

A Report on Shaping Branding: A Comparative Analysis of Factors Influencing Branding in
Kenya and the USA- A Case Study of Square Pharmaceuticals Ltd.

By

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

BRAC Business School

BRAC University

August 2023

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Declaration

It is hereby declared that:

1. The submitted internship report is an original work of mine while completing my undergraduate degree at BRAC University.
2. This report does not contain any information written by or published by any third-party entities, except for instances where information is taken from third-party sources where they are accurately cited through APA style referencing.
3. This report does not include any material previously published by other institutions or published for other degrees or diplomas.
4. All main sources of assistance have been acknowledged.

Student's Full Name & Signature:

Reevu Saswatee

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Supervisor's Full Name & Signature:

Ummul Wara Adrita

Senior Lecturer

BBS, BRAC University

Letter of Transmittal

Ms. Ummul Wara Adrita

Senior Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “Shaping Branding: A Comparative Analysis of Factors Influencing Branding in Kenya and the USA- A Case Study of Square Pharmaceuticals Ltd.”

Dear Ma'am,

As a crucial part of completing my undergraduate degree Bachelor of Business Administration (BBA), it is my great pleasure to submit my internship report on “Shaping Branding: A Comparative Analysis of Factors Influencing Branding in Kenya and the USA- A Case Study of Square Pharmaceuticals Ltd.”

This report focuses on the significant factors that affect the branding strategies implemented by Square Pharmaceuticals Ltd. in the Kenyan and US markets. This report has tried to examine the existing condition of branding in these two countries while conducting a comparative analysis and has added some suggestions about improving the branding of the company.

I have tried my very best to organize all the key information meaningfully while completing this research so that it would be reliable, original, and have educational value.

I want to thank you for your generous patience, thoughtful guidance, and valuable suggestions in writing this internship report. I, therefore, hope and pray that this report will meet your expectations.

With regards,

Reevu Saswatee

Student ID: 19104119

BRAC University

BRAC Business School

Date: August 2nd 2023

Non-Disclosure Agreement

The BRAC University and Square Pharmaceuticals Ltd. signatory student has created and signed this form.

By signing this form, I, Reevu Saswatee, pledge this report will not contain any information that can be considered sensitive and that can cause any harm to Square Pharmaceuticals Ltd. This report is written with the guidance of my workplace supervisor and focuses on the actions performed at the office.

And so, as part a part of the requirements for the completion of my internship, this report will not be published online and will be preserved at BRAC University to protect the privacy of the information. Both parties involved have agreed to keep the information used in this report confidential.

Acknowledgment

I would like to take this opportunity to acknowledge the guidance and assistance from my faculty and internship supervisor, Ms. Ummul Wara Adrita, Senior Lecturer at BRAC Business School, BRAC University. Her guidance was crucial to the completion of my report. In addition, I would like to thank Square Pharmaceuticals Ltd. for providing me with this internship opportunity in their company. I would also like to express my gratitude to my on-site supervisor, Mr. Md. Abu Bakar Siddique, senior manager, International Marketing Department, Square Pharmaceuticals Ltd., for his generous support in familiarizing me with the work I was entrusted with, putting his trust in me to accomplish goals, guiding me through the process of understanding the organizational culture and sharing his experience of his professional career with me. I am also thankful to my fellow colleagues and the employees at Square Pharmaceuticals Ltd. for making this experience easier for me by making time from their busy schedules to guide me. I am also thankful to the human resource management department and other senior staff for their guidance and encouragement. I am forever thankful for their generous support.

Executive Summary

The report focuses on conducting a comparative analysis of branding factors that affect the branding strategies of Square Pharmaceuticals Ltd. in Kenya and the USA. The report was organized into three chapters. The first chapter included information on the author and the details of the internship that was completed by the author at Square Pharmaceuticals Ltd. The second part includes information regarding the company including the company's profile, history, departments, practices, and analysis of the organization's position through SWOT and Porter's Five Forces Analysis. The final part includes research conducted on the organization to understand how various factors affected the branding of Square Pharmaceuticals Ltd. through a comparative analysis between Kenya and the USA by means of a literature review and a survey. Lastly, the report suggests some actionable recommendations to the company to improve branding in Kenya and the USA based on the primary and secondary data analysis.

Keywords: Pharmaceutical Industry, Branding, SWOT Analysis, Direct-To-Patient, Marketing Strategy,

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List of Acronyms

SPL=" Square Pharmaceuticals Limited"

CPT=" Carriage Paid To"

CFR=" Cost and Freight"

FOB=" Free on Board"

CIP=""" Carriage and insurance paid to"

Exp for= "Export Form"

INCOTERMS=" International Commercial Terms"

LC=" Letter of Credit"

IMD=" International Marketing Department"

Chapter 1

Overview of Internship

1.1 Student Information

Name: Reevu Saswatee

ID: 19104119

Program: Bachelor of Business Administration

Major: Marketing

Minor: Human Resource Management

1.2 Internship Information

Period: 8th February-31st April (4 months)

Company Name: Square Pharmaceuticals Ltd.

Department: IMD (International Marketing Department)

Address: 50, Bay Tower, Mohakhali, C/A, Dhaka 1212.

Working Hours: Sunday to Thursday, 8:30 AM-5:30 PM

1.2.1 Company Supervisor's Information

Name: Md. Abu Bakar Siddique

Position: Senior Manager, International Marketing Department.

1.2.2 Job Scope

In the period of 4 months, I had the privilege of working with Square Pharmaceuticals Ltd.'s International Marketing Department (IMD) team specializing in "Cash Incentive on export collections". The team I worked with specialized in utilizing profits from the Bangladesh government's policy to offer a 10% cash incentive on exported pharmaceutical products in an attempt to boost the export industry as well as the pharmaceutical industry of our country. The opportunity to work with this team enshrined with novel knowledge regarding the internal

workings of exporting and international marketing and the corporate culture that comes with it. The main job responsibility during the internship included preparing SPL's cash incentive collection documents and examining other documents related to them. The process of preparing cash incentive collection documents included examining INCOTERMS or delivery terms, mode of shipment (sea, air, or road), and arranging and filing physical copies of the cash incentive collection documents. Additionally, examining observations from the audit team and rectifying errors or adjusting documents according to the feedback of the audit team, and preparing verification certificates and customs certificates were also included within the responsibilities. Furthermore, I worked on various tasks that required my assistance.

1.3 Outcomes of the Internship

Internships are an excellent way for students to gain more practical knowledge in their field of study and understand the workings of the industry and the way that a company operates which gives them a competitive advantage in the applicant pool. The opportunity to work with a well-reputed company also enables chances to create networks with industry professionals and gain insight into the daily operating procedures of a company. Additionally, this enables the students to solidify their resumes and provide future employers with a solid background with job experience which makes them distinguishable as having job experience is preferred by most employers. Furthermore, internship opportunities provide training on communication in an organizational environment as well as practical problem-solving skills.

1.3.2 Contribution to the Organization

I had the opportunity to work for Square Pharmaceuticals Ltd. where I had the opportunity to learn from the market leader company's employees who are highly experienced in this industry. I worked in the International Marketing Department where I got to learn about the workings of international marketing and what goes into the export business. My main job responsibility was assisting my team with applying for "Export Cash Incentives". The specifics of the job tasks are explained here.

1. Preparing Verification Certificates

Verification certificates contain various contents related to export,



Figure 1: Contents of Verification Certificate

One of my job responsibilities included creating and submitting Verification Certificates in order to collect cash incentives for export. Reviewing observations sent by the audit team and rearranging documents for reapplying also fell within the scope of the job tasks. During the course of my internship, I prepared 350 verification certificates and 70 observation documents. All the shipments related to the verification certificates I prepared had different modes of transportation like sea, road, or air. While working on these documents, I learned about various other documents related to export and how to retrieve information from them. Descriptions of these documents are given below:

- **PFI (Pro Forma Invoice):** An initial bill in the format of an invoice that is often sent to the buyers before the shipment of products which can be used to make changes in the commercial invoice if needed. The PFI contains various information like bank details, location of shipment, date of creation, details of the purchased products, net and gross weight, shipment cost, etc.
- **Commercial Invoice:** An invoice and a pro forma invoice are very similar in structure however, an invoice has detailed information on the total money that is owed, a finalized

list of products that are to be delivered, and the method of payment which can be delivered either in a physical copy or a digital copy.

- **PL (Packing List):** This list provides information on the weight and dimensions of every package including the total weight, and visible numbers and markings that are on the package. The list is received and approved by the exporter, the consignee, and the freight forwarder.
- **EXP Form (Export Form):** A export form is declared before a shipment is sent which is numbered sequentially and in quadruplicate. The form needs to be signed by the exporter and submitted to the Customs office alongside other shipping documents. This form holds information about the product quantity, cost or value, and the quantity that is being shipped. This form helps Customs to get data on international trade and helps them regulate the market.
- **BOE (Bill of Entry):** This is a legal document that is submitted to the Customs Department of our country and is issued by the importer or customs clearing agents after the arrival of the products that were imported. This is a crucial step in Customs clearance.
- **BL (Bill of Lading):** This is a piece of legal document that serves as a “shipment receipt” upon the delivery of goods by the carrier at the prearranged location. This document is issued by a transportation company or a “carrier” to a “shipper” containing detailed information about the quantity, category, and destination of the carried goods as well as the origin. Commonly, both Master Bill of Lading and House Bill of Lading are used for convenience.
 - **MBL (Master Bill of Lading):** This legal document serves as a contract that is issued by the owner of the goods in transit or the operator of the mode of transportation, meaning, the owner of the goods or the shipper makes this contract with the operator of the mode of transit or the carrier.
 - **HBL (House Bill of Lading):** This document is issued to the suppliers upon reception of the shipment and serves as a receipt of acknowledgment of the shipped goods. This document is issued by either the transport intermediary freight forwarder or the company that is non-vessel operating.

2. Checking Documents

Another job responsibility included going through past documents that needed reviewing including reviewing around 350 shipments that were made from the year 2019 to 2022. In order to collect the cash incentive from exports, it is necessary to have all necessary documents in order so they can be filed according to the regulations. Reviewing past verification certificates, customs certificates, and cash incentive forms was also part of the “observation” process which was reviewing the documents and adjusting them according to the observations made by the audit team. In the digitally stored documents of shipments filed by year and the name of the countries, each folder had to be checked in order to review if each shipment record had all the necessary documents needed to file a cash incentive on exports and these documents included special forms that were created mandated by the government, the commercial invoice, the pro forma invoice, the bill of lading, the exp form, the bill of export, insurance or freight bills if they were needed according to the Incoterms, the packing list, and verification certificates. Checking the Incoterms and examining if the documents are arranged according to the Incoterms also was a part of it. To elaborate, if FOB is used as an INCOTERMS, no freight or insurance bill, and certificate is required. However, while using CPT or CFR terms for delivery, freight bills would be needed as it is the responsibility of the seller, or SPL in this case, to pay for the freight charges to deliver products to the determined destinations. Additionally, while using CIF, CIP, or DAP as delivery terms, an insurance bill or certificate will be needed alongside the freight bill as it is the responsibility of the seller to pay for it.

3. Creating Cash Incentives Files

Preparing the cash incentives files is one of the main job responsibilities for the interns at SPL's IMD. After going through the process of checking all the necessary documents needed to file the incentive files and preparing verification certificates, I would prepare the cash incentive files for particular shipments. The incentive files needed additional documents mandated by the government called “form ka” and “form kha” in Bangla alphabets and I had to fill out these forms according to the information gathered from various other shipment documents. The information is taken from various documents including the commercial invoice, the pro forma invoice, the letter of credit, the exp form, the bill of lading, and the ASYUCUDA (“Automated System for Customs Data”). After creating physical copies of these documents, they are arranged and filed according

to the guideline and sent to the audit team for reviewing and after they are approved, they are sent to the authority who will grant the cash incentive upon finding all the documents in the right order.

1.3.2 Student Benefits

As the pharmaceuticals industry and its marketing practices in the exports field is a fairly new field for me, I learned a lot of new things about the industry and its practices during my internship, and at the same time, I got to get a glimpse into how organizations operate within the organizational culture and learned practical skills to adapt to work culture.

1. Detailed learning on “LC”

My coordinator during the internship, a senior executive of SPL, took out his time to teach me all of the inner workings of an LC or Letter of Credit, how to extract necessary information from it, the clauses, and the various parties involved in it. This discussion was a significant learning experience for me.

2. Other learnings and benefits

Alongside hands-on training, I have gained knowledge about working in a multinational company and skills related to it. I have greatly improved in personal qualities such as interpersonal communication skills, professionalism, punctuality, organizational etiquette, organizational or corporate culture, team working skills, etc. Other benefits included monetary remuneration, free transportation, and lunch meals as an intern.

1.3.3 Difficulties Faced During the Internship

I faced a few minor challenges during the period of my internship. As I was not used to the export field and the pharmaceuticals industry before, I had a challenging time trying to understand the various export-related documents and basically had to build up my knowledge from the ground up regarding this field. There were times when I had to juggle various tasks at the same time and it took a little bit of time to adjust to multitasking and not getting overwhelmed. Additionally, as the export incentive files prepared by me were being sent for final reviewing, I had to be very precise

and extremely cautious so as not to make mistakes which caused some mental stress initially but eventually, I got used to it.

1.3.4 Recommendations for Future Interns

- Create more opportunities for interns to be involved in more marketing-related tasks such as market research, package designing, constructing market plans, and field visits.
- Create guidelines in either digital or physical forms to help the interns understand their job responsibilities and tasks from the beginning and familiarize them with the work from the get-go so that they can be utilized more efficiently.
- The interns could be given additional rewards integrated into the system to encourage them more.

Chapter 2

Organizational Information

2.1 Introduction

The focus of this report is on the factors that shape and affect branding in Kenya and the USA and compare the dynamics of these countries. The goal is to examine the marketing and branding strategies implemented by Square Pharmaceuticals Ltd. and provide some actionable recommendations for instances where there is room for improvement. The research was done through primary data collection through interviews and surveys, and secondary data collection through various resources. This part of the report is to analyze the company's position in the market and the company's practices and decision-making processes to gain a better understating of the company and its position in the market as well as within the internal environment of the organization. To analyze the organization's internal business standing and position in the market, analytical tools such as "SWOT Analysis" and "Porter's Five Forces Model" was used. This part should prove to be useful in conducting research and having a better understanding of the organization as a whole.

2.2 Company Overview

2.2.1 Company Profile

Square Pharmaceutical Ltd. is the company that is currently leading the pharmaceutical industry with the largest share in the market and is one of the biggest companies in the country. Square Pharmaceutical Ltd. is a brand name that is popularized by its products and has become a household name in our country holding an impeccable reputation among other key industry players. The company started its journey as a partnership business in 1958 and later became a 'private limited' company in 1964 and a public limited company in 1991 and was listed in the DSE (Dhaka Stock Exchange) later. Square Pharmaceuticals Ltd. has ushered in a new era in the pharmaceutical industry of Bangladesh and has been maintaining its position as the market leader ever since it got to be the top company in terms of market shares among all companies operating in Bangladesh, multinational and local companies, in 1985. The company that had a humble beginning in 1958 when Samson H. Chowdhury led the company to begin its journey with merely 12 employees, a 3000 sq. ft. establishment, and a turnover of BDT 55,000, has now turned into a

company that made a turnover of BDT 66.41 billion or 780.26 million US\$ and a market share of around 18.74% and around 10.24% growth in the years 2021-2022, the company currently has about 11,199 employees nationally and globally. Square Pharmaceuticals Ltd. was the first company to export antibiotics and other pharmaceutical products in 1987 and launched the exports of medicines in Bangladesh and since then the company has furthered its service ranges towards the global market which has enabled the company to increase its credibility. Square Pharmaceuticals Ltd. puts emphasis on product quality alongside the services and procedures that lead the company towards growth assimilated with positive practices in governance.

Objective, Mission, and Vision

Mission

Our Mission is to produce and provide quality & innovative healthcare relief for people, maintain stringently ethical standard in business operation also ensuring benefit to the shareholders, stakeholders and the society at large.

Vision

We view business as a means to the material and social wellbeing of the investors, employees and the society at large, leading to accretion of wealth through financial and moral gains as a part of the process of the human civilization.

Objective

Our objectives are to conduct transparent business operation based on market mechanism within the legal & social framework with aims to attain the mission reflected by our vision.



History and Growth

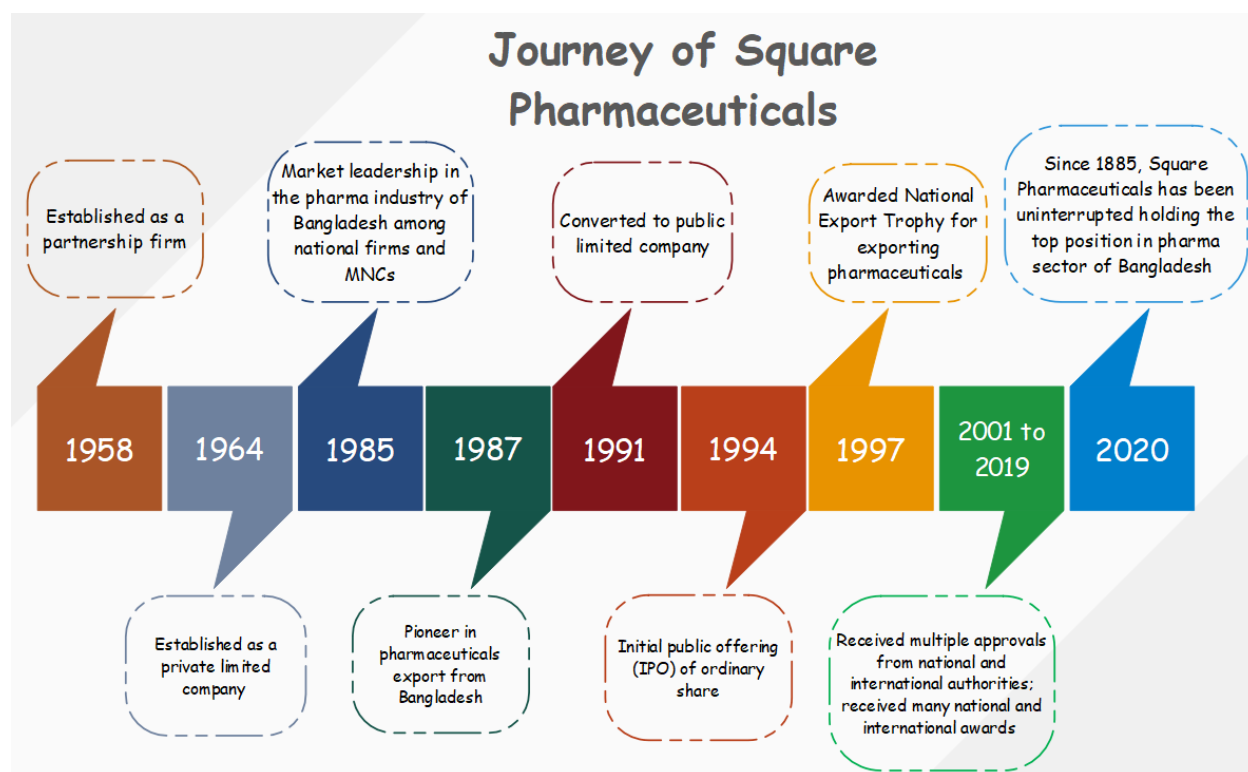


Figure 2: Journey of Square Pharmaceuticals Ltd.

Some of the significant achievements of Square Pharmaceuticals Ltd. throughout its journey is listed below:

- **1958:** Creation as a partnership business
- **1964:** Transformation into a private limited or limited liability company
- **1974:** Technical collaboration with a subsidiary of Johnson & Johnson, Janssen Pharmaceuticals based in Belgium
- **1985:** Gaining market leadership among all MNCs and local companies in the pharmaceuticals industry
- **1987:** Becoming the first company to export medicines in the pharmaceutical industry of Bangladesh
- **1991:** Transformation into a Public Limited company
- **1994:** IPO (Initial Public Offer) of “Ordinary Shares”
- **1995:** Listing with Dhaka and Chittagong Stock Exchange and beginning bulk production of API (Active Pharmaceutical Ingredient)

- **1997:** Got the award of “National Exporting Trophy” for the exportation of pharmaceutical products
- **2001:** Factory approved by FDA/MHRA standards starts operating and being built under the supervision of Bovis, UK
- **2002:** Enlistment as UNICEF’s global suppliers
- **2007:** UK MHRA approval of Dhaka Unit
- **2009:** Beginning of manufacturing insulin, steroid, and hormone products while maintaining UK MHRA standards in compliance with cGMP of WHO
- **2012:** TGA (Therapeutic Goods Administration) of Australia’s approval for the Dhaka Unit
- **2013:** Beginning of the journey of “Samson H. Chowdhury Centre of Excellence”
- **2015:** Granted USFDA’s approval
- **2016:** Granted the approval of MCC, South Africa PIC/S, won “HSBC Export Excellence Award” and “ICMAB Best Corporate Award”
- **2017:** Gained “GMP certification” from MOH Azerbaijan, won the “National Environment Award”
- **2018:** Won the “National Export Trophy (Gold)”, and “ICMAB Best Corporate Award”, “National Productivity and Quality Excellence Award”, gained approval from ANDA of “Valsartan” for the US, gained GMP approval from NPRA from Malaysia for manufacturing facilities
- **2019:** Won the “President’s Award for Industrial Development” as a successful enterprise in the category of “Large Scale Industry”, the “National Export Trophy”, and the “Occupational Health and Safety Good Practice Award”
- **2021:** Won the “National Export Trophy (Gold)”, the “ICMAB Best Corporate Award”, the “Green Factory Award”, the “Bangabandhu Sheikh Mujib Industrial Award 2020” in the “country’s best largest industries” category, gained special recognition from the LTU (“Large Taxpayer Unit”) of NBR (“National Bureau of Revenue”) for being one of the top taxpayers in the country.

Departments

- IMD: “International Marketing Department”
- PMD: “Production Management Department”

- MSD: “Medical Services Department”
- GSD: “General Service Department”
- TSD: “Technical Service Department”
- Sales Department
- Human Resources Department
- Accounts and Finance Department
- Market Research and Planning Cell
- IT Department or Information Technology Department
- Distribution Department
- Supply Chain Management
- Production Department
- Share & Corporate Affairs
- Quality Assurance Department
- Engineering Department
- Quality Control Department
- Intern Audit
- Production Development and Validation
- Production Planning
- Project Management Department
- Quality Control and Audit
- Material Management and Inventory Control

2.2.2 Export Markets

- **Asia:** “Afghanistan, Azerbaijan, Bhutan, Cambodia, Georgia, Hong Kong, Iraq, Laos, Macau, Malaysia, Maldives, Myanmar, Nepal, Philippines, Singapore, Sri Lanka, Tajikistan, Vietnam, Yemen.”
- **Europe:** UK (“contract manufacturing”)
- **North America:** The USA
- **South & Central America:** “Belize, Costa Rica, Jamaica, Nicaragua, Panama, Suriname.”

- **Africa:** “Cameroon, Eritrea, Ivory Coast, Kenya, Libya, Mauritania, Mauritius, Mozambique, Nigeria, Somalia, Sudan, Tanzania, Uganda.”
- **Oceania:** “Fiji, Palau, Papua New Guinea.”

2.2.3 Products

Square Pharmaceuticals Ltd. has various categories of products which include a sum of eight-hundred-and-fifty-nine products. To elaborate, the company has six-hundred-and-thirty-seven pharmaceutical products alongside hundred-and-thirty-four agroveterinary products, thirty herbal products, thirty-six pesticides, fourteen pellets, and eight basic synthetics. Additionally, the company exports thirty-five of its products globally.

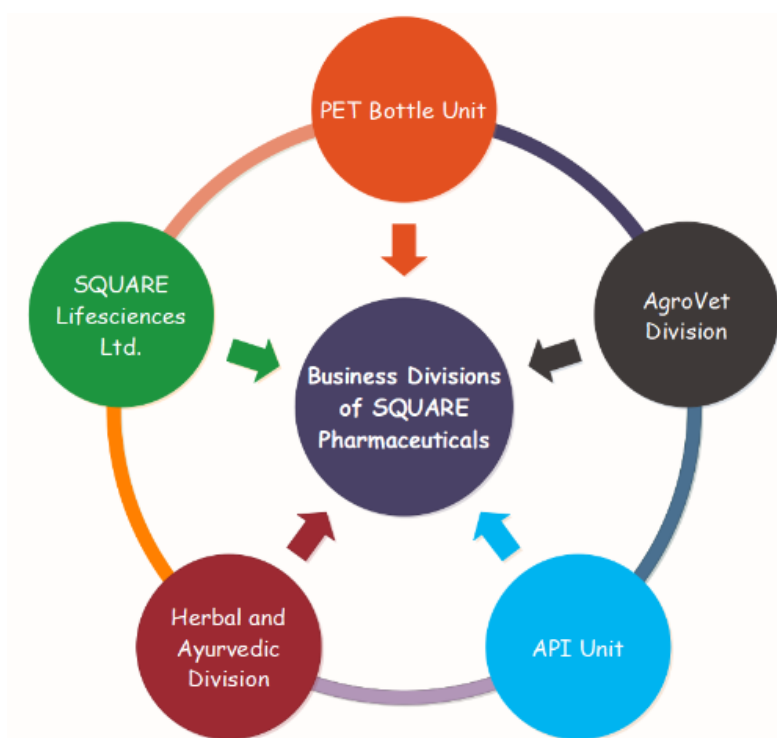


Figure 3: Products of Square Pharmaceuticals Ltd.

Various products are listed below:

Product Category	Product Name
Capsules	“Cef-3, Cef-3 DS, Ceftibin, Climycin 150, Climysin 300, Diliner 60 DR”, etc.

Tablets	“Ace, Ace Plus, Cefprocin, Almex, Alatrol, Amodis” , etc.
Injections	“Anadol, Ansulin N 40, Bonizol, Ceftron 1g, Iventi, Lactoring”, etc.
Creams	“Penrif 30, Pevitin, Scabex, Ticas, Togent, Topicort”, etc.
Suppositories	“Erian, Ace Suppository, Glysup 1.15, Glysup 2.30, Sonap 500, Clofena-50”, etc.
Eye Drops	“SQ Mycetin, Ocubrom, Oculant, Lubgel, Alarid, Iventi”, etc.
Inhalers	“Beclomin 100, Beclomin 250, Ticamet, Sultolin,Sulprex”, etc.
Syrups	“Ace Syrup, Adryl Syrup, Ambrox Syrup, Antista Syrup, B-50 Forte, Bicozin Syrup” etc.
Powders	“Cef-3, Cef-3 forte, Ciprocin, Moxacil Forte, Moxaclav”, etc.

2.3 Marketing Practices

Square Pharmaceuticals Ltd. is a well-reputed company with a long history in the industry and the company uses various marketing approaches to maintain its reputation in the market while maintaining ethical and legal standards. The company has sales representatives who contribute sales in a direct-to-consumer approach where the consumers are mainly doctors and hospitals. The sales representatives promote the products of the company mainly through free sample drugs, free diaries, notebooks, and calendars to promote the brand name. The company uses traditional advertising methods and mainly promotes its products through the media and hosts promotional events occasionally alongside giving discounts with the purpose of building a relationship with key opinion leaders and doctors in the industry. The company puts a lot of value in its research and development and has worked to develop new technology in collaboration with global companies which has also helped strengthen its reputation. Alongside traditional methods, the company has

also tried its hand at digital marketing. To elaborate, the company has an online website where all of its products are listed for viewing alongside the company's profile, history, and services. The company with its constant efforts to improve continues to make both digital and traditional marketing methods to uphold the company's name and hold its position as the market leader in the industry.

2.4 Human Resource Management Practices

2.4.1 Personnel Categories

Types of Employees

- Management
- Non-management

Organizational Hierarchy



Figure 4: Organizational Hierarchy

2.4.2 HRM

The human resources department of Square Pharmaceuticals Ltd. performs various tasks such as recruitment and selection, training and development, compensation planning, and upkeeping a personnel database to keep the company running smoothly and efficiently. There are various types of employees that are recruited during the recruitment and selection process such as temporary employees, permanent employees, contractual staff, and temp-to-perm staff. The recruitment and selection process includes creating a budget for the employees and understanding each department's needs for new recruits. Employees are sought out through advertisements in the newspaper or online job websites such as BDJobs, the official website, and notifying existing employees to recommend candidates. The selection process is transparent and effective as employees are selected through a multi-layered process to assess them effectively. Training and development is an essential part of human resources the HRD performs TNA or training needs analysis to determine the programs and departments that are required and then the programs are

designed and implemented. Training is given both on-the-job and off-the-job in offsite locations and includes giving training to global employees as well. The HRD provides various benefit programs to the employees such as free transportation and food, discount on the company's products and services, bonuses, life insurance, and provident funds. The HRD works relentlessly to maintain harmony within the company and uphold the organizational culture while maintaining an employee-friendly environment where the employees' personal and professional growth is ensured as well as concentrating on employee welfare. Square Pharmaceutical Ltd. has a well-reputed employer brand which also indicates and contributes to its position in the market.

2.5 Operations Management Practices

Operations management is an inevitable business function in an organization as this business function ensures the transformation of raw materials and labor into end goods. In SPL's case, the company puts the utmost value on the management of the supply chain, production design, and departments of quality control in order to lead and guide them into performing in optimal conditions while producing results in an efficient manner. SPL thrives to operate in a way where they can optimize time and cost to produce high-quality goods effectively and efficiently which enables them to have a competitive edge and retain its position as the industry leader. The company's laborious efforts in transforming raw materials into the high-quality products that they sell have driven them to reach excellence in operational management and they thrive to maintain high efficiency and effectiveness.

2.6 Accounting Practices and Financial Performance

The accounting practices of Square Pharmaceuticals Ltd. are transparent and compliant with the laws and regulations of our country. The accounting is handled through financial documents such as financial reports, financial statements, tax returns, and other documents that hold proof of the financial operations of SPL. For safekeeping, SPL complies with accounting principles that are generally accepted and follows guidelines that are created by a regulatory body of the concerned authority. The authority ensures that no document is altered, falsified, or hidden in a way that would cause misinterpretation of the financial statements. SPL makes all reasonable efforts to

make sure that all the financial documents are reliable, complete, and accurate and ensures all documents are processed in accordance with the internal control procedures. SPL is the leader in the market with about 17% of the market share.

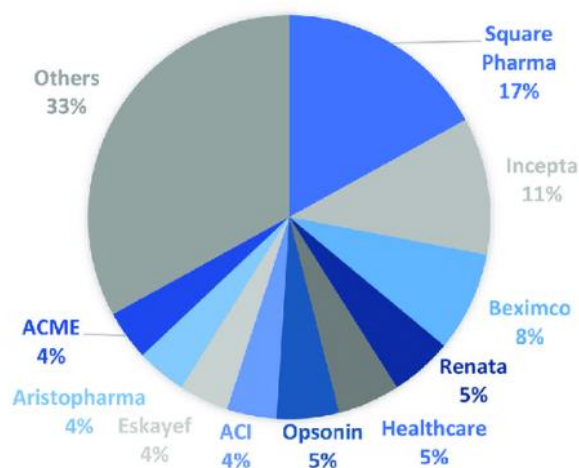


Figure 5: Market shares of pharmaceutical companies in Bangladesh

While the market share of SPL is high, the company has also shown growth in terms of profitability and revenue over the years. By the end of 2022, the company showed 11.36% growth in net income and 8.75% growth in revenue in five years. with increased growth in sales, revenue, and net income, the company can invest further into product quality, research and development (R&D), and expand operations and market share nationally and globally.

2.7 Porter's Five Forces Analysis

- 1. Threat of new entrants; low:** In the pharmaceutical industry the threat of new entrants is low due to the various barriers. The cost of R&D is extremely high in this industry and even if a company has the formulas, they would have to get various approvals from the regulatory board for the production of a medicine, the quality of production, and various other standards. To develop new medicines, a company would have to use a huge amount of money on R&D and there would still be patent regulations to overcome. All the ingredients and chemicals used to produce a medicine need to have approval; if a company

goes through all the R&D processes and fails to get approval they will have wasted the money. And so, new entities entering this market is difficult due to the stiff regulations in the industry and the initial capital needed for marketing and R&D costs.

2. **Competitive rivalry; high:** The competition in the pharmaceutical industry of Bangladesh is very high as there are a few big names in the industry who dominate the market. In this market, it is difficult to gain a first mover's advantage as whenever a company launches a new product all the other companies come in with similar medicines immediately after them, and the consumption of a medicine is ultimately divided. In this case, whichever company is deemed as more reputable and trustable will have more sales regardless of who launched the medicine first, and in a market such as this, it is difficult to take advantage of various business strategies such as first mover's advantage or direct marketing. Companies are always trying to stay ahead of the competition by raising CSR activities and increasing trust among the public. Square Pharmaceuticals Ltd. has managed to stay ahead of its competitors and big rivals due to the trust created by it among the consumers however, the competition still remains brutal.
3. **Bargaining power of buyers; low:** The bargaining power of buyers is low in the pharmaceutical industry is lower compared to other industries. In the pharmaceutical industry, the consumers can be divided into doctors, hospitals, pharmacists, drug stores, and patients. The end-consumers or the patients do not have control over the buying of medicine and they will only consume what is being prescribed to them and the main buyers in this case can be considered the drug stores and hospitals and so, the number of buyers is not significantly large. In this market, there are not many alternative medicine options available and the consumers can only choose among a few brands while buying a medicine with similar functions and costs. Although a few big retail distributors may hold some bargaining power, it is largely insignificant in this industry.
4. **Bargaining power of suppliers; high:** The bargaining power of suppliers is high in the pharmaceutical industry. The providers of raw materials hold significant power over the industry. The raw materials are currently procured from countries like India and China as procuring them from European countries would prove significantly more costly. However, there are some raw ingredients that need to be procured from certain countries. It is not easy for a company in the pharmaceutical industry to change their supplier. And so, they

hold certain bargaining powers over the industry. The supply of labor is also a significant source of supply and laborers also hold bargaining powers in this industry as they have control over working hours and overall quality of work.

- 5. Threat of substitutes; low:** There are not many substitutes for medicines sold by pharmaceutical companies. Although there are different brands that are available for consumers to choose from, an actual alternative for certain drugs have not been created in the market. While some people will seek alternative medicine for certain diseases, for most patients, medicines created by the pharmaceutical industry are the only thing they can rely on. In recent times, there can be seen a growth in the biotechnology industry however, it is still decades early for the industry to pose any significant threat to the pharmaceutical industry. The threat of substitutes for medicines with patents is low. The industry shows an upward trend in demand over the years and shows promise as a highly valuable market.

2.8 SWOT Analysis

Strengths:

- 1. Experience in the market:* Square Pharmaceuticals Ltd. Is the oldest company in Bangladesh, founded in 1958. This company has been around the market for a long time as a market leader and has the know-how.
- 2. Employee brand and experienced staff:* This company has a low turnover rate with experienced employees as well as a strong reputation which enables them to attract capable new recruits from the talent pool. They maintain a strong number of significantly qualified executives with experience alongside mid-level managers to upkeep operations. The company currently has over six thousand strongly trained and skilled employees.
- 3. Brand image:* Their presence is powerful in the local market as a market leader. Additionally, they are well-reputed in the global market, creating a reliable image in the consumers' minds and giving them a strong brand image.

4. *Organizational culture:* The company has an organizational culture that promotes efficiency, punctuality, and respect which makes operational activities effective, efficient, and smooth.
5. *Advanced framework:* Square Pharmaceuticals Ltd. has powerful research and development alongside an established manufacturing infrastructure. They have a technologically advanced facility design for production as well as a reputation for developed chemistry abilities with regulatory compliance, making the production process outstanding with quality goods.
6. *Market share:* Square Pharmaceuticals Ltd. is a market leader with a market share of 17.21%, the highest in the pharmaceutical market.

Weaknesses:

1. *Time-consuming nature of the decision-making process:* As one of the oldest companies in Bangladesh, Square Pharmaceuticals Ltd. has always done well in the market so, they have an operational process that they continuously use. Additionally, they have to comply with regulatory rules. All of these can be time-consuming. Most decisions such as recruitment or performance evaluation are all made by higher-level employees making most decision-making processes lengthy and time-consuming.
2. *Low rate of profit growth and profitability:* Despite the rise in the price of raw materials, the profit growth rate remains at the same place unable to increase at a similar rate. And so, the profit margin is low. Additionally, the company has to bear high manufacturing costs as raw materials are bought from various suppliers locally and globally.
3. *Technological disadvantage:* Many of the advanced technology used in various developed countries are not always available in Bangladesh which can make the manufacturing and production process costlier as it may take our country to adapt to the latest technology complying with regulations. While SPL has adapted to many cutting-edge technology in the manufacturing process, the production cost gets pretty high to incorporate these technologies.
4. *Inadequate inventory management and allocation of resources:* For a single key SBU (Strategic Business Unit), Square Pharmaceuticals Ltd., it poses more disadvantages than advantages to have diversification. Various operations such as human resources, finance,

technology, and R&D might get allocated physical and informational resources without much deliberation and efficient process of decision-making as the company has a certain way to allocate resources which may not be revised frequently.

Opportunities:

1. *Growing global markets:* Square Pharmaceutical Ltd. has been steadily setting its foot into various global markets and it has the capability and ambition to expand further. There is a great amount of potential in this industry in various global markets and by becoming a reputable company globally Square Pharmaceuticals Ltd. can expand their potential and explore various modes of entry.
2. *Earnest government support:* As the pharmaceutical industry has been growing steadily, the Government of Bangladesh has been taking measures for supporting the future growth and development of this industry. The Government supports pharmaceutical companies and so, it becomes easier to conjure capital from various resources. With Government backing, Square Pharmaceutical Ltd. can grow even further.
3. *Additional earning sources:* The company can create a line of credit with well-reputed global banks and increase the potential of foreign exchange business. Additionally, with the help of foreign exchange services, the company gets extra income from international banks.
4. *Innovation:* By innovating a new formula for drugs and getting patent rights for it may get the opportunity for Square Pharmaceuticals Ltd. to get a monopoly in the market for a brief period and with the right product development method it may prove to be advantageous even going forward.
5. *Financial support from organizations:* The company gets financial support from institutions like banks because of their long history in the industry and the line credit that they have created in various banks over the year as well as government support. By using these financial resources well the company can flourish even further.

Threats:

1. *Competitive market:* The competition in the pharmaceutical industry is becoming more fierce day by day and various companies in the country are competing locally as well as globally to make their position in the market better. As the government supports the growth

of the pharmaceutical industry and provides a suitable environment, it makes the industry an even more competitive place.

2. *Increase in price of raw materials*: The price of raw materials is increasing due to inflation not only locally but also globally which can make the manufacturing cost and overhead cost go up and make production more expensive.
3. *Devaluation of currency*: As Square Pharmaceuticals Ltd. gets a chunk of its profits from export; they are at risk of losing some of the value in potential profits due to the devaluation of the Bangladeshi taka.
4. *Increase in interest rates*: In the current state of the economy, the interest rates of banks may even go higher in the future which may even push investors reluctant to take loans.
5. *Limited power supply*: Our country has a limited power supply compared to many other developed countries which may pose to be threat in the future growth of the company.

2.9 Conclusion

Square Pharmaceuticals Ltd. is a company that has stayed true to its values over the years and has managed to adapt to modern market dynamics while holding onto its traditional values. The company has been able to leverage the industry and create an optimal place for increasing efficiency and running every step of the operation smoothly. As the company's motto, "Doing Good by Being Well", suggests the company has always focused on excelling in performing and producing high-quality goods more than anything, and in the process they have always made sure to remain transparent and straightforward when it comes to maintaining their financial and other documents alongside avoiding various malpractices that go around in the industry and performing social responsibilities. The company places great value on its employees and the human resources department reflects this by utilizing the employees' potentials to the full. The company stands to maintain its integrity and adhere to legal obligations and regulatory obligations while performing any business operations and this reflects on its marketing policies as well. The company has a zero-tolerance policy for corruption and every employee of the company and all of the company practices stands for this, and the values of this company have helped to reach where it is today and the company continues to create milestones for the pharmaceutical industry of our country.

Chapter 3

Project Part

3.1 Introduction

3.1.1 Literature Review:

Marketing concepts in the pharmaceutical industry are prominently different than other industries as the focus of marketing strategies such as branding is not entirely focused on the “end-user” or the patient because when it comes to consuming medicines, the key decision makers are not the end-consumers, the patients, rather the registered physicians who prescribe necessary medications to the patients. And so, brand promotion and advertising efforts are made to influence the decisions a physician would make (Kim et al., 2015, Belch & Belch 2003). DTP or direct-to-physician marketing is prevalent in many pharmaceutical companies marketing strategies (Amaldoss & He, 2009). Even in the recent past, branding in the pharmaceuticals industry was an idea that did not exist despite the pharmaceutical products having all the necessary characteristics, tangible and intangible, to incite the workings of successful branding and occupy a place in the consumers’ minds (Schuiling and Moss, 2004). In the pharmaceutical industry, branding differs based on treatment and product. Usually, it consists of product, corporate and emotional branding (Moss & Schuiling; 2004, Hall & Jones, 2007; Ahmed et al., 2014). Moss and Schuiling (2004) further illustrated three types of branding strategies in the pharmaceutical industry: brand name, global branding, and extension: line extension and brand extension strategies. Belch and Belch (2004) illustrated that having a brand includes having a kind of association or a certain image that pops up in a consumer’s mind. At the same time, powerful brands have characteristics that have been portrayed as having a reinforced differentiated brand message alongside consistent advertisement (Sebastiao 1999, Berry 2000). The worth of a brand or brand value can be attributed to mainly “brand awareness”, “perceived quality of brand”, “brand associations”, and “brand loyalty”; these four factors (Aaker & Joachimsthaler, 2000). Brand image and brand awareness also play a significant role in this industry. Belch and Belch (2004) illustrated that having a brand includes having a kind of association or a certain image that pops up in a consumer’s mind. At the same time, powerful brands have characteristics that have been portrayed as having a reinforced differentiated brand message alongside consistent advertisement (Sebastiao 1999, Berry 2000). The worth of a brand or brand value can be attributed to mainly “brand awareness”, “perceived

quality of brand”, “brand associations”, and “brand loyalty”; these four factors (Aaker & Joachimsthaler, 2000). Kapferer (2008) illustrated that, physicians often times opted for prescribing a specific brand or brand name rather than referring to the scientific name of a medication, in other words, they prescribed the brand rather than the product itself. To elaborate, medicines like Prozac, Zantac, or Tagamet are known as the names given by pharmaceutical brands rather than their scientific names which suggests that pharmaceutical brands also have a brand image that gives them certain personality characteristics and a positive, healthy, and vigorous image also increases brand awareness influencing the decisions made by consumers.

Kenya currently holds the position of the largest pharmaceutical product producer in the “Common Market for Eastern and Southern Africa (COMESA)” area. And so, the competition is intense in Kenya for pharmaceutical companies due to the fast growth and many companies have to think of branding or rebranding strategies to stay above the competition (Muiya & Kamau, 2013). While there are many competitors in the market who are trying hard, there have been reports of dissatisfaction with the quality and strength of different pharmaceutical products in Kenya as many companies have been distributing subpar medicine which have gone past their expiry dates or have been relabeled and were able to do away in the local market in an irregular manner or via “dumping” (Karuhanja, 2013). And so, the scope of companies producing high-quality medicines and creating a strong brand image in this market has great potential. Square Pharmaceuticals Ltd. Has received the green light to initiate greenfield investment in Kenya with manufacturing rights in the country and with the subsidiary company “Square Pharmaceuticals Ltd. Kenya EPZ Ltd,” the company will be able to sell conventional pharmaceutical medicines in Kenya and “East African Community (EAC)”. The company has become the first company in Bangladesh to manufacture medicine internationally and they have already finished constructing the manufacturing establishment. Any manufactured pharmaceutical medicine produced in Kenya will be considered “local manufacturing” in the EAC which includes other countries: Rwanda, Tanzania, Uganda, and Burundi. Although these countries have a large demand for medicines, almost eighty percent of their demands are met by importing medicines and so, having their own manufacturing plant and local production, has given Square Pharmaceuticals the chance to tap into a market with strong potential (Habib, 2022) furthering their brand awareness and brand image.

The pharmaceutical industry of the USA is one of the top markets globally as it dominates the global market with around 50% of the total pharmaceutical sales revenue globally. Additionally, this market generated about five-hundred-fifty billion dollars in 2021 which was 48% of the total sales revenue globally in 2020. The US pharmaceutical market has one of the most competitive markets in the world as the top five companies globally are companies from the USA (Salib, 2023). Being such a competitive market, the USA has always adapted to various marketing and branding strategies so that companies could gain a competitive edge. The USA has adopted DTE or direct-to-end advertising as the FDA (“US Food and Drugs Administration”) deregulated DTE in 1997 and the USA is currently one of the only two countries that allow DTE. And so, the companies in the pharmaceutical market of the USA use a large chunk of their marketing budget on DTE marketing (Osinga et al., 2011). DTE has proven to increase customer loyalty, brand awareness, and positive attitudes toward a brand (Edeling & Fischer, 2016). Square Pharmaceutical Ltd. managed to get the approval to export medicines in the US market from the US FDA (“Food and Drugs Administration”) in June of 2015 after meeting the norms of GMP (“Good Manufacturing Practices”) (“Square, Beximco get US approval”, 2015). With this, Square Pharmaceuticals Ltd. will be able to compete in the US market with high-quality products, and the company had to go through a trial process to get the approval. And so, the brand image of the company strengthened as the products were verified to be high quality by strict standards and this is bound to have impact on the global brand image of the company.

3.1.2 Objectives

The main goal of this report is to understand and compare the branding strategies of Square Pharmaceutical Ltd. in Kenya and the USA while focusing on the various factors that influence branding. The objective is to observe the current branding strategies and understand the difficulties and challenges faced by the company in implementing branding strategies in the two countries and at the same time compare them. Additionally, this report aims to provide recommendations for improving branding practices in both countries by implementing various strategies. More definitive objectives are given below:

- To inspect the key cultural factors that impact branding strategies in Kenya and the USA using Square Pharmaceuticals Ltd. as a case study.

- To identify legal and regulatory effects on branding strategies in Kenya and the USA and evaluate their influence on Square Pharmaceuticals Ltd.
- To analyze customer behavior patterns in Kenya and the USA and assess their impact on the shaping of branding decisions of Square Pharmaceuticals Ltd.
- To explore the competitive environment and market dynamics of Kenya and the USA and analyze their impact on the branding strategies of Square Pharmaceuticals Ltd.
- To provide possible actionable recommendations to Square Pharmaceuticals Ltd. based on the analysis of factors affecting branding in Kenya and the USA to enhance the effectiveness of branding in both countries.

By accomplishing the definitive objectives, the report aims to provide an understanding of the workings of Square Pharmaceuticals Ltd. developing effective branding strategies for the Kenyan and US markets while taking the various factors into account. Additionally, this report aims to add to the current existing knowledge of the pharmaceutical industry on effective branding strategies.

3.1.3 Significance

The study on branding in the pharmaceutical industry poses great value in terms of understanding how the different factors and strategies interact within different markets. The insights gained from this study can shed light on the existing body of knowledge regarding branding in the pharmaceutical industry on a global level. Additionally, this study will provide insights into how varied regulations in different countries can impact branding decisions and how geographical differences can impact consumer behavior patterns. As the concept of branding in the pharmaceutical industry has a lot of nuances and requires in-depth understating of the industry to formulate a branding plan that does not violate regulations and is effective, this study has the ability to capture the essence of various branding methods available in the markets of two countries while comparing the nature of branding. Furthermore, this study can act as a guidepost for other researchers who want to dwell in the world of pharmaceutical companies and their marketing functions. Moreover, for companies who are trying to enter the pharmaceutical market in the global market, this study can help them grasp a better understanding of the different factors that affect branding in the industry as well as how the different factors operate as they can gain insight from the experience of Square Pharmaceutical Ltd. as well as recommendations of the company. By

preparing this elaborate comparative analysis, this report hopes to contribute to the understanding of various factors that affect branding in between the Kenyan and US markets and in terms contribute in the betterment of the industry as a whole.

3.2 Methodology

For this case study on conducting a comparative analysis of factors affecting branding in Kenya and the USA for Square Pharmaceuticals Ltd., the “descriptive research method”, a widely popular technique, was used. Both primary and secondary data were used in conducting this research.

The data collection process included in-person or face-to-face interviews with Square Pharmaceutical Ltd.’s personnel who are involved in overseeing the Kenyan and US markets and the personnel included executives and marketing managers. This process was included in order to gain more insight into the ongoing branding practices and the local market conditions of Kenya and the USA. Additionally, a survey was conducted among the employees of the International Marketing Department (IMD) of SPL through a questionnaire sent through their emails in Google Forms. The process of secondary data collection included getting information from various sources including the official website of Square Pharmaceutical Ltd., newspaper articles, articles published by the government, journal articles, academic articles, and industry reports. This process provided for gaining insight into the local markets of Kenya and the USA as well as consumer behavior patterns, cultural environment, and regulatory environment.

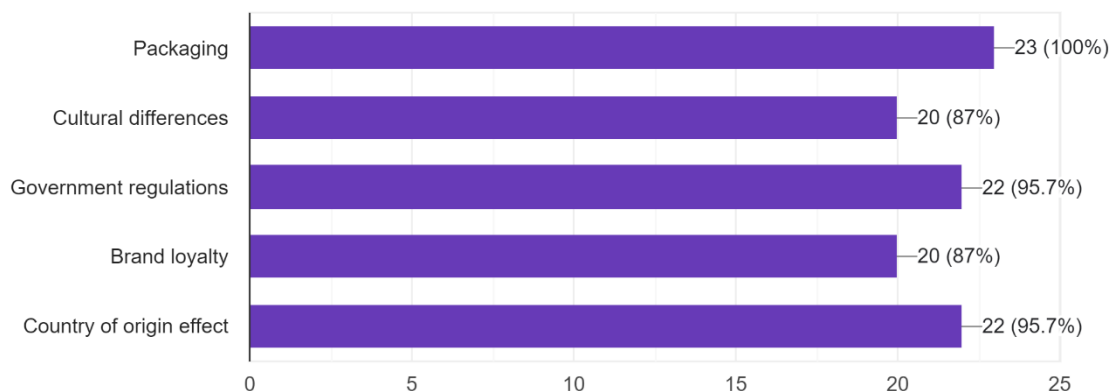
3.3 Analysis and Findings

With a view to deepening the understanding of Square Pharmaceuticals Ltd.’s global branding strategies by analyzing the contrast between the two countries, Kenya and the USA, a survey was conducted among 23 employees of IMD with a questionnaire containing 15 questions. The survey was conducted within the span of 20 days.

Survey Results

Which factors do you believe have the most influence in differentiating the branding strategies for Kenya and USA? (Select all that apply).

23 responses



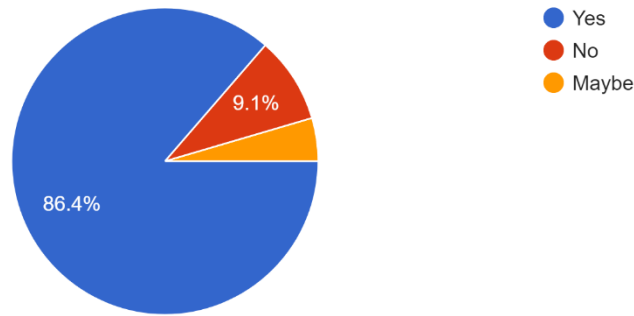
Survey graph chart 1

This question in the survey was aimed at indicating the most influential factors that differentiated the branding decisions in the Kenyan and US markets and if these factors can be used as a ground for comparison. Here, all of the respondents considered packaging as the element that significantly differentiated the branding decisions in the two countries while government regulations and country of origin effect were thought to be significant by the same number of respondents with 95.7% of respondents deeming them significant. Brand loyalty and cultural differences were both considered significant by 87% of the respondents. From the results, it can be seen that all of the factors have significance in differentiating the branding decisions in the two countries. Packaging demands seem to vary in these two different countries and so, adapting packaging seems necessary in the branding process. The results also suggest that SPL can differentiate the branding strategies by creating packaging that suits a specific country while also focusing on government regulations. As the products are created in a developing country like Bangladesh, the country of origin effect is bound to have some significance, however, as the company has a reputation for creating high-quality drugs globally, the company can bank on the brand loyalty of consumers and create a loyal base for their products in the Kenyan and US markets. Kenya and the USA have vastly different cultures which is bound to affect branding practices in the two countries which is why a certain type of product may have more consumers in the US market than the Kenyan market which will

imply that SPL needs to promote different products in different ways depending on the culture. This opens up room for further comparison between the two countries.

Do you believe cultural factors significantly influence consumption patterns in Kenya and USA?

22 responses

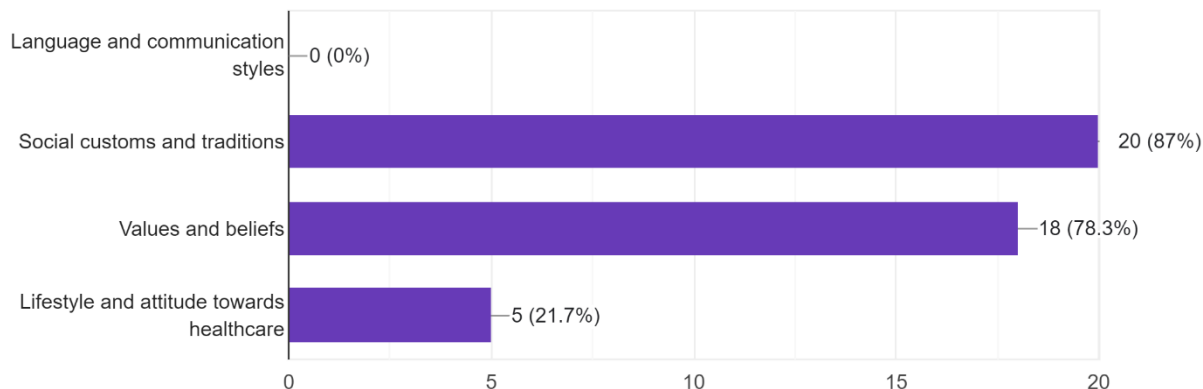


Survey graph chart 2

The question aimed to figure out if cultural factors hold any significant influence over the consumption patterns in both Kenya and the USA so further comparison can be done between the two countries on this ground. The majority of the respondents, 86% of them, believed that cultural factors indeed have an influence on the consumption patterns of SPL's products in both Kenya and the USA while 9.1% believed that it did not, and 4.5% believed that maybe it did. This indicates that even though the influence is strong, it is not an absolute measurement in differentiating consumption patterns. SPL would have to look at other factors that affect consumption patterns in the two countries and which country is more affected by the cultural factors while being mindful of both cultures' practices.

Which cultural factor do you think has a more significant impact on branding strategies in Kenya compared to the USA? (Select all that apply)

23 responses

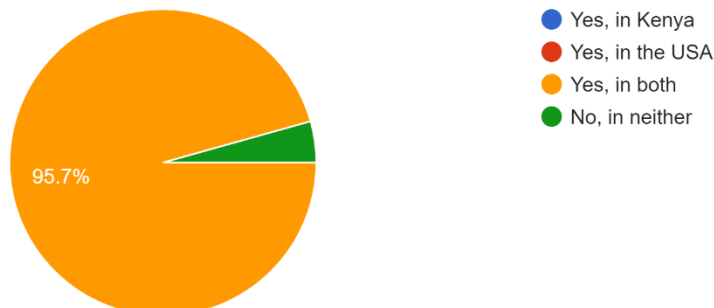


Survey graph chart 3

This question aimed to determine cultural factors that had a significant influence on branding decisions in Kenya compared to the USA as the previous question pointed out cultural factors did have a significant influence on both countries. Social customs and traditions seem to be the more influential factor in determining branding strategies in Kenya than in the USA with 87% of respondents choosing that factor. A significant number of respondents also thought values and beliefs as a factor with significant impact as 78.3% of them chose this factor while lifestyle and attitude towards healthcare was chosen by 21.7% of the respondents. Language and communication style was not deemed as one of the factors that had effects on the branding strategies in Kenya compared to the USA. While language can be an important factor in packaging, the results would suggest that this factor does not hold much more significant impact in Kenya compared to the USA which could also suggest that this factor has an equal amount of impact on both countries. However, more research is needed in order to conclude that. SPL would need to focus more on social customs and traditions, values and beliefs, and lifestyle choices in Kenya while understanding how differentiated they are and how the variance in these factors affects consumption patterns.

Has Square Pharmaceuticals Ltd. faced any legal or regulatory challenges related to branding practices in both Kenya and the USA?

23 responses

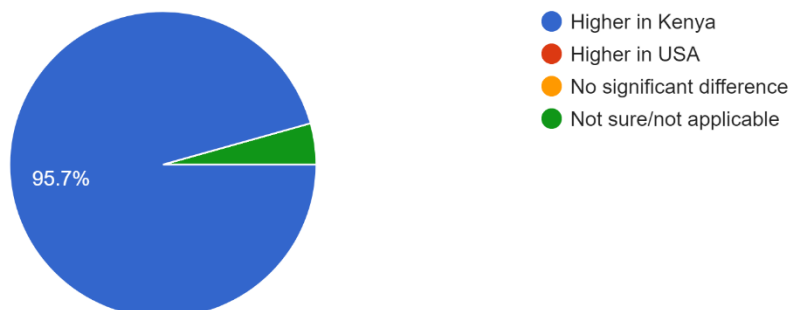


Survey graph chart 4

The purpose of this question was to figure out if SPL had faced any significant legal or regulatory issues in either Kenya or the USA or in both or in neither. Here, the majority of the respondents believed that the regulatory challenges were faced in both countries with 95.7% of the respondents agreeing with that while a small percentage of them believed that they faced challenges in neither. The small percentage of disagreement could be due to the fact the legal and regulatory terms posed by the countries did not pose a major threat to the operations of Square Pharmaceutical Ltd. while the major agreement comes from the fact that both countries have strict laws that the company had to deal with as the company has set up their own factory in the Kenyan market with a Greenfield investment and the US market has very strict laws about the standard of drugs. Considering the results and the market conditions, it can be said that SPL needs to be aware of the changing regulations and existing laws when creating new branding strategies so as not to hurt their reputation by breaking a law while implementing a new branding strategy.

How would you rate the impact of legal and regulatory factors on Square Pharmaceuticals Ltd.'s branding decisions in Kenya compared to the USA?

23 responses

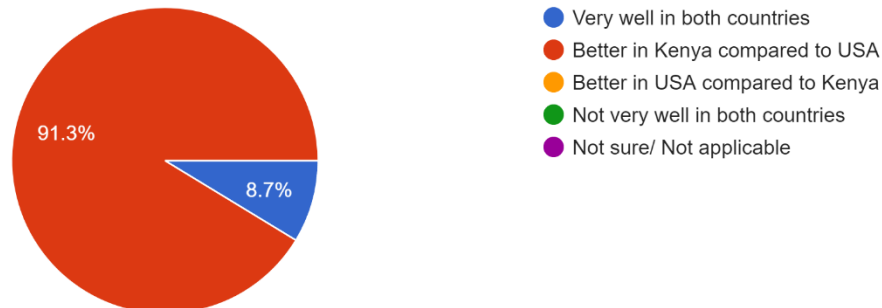


Survey graph chart 5

This question was aimed to figure out the extent of influence of legal and regulatory factors in making branding decisions for SPL in Kenya and the USA while comparing the countries' implications. The majority of the respondents believed that legal and regulatory factors had a higher impact in Kenya compared to the USA in terms of making branding decisions while a small percentage of them were not sure about it. As a result of Direct Investment, the regulatory body may have more implications while making branding decisions in the Kenyan market as the company would have to adhere to local laws while marketing or making other branding strategies. As the US market is very competitive, it has certain laws that work in favor of branding such as laws allowing DTC or direct-to-consumer marketing. As the results suggest, SPL might have to come up with more innovative ways to make branding decisions in the Kenyan market while maintaining legal and regulatory terms and the company should leverage the marketing liberties given by the US market to create more channels of marketing and improve branding in the US market.

How efficient Square Pharmaceuticals Ltd. in maintaining a consistent brand identity while adapting to the local market dynamics in Kenya and USA?

23 responses

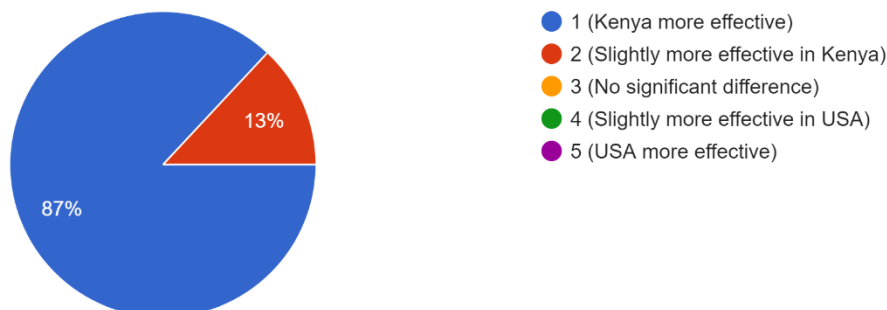


Survey graph chart 6

This question was directed at the understanding of a critical branding strategy which is maintaining a consistent brand identity in the process of adapting to the dynamics of the local markets of Kenya and the USA. In the results, the majority of the respondents believed that in Kenya, Square Pharmaceuticals Ltd. had done a better job of maintaining a consistent brand identity with 91.3% of respondents believing that. However, 8.7% of the respondents believed that the company is doing a great job at maintaining brand identity in both countries. This small discrepancy can be attributed to the fact that employees believe that SPL is performing well in both countries which can be due to the fact that the company is maintaining its brand identity consistently in both countries. Due to the company setting up a whole new business operation in Kenya, the company has got the upper hand in setting up a brand identity in that country while maintaining its consistency. SPL should look for branding strategies to improve and maintain a constant brand identity in the US market while focusing on increasing the popularity and loyalty of the brand identity in the Kenyan market.

On a scale 1 to 5, rate Square Pharmaceuticals Ltd.'s branding effectiveness in Kenya compared to USA

23 responses

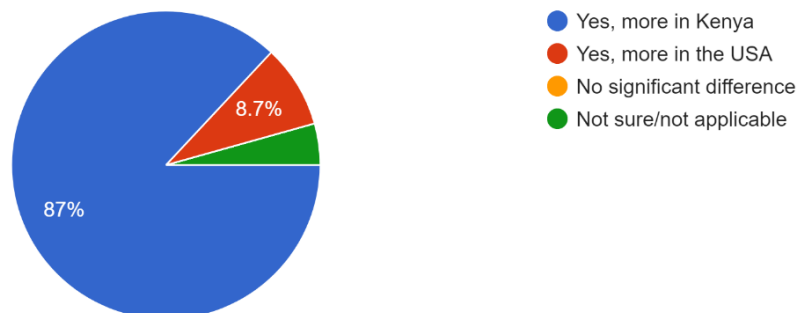


Survey graph chart 7

The purpose of this question was to compare the level of branding effectiveness in Kenya and the USA through a Likert scale question. The majority of the respondents believed the branding strategies are more effective in Kenya with 87% respondents while 13% of the respondents believed that the effectiveness is only slightly more effective in Kenya. From the results, it can be seen that the employees believed that the effectiveness of branding is indeed higher in Kenya than in the US even if it was slightly more effective according to some. The results show that branding strategies have been effective in the Kenyan market which can be attributed to various facts including the mode of entry and other factors. Square Pharmaceuticals Ltd. needs to come up with branding strategies that would comply with various other technicalities to improve the likeliness of improving the effectiveness of branding and create and increase brand loyalty in the US market.

Do market dynamics significantly impact Square Pharmaceuticals Ltd.'s branding initiatives in Kenya compared to the USA?

23 responses

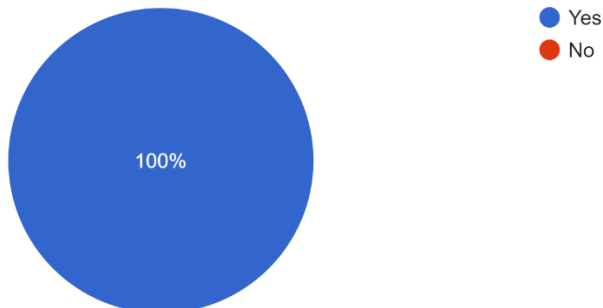


Survey graph chart 8

The purpose of this question was to understand the extent of the impact of market dynamics on branding initiatives taken by Square Pharmaceuticals Ltd. and compare the two countries, Kenya and the USA. The results illustrate that most of the respondents believe that market dynamics have more of a significant impact on the branding initiatives of SPL in Kenya than in the USA. However, 8.7% of the respondents believed that the market dynamics impacted the branding initiatives in the US more. From the results, it can be said that the branding strategies are significantly affected by the market dynamics. This can be due to the fact that because of SPL's Direct Investment in Kenya, the company now is operating in other African nations and has to keep in mind how its branding initiatives will have an impact in the markets of all of those countries and how the market dynamics are in these nations. As for the minority of respondents who thought that market dynamics have more impact in the US market, it can be due to how competitive and dynamic the market is. SPL has to be mindful of the market dynamics of Kenya while creating new branding strategies while also analyzing how they can improve initiatives in the competitive US market.

Does the market entry strategy (Greenfield investment in Kenya, exporting in USA) significantly affect the branding strategies?

23 responses

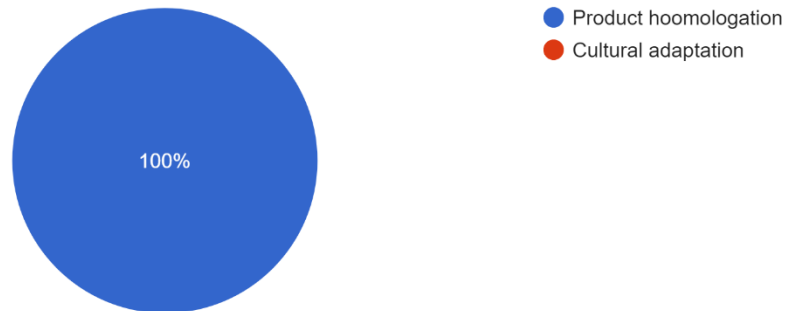


Survey graph chart 9

The aim of this question was to understand if the entry strategy affected the branding strategies significantly in the Kenyan and the US markets for SPL. All of the respondents or 100% of them believed that it has a significant impact. As SPL has opted for a Greenfield investment in Kenya, it can be assumed that all the branding strategies are set up to make the company a well-known entity in the Kenyan market as well as other African markets that SPL has gained access to due to the production the company has in Kenya. In the US market SPL has opted for exporting and often times exporting a product means having less control over distribution as well as implementing branding strategies. And so, it can be inferred that market entry strategy or entry mode strategy has a great impact on creating branding strategies and the company needs to pay attention to the differences and nuances that come with creating different branding strategies based on how much control it has over them.

For Square Pharmaceuticals Ltd., which product adaptation strategy is more significant in branding decisions for foreign countries?

23 responses

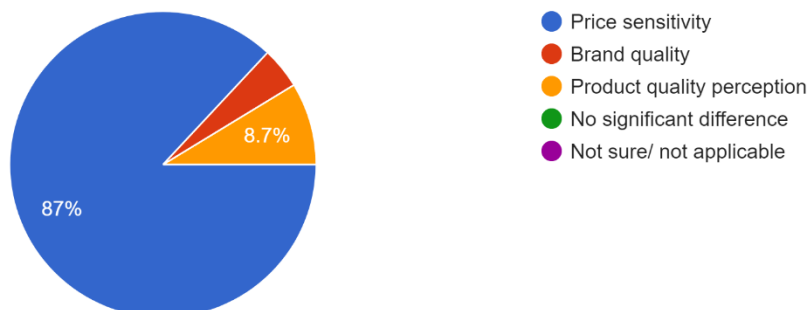


Survey graph chart 10

This question was aimed to understand if legal obligations or cultural factors affected the branding decisions more for both Kenya and the USA. All of the respondents believed that product homologation or government-mandated changes implemented on products had more priority over making changes to the products according to cultural demands. While from previous analysis, it can be seen that various cultural factors indeed have some influence on branding decisions, it can also be concluded that in the case of the pharmaceutical industry where the slightest error in obliging to the local laws of a country could harm the entire operation in that country, implementing branding strategy can be quite tricky. And so, SPL needs to put the utmost priority on obliging to regulations and laws while initiating branding strategies in both Kenya and the USA.

Which consumer behavior pattern or preference do you believe has a more significant influence on Square Pharmaceuticals Ltd.'s branding strategies in Kenya compared to the USA?

23 responses

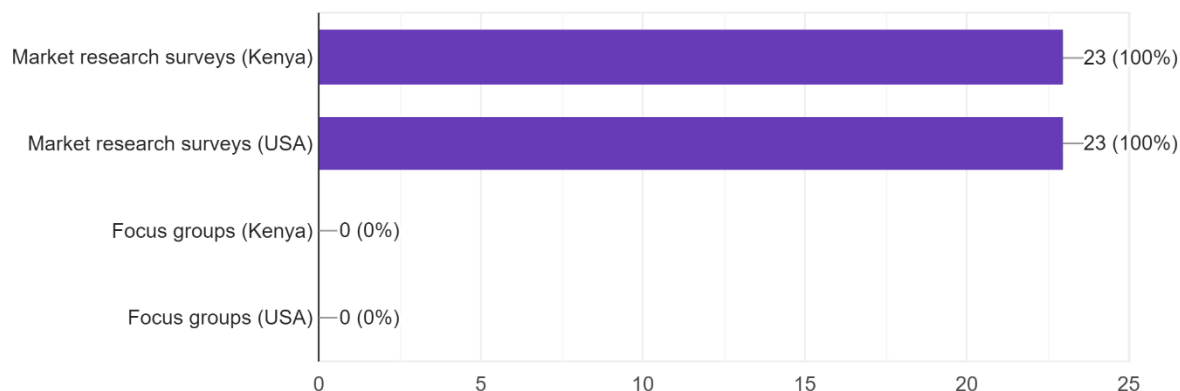


Survey graph chart 11

This question aimed to understand the consumer behavior patterns or preferences that had a more significant influence on SPL's branding strategies and whether it affected Kenya more or the USA. Here, the majority of the respondents believed price sensitivity has the most significant influence, while 8.7% of them believed product quality perception is the most significant, and a small percentage of them also believed brand quality to be the more significant factor. It can be seen from the results that the Kenyan market is more perceptive to prices than the US market and they are also somewhat affected by product quality perception and brand quality. As the consumers in the Kenyan market are influenced by these factors more, it is important to be creative with the pricing strategies to improve the reputation of the brand while SPL should also work on creating brand loyalty through various programs in the US market as well as the Kenyan market and create opportunities to review the product profiles to increase product quality perception.

How does Square Pharmaceuticals Ltd. gather consumer insights to inform their branding efforts in Kenya and the USA? (Select all that apply)

23 responses

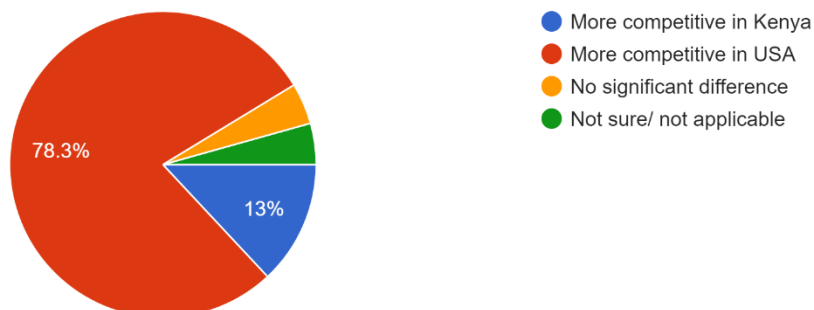


Survey graph chart 12

The purpose of this question was to understand the mediums Square Pharmaceuticals Ltd. uses to gather insights from the consumers and inform the consumers of their branding efforts in Kenya and the USA and how the mediums can vary from each. In survey results, it can be seen that of the respondents, 100% of them responded that market research surveys were used in both Kenya and the USA while none of them responded that they were done through focus groups in either country. It can be seen that SPL is heavily reliant on this medium while not leveraging other mediums to extend branding efforts. This suggests that the company may need to rely on other mediums or tools to improve its branding levels on a global level, especially in Kenya and the USA.

How would you rate the competitiveness of the pharmaceutical market in Kenya compared to the USA?

23 responses

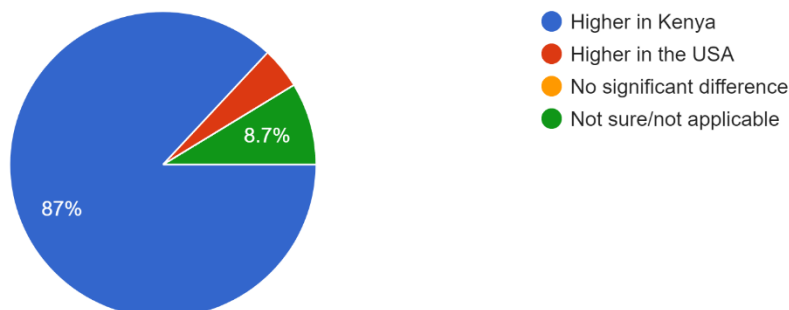


Survey graph chart 13

This question aimed to compare the competitiveness of the pharmaceutical industry in Kenya and the USA. The majority of the respondents believed the US market was more competitive as 78.3% of the respondents believed that. However, 13% of the respondents believed that the Kenyan market was more competitive. And so, this data cannot be considered conclusive. As data from the literature review suggests, the US market is indeed fiercely competitive as many world-renowned companies work to produce high quality in the market and the market allows various marketing methods while maintaining strict regulations regarding product quality, it can be seen why the majority of the respondents believed that the US market was more competitive. Data from the literature review also suggests that there are more opportunities in the Kenyan market as the local companies can sometimes skimp on product quality. It can be concluded that SPL needs to adapt to various branding strategies to stay afloat in the fiercely competitive market of the USA while more conclusive data is required to determine the competitiveness of the Kenyan market.

How would you describe the level of brand recognition and awareness for Square Pharmaceuticals Ltd. in Kenya compared to the USA?

23 responses

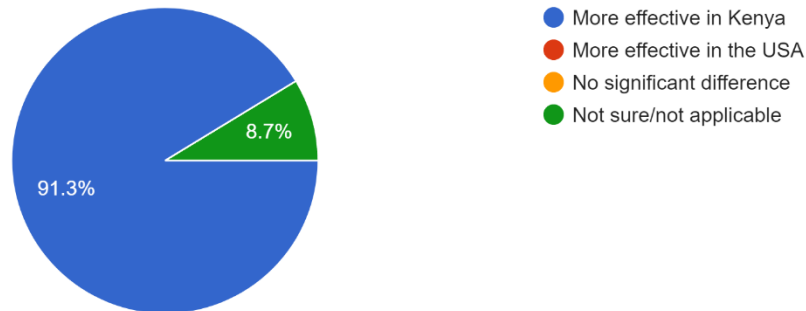


Survey graph chart 14

This question aimed to find out the level of brand recognition and awareness for Square Pharmaceuticals Ltd. in Kenya and the USA and compare the two countries. The majority of the respondents believed that brand recognition and awareness is higher in Kenya as 87% of the respondents believed that while 8.7% of them were not sure about this ad 4.5% people believed it was higher in the USA. It can be concluded from the data that brand recognition and awareness are indeed higher in Kenya compared to the USA. however, the data needs more research as it cannot be considered conclusive as a few discrepancies can be seen in the data. Additionally, SPL needs to come up with branding strategies and adapt to local techniques to increase brand awareness and recognition of SPL's brand in the USA.

How would you rate the effectiveness of Square Pharmaceuticals Ltd.'s marketing channels and promotional activities in reaching the target audience in Kenya compared to the USA?

23 responses



Survey graph chart 15

The purpose of this question was to understand and compare the effectiveness of Square Pharmaceuticals Ltd.'s marketing channels and promotional activities in order to reach larger audiences in Kenya and the USA. results shows that most of the respondents thought that Kenya had more effectiveness in using marketing channels and promotional activities to reach the consumers while a few of them, 8.7% of them to exact, were not sure about it. The data does not show a conclusive result, however, it can be concluded that SPL has succeeded to utilize promotional activities and marketing channels more effectively in Kenya than in the USA. The USA pharmaceutical industry allows various marketing techniques as the market is extremely competitive. However, SPL has not been able to utilize those liberties fully in the US market as they export the products, they may not have total control over employing personnel to promote its brand image in the country. And so, SPL needs to bank on the promotional channels available to them and increase promotional activities in the USA while trying to improve its brand image in the Kenyan market by looking for more channels to exploit the effectiveness.

3.4 Summary and Conclusion

The survey regarding factors affecting the branding strategies of Square Pharmaceuticals Ltd. in Kenya and the USA led to a lot of discoveries. It was discovered that laws and regulations took precedence over other factors such as cultural factors in deciding whatever strategies to implement

in improving the branding of Square Pharmaceuticals Ltd. Additionally, it was found that elements such as packaging, brand loyalty, country of origin effect, and cultural differences played a crucial part in deciding the branding strategies. In addition, the mode of entry in the countries posed significant influence over various other factors such as marketing mediums and channels as well as marketing effectiveness as it dictated how much control Square Pharmaceuticals Ltd. had over overseeing the marketing activities and due to this reason, Kenya, which had a higher mode of entry, showed more effectiveness and response. Moreover, the survey results implied that Square Pharmaceuticals Ltd. relied on very few marketing mediums to improve branding while not utilizing various other options.

To conclude, Square Pharmaceuticals Ltd. needs to be more aware of the market dynamics of the two countries, Kenya and the USA to fully utilize factors affecting in its favor while increasing marketing channels and adapting to local market dynamics to be more accepted and have a greater brand image in these markets. By creating a strong brand image in these countries, Square Pharmaceuticals Ltd. can pose itself as a global threat in the pharmaceutical industry.

3.5 Recommendations

Based on the primary and secondary data analysis, some actionable recommendations for Square Pharmaceuticals Ltd. to improve its branding are presented here:

- **Branding strategies curated according to the country:** It can be seen from data analysis that, Square Pharmaceuticals Ltd. is heavily reliant on conventional marketing mediums and uses more or less the same marketing channels and mediums in both Kenya and the USA to reach the consumers. As countries such as the USA provide the company with the chance of using various non-conventional marketing channels, it is important to realize what branding strategy and marketing channels would be the most appropriate fit for a specific country and alter the promotional activities to fit the market dynamics of that specific country.
- **Hiring local personnel:** As data suggested, the USA allows marketing methods such as DTP or direct-to-patient marketing where the sales representatives can directly market some of the medicines to the end consumers or the patients while also keeping contact with

the hospitals and doctors. And so, will be beneficial for Square Pharmaceuticals Ltd. to have sales representatives in the country. Additionally, a marketing team specialized in the local market will prove to be significantly beneficial as they can modify and create new branding strategies to fit the culture, lifestyle, practices, and regulations of a specific country.

- **Creating digital marketing strategies:** The digital space has great potential in the current generation and using various tools to utilize it will be ideal for Square Pharmaceuticals Ltd. The company can use online platforms to create marketing programs like online events or webinars for all the involved stakeholders. Additionally, use tools like SEO or search engine optimization to improve online presence.
- **Increase brand awareness through global events:** The company can increase its brand awareness and improve its brand image by hosting various overseas events and programs. Square Pharmaceuticals Ltd. can hold informative seminars for the stakeholders and corresponding parties to promote its brand. Additionally, the company can launch welfare programs in both countries to improve its brand image.

By utilizing the recommendations, Square Pharmaceuticals Ltd. can improve its overall branding in Kenya and the USA while using this knowledge to improve overall branding across various countries globally.

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Appendix

Which factors do you believe have the most influence in differentiating the branding strategies for Kenya and USA? (Select all that apply).

- Packaging
- Cultural differences
- Government regulations
- Brand loyalty
- Country of origin effect

Do you believe cultural factors significantly influence consumption patterns in Kenya and USA?

- Yes
- No
- Maybe

Which cultural factor do you think has a more significant impact on branding strategies in Kenya compared to the USA? (Select all that apply)

- Language and communication styles
- Social customs and traditions
- Values and beliefs
- Lifestyle and attitude towards healthcare
- Other...

Has Square Pharmaceuticals Ltd. faced any legal or regulatory challenges related to branding practices in both Kenya and the USA?

- Yes, in Kenya
- Yes, in the USA
- Yes, in both
- No, in neither

How would you rate the impact of legal and regulatory factors on Square Pharmaceuticals Ltd.'s branding decisions in Kenya compared to the USA?

- Higher in Kenya
- Higher in USA
- No significant difference
- Not sure/not applicable

How efficient Square Pharmaceuticals Ltd. in maintaining a consistent brand identity while adapting to the local market dynamics in Kenya and USA?

- Very well in both countries
- Better in Kenya compared to USA
- Better in USA compared to Kenya
- Not very well in both countries
- Not sure/ Not applicable

On a scale 1 to 5, rate Square Pharmaceuticals Ltd.'s branding effectiveness in Kenya compared to USA

- 1 (Kenya more effective)
- 2 (Slightly more effective in Kenya)
- 3 (No significant difference)
- 4 (Slightly more effective in USA)
- 5 (USA more effective)

Do market dynamics significantly impact Square Pharmaceuticals Ltd.'s branding initiatives in Kenya compared to the USA?

- Yes, more in Kenya
- Yes, more in the USA
- No significant difference
- Not sure/not applicable

Does the market entry strategy (Greenfield investment in Kenya, exporting in USA) significantly affect the branding strategies?

- Yes
- No

For Square Pharmaceuticals Ltd., which product adaptation strategy is more significant in branding decisions for foreign countries?

Product homologation- making necessary changes to a product to ensure that products sold in different markets around the world meet specific regulatory standards

Cultural adaptation- making changes to a product to suit the preferences of a particular culture

- Product homologation
- Cultural adaptation

Which consumer behavior pattern or preference do you believe has a more significant influence on Square Pharmaceuticals Ltd.'s branding strategies in Kenya compared to the USA?

- Price sensitivity
- Brand quality
- Product quality perception
- No significant difference
- Not sure/ not applicable

How does Square Pharmaceuticals Ltd. gather consumer insights to inform their branding efforts in Kenya and the USA? (Select all that apply)

- Market research surveys (Kenya)
- Market research surveys (USA)
- Focus groups (Kenya)
- Focus groups (USA)
- Other...

How would you rate the competitiveness of the pharmaceutical market in Kenya compared to the USA?

- More competitive in Kenya
- More competitive in USA
- No significant difference
- Not sure/ not applicable

How would you describe the level of brand recognition and awareness for Square Pharmaceuticals Ltd. in Kenya compared to the USA?

- Higher in Kenya
- Higher in the USA
- No significant difference
- Not sure/not applicable

How would you rate the effectiveness of Square Pharmaceuticals Ltd.'s marketing channels and promotional activities in reaching the target audience in Kenya compared to the USA?

- More effective in Kenya
- More effective in the USA
- No significant difference
- Not sure/not applicable