a positive attitude towards the brand. Additionally, the study found that brand loyalty is positively related to customer satisfaction. Moreover, the study found that the main factors that influence buying patterns are product quality, comfort, design, and price. The study found that majority of the customers did not find their desired design or style while shopping at Bata but they would choose the brand over others due to their superior build quality. This suggests that Bata should continue to focus on producing high-quality products at a reasonable price while enhancing its brand image to retain and attract more customers.

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List of Acronyms

BATASHO

E Bata Shoe Company

ERP Enterprise Resource Planner

MIS Management Information System

HRMS Human Resource Management System

CSR Corporate Social Responsibility

ROA Return on Asset

ROE Return on Equity

NPM Net Profit Margin

IAS International Accounting Standards

IFRS International Financial Reporting Standards

BRP Bata Resource Planner

Chapter 1

Overview of the Internship

1.1 Student Information

Name: Mohammad Nazmus Saquib

Student ID: 19104018

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Program: Bachelor of Business Administration

Major 1: Finance

Major 2: MIS

1.2 Internship Information

1.2.1 Internship Period: 3 Months (2nd January 2023 – 2nd April 2023)

Company Name: Bata Shoe Company (Bangladesh) Limited.

Department: Finance & Accounts.

Address: Bata Gate, Tongi, Gazipur - 1710, Bangladesh.

1.2.2 Company Supervisor: Asia Afrin, ACA.

Designation: Manager, Finance & Accounts.

Email: asia.afrin@bata.com

1.2.3 Job Scope:

- Conduct physical counts and tagging of all fixed assets in head office, Tongi and Dhamrai Factory.
- Maintain and update furniture stock statements of all Bata Outlets.
- Assist in the development of ERP software Odoo.
- Collaborate with the Finance team to support accounting and financial reporting activities.
- Help maintain accurate and up-to-date financial records.
- Assist with other finance-related tasks as assigned by the Finance Manager.

1.3 Internship Outcome

1.3.1 My Contribution to the Company

As a Finance Intern with the above job responsibilities, my contribution to the company was significant. I took part in various financial reporting activities including counting and tagging of all fixed assets of the company. This helped the company keep track of all their physical assets in their Head Office and two factories in Tongi and Dhamrai.

Additionally, I was actively involved in maintaining and updating Furniture stock statements of all Bata Outlets in the country. There are a few metrics in the statements that needed verification such as:

- **Opening Amount:** Indicating the value of all furniture, décor and fixed assets in a showroom at the beginning of the year.
- **Addition Amount:** The value of any additional furniture or fixed assets that has been purchased by the showroom.
- **Transfer Amount:** The value of any furniture or fixed assets that has been moved from one store to another.
- **Disposal Amount:** The value of any furniture or fixed assets that has been rendered unusable.

By verifying and maintaining the statements I helped the company ensure that it has an accurate record of its inventory, which is essential for managing its operations and making informed business decisions.

Assisting in the development of ERP software Odoo is also a valuable contribution as Bata has yet to streamline their purchase and inventory processes. Development of the software will improve their financial reporting

and accounting activities, leading to more efficient processes and improved data accuracy.

Overall, I believe to have provided essential support to the Finance and Accounts team at Bata Shoe Company (Bangladesh) Ltd.

1.3.2 Benefits to the Student

This internship has benefitted me in several ways. Firstly, I have gained valuable hands-on experience in financial activities of a multinational company. This experience will be highly beneficial when seeking future job opportunities in Finance.

Secondly, I had the privilege to work with a team of extremely talented and experienced individuals in the industry. They have provided me with their valuable mentorship and guidance. They have also given me the opportunity to learn about the company's operations and gain insights into the financial functions of the company.

Thirdly, I had the opportunity to develop interpersonal skills by talking to each and every employee of the company while conducting fixed asset survey.

Additionally, I dealt with numerous Microsoft Excel files on a daily basis. I have learned how to clean, extract and process data that can be used to make effective business decisions.

Finally, I had the opportunity to develop network with employees of different departments within the company. They have provided me with a broader perspective of the business and helped build valuable professional relationships.

1.3.3 Problems faced during the internship

The Bata Shoe Company (Bangladesh) Ltd internship offered me a fantastic opportunity to share my knowledge and pick up new skills. But challenges come along with every new opportunity.

- Each employee receives a laptop and any necessary hardware from the company. I was given a really outdated laptop that hardly functioned. I struggled to use Microsoft Excel and navigate the internet.
- I was the lone intern in the financial department. I therefore initially had considerable trouble speaking with everyone.
- They do not issue an ID card for interns. As a result, every time I walked through the gates of Bata, I had to clarify with the security guards that I work there.

1.3.4 Recommendations

- The company should hire more interns in order to broaden the work environment for young talent and relieve the immense workload of few departments.
- Interns should be given an ID card so that they don't have to bear the hassle of identifying themselves every day to security guards.
- They ought to take the interns on field trips as well, as this will help them learn a lot in the near future.
- The MIS department should provide workable equipment to the employees so that tasks can be carried out more efficiently.
- In addition to paying the interns a salary, they also offer them certain additional benefits to enhance the internship.

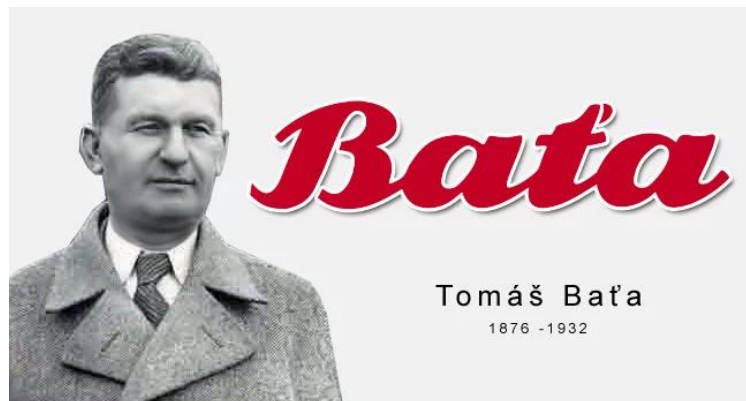
Chapter 2

2.1 Introduction

This chapter will cover the company's history, a brief description, SWOT analysis, marketing tactics, managerial techniques, a discussion of the company's strategy, and a remark on their financial performance. To assess the company's success in the sector, I will also draw comparisons against competitors.



2.2 Overview of the Company



2.2.1 Brief Description

Bata Shoe Company Bangladesh is a subsidiary of the Bata Shoe Organization, a leading footwear manufacturer and retailer established in 1894 in the Czech Republic by Tomáš Baťa.

The Bata Shoe Organization is a big, internationally active company with operations in over 70 countries worldwide. It has a retail presence in over 70 countries, serves over one million customers every day, employs over 30,000 people, manages over 5,000 worldwide retail outlets, and has 27 manufacturing sites in 20 different countries.

Bata Bangladesh was founded in 1962 and has since grown to become one of the country's leading footwear enterprises, offering a diverse selection of footwear products for men, women, and children. The firm has a retail shop and factory network throughout Bangladesh, servicing clients in both urban and rural locations.

Bata Bangladesh is dedicated to offering high-quality products and excellent customer service, as well as to innovation and design. The firm continually refreshes its product range to keep up with changing customer wants, and it employs cutting-edge technology in its manufacturing process to ensure that every pair of shoes satisfies the highest quality and comfort requirements.

Bata Bangladesh is committed to aiding the local community in addition to its dedication to excellence. The corporation has formed alliances with a number of organizations and initiatives that aim to improve people's lives in Bangladesh, and it is actively involved in a variety of charity and humanitarian projects around the nation. This includes funding for initiatives in education, healthcare, and economic development.

Bata Bangladesh is likewise dedicated to environmental sustainability, working to decrease its carbon impact and waste in its operations. To reduce its environmental impact, the organization employs energy-efficient technology and materials and recycles whenever feasible.

Overall, Bata Shoe Company Bangladesh is a major participant in the Bangladesh footwear market, providing a diverse variety of goods and services to clients throughout the nation. With its dedication to quality, innovation, and community, the firm is well positioned for future success.

Since its inception, Bata Shoe Company (Bangladesh) Ltd. has prioritized customer satisfaction. Tomas Bata's legacy lives on today, with the purpose of building a global family of satisfied customers and dedicated workers.

2.2.2 Mission, Vision and Core Values

Vision

“To make great shoes accessible to everyone”

Mission Statements

To help people look and feel good.

To be the customer's destination of choice.

To attract and retain the best people.

To remain the most respected Footwear Company.

Core Values



2.2.3 Top Management

Table 1: Top Management

Name	Designation
Mr. Anirban Asit Kumar Ghosh	Managing Director & Vice Chairman
Mr. Shambhu Nath Jha	Finance Director
Mr. Amitav Nandy	Retail Director
Mr. Particio Alegria	Chief Collection Manager
Mr. Jalil Ahamed Chowdhury	General Manager, Supply Chain
Ms. Abhya	Chief Merchandising Manager
Mr. Mohammad Sabbir Raihan	Head of Non-Retail Sales Department
Mr. Malik Mehedi Kabir	General Manager, Human Resources
Mr. Gouranga Dhar	Product Development Manager
Mr. Razib Jahan Ferdous	E- Commerce Manager
Ms. Nusrat Hasan	Marketing Manager
Mr. Md. Hashim Reza	General Manager, Finance & Company Secretary
Mr. Md. Humayun Kabir	Head of Internal Audit



Figure 1: Top Management

2.2.4 Departments of Bata Shoe Company (Bangladesh) Limited.

- Retail
- Merchandising
- E-Commerce
- Finance and Accounts
- Wholesale
- Supply Chain
- Product Development

- Management Information System
- Legal
- Marketing
- Human Resource
- Real Estate

2.2.5 Brands of Bata Shoe Company (Bangladesh) Limited.



Figure 2: Brands of Bata Bangladesh

A well-made pair of shoes is a necessity for good fashion. Bata has introduced a variety of designers' collections for men, women, and children as a result of this marketing insight. World-famous companies like Bata Comfit, Marie Claire, Hush Puppies, Scholl, Nike, Skechers, Power, North Star, Bubblegummers, Ben10, Sandak, Weinbrenner, and B.first are just a few examples of names that attest to the fundamental shift in Bangladesh toward branded shoe marketing. The Power brand was created with specialized shoe categories like athletic shoes in mind. Bata shoes are in a prime position to appeal to various consumer categories thanks to their unwavering quality and eye-catching styles.

2.2.6 Corporate Office and Facilities

Bata Corporate Office is situated in Tongi, Gazipur. Two production plants are being run by Bata Shoe Company (Bangladesh) Limited, one in Tongi and the other in Dhamrai. 160,000

pairs of shoes can be produced there per day. Currently, 30 million pairs of shoes are sold annually.



Figure 3: Bata Corporate Office and Factory



Figure 4: Bata Dhamrai Factory

2.3 Management Practices

To guarantee the efficient running of its company activities, Bata Shoe Company Bangladesh Ltd. follows a global structure of leadership. The practices and policies are designed to increase productivity, efficiency, and profitability while also ensuring that the business runs ethically and sustainably. The company follows strict regulations regarding talent acquisition and hiring of top management in compliance with Bata Shoe Organization. Top management comprising

of Managing Director, Finance Director, Departmental heads and General managers are appointed through elections creating a more democratic and participatory workplace culture.

The Human Resource Department of Bata Shoe Company Bangladesh works with matters relating to people, including recruitment, administration, management, payroll, performance management, organization growth and employee motivation. The company has their own HRMS software that keeps track of hiring, administration, performance, payroll and analytics.

The recruitment process of Bata Shoe Company Bangladesh involves job openings advertised through print media and job websites. Applications are screened and interviews are set with board members and the top management. While permanent employees are recruited through the Corporate HR department, Bata recruits its sales staff and contractual employees through a specialized recruiting agency.

The department managers are in-charge of assessing their underlings for performance appraisal. The data is submitted to HR and then reviewed by the top management. Appraisal reviews are conducted once a year for all employees.

2.4 Marketing Practices

2.4.1 Marketing Strategy

To retain its market position and attract customers, Bata has implemented a number of marketing strategies. Advertising across a variety of media platforms, including television, newspapers, billboards, and digital platforms like social media and website banners, is one of the main marketing strategies. To draw customers, the business also uses sales promotion techniques including discounts and buy-one-get-one promotions. The business has devised a selective distribution strategy to make sure that some items are only sold in reputed stores in order to maintain brand exclusivity and image.

Bata is heavily involved in CSR activities. They develop brand equity through sponsorship and donating to schools with less under privileged children. The Children's Programs is one of the few ongoing CSR activities of the company.

2.4.2 Target Customers

Bata Bangladesh targets a wide range of customers across different age groups, genders, and income levels. The company provides a wide selection of footwear items for men, women, and kids, including shoes, sandals, boots, and slippers. Bata offers products for formal, casual, sports, and party attire as well as other occasions. Bata addresses both urban and rural populations in Bangladesh in terms of demography. The company has a strong presence in urban areas and major cities, where it serves a wide range of clients, including working-class people, students, and professionals. Bata concentrates on offering low-cost footwear choices in rural areas for customers with lower income levels. Additionally, Bata offers a range of school shoes for children, which are durable and affordable. Overall, Bata Bangladesh aims to attract a diverse customer base with a wide selection of goods to suit their various demands, tastes, and financial constraints.

2.4.3 Marketing Channels

Bata Bangladesh has two manufacturing plants and a large number of retail stores across the country. They use various marketing channels such as TV commercials, billboards, print ads, social media, and influencer marketing to promote their products. They also have an online store where customers can purchase their products.

2.4.4 Advertising and Promotional Strategies

To raise brand recognition and draw customers, Bata Bangladesh use a variety of advertising and promotional techniques. To reach a large audience, the company frequently undertakes print and media campaigns, including TV advertisements, billboards, and newspaper ads. To interact with customers and advertise its products, Bata also uses digital marketing strategies like social media marketing, email marketing, and search engine optimization. To boost sales, the company frequently provides discounts and other special offers on its products, particularly during festivals. To enhance its brand image and interact with the public, Bata also sponsors a variety of activities and initiatives, such as concerts.

2.5 Financial Performance and Accounting Practices

Balance Sheet of Bata Shoe Company Bangladesh Limited.			
Statement of Financial Position			
Account Details	2019	2020	2021
Assets			
Property, Plant, Equipments	BDT 1,103,116,021	BDT 955,426,807	BDT 856,281,546
Right-of-use asset (ROU), net	BDT 1,649,137,807	BDT 1,498,878,565	BDT 1,458,678,691
Payments of Rent	BDT -	BDT -	BDT -
Deferred Tax Assets	BDT 123,000,000	BDT 448,000,000	BDT 468,282,300
Non Current Assets	BDT 2,875,253,828	BDT 2,902,305,372	BDT 2,783,242,537
Inventories	BDT 3,318,861,957	BDT 2,918,062,766	BDT 2,773,817,825
Accounts Receivable	BDT 1,295,320,602	BDT 192,137,684	BDT 40,309,098
Advances, Deposits and prepayments	BDT 888,689,027	BDT 495,451,427	BDT 219,704,929
Cash and cash equivalents	BDT 711,089,617	BDT 125,919,383	BDT 622,781,937
Current Assets	BDT 6,213,961,203	BDT 3,731,571,260	BDT 3,656,613,789
Total Assets	BDT 9,089,215,031	BDT 6,633,876,632	BDT 6,439,856,326
Equity			
Share Capital	BDT 136,800,000	BDT 136,800,000	BDT 136,800,000
Reserves and Surplus	BDT 4,851,569,281	BDT 110,492,803	BDT 110,492,803
Retained Earnings	BDT -	BDT 3,447,580,109	BDT 3,204,583,592
Total Equity	BDT 4,988,369,281	BDT 3,694,872,912	BDT 3,451,876,395
Liabilities			
Non-Current Liabilities	BDT 1,450,744,141	BDT 1,089,303,058	BDT 1,062,880,077
Current Liabilities	BDT 2,650,101,609	BDT 1,849,700,661	BDT 1,925,099,854
Total Liabilities	BDT 4,100,845,750	BDT 2,939,003,719	BDT 2,987,979,931
Total Equity and Liabilities	BDT 9,089,215,031	BDT 6,633,876,631	BDT 6,439,856,326

Figure 5: Balance Sheet of Past 3 Years

Income Statement of Bata Shoe Company Bangladesh Limited.			
Income Statement			
Particulars	2019	2020	2021
Revenue	BDT 8,573,497,561	BDT 5,084,505,532	BDT 7,744,936,100
Cost of Sales	BDT 4,751,406,505	BDT 3,819,862,861	BDT 4,926,836,295
Gross Profit	BDT 3,822,091,056	BDT 1,264,642,671	BDT 2,818,099,805
Exchange Gain/ Loss	BDT (9,695,151)	BDT (12,305,788)	BDT 3,188,700
Other Income	BDT (7,311,978)	BDT (737)	BDT 16,708,703
Administration, Selling and Distribution Expenses	BDT (2,785,623,693)	BDT (2,677,648,201)	BDT (2,643,483,678)
Operating Profit	BDT 1,019,460,234	BDT (1,425,312,055)	BDT 194,513,530
Finance Income	BDT 12,155,111	BDT 19,630,776	BDT 20,216,528
Finance Costs	BDT 197,641,178	BDT 189,585,709	BDT (163,929,076)
Net Finance Income	BDT (185,486,067)	BDT (169,954,933)	BDT (143,712,548)
Profit before contribution to WPPF	BDT 833,974,167	BDT (1,595,266,988)	BDT 50,800,982
Contribution to workers profit participation fund	BDT 41,698,708	BDT -	BDT 2,540,049
Profit before Tax	BDT 792,275,459	BDT (1,595,266,988)	BDT 48,260,933
Income Tax Expense	BDT 298,308,500	BDT 269,071,750	BDT 116,739,750
Profit for the year	BDT 493,966,959	BDT (1,326,195,238)	BDT (68,478,817)
Other comprehensive income, net of tax			
Remeasurement of defined benefit liability	BDT 60,574,500	BDT 3,215,250	BDT 37,717,700
Total Comprehensive Income	BDT 554,541,459	BDT (1,322,979,988)	BDT (106,196,517)

Figure 6: Income Statement of Past 3 Years

The company enjoyed favorable circumstances prior to the pandemic, but things started to deteriorate during COVID-19, and the company is still recuperating from the loss it suffered. As seen from the Income Statement, the company took a major financial hit during the pandemic where revenue declined by approximately BDT 3,500 million. This resulted in lower gross profit and overall loss after interest and taxes. Things started to improve in 2021, albeit the net profit remained negative despite an increase in revenue.

2.5.1 Key Ratios

Ratios				
Details	2019	2020	2021	Company Average
Liquidity Ratios				
Current Ratio (times) = Current assets/Current liabilities	2.3448	2.0174	1.8994	2.0872
Quick (Acid) Ratio (times) = (Current assets – Inventories)/Current liabilities	1.0924	0.4398	0.4586	0.6636
Asset Management/Efficiency Ratios				
Inventory Turnover (times) = Sales/Inventories	2.5833	1.7424	2.7922	2.3726
Average Collection Period (days) = Accounts Receivables/(Annual sales/365)	55	14	2	23.6128
Total Assets Turnover (times) = Sales/Total assets	0.9433	0.7664	1.2027	0.9708
Debt Management Ratios				
Debt Ratio (times) = Total debt/Total assets	0.4512	0.4430	0.4640	0.4527
Times Interest Earned (times) = Earnings before interest and taxes (EBIT)/Interest charges	249.8321891	-580.7438392	79.92298754	-83.6629
Profitability Ratios				
Gross Profit Margin (%) = Gross Profit / Sales	45%	25%	36%	35%
Operating Profit Margin (%) = Operating income (EBIT)/Sales	12%	-28%	3%	-5%
Net Profit Margin (%) = Net income/Sales	6%	-26%	-1%	-7%
Return on Assets (ROA) (%) = Net income/Total assets	6%	-20%	-2%	-5%
Return on Equity (ROE) (%) = Net income/Common equity	11%	-36%	-3%	-9%
Stock Market Ratios				
Earnings per Share (EPS) (BDT) = Net Income / Total Number of Common Share Outstanding	40.5367	-96.7091	-7.7629	-21.3118
Price/Earnings (BDT) = Price per share/Earnings per share	17.1721	-7.2661	-124.5539	-38.2160

Figure 7: Key Ratios

The company has a declining Current ratio and Quick ratio implying that the company's ability to meet its short-term obligation is weakening. This is due to lower revenue, decrease in cash reserves and increase in costs that was triggered during the pandemic.

Due to a decline in revenue in 2020, the company's gross, operating, and net profit margins all drastically declined. Nonetheless, it turned out well after that and significantly improved in 2021.

The company's ROA and ROE declined significantly (2020) before quickly recovering the following year indicates that the company experienced a decline in profitability and may not

have been effectively utilizing its assets and shareholder's equity to generate earnings during those years.

Du Pont Analysis		2019	2020	2021
Net Profit Margin (NPM)		0.0647	-0.2602	-0.0137
Asset Turnover		0.9433	0.7664	1.2027
Equity Multiplier		1.8221	1.7954	1.8656
ROE		11.12%	-35.81%	-3.08%

Figure 8: Du Pont Analysis

The ROE for Bata Shoe Company in 2020 was -35.81%. This is due to the fact that the company incurred a net loss for the entire year. Low net profit margin and low asset turnover ratio are the two factors contributing to the negative ROE.

The ROE for Bata Shoe Company was -3.08% in 2021. This suggests that the company has significantly recovered from COVID 19. Although the NPM and Asset Turnover Ratio both climbed from the previous year, the ROE has not yet fully returned to the pre-pandemic levels of 11.12% in 2019.

Note: $ROE = NPM * Asset\ Turnover * Equity\ Multiplier$

2.5.2 Competitors Analysis

Ratio of Competitors in 2021			
Details	BATASHOE	APEXFOOT	FORTUNE
Liquidity Ratios			
Current Ratio (times) = Current assets/Current liabilities	1.8994	1.2574	4.4930
Quick (Acid) Ratio (times) = (Current assets – Inventories)/Current liabilities	0.4586	0.2363	2.4653
Asset Management/Efficiency Ratios			
Inventory Turnover (times) = Sales/Inventories	2.7922	1.3129	1.9645
Average Collection Period (days) = Accounts Receivables/(Annual sales/365)	2	41	178
Total Assets Turnover (times) = Sales/Total assets	1.2027	0.6359	0.5383
Debt Management Ratios			
Debt Ratio (times) = Total debt/Total assets	0.4640	0.8535	0.1555
Times Interest Earned (times) = Earnings before interest and taxes (EBIT)/Interest charges	79.92	1.28	32.09
Profitability Ratios			
Gross Profit Margin (%) = Gross Profit / Sales	36.39%	28.62%	22.87%
Operating Profit Margin (%) = Operating income (EBIT)/Sales	2.51%	7.56%	19.10%
Net Profit Margin (%) = Net income/Sales	-1.37%	1.07%	17.55%
Return on Assets (ROA) (%) = Net income/Total assets	-1.65%	0.68%	9.45%
Return on Equity (ROE) (%) = Net income/Common equity	-3.08%	4.63%	11.19%
Stock Market Ratios			
Earnings per Share (EPS) (BDT) = Net Income / Total Number of Common Share Outstanding	-7.7629	11.7000	1.5927
Price/Earnings (BDT) = Price per share/Earnings per share	-124.5539	22.5470	47.5294

Figure 9: Key Ratio of Competitors

According to the data from 2021, Bata Shoe Company is performing considerably worse than other notable businesses in the Tannery Sector. Despite having a better gross profit margin than Fortune and Apex, their NPM is negative and lowest. With an NPM of 17.5%, Fortune Shoes is the most profitable of the three.

Fortune and Apex are generating positive returns on its assets and shareholder's equity. This is evident from their positive ROA and ROE.

A greater EPS shows that a business is making more money per share of stock. As we can see from the data, Apex has the highest Earnings per share of BDT 11.7. In simple terms, Apex is the most profitable company among the three.

Typically, a higher P/E ratio means that investors are willing to pay more for every Taka of profits a company generates. BATASHOE has a negative P/E ratio of -124.55 signifying that the company is not generating enough earnings to support its current stock price. As a result, investing in BATASHOE can be seen as a risky move by many investors. Apex footwear and Fortune Shoes has a P/E ratio of 22.54 and 47.52 respectively meaning that the market is willing to pay a premium price for each taka of earnings generated by the companies. These companies will be seen as strong investment opportunities by investors.

2.5.3 Stock Valuation

Table 2: DSE Data

Months	Price Of Stocks And Level Of Index		Return From Stocks	
DATE	BATASHOE	DSEX	BATASHOE	DSEX
1-Mar-23	955	6214.69	2.57%	-1.00%
1-Feb-23	931.1	6277.18	-1.78%	1.32%
1-Jan-23	948	6195.37	0.17%	-0.80%
1-Dec-22	946.4	6245.37	-0.78%	-1.69%
1-Nov-22	953.8	6352.89	-5.89%	-2.74%
2-Oct-2022	1,013.50	6,531.59	3.30%	0.35%
1-Sep-2022	981.1	6,508.61	1.43%	5.59%
1-Aug-2022	967.3	6,163.99	4.82%	-3.08%
3-Jul-2022	922.8	6,359.77	1.55%	-1.14%
1-Jun-2022	908.7	6,433.17	-4.66%	-3.16%
5-May-2022	953.1	6,643.16	6.75%	-1.90%
3-Apr-2022	892.8	6,771.91	-1.18%	0.27%
1-Mar-2022	903.5	6,753.78	-0.53%	-3.48%
1-Feb-2022	908.3	6,997.60	-3.36%	2.11%
2-Jan-2022	939.9	6,853.13	6.56%	0.09%
1-Dec-2021	882	6,847.00	-0.98%	-2.16%
1-Nov-2021	890.7	6,998.03	-1.20%	-4.87%
3-Oct-2021	901.5	7,356.04	21.15%	6.36%
1-Sep-2021	744.1	6,916.38	13.67%	6.71%
2-Aug-2021	654.6	6,481.56	0.68%	5.38%
4-Jul-2021	650.2	6,150.48	-6.20%	2.62%
1-Jun-2021	693.2	5,993.33	0.00%	8.63%
2-May-2021	693.2	5,517.01	0.00%	4.68%
1-Apr-2021	693.2	5,270.53	0.00%	-2.88%
1-Mar-2021	693.2	5,426.82	-1.49%	-3.09%
1-Feb-2021	703.7	5,599.80	-0.59%	-0.34%
3-Jan-2021	707.9	5,618.95	2.12%	14.58%
1-Dec-2020	693.2	4,903.95	0.00%	0.15%
1-Nov-2020	693.2	4,896.68	-1.55%	-1.97%
1-Oct-2020	704.1	4,995.31	-1.17%	2.74%
1-Sep-2020	712.4	4,862.22	2.77%	13.82%
3-Aug-2020	693.2	4,271.81	0.00%	7.15%
2-Jul-2020	693.2	3,986.73	0.00%	-0.32%
1-Jun-2020	693.2	3,999.49	0.00%	-1.50%
31-May-2020	693.2	4,060.44	-7.10%	-7.92%
1-Mar-2020	746.2	4,409.91	-2.30%	-1.60%
2-Feb-2020	763.8	4,481.51		

COVARIANCE	CORRELATION	BETA
0.000942	0.370261	0.389661

	BATASHOE	DSEX
EXPECTED RETURN	0.74%	1.03%
VARIANCE	0.27%	0.24%
STANDARD DEVIATION	5.17%	4.92%
ANNUAL RETURN	8.93%	12.30%
ANNUAL VARIANCE	3.21%	2.90%
ANNUAL STANDARD DEVIATION	17.92%	17.03%

Year	Dividend	No. of Ordinary Shares Outstanding	Dividend Per Share	Growth rate
2018	328,320,000	13,680,000	24.00	-
2019	171,000,000	13,680,000	12.50	-47.92%
2020	34,200,000	13,680,000	2.50	-80.00%
2021	102,600,000	13,680,000	7.50	200.00%
Average non-constant growth rate				24.03%

Risk Free Rate of Return	7.49%
Market Return	8.93%
Market Risk Premium	1.44%
Required Rate of Return	8.05%

Ke	8.05%
FV of Terminal Year	156.8181087
Present Value Of Terminal Vali	145.1342213

	Year	Future Dividend per share	Constant Dividend GR	PV of Future Dividend
D1	2022	9.302083		8.6090225
D2	2023	9.488125	2%	
Present Value of Terminal Value (2022)				145.1342213
P (2022)				153.7432438

Figure 10: Stock Valuation

Note:

1. Constant Growth Rate is assumed to be 2%
2. Terminal Year is assumed to be 2022.
3. Market Risk Premium = Market Return – Risk Free Rate of Return
4. Required Rate of Return = Risk Free Rate of Return + (Beta * Market Risk Premium)
5. Risk Free Rate is Bangladesh Bank's 364 days T.Bill Rate.

Based on the calculation we can see that the intrinsic value of BATASHOE is 153.74.

The latest BATASHOE trade was at 950.1.

Hence, we can conclude that the stock of BATASHOE is overvalued and investors should not purchase this security. Instead, they should sell it to realize profit.

2.5.4 Shareholding Structure (As of Feb 28, 2023)

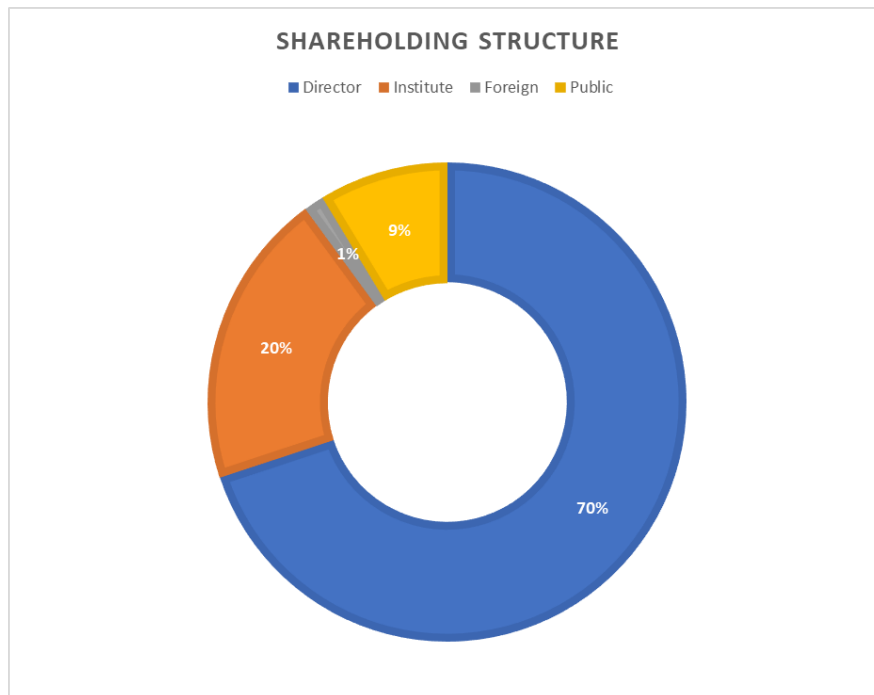


Figure 11: Shareholding Structure

2.5.5 Accounting Practices

International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS) are followed in the preparation of the financial accounts. All publicly traded firms in Bangladesh must adhere to the IFRS principles as a result of the Institute of Chartered Accountants of Bangladesh (ICAB) adopting them in January 2018. Apart for land, all other items of property, plant, and equipment are depreciated over the projected useful life of each component on a straight-line basis.

2.6 Operations Management and Information System Practices

A range of operational management strategies are employed by Bata Shoe Company Bangladesh Ltd. to efficiently manage its manufacturing and distribution activities. The company's vertically integrated supply chain extends from obtaining raw materials to giving clients completed goods.

The company's two plants, Tongi and Dhamrai, are where the raw materials are delivered by the suppliers. The final items are kept at their central warehouse, or CDC, following manufacture. After that, the products are sent to wholesalers, retailers, and agencies all around Bangladesh. Also, a portion of the supply is transferred to 13 depots spread out around the nation. In online purchase, when there is an order, the product is shipped from the nearest bata outlet.

Bata Shoe Company's information systems is maintained by the MIS department. They handle all sorts of technological issues at the company. MIS collects all customer data and market trends and collaborate with top management to make data driven business decisions. Every outlet of Bata in the country uses POS software to keep track of sales and inventory.

Bata has their own enterprise resource planner called BRP. They employ it to gather, handle, and store data. The system is employed by the company to achieve several different goals, including operations management, scheduling, quality management, and resource allocation.

2.7 Industry Analysis

With several domestic and foreign businesses active in the market, Bangladesh's retail footwear industry is very competitive. The top competitors in the market are Bata, Apex, Bay, and Fortune, all of which have well-known brands in the nation. A sizable number of smaller firms are also active on the market and provide customers with a broad range of goods and services.

The increasing significance of e-commerce platforms as a distribution mechanism for footwear products is a trend in the sector. Due to the convenience and user-friendliness of these platforms, internet shopping is gaining in popularity in Bangladesh, where an increasing number of people prefer to buy things this way.

Bangladesh's retail footwear market is expanding and has tremendous future growth potential. An expanding middle class and shifting design trends are driving the industry's desire for stylish and comfortable footwear items. Due to the industry's intense competition and the number of active firms, innovation and growth are likely to increase in the future.

2.7.1 SWOT Analysis of Bata Shoe Company Bangladesh Limited



Figure 12: SWOT Analysis

Strengths:

- The Bata Shoe Company has been in business for more than a century, and in Bangladesh for 61 years. Bata has made a name for itself through the years as a company that offers affordability, comfort, and quality. In Bangladesh, it has developed a solid brand awareness and brand loyalty among its customers.
- Bata offers a broad range of items. Anything from dress shoes to sandals, sneakers, backpack, wallet, belt, and shoe care products. This diversity reduces the danger of being overly dependent on one particular product sector.
- With a strong presence in both urban and rural locations, Bata has a sizable retail network. This makes it possible for the business to serve a variety of clients in various geographic areas. Currently Bata has 237 Retail Outlets all over Bangladesh in all major districts of the country.
- The management team at Bata has years of experience and expertise. Members of Bata's management staff come from all around the world. Managing Director, Finance Director, and Head of Merchandising are just a few examples of foreign individuals who have held various positions in various businesses throughout the world. With their knowledge and abilities, they have guided the firm through a number of challenges in the footwear industry.

Weakness:

- Compared to its rivals, Bata has a limited internet presence and e-commerce capabilities. This makes it more difficult for the business to contact customers who prefer to purchase online.
- Due to its reliance on a small number of significant suppliers for its raw materials, Bata is more susceptible to supply chain disruptions and pricing changes.

- Bata has come under criticism for its lack of product innovation and sluggish reaction to shifting fashion trends. Because of this, it could be challenging for the business to maintain its competitiveness. Competitors like Apex, Bay is quick to respond to the fashion trends.

Opportunity:

- There are a lot regions in Bangladesh that Bata haven't established a store yet. Bata can establish their outlets and cater towards the need of the people from that region. Bata has a large growth opportunity thanks to the expanding middle class and evolving fashion tastes in various areas.
- By enhancing its e-commerce capabilities, Bata can take advantage of the rising popularity of e-commerce platforms. Bata can attract customers who prefer to purchase online and penetrate new markets that are inaccessible through physical stores by building a strong online presence and enhancing its e-commerce skills.
- Typically, Bata offers sports footwear made by Nike and Adidas. Bata should concentrate on producing high-end athletic footwear and clothing like jerseys, shorts, and tracksuits to gain competitive advantage in the country.

Threats:

- Bata faces tremendous competition in the retail footwear industry. There are a number of competitors in the market such as Apex, Bay, Fortune, Lotto who offers similar price point.
- Bata relies on its intricate worldwide supply chain to get raw ingredients, produce goods, and deliver them to clients. Any interruptions to this supply chain, such as pandemics, trade conflicts, or natural calamities, may have an effect on Bata's

business operations and profitability. The profitability and manufacturing costs of Bata can also be impacted by changes in the price of raw materials.

- Bata finds it difficult to stay on top of the newest trends and remain relevant to its clients since consumer tastes and fashion trends are continuously changing. Sales and market share may decline if companies fail to recognize or adapt to shifting consumer tastes.

2.7.2 Porter's Five Forces Analysis of Bata Shoe Company Bangladesh Limited

Threat of New Entrants: Bangladesh's retail footwear market is expanding quickly, which draws new competitors. The sector has significant entry restrictions, nevertheless. For instance, new competitors must have a strong brand, a strong distribution network, and trustworthy suppliers. Not to mention the enormous investment to set up factories and day to day costs to keep the company in competition with big players of the industry. With more than 60 years of experience in the field, Bata has built a solid reputation and a following of devoted customers. Also, the business has a vast distribution network that spans the nation and includes 237 retail outlets. For new rivals, it would be challenging to compete with Bata's well-established market presence and distribution network.

Bargaining Power of Suppliers: Raw materials, including leather and rubber, are sourced by the Bata Shoe Company Bangladesh from both domestic and foreign vendors. Due to the substantial number of providers in the market, their negotiating strength is limited. Yet, suppliers might use their negotiating position to increase their pricing or demand better conditions for payment. For instance, a supplier may raise the price if there is a scarcity of a raw material, which might have an impact on Bata's profitability. Maintaining solid connections with its suppliers and having backup sources available can help Bata reduce this risk.

Bargaining Power of Buyers: In Bangladesh's retail footwear market, customers have significant bargaining power. Consumers may simply switch to other brands if they are unhappy with Bata's offerings or prices since they have access to a variety of footwear items from other manufacturers. In order to keep its clients, Bata must maintain the quality of its goods and maintain competitive pricing. In order to solve this, Bata must concentrate on

developing items that satisfy the demands of its consumers and offer a distinctive value proposition that sets it apart from other brands.

Threat of Substitute: Substitutes of Bata Shoe products pose a serious danger. Consumers can choose from a variety of footwear items created by various manufacturers, including locally produced sandals and slippers that are less expensive than those made by Bata. Furthermore, the availability of counterfeit items poses a risk to Bata's market dominance and financial success. In order to solve this, Bata should concentrate on producing items that are original, of the highest caliber, and provide distinctive value propositions that are difficult for rivals or alternatives to match.

Rivalry Among Competitors: There are many companies seeking for market share in Bangladesh's retail footwear sector. Local and foreign competitors including Apex, Leatherex, and Adidas fiercely compete with Bata. Because to the industry's extreme fragmentation, issues including product quality, design, pricing, and distribution greatly influence the level of competition. Bata should concentrate on keeping up with latest trends, enhancing its distribution system, and providing aggressive pricing if it wants to stay competitive. The business should also spend more money on marketing and advertising to build consumer loyalty and brand recognition.

2.8 Summary and Conclusion

After a thorough research on the company, we can conclude that Bata has taken a significant hit during the pandemic and exchange rate fluctuations. Although, the company is in recovery phase, they are yet to reach pre-pandemic levels. The profitability of Bata reduced significantly during the pandemic but it can recover easily as the company is a household name and has a strong customer base. The company should focus on product innovation and be receptive to the constantly shifting consumer expectations. To raise brand recognition and keep its market leadership, Bata must also invest more in marketing initiatives and promotional events. Despite facing fierce competition from local and international brands, Bata has been operating profitably in Bangladesh for almost 60 years. To maintain this market dominance, Bata must stay responsive to market demands, invest more in promotional activities, improve customer experience and prioritize sustainability.

2.9 Recommendations

1. Bata may work with regional designers and artists to produce one-of-a-kind, limited-edition shoe lines that appeal to the regional market. The local festivals, customs, or locations could serve as the inspiration for a collection made by Bata.
2. Bata can further enhance its e-commerce platform by giving clients individualized suggestions based on their past purchases and interests.
3. For the purpose of preventing financial mistakes, Bata should teach its area and store managers in the usage of data reporting software.
4. Bata should design captivating social media ads that highlight its goods and the way of life they entail. To raise brand exposure, Bata should also sponsor regional sporting events and teams.

Chapter 3

3.1 Introduction

The footwear company Bata Shoe Company has been in business for more than a century and is well-known in many nations, including Bangladesh. Bata Shoe Company faces fierce competition in the Bangladeshi market despite its established brand and extensive worldwide reach. The business must comprehend the behaviors and preferences of regional customers in order to remain competitive. This study aims to look into Bangladeshi consumers' attitudes toward Bata Shoe Company. Three key areas will be examined in the study: consumer happiness, brand loyalty, and buying patterns.

The sample will comprise of Bata Shoe Company's customers, and data will be collected through questionnaires. The findings will contribute to the existing literature on consumer behavior in the footwear industry in Bangladesh, filling the gap in knowledge regarding Bata Shoe Company's performance in this market. Furthermore, the study's recommendations will provide actionable insights for the company.

3.1.1 Literature Review

Companies must understand consumer behavior to succeed in the highly competitive footwear industry. Bangladesh is only one of the numerous nations where Bata Shoe Company is well-established. It is one of the biggest shoe producers in the world. With the help of elements including consumer preferences, attitudes, and purchasing patterns, this literature study tries to provide insight into how consumers interact with Bata Shoe Company.

With a growing consumer market interested in fashionable and trendy footwear items, Bangladesh's retail footwear sector has seen tremendous expansion over the past ten years. The success of the footwear industry depends on understanding consumer behavior since it enables

companies to customize their marketing plans and product lineups to satisfy the needs of their target customers. Customers look for products to fulfill their fundamental desires and necessities. Studying what customers purchase is only one aspect of consumer behavior. It makes an effort to understand how decisions are made and how that influences consumers' purchase behavior (SOLOMON, 2004). To understand where, what, and why customers buy, marketers examine consumer purchasing habits. Yet, because the reason behind a consumer's decision to purchase a certain product is deeply ingrained in that person's mind, the question is not easily resolved. (Kotler & Armstrong, 2010). Another study reveals that the most important elements that influence consumers' purchase decisions and brand loyalty are style, quality, variety, brand awareness, price of the product, and durability (Aynadis, 2014). The majority of studies revealed that decreased pricing or special offers had a negative impact on brand loyalty. High price-conscious consumers also desire to pay more for better quality. Consumers' preference decisions have indeed been centered on the product quality.

The literature review emphasizes how crucial it is to understand how customers behave. Companies must take into account a variety of important elements while establishing their marketing strategy, including consumer preferences, attitudes, and purchasing patterns. According to the research under consideration, Bata Shoe Company's name recognition, product caliber, accessibility, and store atmosphere are important variables that affect consumer behavior. Future studies may examine how consumer behavior toward Bata Shoe Company is affected by advertising, social media, and other marketing tactics.

3.1.2 Objectives

With an emphasis on consumer happiness, brand loyalty, and purchasing habits, this study intends to examine how Bangladeshi consumers behave toward the Bata Shoe Company. This will allow the business to make wise decisions and create powerful marketing strategies.

The Objectives are:

1. To examine the level of customer satisfaction towards Bata Shoe Company in Bangladesh.
2. To investigate the degree of brand loyalty among customers towards Bata Shoe Company in Bangladesh.
3. To analyze the buying patterns of customers towards Bata Shoe Company in Bangladesh.
4. To determine the impact of customer satisfaction on brand loyalty towards Bata Shoe Company in Bangladesh.
5. To provide recommendations to Bata Shoe Company on how to improve customer satisfaction, brand loyalty, and buying patterns in Bangladesh.

3.1.3 Significance

This study is crucial because it will give Bata thorough grasp of Bangladeshi consumer behavior. By adapting its marketing strategies to the demands and tastes of its customers, the company will ultimately increase consumer happiness and brand loyalty. The study's results will also bridge a knowledge vacuum about the company's performance in this market by adding to the existing literature on consumer behavior in the footwear industry. Lastly, the study's suggestions will give Bata Shoe Company practical information on how to raise customer satisfaction, brand loyalty, and purchasing habits, all of which will help the business succeed in Bangladesh over the long term.

3.2 Methodology

This study will use a quantitative research design, employing questionnaires to collect data. Ethical considerations were taken into account for this study. No personal information was recorded during the data collection and consent has been taken from participants that the information gained from the survey will only be used for academic purposes.

Data was collected from Primary and Secondary sources. Primary source was the survey questions which were filled out by the participants and secondary data was collected from the internet, mainly other reports and journals on similar topics.

Sample Population: Bata Shoe Company Customers.

Method of Data Collection: Questionnaire through Google Forms.

Responses: 219

3.3 Findings and Analysis

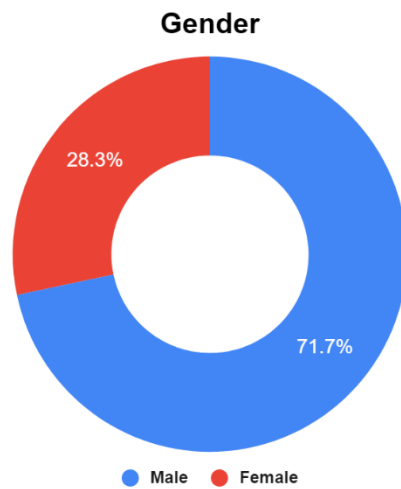


Figure 13: Gender Demography

219 people in total responded to the questionnaire. 157 of them were Male and 62 were Female.

Table 3: Gender Demography

Male	157
Female	62

A significant portion of respondents fell between the 18–25 age range. Of of 219 responders, 27 were between the ages of 26 and 35. Only 2 people from the over-50 age group responded, which was the lowest.

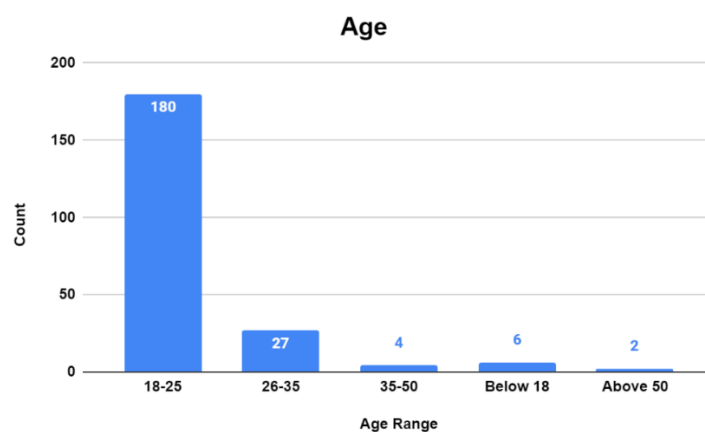


Figure 14: Age Demography

3.3.1 Customer Satisfaction

In Store Experience

Table 4: In Store Experience

Rating	Frequency	Percentage
5	33	15.07
4	111	50.68
3	63	28.77
2	7	3.20
1	5	2.28
Total	219	100.00

Customers' in-store experiences were measured using an ordinal scale of 1–5, with 1 indicating extreme dissatisfaction and 5 denoting extreme satisfaction.

Based on the analysis, it appears that majority of customers (50.68%) rated their experience as good (4 out of 5), followed by 28.77% rating their experience as average (3 out of 5). Only 15.07% of customers rated their experience as excellent (5 out of 5), while a small percentage (2.28%) rated it as poor (1 out of 5).

This suggests that while a majority of customers had a positive experience, there is a significant chunk of consumers who could have a better experience. As a quantitative study, the analysis does not account for the reasons why customers have positive or negative experiences.

The ratings suggest that Bata Shoe Company has a relatively good in-store experience, but there is still room for improvement to increase customer satisfaction levels and stay ahead in the highly competitive retail industry.

Pricing

Table 5: Product Pricing

Opinion	Frequency	Percentage
Expensive	88	40.183
Value for Money	125	57.078
Cheap	6	2.740
Total	219	100

The majority of customers (57.078%) rated the pricing as providing value for money, which indicates that they perceive Bata's shoes to be reasonably priced and offering good value for the price paid. However, a significant proportion of customers (40.183%) rated the pricing as expensive.

Bata could look at whether consumers believe that costs for particular product categories are high or whether rival companies are charging less for comparable goods. Based on this knowledge, the company might think about modifying its price approach to better match customer expectations. Additionally, it may be helpful for Bata Shoe Company to communicate the value proposition of their products more effectively to customers. For example, they could highlight the quality of materials, durability, and comfort of their shoes to justify their pricing and differentiate themselves from competitors.

Quality

Table 6: Product Quality

Rating	Frequency	Percentage
5	24	10.96%
4	109	49.77%
3	70	31.96%
2	11	5.02%
1	5	2.28%
Total	219	100.00

Firstly, it's important to note that the percentage of customers rating the quality of Bata Shoe Company's products as excellent (5 out of 5) is relatively low at only 10.96%. It's also worth noting that the percentage of customers rating the quality as poor (2 out of 5) is quite low at 5.02%. This suggests that while there may be some areas for improvement in the quality of the products, overall, customers are generally satisfied with the quality of Bata Shoe Company's products.

Furthermore, the majority of customers rating the quality of the products as (4 out of 5) is a positive sign for Bata Shoe Company. This indicates that a significant proportion of their customers find the quality of their products to be satisfactory.

Design

Table 7: Product Design

Opinion	Frequency	Percentage
Yes	53	24.201
No	66	30.137
Maybe	100	45.662
Total	219	100

The respondents were asked if they found their desired style or design while shopping at Bata. According to the table, 30% of respondents were unable to find the design they were looking for while purchasing at Bata. This indicates that Bata is slow to respond to market developments and does not keep up with industry trends. A majority of the customers responded 'Maybe' which could mean that customers were not able to find their desired style or design due to the lack of options available in-store or online.

Customer Recommendation

Table 8: Customer Recommendation

Rating	Frequency	Percentage
5	28	12.79%
4	67	30.59%
3	76	34.70%
2	34	15.53%
1	14	6.39%
Total	219	100.00

The majority of customers (34.70%) rated the company with a score of 3, indicating that they may or may not recommend the products to others. 30.59% of customers rated with a score of 4, indicating that they are satisfied and would be likely to recommend the products. Additionally, 12.79% of customers rated with a score of 5, indicating that they are highly satisfied and would definitely recommend the products.

On the other hand, a significant proportion of customers (21.92%) rated with a score of 1 or 2, indicating that they are dissatisfied and would not recommend the products to others. This could be due to the fact that the customers did not find their desired styles and a vast number of people found the products expensive.

3.3.2 Brand Loyalty

Brand Preference

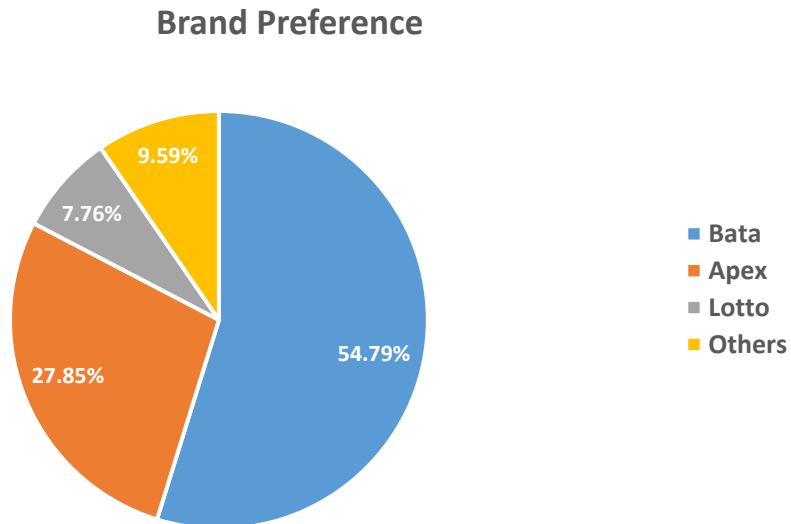


Figure 15: Brand Preference

According to the findings, Bata is the most favored brand, with 54.79% of consumers choosing it over competitors. 27.85% of consumers choose Apex as their second-most favorite brand. With only 7.76% of consumers favoring it, Lotto comes in a distant third. 9.59% of people chose other brands like Nike, Adidas and other local brands.

The dominance of Bata as the most preferred brand is notable, indicating that it has a strong brand reputation and customer loyalty in Bangladesh. The relatively high percentage of consumers preferring Apex suggests that it is a popular alternative to Bata, potentially offering similar products at a more competitive price point.

Table 9: Willingness to choose Bata over other brands

Rating	Frequency	Percentage
5	36	16.44%
4	73	33.33%
3	82	37.44%
2	21	9.59%
1	7	3.20%
Total	219	100.00

The table shows the data of customers' willingness to choose other brands over Bata. The results indicate that the majority of customers are not strongly willing to choose other brands over Bata, with 49.77% of customers rating Bata with a 4 or 5. However, a significant portion of customers (42.23%) rated Bata with a 2 or 3, indicating that they may be open to considering other brands.

It is worth noting that the percentages of customers rating Bata with a 4 or 5 are still relatively high, indicating that Bata has a strong customer base that is loyal to the brand. However, the percentages of customers rating Bata with a 2 or 3 suggest that Bata may face some competition and challenges in retaining customers who are open to considering other brands.

3.3.3 Buying Patterns

Effect of Social Media

Table 10: Effect of social media

Rating	Frequency	Percentage
5	38	17.35%
4	56	25.57%
3	42	19.18%
2	34	15.53%
1	49	22.37%
Total	219	100.00

The results indicate that the impact of social media on footwear purchase is mixed, with 42.92% of customers rating the impact as positive (4 or 5) and 41.55% rating the impact as negative (1 or 2).

The relatively high percentage of customers rating the impact as negative suggests that some customers may be skeptical of social media influencers and advertising in general. On the other hand, the relatively high percentage of customers rating the impact as positive suggests that social media can be an effective tool for reaching and influencing some customers.

It is worth noting that the percentage of customers rating the impact as neutral (3) is relatively low, indicating that social media is likely to have either a positive or negative impact on footwear purchase for most customers.

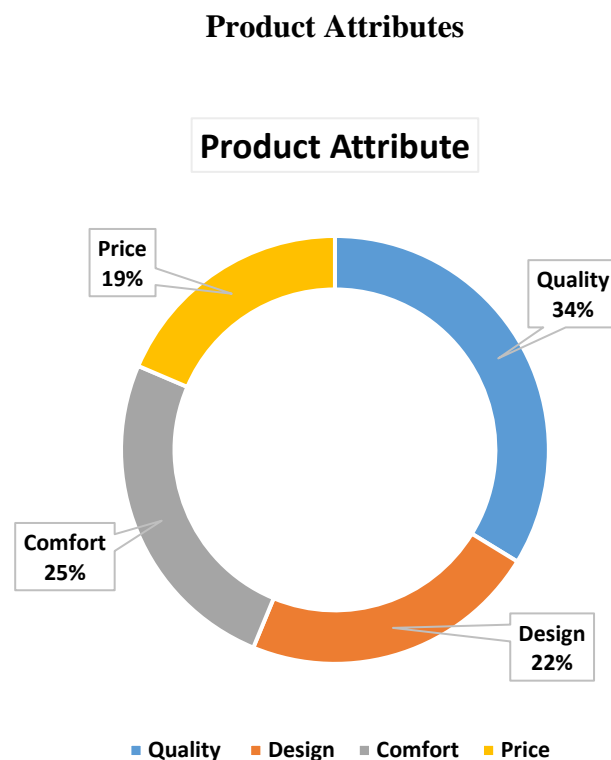


Figure 16: Product Attributes

Quality is the most important attribute for customers, with 34% of respondents rating it as their top priority. Comfort and design are also highly valued by customers, with 25% and 22%

respectively rating them as their top priority. Price is the least important attribute for customers, with only 19% of respondents rating it as their top priority. These results suggest that customers are primarily interested in the quality, design, and comfort of the products they purchase, and are willing to pay a premium for products that meet their standards in these areas.

Price

Table 11: Product Pricing

Rating	Frequency	Percentage
Below 1000	13	3.18%
1000-2000	91	22.25%
2000-3000	69	16.87%
3000-4000	30	7.33%
4000-5000	8	1.96%
Above 5000	8	1.96%
Total	219	100.00

The majority of respondents, 22.25%, preferred footwear in the price range of 1000-2000 taka, followed by 16.87% of respondents who preferred footwear in the 2000-3000 Taka range. Only a small percentage of respondents, 3.18%, preferred footwear below 1000 Taka, while a similarly small percentage, 1.96%, preferred footwear above 5000 Taka.

These results indicate that most customers are looking for affordable footwear options, with a preference for footwear in the 1000-2000 Taka range. Companies that offer products in this price range may be more likely to appeal to a wider range of customers and gain a larger market share. However, it is important to note that some customers are willing to pay more for higher-quality products, and companies that can offer a balance of quality and affordability may be most successful in meeting the needs and preferences of customers.

Method of Purchase

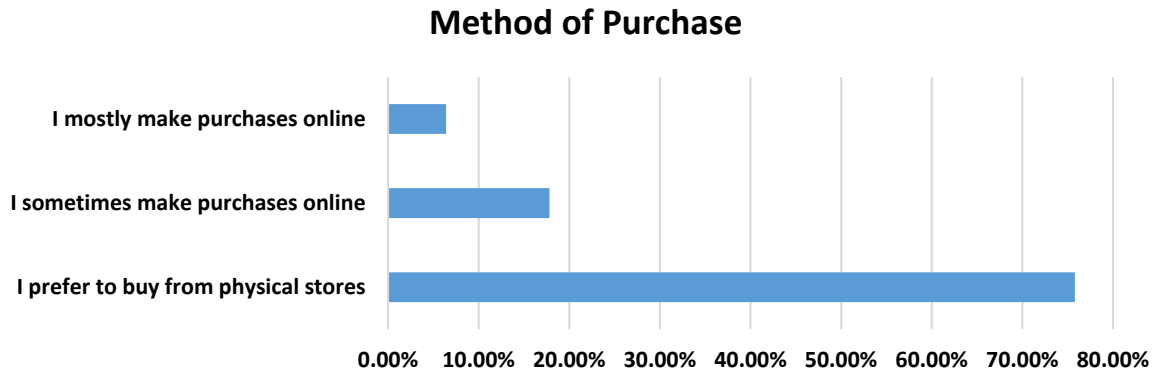


Figure 17: Method of Purchase

The majority of respondents, 75.80%, preferred to buy footwear from physical stores, indicating that brick-and-mortar stores remain the most popular option for purchasing footwear. However, a significant number of respondents, 17.81%, reported that they sometimes make purchases online, while a smaller proportion of respondents, 6.39%, reported that they mostly make purchases online.

These results suggest that while traditional physical stores remain the primary means of purchasing footwear, there is a growing trend towards online shopping. Companies that can offer a seamless and user-friendly online shopping experience may be more likely to attract customers who prefer to shop online, while those that focus solely on physical stores may miss out on this growing market segment. Additionally, companies that can offer a balance of both online and offline shopping options may be most successful in meeting the needs and preferences of customers.

3.4 Conclusion

The research provides valuable insights into the preferences and behaviors of consumers in Bangladesh when it comes to purchasing footwear. The data indicates that Bata Shoe Company is a popular brand among consumers in Bangladesh, with a majority of respondents reporting a positive perception of the brand. However, there is also evidence that some consumers find the company's products to be expensive, suggesting that there may be opportunities to explore pricing strategies that appeal to a wider range of consumers.

The research also highlights the importance of product attributes such as quality, design, comfort, and price in driving consumer purchasing decisions. Companies that can effectively meet these consumer needs may be more successful in attracting and retaining customers in the highly competitive footwear market in Bangladesh.

Finally, the research highlights the growing trend towards online shopping among consumers in Bangladesh. While physical stores remain the most popular means of purchasing footwear, there is a significant and growing market segment that prefers to shop online. Companies that can offer a balance of online and offline shopping options, as well as a seamless and user-friendly online shopping experience, may be best positioned to succeed in this market.

3.5 Recommendations

1. It would be helpful for the company to gather more detailed feedback from customers to understand what they consider to be expensive or providing value for money. Based on this feedback, the company can make pricing adjustments
2. Consumers valued product quality above all other factors, hence Bata should focus on maintaining strict quality standards for their footwear. This can involve investing money in better raw materials, manufacturing techniques, and quality assurance procedures.
3. Bata needs to react to market developments rapidly. One of the most important qualities for a consumer was design, and the majority of them struggled to discover it at Bata. The business needs to update its designs and follow current fashions. They could also collaborate with regional artists to produce exclusive footwear.
4. As the majority of customers prefer to buy from physical stores, Bata should focus on enhancing the in-store experience. This could involve creating more inviting and visually appealing store layouts, improving customer service, and offering more personalized experiences.
5. While a large portion of customers prefer physical stores, there is still a significant proportion who make purchases online. Therefore, Bata could consider expanding their online presence to trending social media platform, improving their e-commerce platform that offer personalized suggestions based on previous purchases, and offering more incentives for online purchases.

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Appendix

Questionnaire for the survey:

1. Gender
2. Age
3. While buying shoes, which brand do you prefer?
4. Have you ever bought anything from the Bata Shoe Company?
5. On a scale of 1 to 5, how satisfied were you with your in-store experience?
6. What do you think about Bata's product pricing?
7. How would you rate the quality of the product?
8. Did you find your preferred style or design when shopping at Bata?
9. Did Bata's products live up to your expectations in terms of their quality, features, and construction?
10. How likely are you to choose other brands over Bata?
11. How likely are you to buy Bata products in the future?
12. How likely are you to recommend others of Bata's products?
13. How much do you believe social media has an effect on your footwear purchases?
14. What's your most important priority when purchasing footwear?
15. How much are you willing to spend on a pair of Shoes?
16. How often do you visit retail outlets?
17. How often do you purchase footwear from Online (Websites, E-Commerce Platforms and social media)