

Internship Report On

**Impact of MFS Integration for Incentive Disbursement to
Distribution Representatives: A Study on Reckitt (Bangladesh) PLC**

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

By

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BRAC Business School
Brac University
January 2024

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing the 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.

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Sumaiya Farhana Ani
ID: 19104035
BRAC Business School

Supervisor's Full Name & Signature:

Dr. Md. Kausar Alam
Assistant Professor, BRAC Business School
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Letter of Transmittal

Dr. Md. Kausar Alam
Assistant Professor
BRAC Business School
BRAC University

Subject: Submission of Internship report on the topic “Impact of MFS Integration for incentive disbursement to Distribution representatives: A study on Reckitt (Bangladesh) PLC”

Dear sir,

With all due respect, I hereby present my internship report on Reckitt Bangladesh PLC in accordance with the BBA program requirements at BRAC University. With your constant support in accordance with the BRAC Business School’s rules, I have created this report where I have briefly explained my overall experiences working as an intern in the Trade marketing team of the Sales Department.

I hope the report will satisfy your expectations and the standards of the BRAC Business School. I feel fortunate enough to have you as my supervisor and will be grateful enough if you accept my internship report and disregard my errors.

Regards,
Sumaiya Farhana Ani
19104035
BRAC Business School
BRAC university
Date: January 2024

Non-Disclosure Agreement

This agreement is made between Reckitt Bangladesh PLC and the Designated student Sumaiya Farana at BRAC University of avoiding and not including any confidential information.

Sumaiya Farana Ani

ID:19104035

BRAC Business School

Fahmid Jahan Nayeem

Senior Trade Category Manager, Trade Marketing

Reckitt (Bangladesh) PLC

Acknowledgement

I would like to start by Thanking **Reckitt Bangladesh PLC** for allowing me to do my internship in the company. The environment was supportive and fostered by the generosity and patience of everyone who worked with me at Reckitt.

I want to convey my gratitude and utmost appreciation to Mr. Fahmid Jahan Nayeem, senior trade category manager and to the other team members of the trade marketing team. All of them were very supportive and helped me throughout the journey in every way possible. I have gained real life experience working with the team which will help me in my future corporate career.

Then, I would like to thank my honorable academic supervisor Mr. Md. Kausar Alam, Assistant Professor of BRAC Business School who enlightened me and guided me to complete this Report. He checked on me from time to time for my progress and helped to correct my mistakes and confusion. Without his constant help and guidance, it would not be possible to finish the report within this short period.

Executive Summary

My internship report is titled "Impact of MFS Integration for Incentive Disbursement to Distribution Representatives: A study on Reckitt (Bangladesh) PLC"

The Report's primary purpose is to provide a comprehensive understanding of the impact of MFS integration for incentive disbursement to distribution representatives and analyze the overall impact on the company.

In the first part of the report, I have given a gist of the learnings I gained and the responsibilities I had to fulfill during the internship tenure. The second part consists Reckitt's brief history and its establishment in Bangladesh. Additionally, it includes the overall structure of Reckitt Bangladesh PLC so that readers can get a clear picture of the company and how it operates. To portray the financial position of the company's last 5 years financial information has been shared and briefly explained. In the last part, I have shared the results of the report and given a gist of the impact in my understanding.

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Impact of MFS Integration for Incentive Disbursement to Distribution Representatives: A Study on Reckitt (Bangladesh) PLC

Chapter 1: Overview of Internship

1.1 Student Information

Name: Sumaiya Farhana

Student ID: 19104035

Program: Bachelor's in Business Administration

Major: Accounting

Major: Finance

1.2 Internship Information

1.2.1 Company Information

Company Name: Reckitt (Bangladesh) PLC

Department: Sales

Team: Trade Marketing

Address: The Glass House, 9th & 10th Floors, Plot-2, Block-SE (B),

38 Gulshan Avenue, Dhaka1212.

Period: 3 months

1.2.2 Supervisor Information

- Name: Fahmid Jahan Nayeem
- Post: Senior Trade Category Manager

1.2.3 Job Scope – Job Description, Duties & Responsibilities

I was recruited as an Intern in the Team of Trade Marketing of the Sales Department. The Trade marketing team's primary focus is to make strategic and marketing plans to sell and promote the company's products to retailers and distributors so that they keep the products in their stores and sell them to final consumers. The team also collaborates with other departments like sales and marketing to ensure the effective execution of the overall plans. Besides these, managing relationships with retailers, distributors and other persons in the overall supply chain is also a crucial duty of this team.

As an Intern my responsibilities while working for the team were:

- Conducting research on market and industry trends to make strategies and trade offer plans.
- Assisting my team in executing weekly targets and collaborating with distributors and retailers.
- Collaborating with marketing and supply chain department for overall coordination and marketing initiatives.
- Organizing different monthly meetings with distributors and company merchandisers
- Maintain database of sales, preparing reports on a weekly basis and managing different documentation for further verification.
- Verifying and creating monthly incentive adjustments for Distributors and retailers for target achievement.
- Monitoring trade offers and evaluating the effectiveness of the offers, changing offers and plans if needed.
- Gathering and evaluating feedback from partners and reporting to the line manager.

1.3 Internship Outcomes

1.3.1 My Contribution to the Company

As an Intern one of my main responsibilities was to understand the current market trend and make strategic plans and marketing ideas for different trade offers and for different lines of products.

Another project I worked for which was a great contribution for the company was the new project “MFS integration on Incentive Disbursement to Trade Representatives”.

Understanding current market trends helped to change and strategize trade offers that maximized the sales to the Distributor and Retailer levels. I had to evaluate the daily sales and weekly final sales to strategize new trade offers for better outcomes. I also made a summary of all the monthly trade offers and sales for the years 2022 and 2023 that will help the company by giving a gist of the trade offers in every month and the final sales for every month. Looking at this summary report they can easily understand which trade offers helped to boost sales. All the summary of trade offers were inputted by me for different brands and different lines of products under those brands as well. Any sales and trade offer data can be found from the final summary and future forecasting can be made by evaluating those data.

The new project which was the integration of MFS for distributing incentives benefitted the company and the trade representatives in several ways. The main task during this project was to make sure everyone who worked at the distribution level received their incentives in the right amount if targets were fulfilled.

1.3.2 Benefits to the Student

I believe the internship in one of the top Multinational companies has given me confidence and enhanced my skills. Throughout the period I have gained useful work experience that would help me in my future corporate position. Additionally, I have improved my technical expertise, people management capabilities, and overall development as well.

I not only got to see how the trade marketing department works, I also got a gist of how the overall company works to achieve the company goal. I got a broad understanding of how things work at the distribution level which was something beyond what I learned in my classroom. Besides these, I was also able to make new connections which may later help with networking.

1.3.3 Problems/Difficulties (faced during the internship period)

I majored in finance and accounting however; I did my internship in the trade marketing department of sales in Reckitt. At first, I faced some difficulties in understanding the workings of the department. Moreover, as a fresher I was not familiar with any of the work or tasks so I had to

ask everything and verify everything from my line manager for the first two weeks. Thanks to my line manager Fahmid Jahan bhaia, he was really supportive and cooperative the whole time. Other than the first two weeks rest of the internship period went really smoothly.

1.3.4 Recommendations (to the company)

The internship program at Reckitt was Topnotch to gain practical experience and enhance skills, but it could have been better if they stated clearly about the tasks, they want the intern's to accomplish. If they have a clear vision, they can make the most of the interns work and the intern's potential can be understood as well. The expected duties and responsibilities of an intern should be stated beforehand when they recruit interns. If these are stated the intern can also have an understanding of the tasks and prepare beforehand.

Chapter 2: Organization Part



2.1 Introduction

Reckitt Benckiser Plc now trading as Reckitt has emerged as one of the most well-known multinational corporations that produces health, hygiene, and household products. The British corporation Reckitt & Colman plc and Dutch company Benckiser N.V. merged in March 1999 to form this new company. Operating in over sixty countries, the company markets its products in more than 200 nations. Reckitt divides its product line into three primary categories: home,

hygiene, and health with other brands falling into three more categories—food, pharmaceuticals, and portfolio brands. Emphasizing high-margin products, Reckitt Benckiser has demonstrated robust growth in earnings per share in recent years.

Reckitt officially established and started its business inside Bangladeshi borders on April 15, 1961, and since then it has stood as one of the leading forces in the country's consumer goods industry. It has blended international experience with a profound comprehension of regional requirements. In Bangladesh, Reckitt offers a diverse array of health, hygiene, and home products, and it is widely renowned to people for its iconic brands like Harpic, Dettol, Lizol, and Veet.

2.2 Overview of The Company

2.2.1 Brief Profile of the Company

RECKITT	
Type	Public Limited Company
Trade As	LSE: RB FWB: GB00GB24CGK77
INIS	GB0024CGK77
Industry	Consumer Goods
Founded	1814 (J&J Colman) 1823 (Benckiser) 1840 (Reckitt & Sons) 1938 (Merger of Reckitt & Sons and Benckiser) 1999 (Merger of Reckitt & Colman and Benckiser)
Founders	Isaac Reckitt (Reckitt & Sons branch) Jeremiah Colman (J&J Colman branch) Johann Benckiser (Benckiser N.V. branch) Edward Mead Johnson (Mead Johnson branch)

Head Quarters	Slough, England UK
Key People	Adrian Bellamy (Chairman) Rakesh Kapoor (CEO)
Products	Cleansing Products, Consumer Healthcare Products, Condiments, Personal Care Products
Revenue	£14,453 million (2022)
Operating Income	£3,249 million (2022)
Net Income	£2,349 million (2022)

2.2.2 History of Reckitt

Several strategic Developments and mergers define Reckitt's past. It started when Johann A. Benckiser established a business in 1983 that primarily focused on industrial chemicals. Over the years, the business expanded its operations and product offerings and experienced remarkable growth in the latter half of the 20th century. It then went public in 1997.

In 1940, Reckitt and Sons entered the consumer goods industry by establishing a business dedicated to household products. They acquired Harpic Lavatory Cleaners in 1932 and merged with J&J Colman in 1998 and became Reckitt & Colman. After becoming Reckitt & Colman they made several acquisitions throughout the years that included Airwick and Carpet Fresh brands (1985), the Camp in 1989(A Spanish cleaning products company), and The Boyle-Midway division of American home products (1990). They also acquired the Lehn & Fink division of Sterling Drugs maker of Lysol disinfectant in 1994. Moreover, in 1998 they acquired several brands from Dowbrands.

In 1999 the formation of Reckitt and Benckiser took place when Reckitt & Colman plc merged with the Dutch company Benckiser NV.

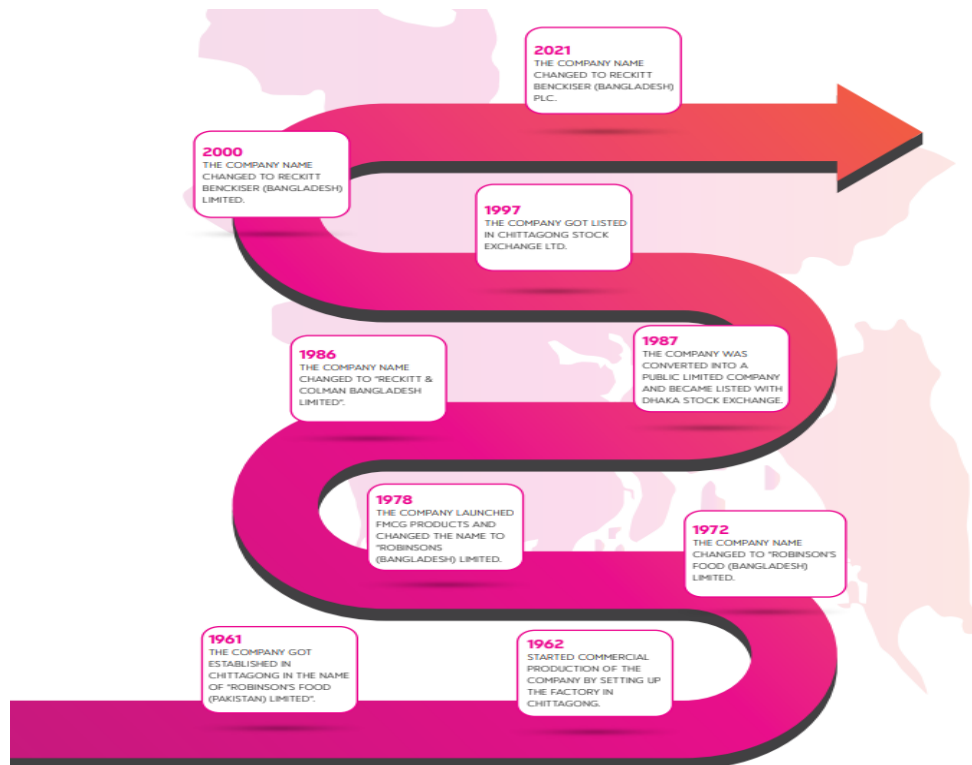
Burt Becht was the first CEO of the company who majorly concentrated on the core brands of the company. Under Burt's leadership, the company went through a great transformation by hugely improving operational efficiency, and the management strategy of "innovation marketing" took the company to new heights and success. In March 2021, the Reckitt Benckiser rebranded to Reckitt - including a new logo and visual identity.

2.2.3 Reckitt in Bangladesh

In Bangladesh the local subsidiary name of Reckitt is Reckitt (Bangladesh) PLC. It was legally founded within the boundaries of Bangladesh on April 15, 1961 and initially established under Robinson Foods (E.P.) Limited. Soon after Bangladesh's independence from Pakistan, the company was renamed Robinson's Food (Bangladesh) Limited.

Vishal Gupta is currently serving as the company's managing director for Reckitt Bangladesh PLC. The head office is situated in Gulshan and the production factory is located in Chittagong. The Company is well known to people and it is one of the trusted companies for household, hygiene, and health products. Reckitt primarily operates according to the principles of the globally local strategy however, its marketing strategies are supported by regionally recognized trends in consumer behavior and their lifestyle.

Reckitt has a wide range of brands and products however, only some products that fall under each Brand can be found in the Bangladesh market. As mentioned earlier, consumer's tastes and preferences are considered in each region to offer products that match their lifestyle and needs. Besides offering a wide range of globally renowned brands, Reckitt also is serious about it's corporate social responsibilities in Bangladesh.



Source: Reckitt Bangladesh annual report 2022

2.2.4 Reckitt's Purpose, Fight

Purpose

The purpose of Reckitt is “We exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.” (Reckitt)

The purpose in essence communicates a holistic commitment to improving the well-being of individuals and the environment by providing products and solutions that protect against harm, promote healing, and contribute to both individual and environmental well-being, and a cleaner healthier world.

Fight

“We have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.” (Reckitt)

The fight advocates the idea that everyone should have access to adequate health benefits, hygiene and wellness and these should be available for everyone as a human right and a privilege to few people.

2.2.5 Reckitt Bangladesh PLC Brands

As mentioned before, Reckitt has lots of brands and product lines however, only some of their globally renowned brands are available here in Bangladesh. The ones that are available in Bangladesh have excellent popularity and a huge customer base. Their business is experiencing consistent growth and witnessing a remarkable surge in market demand. The following is a list of Reckitt's several brand names that are currently available and produced in Bangladesh Market:

Dettol

Harpic

Lizol

Trix

Veet

Mr. Brasso

Vanish

Air Wick

Cherry

Mortein

The Top Five notable brands of Reckitt Bangladesh are Dettol, Harpic, Lizol, Veet and Trix. Some of the other brands can also be seen in the market but those are imported from other countries and not produced in Bangladesh.



Some of the top Brands of Reckitt (Bangladesh) PLC

2.2.6 Hierarchy



2.3 Management Practices

Reckitt has established a creative and cooperative work environment where all the members collaborate to accomplish the company's purpose and monthly targets. Individuals have the opportunity and freedom to make a difference with their work however, everyone works collectively for the same organizational goal. Reckitt follows the industry standard management practices and follows their global standards. Ethical and legal standards of Bangladesh are emphasized in every aspect of the operations as well.

Under the Direction of Senior management, there are several hierarchies in place at various levels and departments. There are different directors for every department who oversee that specific department. Reckitt Bangladesh practices Democratic Leadership thus in every decision-making process all members are given the opportunity to express their thoughts and opinions. Reckitt has an innovative and collaborative work culture where everyone has the scope to show their potential and make a difference. Relevant and impactful opinions are always implemented from any level of the hierarchy. "Every member of our leadership team is committed to the responsible stewardship of our great company" (Reckitt). The top management team oversees and considers all the decisions for the long-term wellbeing of the company and its stakeholders. Moreover, they ensure continuous growth, success and focus on several CSR activities to create positive impact.

2.3.1 Human Resource Planning Process in Reckitt

The human resource planning process at Reckitt is planned and structured in a way that best serves everyone and aligns with the company's goal. Due to confidential issues the planning process cannot be mentioned here according to the company policy.

2.3.2 Recruitment and Selection Process

As the organization's success highly depends on its employees the human resource department of Reckitt puts lots of emphasis on the recruitment and selection process. Whenever there is a vacancy or need for an employee in any department, they reach out to the HR department. The HR department then takes the lead and defines the roles required responsibilities, skills and qualifications. Then they advertise the job posting on different platforms to attract candidates. The recruitment and selection in Reckitt have 3 steps:

- Recruitment: Collects all the CVs and Screens out the ones that fulfill the minimum job requirements. Then all are taken into the interview session to shortlist candidates who will be taken for the final round.
- Selection: For selecting and accessing the final candidate a final interview is taken involving the HR managers and other potential team members.
- Orientation: After the selection is done the candidate is then given a brief summary of the mission, vision and culture of the company. The person is given an office tour and gets introduced to all the departments.

2.3.3 Compensation System

Reckitt has a comprehensive payment system that includes both monetary and non-monetary benefits. Besides the basic salary two festival bonuses are given annually and different types of fringe benefits are offered to the employees. So, the compensation system basically includes,

- Basic Salary
- Provision money
- Health insurance
- Maternal, paternal and weeding leaves
- 2 festival bonuses
- Pension fund
- Yearly salary reviews

2.3.4 Training and Development Initiatives

To keep all the employees fit with the recent trends and surroundings different training and development sessions are being arranged from time to time. Moreover, when a new employee joins, he is being given the necessary training to understand the work culture and tasks related to his work. Based on employee needs any development initiatives and programs are arranged to enhance employee skills and capabilities.

2.3.5 Performance Appraisal System

The HR department assesses every employee's performance and evaluates it. It is an important task of this department as depending on the evaluation appraisal is given to individuals and it helps to motivate the employees. Besides the HR Department the department head also makes an evaluation of their specific department's employees and gives it to the HR Department. Promotions are given depending on the overall performance. Moreover, based on the performance appraisal for exceptional performance employees are given recognition and rewards to motivate everyone in the organization every year. Employees who work at the field level are given incentives based on their target fill-up and performance appraisal. Every employee has the opportunity to get incentives every month upon their target fill-up and performance.

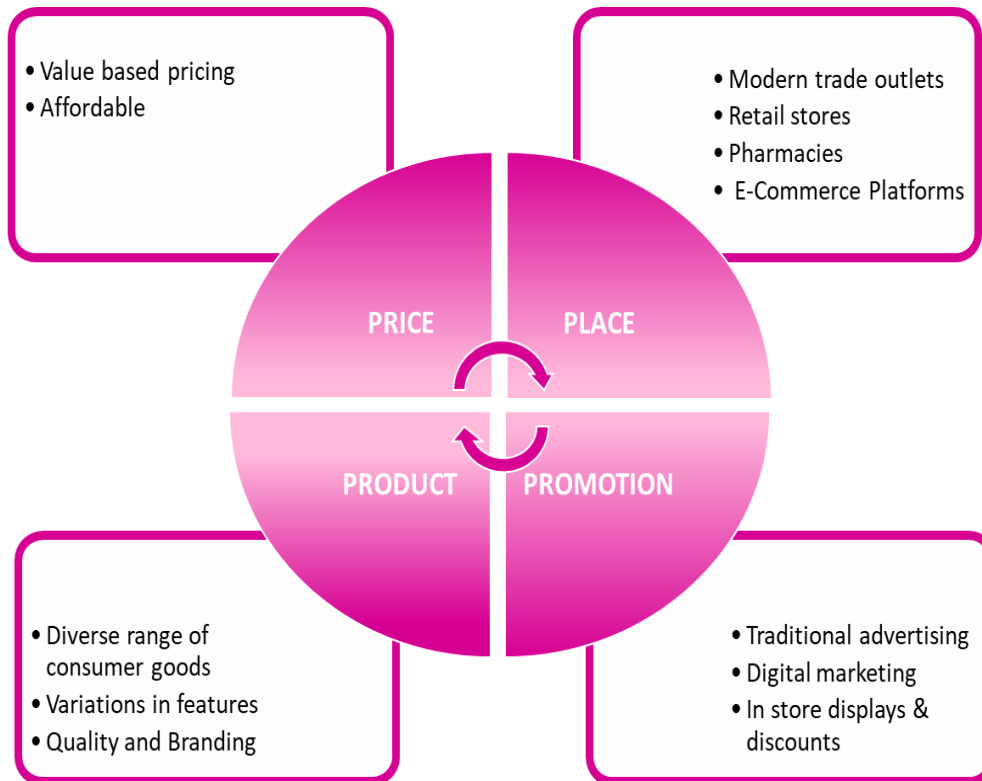
2.4 Marketing Practices

The marketing division of Reckitt (Bangladesh) PLC is mainly in charge of the annual planning for the company's brands and the marketing of the products. They make strategic plans on how to market and advertise the products to people so that they get encouraged to buy them. Once all the plans are made and approved by the top management team, the marketing team plans how to execute them. Moreover, they keep analyzing the market and its demands because it's really essential for the upcoming marketing plans they execute. Some basic marketing practices are,

- Directing the promotion of sales through different marketing methods.
- Gathering market data and conducting extensive research to assess market needs and demands.
- Identifying and targeting specific market segments through different marketing methods based on demographics, psychographics, and cultural factors.
- Adapting products and marketing messages to suit the preferences and requirements of different target and age groups.
- Incorporating corporate social responsibility (CSR) efforts into marketing plans to show a dedication to environmental and social issues.
- Acting as a media liaison, managing and coordinating with third-party service providers and advertising firms.

2.4.1 Marketing Strategy

The marketing mix is one of the core elements of Reckitt’s marketing strategy and plans. They emphasize on the 4 P’s that helps to effectively make plans and strategies to sell their products to their target market.



2.4.2 Target Customers, Targeting and Positioning strategy

As mentioned before, Reckitt has a wide range of brands and product lines and they basically offer health, hygiene and home products. For health and hygiene products, the target customers are individuals and families who prioritize health, personal hygiene and cleanliness. Moreover, it also includes hospitals and Clinics as well. And, for home products, the target audience comprises households and individuals who seek effective cleaning solutions. In terms of targeting customers Reckitt has been super successful as almost in every household you will see at least one product from any of its brands.

Reckitt's main strategy to position its products is in a way that benefits both the goods and the intended market or let's say the consumers. As there are rivals in the marketplace who offer similar products, Reckitt positions its products by highlighting their effectiveness and unique features. Reckitt positions itself in the marketplace as a "Consumer-centric Innovative Company" that keeps innovating its products that serve the best for its consumers.

2.4.3 Marketing Channels

Traditional retail channels: traditional retail channels include convenience stores, supermarkets and local retailers

Pharmacy stores: Pharmacy stores are used to promote health and hygiene products.

E-commerce platforms: All the products of Reckitt are marketed in different types of E-commerce Platforms.

Television advertising: Television advertising is the most effective marketing channel to attract consumers through attractive advertising methods.

Digital marketing: Digital marketing channels include different social media platforms, content & video marketing and online advertising.

2.4.4 Branding Activities

Reckitt being a multinational company follows some global branding strategies that help it to create a unified brand identity. Besides following the global branding strategies, here in Bangladesh it adapts the branding messages that best suit the local cultures and beliefs. In Bangladesh people are highly familiar with brands of Reckitt like Dettol, Harpic, Veet because it has successfully positioned the brands in such a way that grabbed the most attention of its consumers.

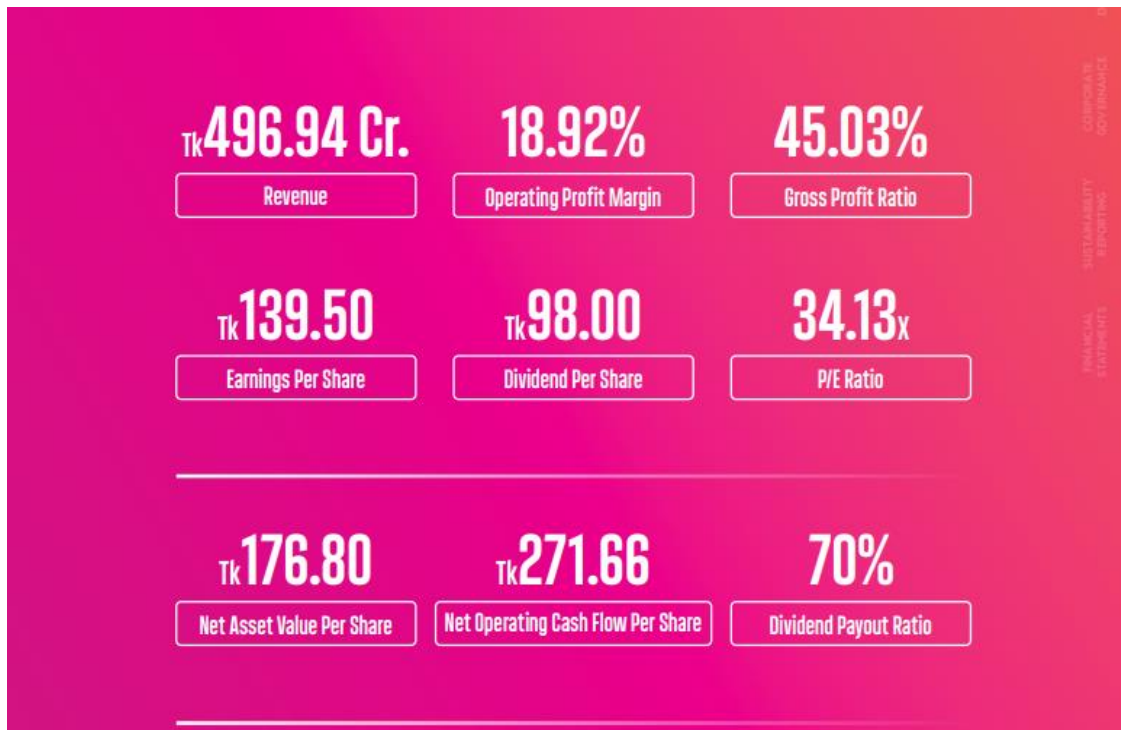
2.5 Financial Performance and Accounting Practices

The finance department is responsible for some of the core functions of Reckitt. It's in charge of managing and operating the financial resources and different types of accounts in the most efficient

manner. The topmost responsibility is to forecast and plan the budget for the company and keep daily records of the transactions. The department also monitors the overall cash inflow-outflow of the company and manages its assets and liabilities effectively.

2.5.1 Financial performance and analysis

Reckitt at a Glance in 2022



Source: Reckitt Bangladesh PLC Annual report 2022

For the year 2022 Reckitt (Bangladesh) PLC reported a revenue of 496.94 crore and its Earnings per share (EPS) in the marketplace was 139.50 taka. The operating profit margin and gross profit ratio for the year were 18.92% and 45.03% respectively. Moreover, the net asset value per share was 176.80 taka reflecting the company's financial health and performance in terms of profitability and asset value.

Horizontal Analysis of Financial Position

	2018	2019	2020	2021	2022
Assets					
Property, plant and equipment	100.00%	135.04%	157.17%	163.80%	165.72%
Right-of-use assets (ROU)	100.00%	59.36%	273.43%	239.91%	259.13%
Deferred tax assets	100.00%	83.11%	189.33%	71.66%	0.00%
Non-current assets	100.00%	121.76%	175.88%	172.04%	173.96%
Inventories	100.00%	149.81%	206.43%	194.21%	192.63%
Trade and other receivables	100.00%	51.74%	30.05%	81.31%	70.95%
Advances, deposits and prepayments	100.00%	55.48%	159.12%	95.59%	66.22%
Cash and cash equivalents	100.00%	141.21%	188.35%	171.50%	208.26%
Current assets	100.00%	134.63%	181.57%	168.29%	191.54%
Total assets	100.00%	131.59%	180.22%	169.18%	187.38%
Equity					
Share capital	100.00%	100.00%	100.00%	100.00%	100.00%
Retained earnings	100.00%	185.18%	224.71%	266.17%	232.88%
Total equity	100.00%	174.75%	209.43%	245.82%	216.60%
Liabilities					
Employee benefits	100.00%	145.17%	179.76%	73.88%	3.53%
Lease liabilities	-	100.00%	1171.90%	1205.06%	1180.41%
Deferred tax Liability					100.00%
Non-current liabilities	100.00%	158.54%	336.42%	234.96%	163.11%
Trade and other payables	100.00%	113.73%	156.28%	139.99%	183.71%
Employee benefits	100.00%	246.28%	836.70%	738.30%	821.54%
Lease liabilities	-	100.00%	112.26%	62.17%	227.68%
Current tax liabilities	100.00%	137.74%	168.08%	143.30%	110.04%
Unclaimed dividend	100.00%	12.99%	127.68%	43.96%	105.99%
Current liabilities	100.00%	117.16%	160.58%	142.27%	180.65%
Total liabilities	100.00%	119.92%	172.33%	148.46%	179.48%
Total equity and liabilities	100.00%	131.59%	180.22%	169.18%	187.38%

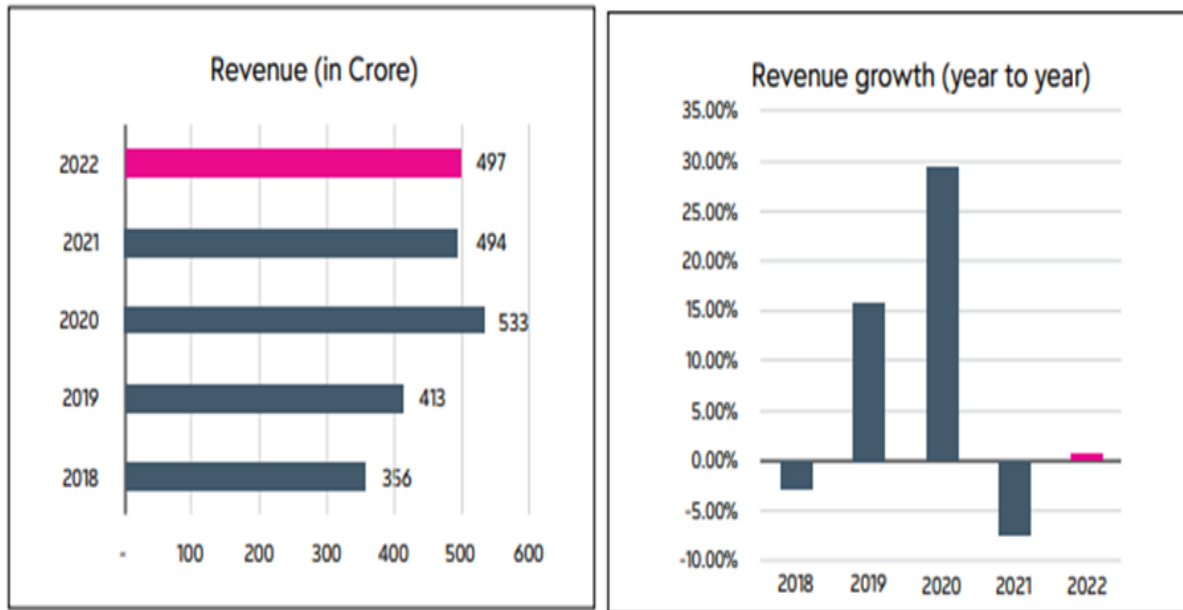
Source: Reckitt Bangladesh PLC Annual report 2022

Horizontal Analysis of Profit of Loss and Other Comprehensive Income:

	2018	2019	2020	2021	2022
Revenue	100.00%	115.84%	149.75%	138.75%	139.51%
Cost of sales	100.00%	106.98%	132.02%	127.87%	155.61%
Gross profit	100.00%	124.45%	166.98%	149.32%	123.87%
Other income	100.00%	25.51%	14.61%	64.68%	63.01%
Operating expenses	100.00%	107.02%	151.11%	120.78%	101.52%
Impairment loss reversal on trade receivables	100.00%	78.82%	16.10%	-6.78%	-2.68%
Operating profit	100.00%	165.74%	203.99%	217.38%	177.22%
Finance income	100.00%	216.76%	283.09%	67.68%	49.30%
Finance costs	-	100.00%	511.62%	515.60%	610.84%
Profit before contribution to WPPF	100.00%	167.33%	205.05%	209.55%	169.86%
Contribution to WPPF	100.00%	167.33%	205.05%	209.55%	169.86%
Profit before tax	100.00%	167.33%	205.05%	209.55%	169.86%
Income tax expense	100.00%	134.26%	174.83%	151.33%	120.55%
Profit for the year	100.00%	186.65%	222.71%	243.58%	198.67%
Other comprehensive income					
Remeasurement of defined benefit liability	100.00%	3.48%	224.14%	93.97%	-116.92%
Related tax	100.00%	3.48%	224.14%	84.58%	-105.23%
Other comprehensive income/ (loss) for the year, net of tax	100.00%	3.48%	224.14%	97.11%	-120.81%
Total comprehensive income for the year	100.00%	190.30%	222.68%	246.49%	205.03%
EPS	100.00%	186.64%	222.70%	243.56%	198.66%

Source: Reckitt Bangladesh PLC Annual report 2022

Revenue & Revenue Growth in Past 5 Years



Source: Reckitt Bangladesh PLC Annual report 2022

Looking into the graphs above we can see that Reckitt in the past 5 years had earned the most revenue in the year 2020 and the revenue growth was also the highest in 2020. In 2021 the revenue decreased than that of 2020 indicating a decrease compared to the last year. However, the trend reversed in 2022, with the revenue rebounding to 497 crores. Reckitt experienced robust positive revenue growth in 2020 reaching almost 30% however, in the subsequent year it experienced a negative revenue growth. In 2022 Reckitt again experienced a positive revenue growth that indicates a recovery and a return to an upward trajectory in terms of revenue.

2.5.2 Accounting Practices

The Financial department is also responsible for ensuring all the regulatory and accounting standards are being maintained in the company. Some of the other financial performances and accounting practices that Reckitt (Bangladesh) PLC follows include:

- The Companies Act of 1994, the Securities and Exchange Rules of 1987, the International Financial Reporting Standards (IFRSs), and other relevant laws and regulations are followed in the preparation of financial statements.
- Ensures compliance with the regulatory requirements & accounting standards of Bangladesh.
- Develop and strategize ways to mitigate financial risks
- Follows the Tax and Value-Added Tax Administration rules and regulations
- Maintains yearly Audits and publishes annual reports

2.6 Operations Management and Information System Practices

One of the main teams in charge of overseeing Reckitt's daily activities is the operations management team. The team collaborates with several departments on a daily basis to deliver work effectively. The same system and platform are being used globally for all the operations. All correspondence, data, and documentation for any stakeholder who is connected to Reckitt is managed by this global application.

The application consists of a difficult Login method and security check to prevent outsiders from obtaining Reckitt's information for any form of illegal act or wrongdoing. Only the employees who work in the IT department have access to the employee data and other important information.

Reckitt (Bangladesh) PLC has made effective moves towards becoming a technology-centric company. Most of the day-to-day works are done on different platforms and using different technologies. In this way, records are kept automatically and there are fewer chances to do any phishing acts.

2.7 Industry and Competitive Analysis

Reckitt Bangladesh is an active company operating in the Fast-moving consumer goods (FMCG) industry. The fast-moving consumer goods (FMCG) industry is thought to be the most resilient to economic shocks among other industries, as demonstrated by the pandemic. By 2025, it is forecasted that the global FMCG market will reach \$1.54 trillion (Business Standard). The fast-moving consumer goods (FMCG) market in Bangladesh has now surpassed Tk30,000 crore and the annual growth is about 7-8 percent (Business Standard)

Even though The Covid-19 pandemic has created insurmountable obstacles for the majority of sectors, demand for health and hygiene products has increased. With a turnover of BDT 5,334 million in FY20 Reckitt has exceeded the previous year's sales growth by 29.27% and brands like Lysol, Harpic, and Dettol have been the main drivers of this growth.

With a broad range of brands and SKUs, Reckitt competes with other industry giants for market dominance. Unilever and ACI are the two main rivals of Reckitt as they offer similar products to Reckitt in terms of the antiseptic and soap category. When it comes to market share, Unilever's Lux soap brand remains at the top, followed by Dettol. Reckitt's brands like Harpic, MR Brasso, and Veet are market leaders that have a great market share. Harpic is being considered as the no 1 Toilet cleaner in Bangladesh. Products like Septex, Savlon, and Sepnil from ACI and Square are similarly well-liked in the market and maybe a hindrance to Reckitt's growth. Unilever's Lifebuoy brand is also getting closer to capturing the number-two spot in the market. However, as of now there are no true competitors for the Brand Veet. There are many local companies that offering similar products that are a threat to the industry giants even though the quality of the products is not good.

2.7.1 Porters 5 forces

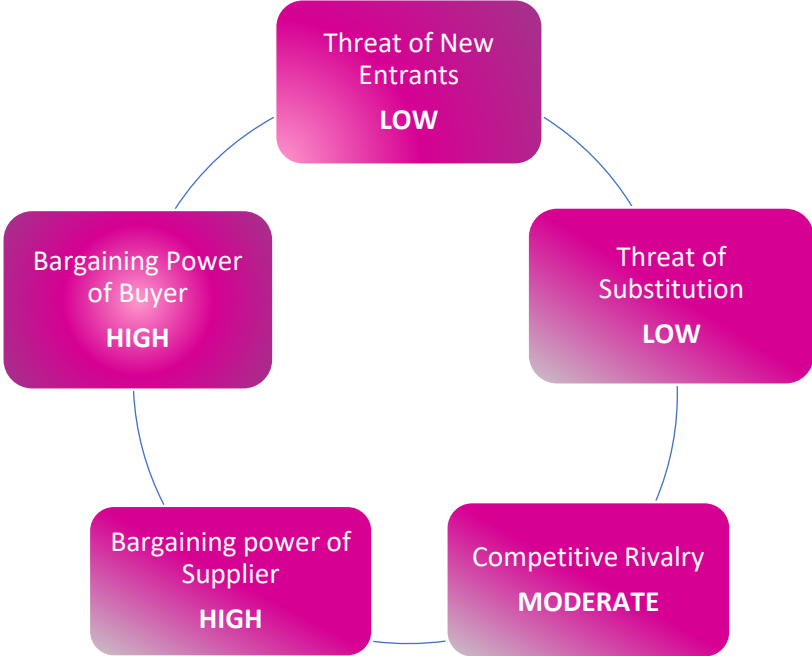


Figure: Porters five forces diagram for Reckitt

- Competitive rivalry: **MODERATE**

Due to the Covid-19 pandemic there was a sudden increase in demand for health and hygiene products which led to an increase in Competitiveness during that period. However, with the decrease in demand after the pandemic the competitive rivalry has come to a moderate level now.

- Threat of new entrants: **LOW**

Initial rises in the demand for health and hygiene products during the Pandemic brought a large number of new businesses to the market however it was for a short period. As there is less demand now the threat of new entrants is low as well.

- Threat of substitution: **LOW**

Personal hygiene and wellness products are becoming essential for the contemporary lifestyle. Despite the fact that a health and hygiene product might have several designs or features for the convenience of the user, it is quite improbable that it will age and need to be replaced.

- Bargaining Power of Buyer: **HIGH**

The increased level of competition makes it easier for customers to choose alternatives. As a result, buyers and consumers have significant bargaining power. The buyer therefore has a high negotiation power.

- Bargaining Power of Supplier: **HIGH**

There was a supply disruption in the sector at the beginning of the pandemic which still somewhat exists. The requirement for raw materials expanded as the demand for hygiene and health-related products increased. As a result, the suppliers have more negotiating power than before.

2.7.2 SWOT Analysis of Reckitt Bangladesh PLC



Strengths

- Possesses a strong global brand value that emphasizes wellness and health for its customers.
- Has an effective supply and distribution network
- Has an amazing selection of dependable products and labels
- Demonstrates financial stability with consistent revenue growth and profitability
- Allows for employee initiative, stimulates innovation and originality
- Have a highly skilled workforce.
- Possesses a sizable business and a wide range of product line

Weaknesses

- Relatively high price than competitors
- Lower production capacity compared to rivals
- Has a lower profit margin which may not attract investors

Opportunities:

- There is a growing need for FMCGs.
- Possesses enormous potential for growth in new markets.
- Able to increase operations through mergers and acquisitions.
- Has the potential to diversify into other markets, which would increase revenue.
- Over sixty states worldwide derive advantages from it.
- Increasing Market Activity and Economic Growth

Threats:

- New entrants offering low-cost similar products
- Other Well-Known Consumer Products Companies who have brand recognition in the market
- The industry is seeing a steady increase in rivalry.
- Demand for a product may decline during a recession.
- The demand for products is more prone to instability in developing economies.
- Items from other companies that are more reasonably priced and superior in quality

2.8 Summary and Conclusions

People of Bangladesh are more familiar with the brands of Reckitt like Dettol, Harpic and Lysol than the actual company name. It recently started seeing tremendous expansion and it is projected that the current annual income will increase by twice as much as the data from the prior year. If Reckitt keeps performing like this it will be really hard for the rivals to take over the market. Reckitt's programs aim to make Bangladesh a better, cleaner, and safer place to live. Its commitment to health, hygiene, and household goods aligns with the local market's expanding need for wellness solutions, enhancing its standing as a reliable and significant participant in Bangladesh's consumer goods sector.

2.9 Recommendations/Implications

Based on my limited experience, I have come up with a few company concepts during my three-month internship at Reckitt. Despite having carefully considered each recommendation's viability, I have only included those that are practically achievable in the brief period.

- It is essential to improve the factories' manufacturing capacities and raise their production output in order to satisfy the product's rising demand. This necessitates taking action to increase their manufacturing capacity, which is essential for satisfying client demands and completing orders quickly and effectively.

- It's critical to improve the product distribution plan in the market to deter rivals from setting up shop with their own merchandise. Reckitt might create a quicker and more efficient distribution system to obtain a competitive advantage in this case.
- Lowering the cost of some products would be beneficial because their current pricing of some products is greater than their rivals. Reckitt can attract price-conscious clients and possibly grow their clientele by providing more reasonable prices.

Chapter 3: Project Part

3.1 Introduction

In an era dominated by digital advancements the integration of mobile financial services (MFS) has become a pivotal aspect of modern business strategies that revolutionized traditional transactions across industries. Globally in every industry the financial transaction process has also undergone a paradigm shift. Reckitt being one of the top-level multinational consumer goods companies is also heading towards technological integration and advancement in every sector. This research paper studies the impacts of MFS integration for incentive disbursement to Distribution representatives in the specific context of Reckitt Bangladesh PLC.

Reckitt is a well-known multinational company and if you look at the marketplace you will see various brands and products of Reckitt in every retail store. The Distribution representatives are the ones who serve as the vital intermediaries between Reckitt and various retail outlets. To put extra emphasis on the distributors Reckitt has recently integrated MFS to distribute incentives to Distribution representatives so that they receive it timely and in the correct amount. This report will study the impact of this integration specifically for the distributor level and will examine the impact on the overall Company.

Reckitt as a consumer goods company highly depends on Trade distributors and maintains a good relationship. Their incentives are target-based and upon target fill-up all distribution representatives get incentives from the line managers or dealers they work under. For the most

effective disbursement the method is recently been changed by integrating MFS so that every individual gets their incentives directly in their respective accounts.

3.2 Background/Literature Review

In recent days, Mobile Financial Services (MFS) have transformed the way financial transactions are carried out and are now essential to contemporary business operations. For day-to-day transactions, MFS are used widely as the transaction happens faster, safer, and more efficiently. Numerous studies have demonstrated that MFS integration has huge benefits for businesses as it reduces transactional complexities and improves overall financial management. According to a report published in Dhaka Tribune, more than Tk89,169 crore worth of transactions were done through the MFS account which included cash in, cash out, person-to-person transfers, merchant payments, salary & incentive disbursements, talk-time purchases, utility bills payments and many other payments.

With the advancement of technologies, majority of the companies are trying to become technology-centric in every work and operation. Likewise, companies are integrating MFS for salary and insensitive disbursement across all levels to facilitate secure and efficient disbursement of salary and incentives. According to the central bank data there have been record-breaking transactions in cash-in, cash-out, remittances, and salary disbursements in recent days. Timely incentives keep employees motivated and help companies drive their sales. Ikbal and Gunair (2015) have demonstrated that incentives partially have a significant effect on employee performance. Likewise late and wrong amounts make them demotivated towards their work and future performance. The success of consumer products companies is greatly dependent on trade representatives and incentive structures highly drive their performance.

Many reports have shown that there has been mismanagement and fraud when transactions take place in cash or through a party however using MFS this can be mitigated. Moreover, cash comes with many risks like it can be lost during the disbursement or stolen. So, cash-based disbursement through intermediaries is not the most efficient way. Additionally, keeping records is easier and

more convenient as well. MFS makes it easier to conduct financial transactions in real-time, which lessens reliance on conventional banking systems and provides companies with a cost-effective option Altmann et al. (2019).

3.3 Objective(s)

Broad Objective:

The primary objective of this study is to understand the impact of MFS integration on incentive disbursement to trade representatives who are associated with Reckitt.

Specific objectives include:

- To examine whether it has a positive or negative impact on the representatives
- Evaluate the effectiveness of MFS in mitigating the risk of fraud related to incentive payments

3.4 Significance

The significance of the report is to understand the impact of MFS integration on incentive disbursement to distribution representatives, it also seeks to assess whether this initiative will have a positive impact on the representatives and be beneficial in terms of cost management for the company.

Distribution representatives play a crucial role in the supply chain as they are the ones who make sure there is a steady and timely supply of goods to satisfy consumer demand in the marketplace. In Reckitt the distribution representatives are given priority and rewards based on their target fill-up besides the basic salary. Upon target fill-up if they receive their incentives timely, they will feel more motivated to process orders and other tasks. Also, it's the responsibility of Reckitt to make sure they are getting their incentives in the correct amount on time. Previously, the incentives of all distribution representatives used to be given to the top-level distributors who used to distribute them to the other representatives. Now, the incentives will be given directly to individuals to eliminate delays and fraud. This will help to increase the overall satisfaction of all the

representatives who work at the distribution level and also help the company to cut several administrative costs.

3.5 Methodology

The report was created using mixed method research design to completely explore the impact. It also included one-to-one survey and some independent research from my side. Qualitative information was acquired from respondents who work at the distribution level to develop the study. The information for the report was gathered utilizing both primary and secondary methods. The information gathered is being laid out in this report in a descriptive manner to make it reader-friendly.

Primary Data

To collect the primary data, I highly depended on the data that was used for the recent project launched which was MFS integration for incentive distribution to Trade representatives. I will not be able to share the projects detailed information as it includes the personal information of representatives who work for Reckitt Bangladesh PLC. I have talked one-to-one to 50% of the trade representatives and the other 50% were done by one of the other members working for the same project. The survey included cross-checking individual representatives' personal information to verify them and some other closed questions.

The raw data and survey answers were noted using the proper method and categorized according to the project needs. The information we had about individual representatives was also properly crosschecked and evaluated by the senior team members of the team.

Secondary Data

Different internet sources, daily news portals, research papers and annual reports were used for collecting the secondary data for this report. Some reliable sources and industry-specific data have also been collected to get a clearer idea. I also used some data that the company had and used before which included the individual representative's personal information however due to confidential issues, I am not able to share those data in this report.

3.6 Limitations of this Report:

Reckitt Bangladesh PLC has some restrictions on data sharing thus the report prevents some sensitive information from being accessed and discussed which limits the study. Due to this reason the comprehensive picture of MFS integration for incentive disbursement to trade representatives may not be fully understood.

3.7 Findings and Analysis

3.7.1 Findings from The Survey

To understand how the individual representatives of the distribution level feel about this new incentive disbursement method a one-to-one session was arranged over the phone. As many of them did not know how to fill up virtual forms we directly asked them and filled in the answer on their behalf. The responses to some of the questions are shown below.

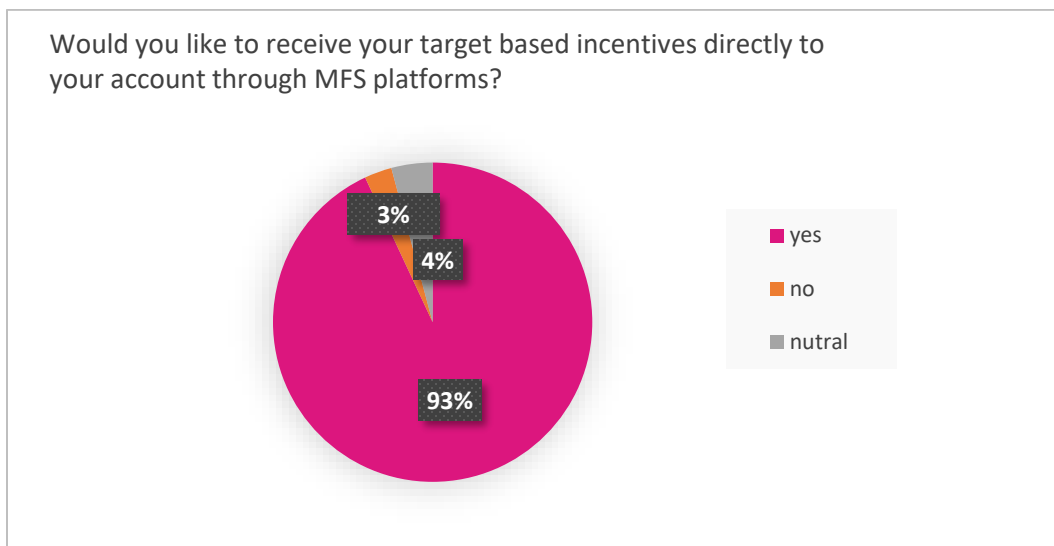


Figure 1

93% of the representatives said they would like to receive incentive directly in their MFS account. 4% of them were neutral and only 3% said they don't want to get directly as their dealer is handling and giving them incentives properly so they are happy with the traditional method.

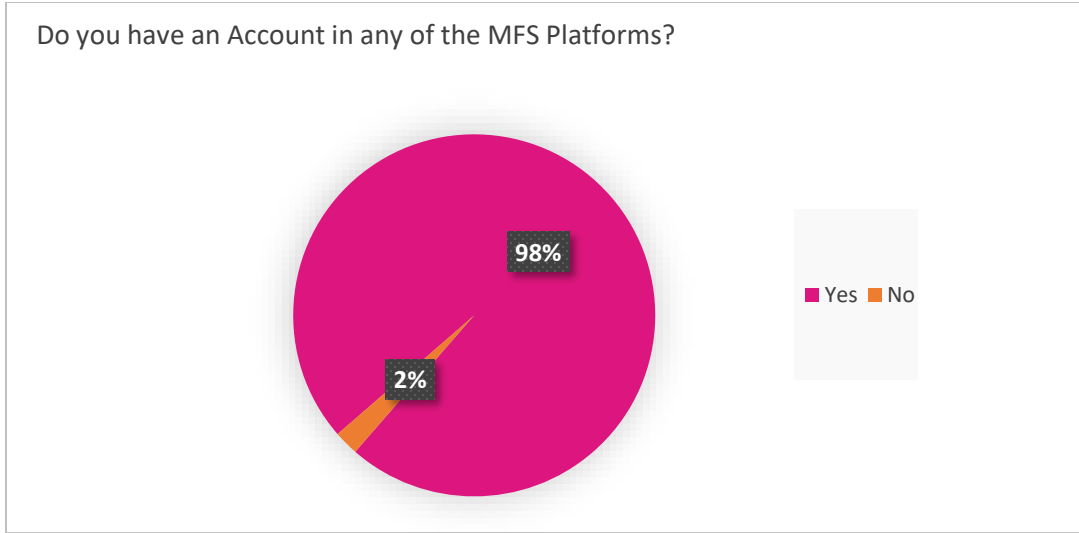


Figure 2

98% of the respondents have their own account in MFS platforms. Only 2% didn't have an account of their own; however, if needed, they will open accounts in any of the MFS platforms to receive their incentives directly.

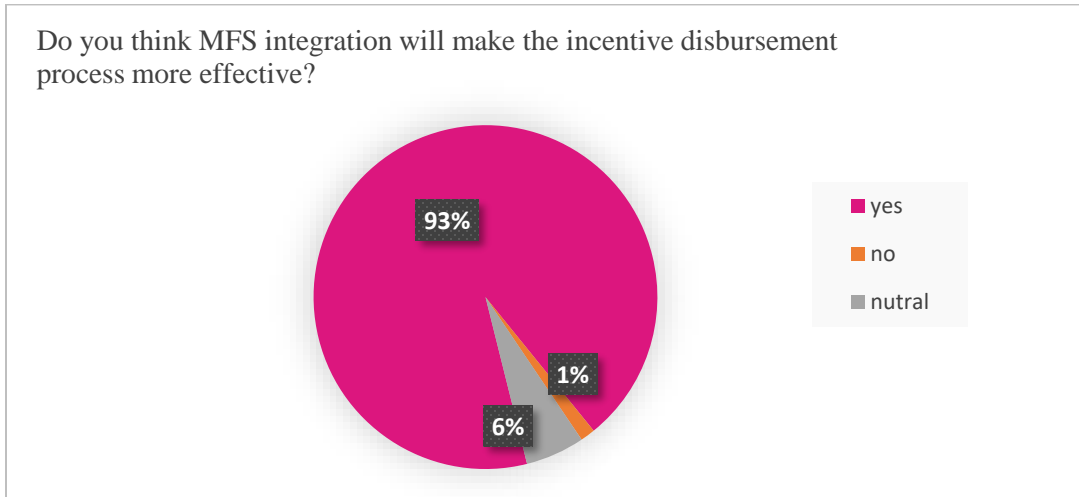


Figure 3

93% of the respondents had a positive feeling about it and 6% were neutral about it. Only 1% have a negative viewpoint, and the reason behind it was they were not so sure about the security of the MFS platforms and were mostly unaware about the process.

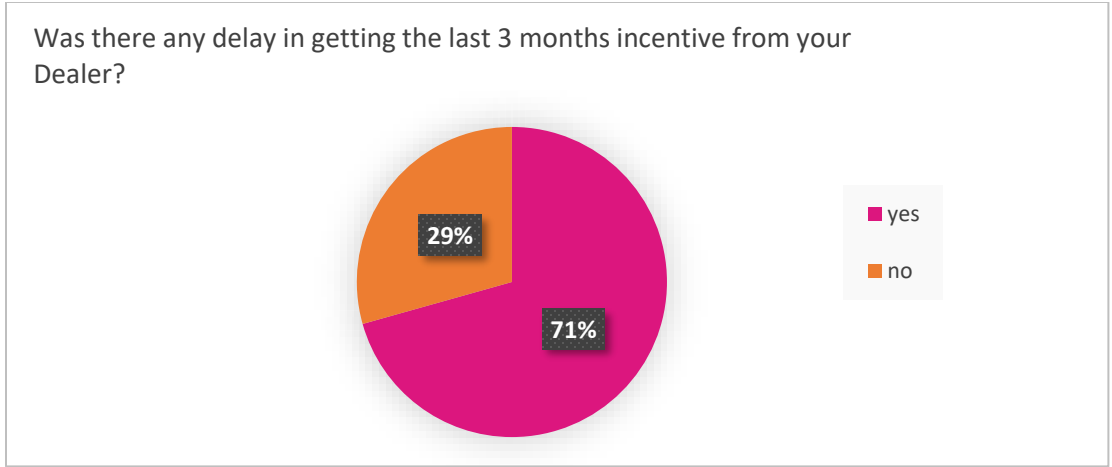


Figure 4

When asked about delay in getting incentives from their dealers in the last 3 months 71% of the respondents said they were receiving incentives late. Only 29% of the representatives were getting it timely. This is an indicator that the traditional way is not the most effective way to disburse incentives.

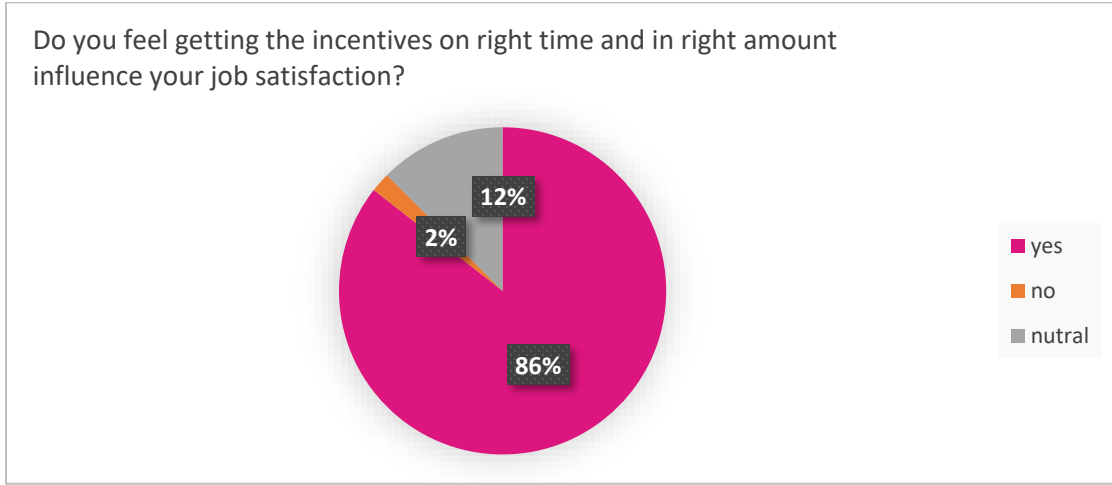


Figure 5

86% of the respondents said getting the target-based incentives on time in the right amount influences their job satisfaction and they feel motivated. 12% were neutral about it and only 2% said it doesn't have anything to do with their job satisfaction.

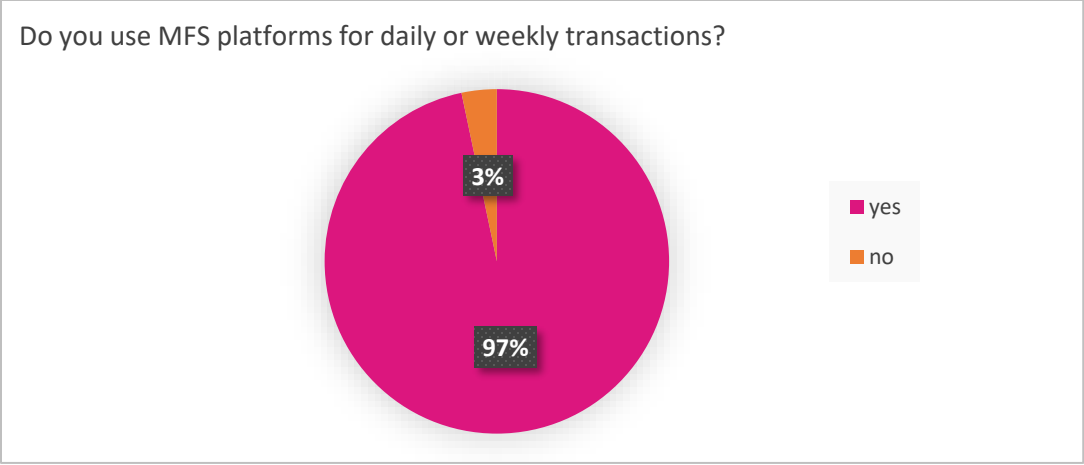


Figure 6

97% of the representatives daily use the MFS platforms for different business transactions. Only 3% said they don't use it, majority of them were old and doesn't know how to use these platforms properly.

3.7.2 Analysis from Findings

Mismatch in Incentive Amounts Received Previously

After talking one-to-one with the distribution representatives one of the notable findings was that there was some mismatch between the incentive amount they were supposed to receive and the actual amount they received from their dealer. A considerable percentage of representatives reported that the amount given by dealers does not align with the amount they were expecting.

We have the statements and records of incentive amounts given from our company to the main dealers to distribute to individual representatives working under them. However, when called and asked some of the amounts didn't match which states that there is some unethical activity or misconduct taking place. Moreover, there are delays in the disbursement even though from the company's side every transaction is happening at the right time.

I believe that the Integration of MFS will mitigate this problem as in this case they will receive the right amount based on their target achievement in their accounts directly at the right time.

Operational Inefficiency from the Dealer's Side

Another major finding was that there was operational ineffectiveness from the dealer side as some of the representatives working under them did not receive incentives timely. Some notified that 2 months' incentives are due and some notified they get incentives late every month. This is a big concern as from the company side the incentives are disbursed timely. The employee satisfaction rate may get lower which can demotivate them and the employee turnover rate in the distribution level may increase for this inefficiency which in the long run will not be beneficial for the company.

Perception On Transaction Security

While the majority of the representatives expressed confidence in terms of the security some remained neutral and expressed concerns. However, they could not specify any exact reason behind it which could be because of their lack of knowledge about these MFS platforms and their security.

Some Other Analysis From the Companies' Side

The challenges and costs that the company used to face in reconciling incentive disbursement will be reduced however, MFS integration for disbursement of incentives will increase the operating cost of the company to some extent. Some platforms require cash-out charges and transaction costs which the company has to give with the incentive amount. Allocating resources for the monitoring of the MFS platform and keeping records and activity related to it may lead to some additional operating costs as well.

However, if we think from a broader perspective, the satisfaction of the distributors will be more beneficial to the company in the long run than the administration costs it will acquire for this integration. Additionally, it will help to retain the distributors and encourage them for better performance in the future.

From the company's perspective disbursement of incentives through other intermediaries or in cash has a risk of fraud and mismanagement. The MFS integration will mitigate this risk as well

with align with broader financial security measures. It will also enhance the market competitiveness in the marketplace for which distributors may prefer working with Reckitt.

3.8 Conclusion & Recommendations

The study reveals that the Integration of MFS for incentive disbursement is a great initiative as it will increase the effectiveness of this disbursement process. Moreover, it has a positive impact on the distribution representatives as they will now directly receive the amounts in their accounts timely. Prompt incentive payments contribute to a motivated and incentivized sales force which ultimately improves the bottom line of any company. In Reckitt the trade distributor representatives play a huge role, and their effective work fosters the sales. A successful integration to disburse the incentives to these representatives timely will surely enhance their commitment towards Reckitt.

However, it is essential to monitor whether the transactions are going into the right accounts. After the payments are made for the first month it need to be cross-checked and verified by the individual representatives. Without proper monitorization the costs of the company may increase more, and it may also increase the dissatisfaction level of the trade Representatives.

Moreover, they should hold meetings once every 3 months interval and hear the complaints or problems the representatives are facing. Additionally, during the meeting the representatives can be asked whether they are receiving the incentives properly or not as it's not possible to call all the representatives every month for cross checking the amounts. The representatives can be given some basic training about how to fill out Google forms and make complaints on the official system as many of them are not aware of how to use these. If they know how to fill up Google forms and give information to the central system, there will be no need to call them to collect information. In this way everything will be more secure and effective.

In conclusion, the integration of MFS at Reckitt Bangladesh PLC to disburse incentives to Distribution Representatives in the trade marketing department will not be just a technological upgrade, it will also contribute to the operation efficiency, transparency and overall satisfaction of the representatives.

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