

Internship Paper
On
“Promotional Strategy of ACI PURE Salt”
“মেধা বিকাশে সাহায্য করে”



Submitted To-

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Letter of Transmittal

19th June, 2014

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Sub: Submission of the Internship Report

Dear Sir:

I am pleased to submit this report, which has been prepared for the requirement of internship program. I have tried my best of my ability to complete the report properly and to bring out a meaningful insight within the constraints. I had to face some difficulties while gaining information for the project. While preparing this report, I have learnt many things regarding the relationship of supply chain, tangible & intangible response and retailer's attitudes towards the Wholesalers, Distributors and overall administration.

I appreciate your kind advice, cooperation, patience and suggestions regarding this report which will definitely help me to go ahead as a brilliant guideline. I will be available for any query and clarification regarding this report whenever necessary.

Sincerely yours,

Soad Rahman

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BRAC Business School, BRAC University

ACKNOWLEDGEMENT

I am grateful to many individuals for completing my internship report successfully. First of all, I would like to thank BRAC Business School and ACI limited for giving me the opportunity of having an Internship program. I have gathered an enormous deal of experience while going through the internship period and preparation of this report.

I am thankful to my Internship Supervisor, Mr. G. M. Shafayet Ullah, Lecturer in BRAC Business School, BRAC University; for guiding me and encouraging me to work on this exciting topic for my internship paper. I strongly believe that, these will assist me a lot to make me more professional and building my future professional career.

I would like to gratify my external supervisor Mr. Reasat Salam, Assistant Brand Manager of Consumer Brand (ACI pure salt), ACI Ltd for his guidance and cooperation to prepare this report. He has enriched me with the necessary ideas and concept for unremitting improvement of the report.

Finally, my heartiest thanks go to others who were involved and helped directly and indirectly to prepare this report. Without them all these wouldn't have been made possible.

EXECUTIVE SUMMARY

ACI Consumer Brands was initiated in 1995 with two major brands of the company – ACI Aerosol and Savlon. These are two of most prestigious products which are enjoying the leadership position in the market. The division started to take new businesses through off shore trading as well as local manufacturing. In this process ACI Consumer Brands launched many new products and also bonded with Joint Venture business relationships with ‘Dabur India’ and ‘Tetley UK’ and attained international alliances with world renowned companies.

A sound mind goes with a sound body-ACI believes in this age old proverb and young generation needs to grow up with healthy physique and sound mind who will lead the nation in future. With this belief, ACI has entered in to the commodity food business with “ACI Pure” Brand. The aim is to provide purest of the food products to Bangladeshi consumers at affordable price for which ACI has invested in very large scale in state of the art manufacturing facilities for daily kitchen essentials like vacuum evaporated edible Salt, Spices and Flour. The products are delighting the consumers by providing 100% dirt free, pure and natural food ingredients which can compete against any international products.

Corporate vision, mission, values, goals and objectives of ACI Limited have been discussed in internship report. Moreover, all the products and services that ACI ltd offers to the customers have been descried. A brief overview and description of the work process have been included with a chart. A concise description about the department is also given in the company profile chapter. In job profile chapter, there have discussion about the nature of the job and the specific responsibilities that had to do throughout the internship period in ACI Limited.

Furthermore, Consumer analysis has been made for promotional strategies to figure out some of the finding regarding the performance of ACI pure salt. Meanwhile suggestions and recommendations were included in order to eradicate the weaknesses of their department. Finally, the report is ended up through including references and sources that have been used to prepare this report.

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Chapter- One

INTRODUCTION

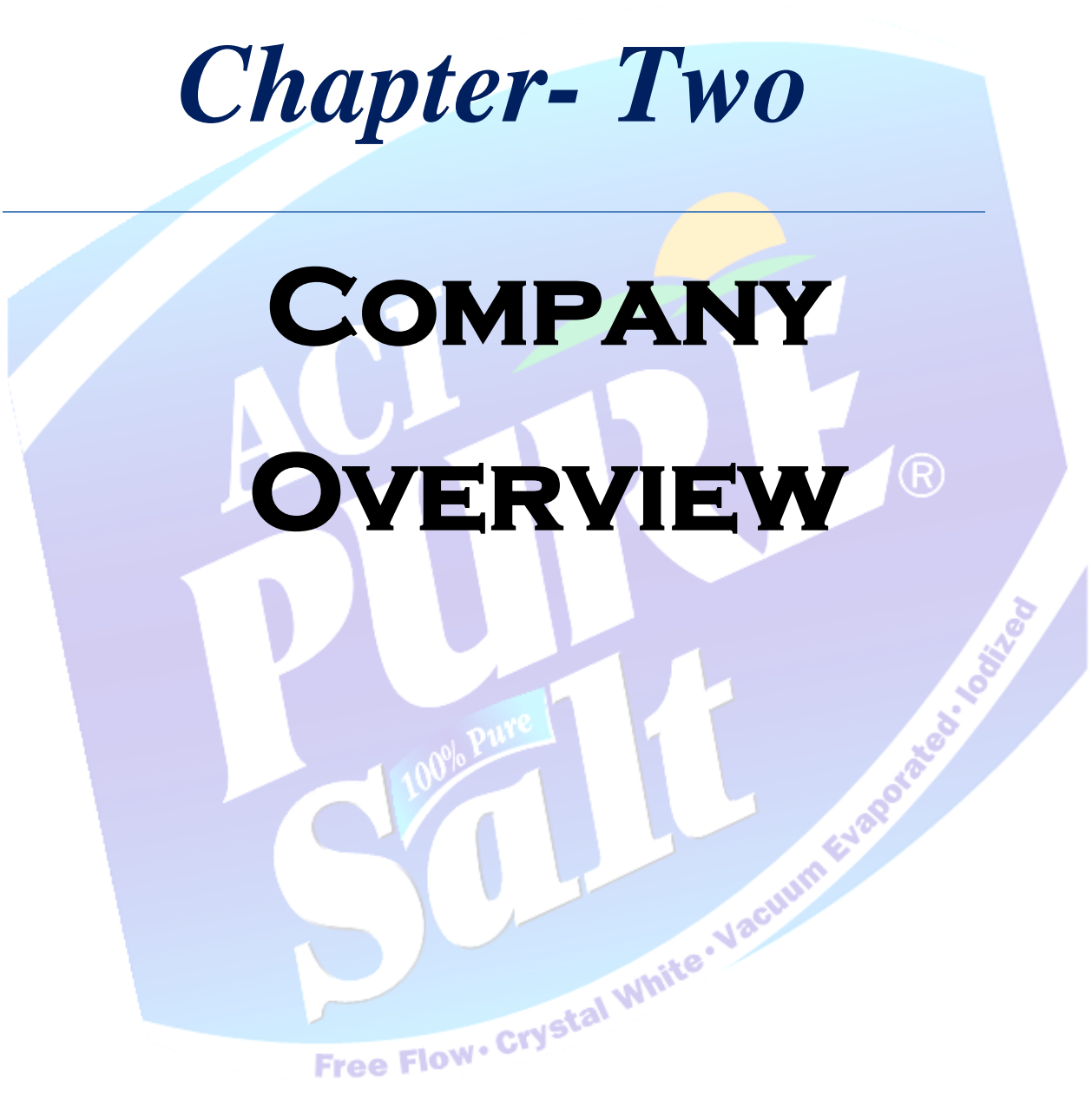


1.0 Introduction:

BRAC University is a well reputed Private University in Bangladesh for higher education. The main objective of the university is to provide proper education to the student who will serve the country as well as make the university proud. It is also providing moral education along with general education. The Bachelor of Business Administration (BBA) program is designed with necessary theoretical & practical courses. Internship is a mandatory part of BBA program. Internship report is the summary of the whole process of Internship. For this purpose, I was assigned to “ACI Ltd.” to have the practical experience after completing the institutional experience. According to the academic curriculum of BRAC University, every student has to do an internship program under any reputed organization. I am grateful to Advanced Chemical Industries Ltd. (ACI) for giving me the opportunity to complete my internship. The journey has been started from the 3rd October 2013 to the 28th February 2014. During the internship period I had been working under the ACI Consumer Brand (ACI pure salt). For preparing this report, it has been gathered information from the superior as well as from the concerned persons of the company. Corporate vision, mission, values, goals and objectives of ACI Limited have been discussed in internship report. Moreover, all the products and services that ACI ltd offers to the customers have been described. A brief overview and description of the work process have been included with a chart. A concise description about the department is also given in the company profile chapter. In job profile chapter, there have discussion about the nature of the job and the specific responsibilities that had to do throughout the internship period in ACI Limited. Furthermore, Consumer analysis has been made for promotional strategies to figure out some of the finding regarding the performance of ACI pure salt. Meanwhile suggestions and recommendations were included in order to eradicate the weaknesses of their department. Finally, the report is ended up through including references and sources that have been used to prepare this report.

Chapter- Two

COMPANY OVERVIEW



2.1 Historical Background

ACI Limited was established as the subsidiary of Imperial Chemical Industries (ICI) in the then East Pakistan in 1968. After independence, the company was incorporated in Bangladesh in 1973 as ICI Bangladesh Manufacturers limited as a Public Limited Company. In 1992, the company was divested to local management and the name of the company changed to Advanced Chemical Industries (ACI) Limited. ACI inherited the rich ICI culture of product quality, customer service and social responsibility. Initially in 1992, ACI started primarily with pharmaceutical business with a turnover of BDT 80 million only but later the new management brought about fundamental changes in the policies and in the year 2008 turnover grew to over BDT 7,365 million. The Company has diversified business interest in pharmaceuticals, agricultural including fishery & livestock and consumer brands. At present, ACI has three strategic business units along with 11 subsidiaries, 3 joint ventures and 1 associate. ACI is the first company in Bangladesh to achieve ISO S001 in 1995 for quality management and also the first company to achieve ISO 14000 in 2000 for environmental management system. ACI is also the first company from Bangladesh to become the honorable member of United Nation Global Compact. It is the only Bangladeshi company which was declared as a notable COP (Communication on Progress) recognized by UNGC (United Nation Global Compact). ACI has been accepted as a founding member of community of Global Growth Companies by the World Economic Forum which is the most prestigious business networking organization in the world.

2.1.1 Important dates and milestone dates of ACI Limited

Date	Event
1968	Imperial Chemical Industries Pakistan Manufactures Limited (ICI Pakistan) was established in the then East Pakistan.
24 January, 1973	Incorporation of ICI Bangladesh Manufacturers Limited.
24 January, 1973	Commencement of Business.
5 May, 1992	Imperial Chemical Industries Pakistan Manufactures Limited divested 70% of its shareholding to local management.
5 May, 1992	The name of the company changed to Advanced Chemical Industries Limited from ICI Bangladesh Manufactures Limited.
9 March, 1994	Listed with Dhaka Stock Exchange.
22 October , 1995	Listed with Chittagong Stock Exchange.

2.2 ACI Policy:

2.2.1 Mission

ACI's mission is to enrich the quality of life of people through responsible application of knowledge, skills and technology. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees to provide the highest level of satisfaction to its customers.

2.2.2 Vision

To realize the mission ACI will:

- Endeavor to attain a position of leadership in each category of its businesses.
- Attain a high level of productivity in all its operations through effective and efficient use of resources, adoption of appropriate technology and alignment with our core competencies.
- Develop its employees by encouraging empowerment and rewarding innovation.
- Promote an environment for learning and personal growth of its employees.
- Provide products and services of high and consistent quality, ensuring value for money to its customers
- Encourage and assist in the qualitative improvement of the services of its suppliers and distributors.
- Establish harmonious relationship with the community and promote greater environmental responsibility within its sphere of influence. [1]

2.2.3 Values

- Quality
- Customer Focus
- Fairness Transparency
- Continuous Improvement
- Innovation

2.2.4 Quality Policy

ACI's mission is to achieve business excellence through quality by understanding, accepting, meeting and exceeding customer expectations. ACI follows International Standards on Quality Management System to ensure consistent quality of products and services to achieve customer satisfaction. ACI also meets all national regulatory requirements relating to its current businesses and ensures that current good Manufacturing Practices (GMP) as recommended by World Health Organization is followed for its pharmaceutical operations. The management of ACI commits itself to quality as the prime consideration in all its business decisions. All employees of ACI must follow documented procedures to ensure compliance with quality standards. The pool of

human resources of the company will be developed to their full potential and harnessed through regular training and their participation in seeking continuous improvement of work methods.

2.2.5 Environmental Policy

ACI is committed to maintain the harmonious balance of our eco-system and therefore constantly seeks ways to manufacture and produce products in an eco-friendly manner so that the balance of nature remains undisturbed and the environment remains sustainable.

- In pursuit of this goal, ACI will comply fully with all local and national environmental regulations.
- Conserve natural resources like water and energy for sustainable development, and adopt environmentally safe processes.
- Ensure appropriate treatment of all effluents prior to discharge, to prevent pollution or degradation of environment.
- Ensure appropriate communication and cooperate with internal and external interested parties on environmental issues.
- Create awareness on environmental issues among employees and suppliers.
- Adopt modern waste management technology.

2.2.6 Global Compact Endorsement

The ACI group has consistently demonstrated its commitment towards its employees and the environment over the years. It has been recognized as the practitioner and promoter of socially responsible business behavior. To take this commitment even further, ACI has endorsed the Principles of Global Compact on August 18, 2003. The Global Compact is a remarkable initiative sponsored by the United Nations Secretary General Koffi Annan. It is based on a very simple notion: whether or not required by law, corporations should enforce basic human rights and accepted labor and environmental standards in all their business activities, to counterbalance possible negative effects of globalization. The compact calls on companies to embrace the ten universal principles in the key areas of human rights, labor standards and the environment. These ten principles are:

Human Rights

- To support and respect International Human Rights within the company's sphere of influence.
- To make sure that their own corporations are not complicit with Human Rights Violation.

Labor

- To end discrimination in the workplace.
- Abolition of child labor.
- The right to collective bargaining and recognition of freedom of association.
- To eliminate the use of forced and compulsory labor.

Environment

- To support a precautionary approach to environmental challenges.
- To undertake initiative to promote greater environmental responsibility.
- To encourage the diffusion of environmentally friendly technology.

Anti-Corruption

- To work against all forms of corruption, including extortion and bribery.
- ACI pledges to keep all its employees, customers, shareholders and suppliers regularly informed about the compact and the company's initiatives to uphold the principles.

2.3 Activities of the organization

ACI Limited is committed to providing customers with a broad range of quality products from its business operations. It has diversified its business in various sectors such as the health care division, consumers' brands division, and agribusiness division. Other than its 3 major strategic business units, it has 11 subsidiaries, 3 joint ventures and 1 associate.

2.3.1 Major Business

2.3.1.1 Pharmaceuticals

ACI formulates and markets a comprehensive range of more than 400 products covering all major therapeutic areas, which come in tablet, capsule, powder, liquid, cream, ointment, gel ophthalmic and injection forms. ACI also markets world-renowned branded pharmaceutical

products imported from world-class multinational companies like ASTRAZENECA, UK and UCB, BELGIUM. ACI is actively engaged in introducing newer molecules and Novel Drug Delivery Systems (NDDS) to meet the needs of present and future. ACI introduced the concept of quality management system by being the first company in Bangladesh to achieve ISO 9001 certification in 1995 and follows the policy of continuous improvement in all its operations. Aligned with the concept that a pharmaceutical must ensure effective management of environment, ACI complies with standard environment management policy, thus adorned with EMS 14001 in 2000. ACI maintains a congenial and supportive relationship with the healthcare community of Bangladesh, with the belief that business excellence can only be achieved through pursuit of quality by understanding, accepting, meeting and exceeding customer expectations.

2.3.1.2 Consumer Brands

This business segment has three major categories of product range- home care, air care and hygiene care. Products under home care category include ACI Aerosol, ACI Mosquito Coil. ACI Aerosol is market leader in the mosquito repellent category having market share of 85%. ACI Coils enjoys very predominant position and striving to become absolute leader in the market place. ACI has also very attractive product range in this Air Care category with Angelic Fresh Air Freshener. This is the first ever locally manufactured Air Freshener of this country whose fragrances has been applauded by the users and has become market leader in two years' time. ACI has another very strong range of products in its Hygiene Product category. Savlon Liquid Antiseptic is the highest selling antiseptics in the country. It has more than 75% market share of its category. Products like Savlon Antiseptic cream, Savlon Family Protection Soap and Savlon Femme Sanitary Napkin, Vanish Toilet Cleaner are also 9 under this category. ACI Consumer brands also deals with products of internationally acclaimed company like Colgate Palmolive and Nivea. Recently ACI Electronics a sub unit of ACI Consumer Brands has launched Panasonic Audio visual items in the country.

2.3.1.3 Agribusiness

ACI Agribusiness is the largest integrator in agricultural sector of Bangladesh. ACI Agribusiness deals with livestock and fisheries, crop protections, seeds, fertilizer and agri-machineries. Under Agribusiness, the following business units are currently operating:

➤ ***Crop Care & Public Health***

Crop care & Public health is dealing with all type of crop protection items. It is providing a complete range of cost effective products which can provide appropriate solutions for the farmers through insecticides, herbicides, and fungicides. This business has been transferred to ACI Formulations Limited form 1st January of this year. ACI Formulation Limited has been listed to Dhaka Stock Exchange and Chittagong Stock Exchange recently.

➤ ***Seeds***

Seeds division is dealing with hybrid rice, vegetable and maize seeds. It has partnership with renowned HYV seed companies of the world. ACI started the seed business in 2006. It has its own research and development stations in Gazipur and Bangladesh Agricultural University, Mymensingh.

➤ ***Cropex***

Cropex is dealing with commodity buying, storing, preserving and selling. ACI Cropex is a remarkable addition to the agricultural advancement in the country. The project assists the farmers in various ways - exchanging their crops at the time of their necessity, providing them with technological assistance and advisory services and so on.

➤ ***Animal Health***

This division is dealing with high quality nutritional, veterinary, poultry medicine and vaccines including proposal for pisi-culture, cattle rearing and cattle fattening. Integrated fisheries and livestock project will be implemented soon.

➤ ***Fertilizer***

This unit is dealing mainly with micro continant and foliar fertilizer with a focus in basic fertilizer. It launched micronutrient fertilizers like Zinc Sulphate, Magnesium Sulphate, Ammonium Sulphate, Boron, Sulphur 90% and Sulphate of Potash. They are being imported from China, U.S.A, Canada, Taiwan, Argentina, and Turkey etc. ACI Agribusiness strives for providing “one stop solution” to farmers by providing all sorts of activities regarding agriculture. ACI Agribusiness is having a strong partnership with national and international R&D companies,

Universities, and research institutions. “Partnership with the farmer” is the main theme of ACI Agribusiness.

2.3.1.4 International alliances

ACI represents Colgate Palmolive Company as exclusive marketing partner and distributor for the territory of Bangladesh. Colgate is the worldwide leader of the oral care products category. ACI was appointed as sole distributor and marketing partner of Beiersdorf AG, Germany; the manufacturer of Nivea brand products. ACI represent Godrej Consumer Products Limited. ACI consumer Brand is also selling low calorie sweetener products of Merisant for weight conscious customers and also for them who want to avoid direct sugar. In additions to these, ACI represents significant number of world’s reputed companies in Pharma and Agriculture sectors.

2.4 Support Functions:

2.4.1 Human Resource

ACI HR works with a vision for creating a work-environment to foster creativity, innovation and productivity for achieving business excellence through dynamic and dedicated people. They believe that Human Resources are the most important asset of the organization. They identify the training needs and provide trainings accordingly to develop the knowledge and skills of their human resources. Thought Leadership and Team Building meetings are conducted on a regular basis. Moreover, they provide an enabling working environment to unleash the full potential of the employees and a performance based career progression. There have a value based culture where dignity of the individual is the highest priority. They believe in empowerment and delegation. ACI ltd. organizes different social events like Family Day, Cricket Tournament, and Badminton Tournament etc. with an objective to strengthen the Bondage among the employees. They practice modern HR Policies and procedures for Recruitment & Selection, Manpower Planning and succession planning. They use a combination of qualitative aspects and Balanced score Card for performance appraisal. There have attractive policies regarding car loan, gratuity, provident fund and hospitalization. They offer performance bonus, leave fare assistance, festival bonus and workers profit participation fund during different times within a year. ACI is a place to learn, grow and contribute for improving the quality of life of people.

2.4.2 Finance & Planning

ACI Finance and Planning function is the nerve center of the conglomerate. Being the nature of the structure, ACI Finance and Planning plays the centralized role in all kinds of financial and accounting services. Meaning it handles financial and accounting matters of not only ACI Limited but also of all of its subsidiaries supporting the mission and vision of the Group. The major areas of its activities include:

- Corporate Finance
- Treasury
- Insurance and risk management
- Costing
- Credit Management
- Accounts payable management
- General accounting
- Taxation
- New business management

ACI finance is pioneering in introducing and implementing state of the art financial tools like electronic banking, integrated accounting systems, better foreign exchange management through hedging, derivatives etc. To allow us to excel in our performance ACI Finance has strong rapport with all the international and major local banks, non-financial institution including leasing companies. Driving force of Finance is its motto which is "to become most value adding business partner". To drive this vision, ACI Finance proactively helps business in providing right and timely information, analysis, budgetary management and participating in cross-functional team. The Planning function not only compiles and coordinate the company plan of the conglomerate but also instrumental in feeding the CEO and top team different macro and micro economic situation of the country as well as world in large. These in-depth analyses help the company to make correct and pragmatic decision as a part of strategic initiative. The new business development area is one of the most exciting areas in ACI. Here, they keep a track on potential areas of growth being envisaged in the country, these are followed by rigorous analysis

and subsequently matching these with ACI's competence. This allows ACI's growth engine to get enough fuel to take its course forward.

2.4.3 Commercial Department

Commercial Department of ACI is one of the most vital functional departments of the Company which deals with the supply chain activities of ACI. In order to keep all the businesses running flawlessly, the dedicated and hardworking employees of this department maintain a good liaison with the customers, both national and international. The Commercial Department is consistently achieving the best prices for the products that they purchase, ensuring enormous amount of cost savings for the company. It offers invincible professionalism and expertise in the entire commercial activities of ACI.

2.4.4 MIS Department

MIS department of ACI ensures the overall IT related supports for the company. This department manages a smooth operation of software's, hardware trouble shooting and business databases related to sales and inventory. The MIS department consists of knowledgeable and skilled programmers and software developers. MIS provides customized report and data analysis to the management to facilitate effective decision making.

2.4.5 Training

Training activities of ACI is focused on transforming its human capital to achieve business excellence by increasing the bandwidth of ACI workforce. To win present and future challenges they identify knowledge and skill sets that are pivotal factors and design a variety of programs so that achieving such success by using creativity, agility, flexibility, skill diversity and IT technology becomes a custom. They scan external environment for comparing industry practices, benchmark best practices and implement competency management programs to offer outstanding services to our valued customers. Enormous and spontaneous shared efforts are made with the strategic intent of achieving excellence in delivering customized services to meet the ever changing development needs of the human resources. ACI Ltd. design strategic learning roadmap consisting tailored learning strategies for each of our employee clusters of the business divisions, based on a shared vision, to make us a proud member of a learning organization. They adopt best technology based modules, methodologies, facilities, in-house and external

faculties/trainers to ensure the best return from human development investments. Corporate Values of ACI are embedded in the process of designing, developing and delivering each activity of Training Department throughout the organization.

2.4.6 Distribution Network

The company maintains strategically located sales centers in nineteen different locations across the country. It has developed an advanced distribution system through its more than 300 skilled and trained manpower and a large fleet over eighty vehicles. The distribution system is capable of handling continuing volume of diverse range of products from the various businesses. The company's distribution centers are highly streamlined, computerized and automated. They are capable of maintaining a cold chain for some specialized range of products such as vaccines and insulin. The combination of this advanced function and multidimensional capabilities made it possible to handle hundreds of products efficiently.

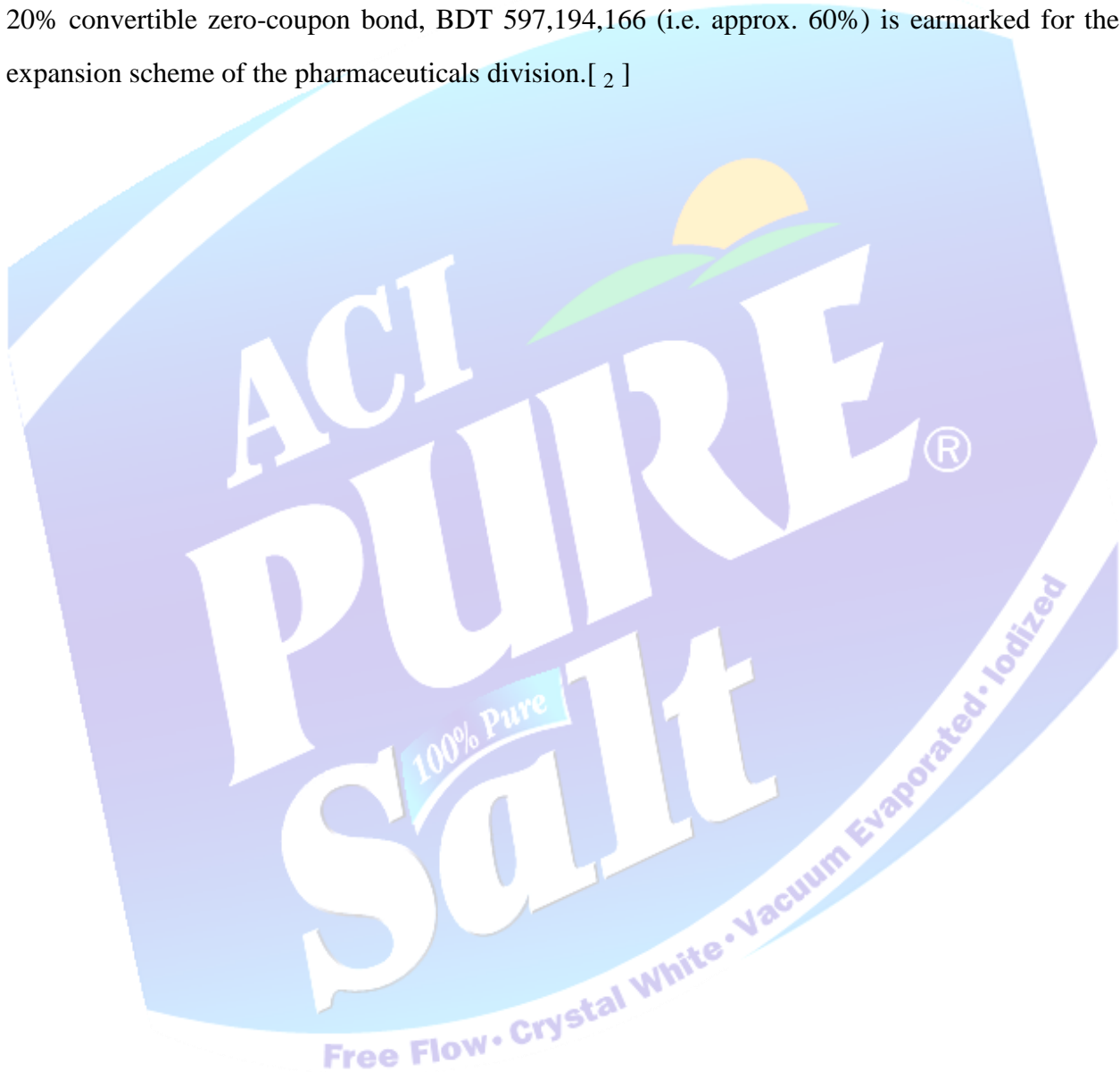
2.4.7 Administration Department

The Corporate Administration Department is responsible for overseeing the overall operation in accordance with the policies and procedures adopted by the organization. The Department is also responsible for fulfilling the statutory corporate administration responsibilities and duties. The Department coordinates and follows through on the short and long term strategic planning and acquisition of corporate computer equipment, services, and telecommunications equipment and services. This ensures the effective operation of the flow of information services infrastructure and supports the various processes of the organization.

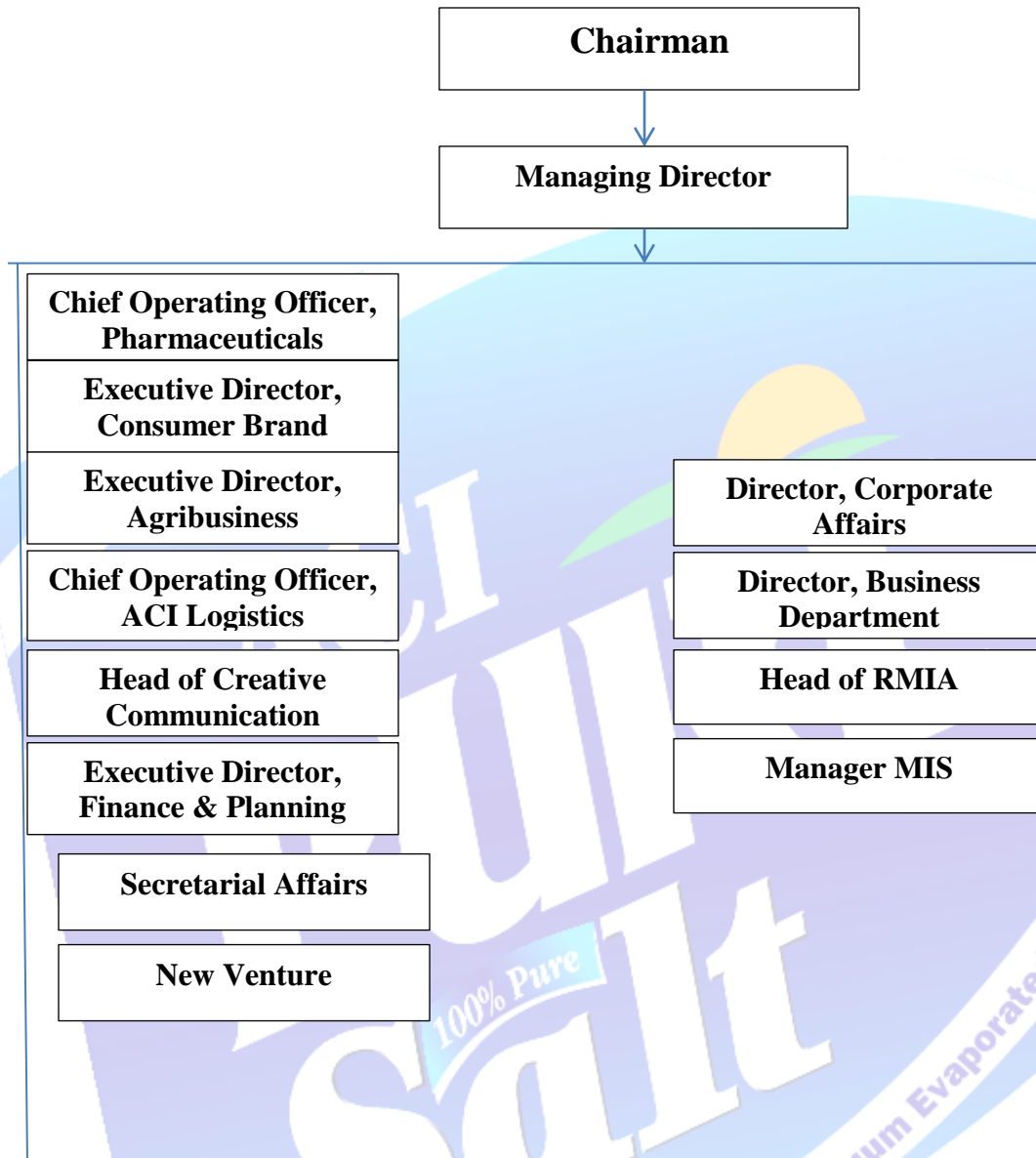
- Provides support and service for the activities of the Board of Directors
- To create appropriate condition for efficient operation of structural subdivisions
- Coordination of construction, maintenance, rent and keeping buildings issues
- Coordination of issues as logistical support of Bank activities
- Maintain coordination with Govt. regulatory bodies and supervise all incidents.
- Manage the overall transport maintenance and safety issues.
- Control the inventory management and confirm security.
- Proper coordination in space allocation, premises maintenance and communication services

2.5 Future Plans

ACI Pharmaceuticals is expected to be introducing three new lines of medicine products namely Anti-Cancer, Hormone & Steroid and Amino Acid. For this new initiative, Company needs funding facilities to allow it to import capital machinery and carry out construction of physical facilities. Out of the total proceeds of BDT 1.00 billion that will be raised through issuance of 20% convertible zero-coupon bond, BDT 597,194,166 (i.e. approx. 60%) is earmarked for the expansion scheme of the pharmaceuticals division.[2]



2.6 Organizational Structure:



Chapter- Three

INTERNSHIP PART



3.1 Nature of the Job:

Mainly I worked at ACI Limited as a Market Auditor of Consumer Brand (ACI Salt). My supervisor was Assistant Brand Manager Md. Reasat Salam. He supervised my auditing. I went to different retail markets to know about the market share of ACI salt and others salt brand. Moreover, I directly communicated with retailers to monitor the trade price and trade offerings as well as stock of the product. Then, I would submit my audit report to my GSM (General Sales Manager) Md. Zahidul Alam. He instantly would take action to improve the ACI Salt market share. In a nut shell, I would brief the overall scenario of ACI Salt in different retail markets.

3.2 Different aspects of job performance:

The market audit is characterized as a systematic, comprehensive, objective, and independent approach which can assist the manager to understand the working of the individual parts of the organization and their contribution to the total system geared toward the achievement of the organizational objectives. An empirical study of the marketing audit can provide some insight into management's perception of the benefits of the marketing audit as well as the current procedural aspects of the marketing audit, which are currently lacking in the literature.

In 1967, Kotler identified the marketing audit as something apart from as more comprehensive than the other control efforts of the firm. It was indicated that a clear understanding and evaluation of the entire marketing operation would be helpful to avoid dealing with symptoms rather than addressing the fundamental organizational marketing problems.

3.2.1 Steps in a Marketing Audit:

How is a marketing audit performed? Marketing auditing follows the simple three-step procedure shown in Figure.



Setting the Objectives and Scope:

The first step calls for a meeting between the company officer(s) and a potential auditor to explore the nature of the marketing operations and the potential value of a marketing audit. If the

company officers are convinced of the potential benefits of a marketing audit, they and the auditor have to work out an agreement on the objectives, coverage, depth, data sources, report format, and time period for the audit.

Gathering the Data:

The bulk of an auditor's time is spent in gathering data. Although we talk of a single auditor, an auditing team is usually involved when the project is large. A detailed plan as to who is to be interviewed by whom, the questions to be asked, the time and place of contact, and so on, have to be carefully prepared so that auditing time and cost are kept to a minimum. Daily reports of the interviews are to be written up and reviewed so that the individual or team can spot new areas requiring exploration while data is still being gathered.

Preparing and Presenting the Report:

The marketing auditor will be developing tentative conclusions as the data comes in. It is a sound procedure for him or her to meet once or twice with the company officer before the data collection ends to outline some initial findings to see what reactions and suggestions they produce. When the data-gathering phase is over, the marketing auditor prepares notes for a visual and verbal presentation to the company officer or small group who hired him or her. The presentation consists of restating the objectives, showing the main findings, and presenting the major recommendations. Then the auditor is ready to write the final report, which is largely a matter of putting the visual and verbal material into a good written communication. The company officer(s) will usually ask the auditor to present the report to other groups in the company. If the report calls for deep debate and action, the various groups hearing the report should organize into subcommittees to do follow up work, with another meeting to take place some weeks later. The most valuable part of the marketing audit often lies not so much in the auditor's specific recommendations but in the process that managers begin to go through to assimilate, debate, and develop their own concept of the needed marketing action.

3.3 Critical Observations:

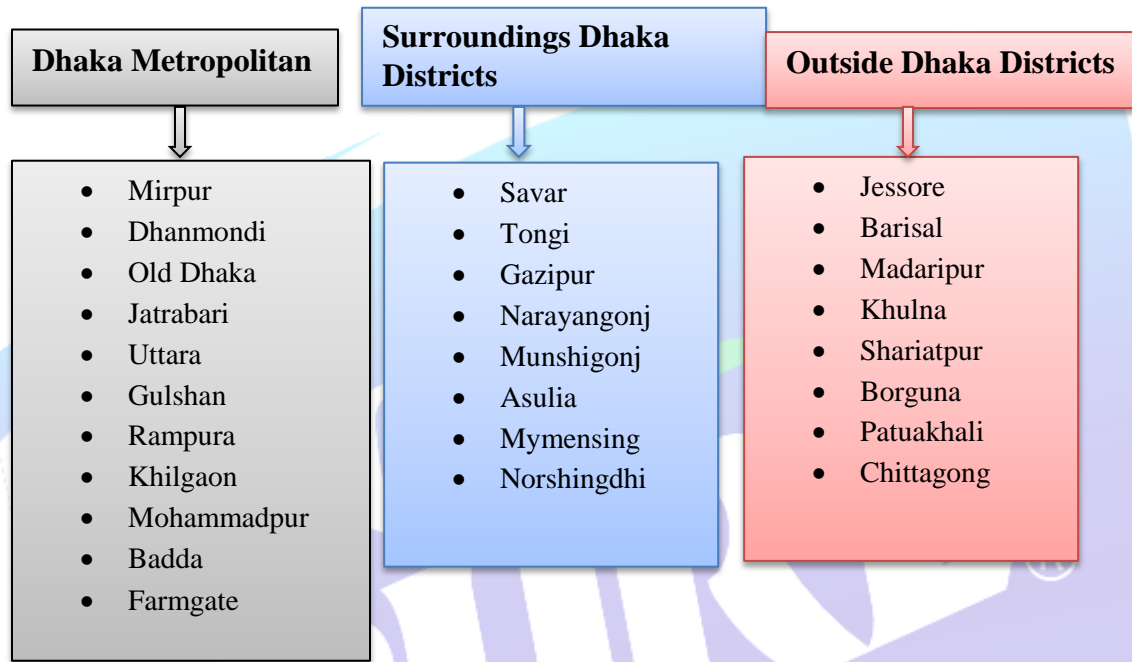
3.3.1 Advantages of Market Audit:

A marketing audit can be defined as a systematic, periodic and a comprehensive procedure of checking out the marketing activities of a concern. Some of the other benefits and advantages of marketing audit are as follows:

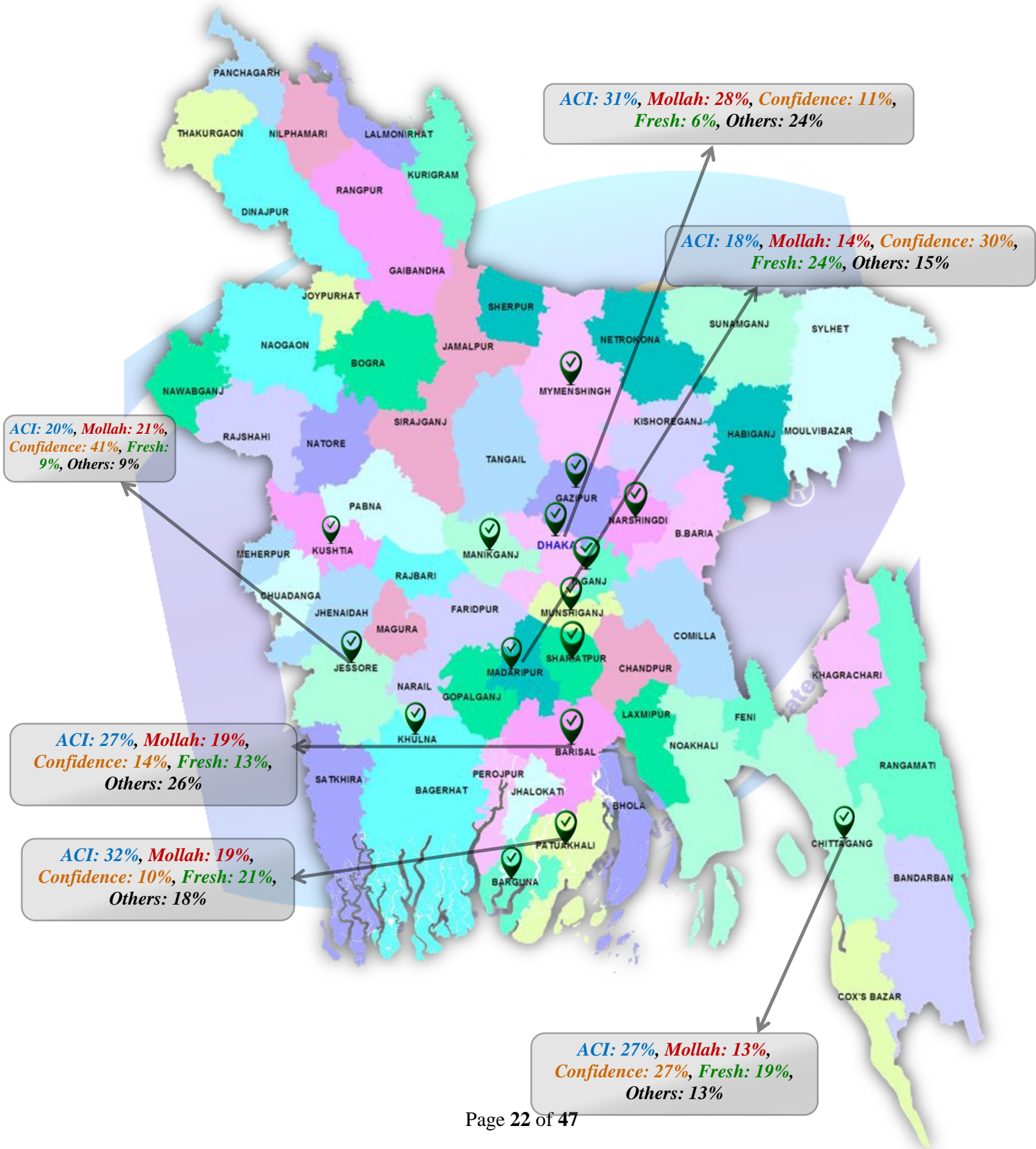
- The audit provides the marketers with an in depth view of the marketing activities that are going around in the concern. It brings out a complete picture of the entire operations of the concern. While revealing the various drawbacks the audit process also leads to efficiency. This process can also be used to lay down an improved marketing plan.
- A marketing audit can help a company refine its business practices and improve its productivity and profitability.
- Marketing audit helps to marketing executives, top management and investors to ensure that they are doing the right things to help drive growth for their organizations.
- A marketing audit is a careful examination and evaluation of marketing practices and results. It offers a baseline for performance measurements and a framework for effective business planning to maximize positive external perception and demand generation.
- An audit helps the company determine the value of a sale and a sales lead.
- There are no permanent "right" answers in marketing. Customers' needs and wants are moving targets, and marketing programs require testing and retesting to find the most profitable formula. A marketing audit is the way to achieve success by providing an interim report card to help the company and their staffs tap into inherent resource.
- Marketing audits often lead to strategic marketing change. Careful assessment of the changing environment, customers, channels, and competitors may lead to a reassessment of firm direction.

3.3.2 Market Overview:

We have visited different areas or places like Dhaka Metropolitan city and out of the Dhaka city to find out the ACI salt market share. Moreover, we have visited different districts. We can divide three categories. Like –



In these areas and districts we have visited near about 1000 retail shops. We have found some observation regarding the ACI salt and other salt brands throughout the country. We can get that idea from the following map. Picture 3(A).



3.3.3 Findings of the Market Audit:

As we have visited different places, we can find out some drawbacks for ACI salt that causes fall down its market share in some places. These are following below-

➤ **Lack of proper monitoring:**

In some areas like, Gowronodi (Barisal), Mawkaran (Patuakhali) we have found ACI market share was very low. While we were asking to retailers, they complained for irregular monitoring. SR (Sales Representative) and distributors didn't come frequently for providing ACI salt. It is therefore, others salt brand got chance to grab that market.

➤ **Lack of achieving credibility among retailers and distributors:**

Behavior and approach is very important for achieving credibility among distributors & retailers. In some areas distributors couldn't behave politely towards the retailers. Moreover, distributors would provide their products particularly to the wholesalers. They neglect the small retailers who were likely to purchase their products. As a result, market share of ACI pure salt were getting low.

➤ **Comparatively weak trade offers:**

Trade offer is one kind of promotion to attract the retailers. But due to weak trade offers retailers were not willing to purchase ACI pure salt. Comparatively the market rivals like Mollah super, Confidence would provide attractive trade offers.

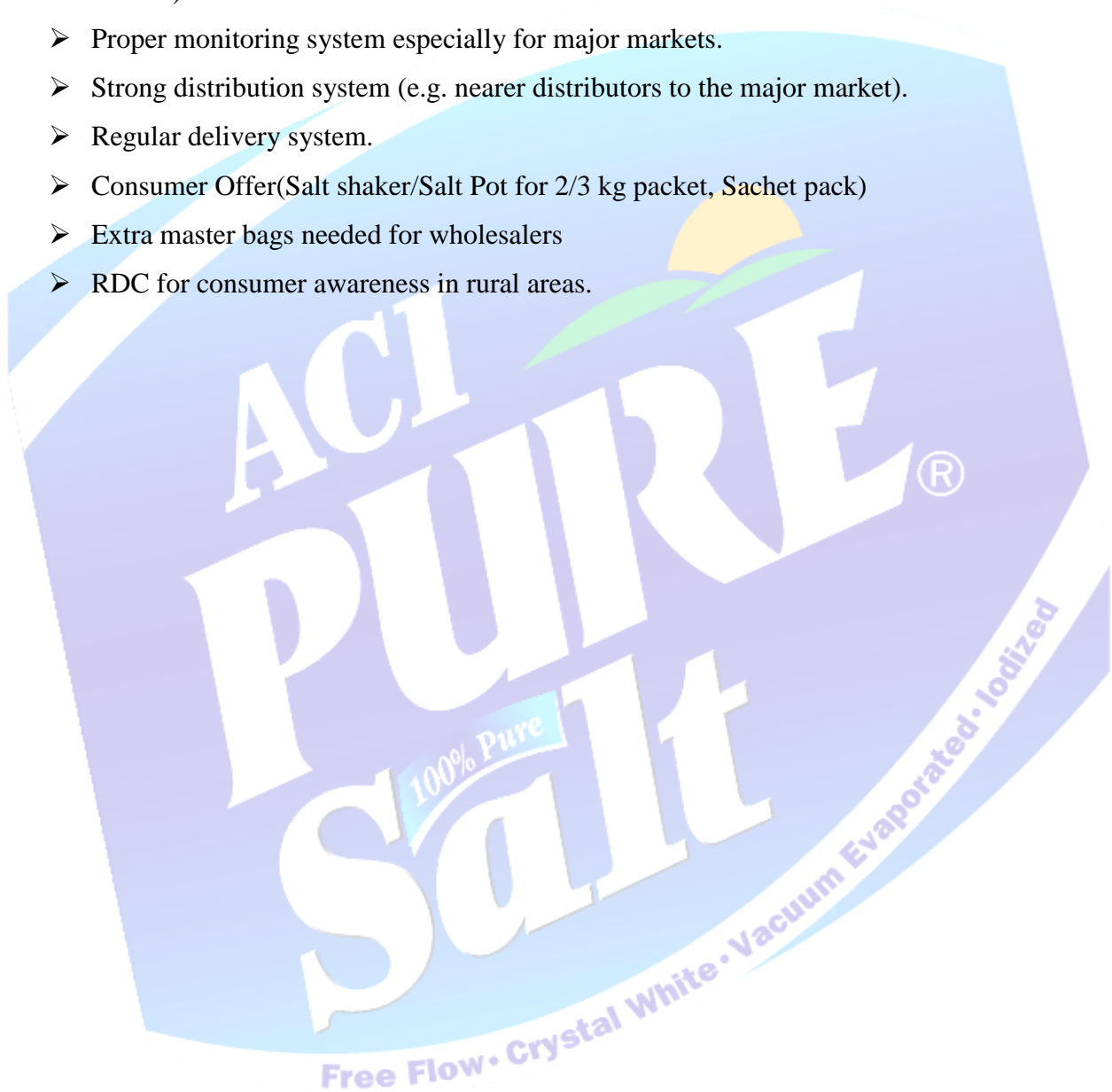
➤ **High price differentiation between ACI & others salt:**

We have found that price is the one kind of the major factor to get lower market share. The trade price of the ACI pure salt is 525BDT. However, Mollah super trade price is 500BDT including trade offers. Confidence trade price is 475 BDT. It is therefore, the price gap between the ACI pure salt and others salt brands was high. Retailers purchase lower trade priced products.

3.3.4 Recommendation:

To get improvised the ACI salt market share we have recommended to the company which factors should be given importance for picking up the market share. These are following below-

- Trade Offer for target sells in small towns. (E.g. mobile, TV or Discount for 100/300 cartons).
- Proper monitoring system especially for major markets.
- Strong distribution system (e.g. nearer distributors to the major market).
- Regular delivery system.
- Consumer Offer(Salt shaker/Salt Pot for 2/3 kg packet, Sachet pack)
- Extra master bags needed for wholesalers
- RDC for consumer awareness in rural areas.



Chapter- Four

PROJECT PART



4.1 Summary of the Project:

Promotional tools are a vital part of a marketing strategy. In this report I have discussed about how the organization is using its promotional tools like TVC, RDC, Billboard, Trade offers and so on. Moreover, I have focused on some important strategies that are effective for boosting up the sales.

4.2 Origin of the Report:

As a compulsory part of Internship program, this particular report is being prepared on the proposed topic “**Promotional Strategy of ACI Salt**”. The intention was to give an opportunity to the students to gain some real world experience by working in a practical environment. The internship supervisor was Mr. Reasat Salam (Asst. Brand Manager) Consumer Brands (ACI pure salt); ACI Limited and the faculty advisor was G M Shafayet Ullah Lecturer, BRAC Business School, BRAC University Dhaka-1213

4.3 Objective of the Project:

The main objective of the project is to get a definite idea about how the promotional strategy plays a vital role for improvising the sales. Though the title “Promotional Strategy of ACI salt” is very lengthy strategy, the specific objectives are as follows:

- To know the promotional tools of ACI salt
- To get idea about how promotional strategies effect on sales.
- To generate a new promotional tools for booming the sales.

4.4 Methodology:

Analysis has been made on the basis of the objectives mentioned before in the context of “**Promotional Strategy of ACI salt**”. The paper will be written on the basis of information collected from primary and secondary sources.

(i) **Primary Data:** Discussion with the respective organization's officials.

(ii) **Secondary Data:** For the completion of the present study, secondary data has been collected.

The main sources of secondary data are:

- Annual Report of ACI.
- Website of ACI (www.aci-bd.com).

4.5 Limitations:

To make a report various aspects and experiences are needed. But I have faced some barriers for making a complete and perfect report. These barriers or limitations, which hinder my work, are as follows:

- Difficulty in accessing data of its internal operation.
- Some information was withheld to retain the confidentiality of the organization.

I was placed for only around 3 months of time & working like a regular employee hindered the opportunity to put the effort for the study. The time spent was not sufficient enough to learn all the activities of the organization properly. Therefore, it was very difficult to carry out the whole analysis.

4.6 Literature Review:

Promotion is one of the market mix elements or features, and a term used frequently in marketing. The specification of five promotional mix or promotional plan. These elements are personal selling, advertising, sales promotion, direct marketing, and publicity. A promotional mix specifies how much attention to pay to each of the five subcategories, and how much money to budget for each. A promotional plan can have a wide range of objectives, including: sales increases new product acceptance, creation of brand equity, positioning, competitive retaliations, or creation of a corporate image. Fundamentally, however there are three basic objectives of promotion. These are:

- To present information to consumers as well as others.
- To increase demand.
- To differentiate a product.

There are different ways to promote a product in different areas of media. Promoters use internet advertisement, special events, endorsements, and newspapers to advertise their product. Many times with the purchase of a product there is an incentive like discounts, free items, or a contest. This is to increase the sales of a given product.

The term "promotion" is usually an "in" expression used internally by the marketing company, but not normally to the public or the market - phrases like "special offer" are more common.

Promotional activities to push a brand enabling social media channels to spread content making something viral such as the advertising by Coke using the release of a new bond film creating a

huge amount of attention which then gets promoted across all social channels by people spreading the information due to excitement.

Promotion can be done by different media, namely print media which includes Newspaper and magazines, Electronic media which includes radio and television, Digital media which includes internet, social networking and social media sites and lastly outdoor media which includes banner ads, OOH (out of home). [3]

4.7 Promotional strategies of ACI salt:

4.7.1 Objectives of the campaign of ACI salt:

The latest ACI Pure Salt campaign should be designed keeping the following objectives in mind:

- 1. Most Preferred Brand:** ACI Pure Salt must maintain its position as the most preferred brand and establish itself as the same among a wider range of consumers.
- 2. Driving the category:** The category size has to be increased by converting normal salt users to 100% pure vacuum salt users.
- 3. Market Share:** ACI Salt has to gain market share from the existing players in the vacuum salt industry.
- 4. Emotional Appeal:** The promotional tools like TVC, Bill Board should be relevant and appeal emotionally to the consumers so that they feel connected with the brand.

4.7.2 Promotional Mix:

Promotion has been defined as the coordination of all seller-initiated efforts to set up channels of information and persuasion in order to sell goods and services or promote an idea. While implicit communication occurs through the various elements of the marketing mix, most of an organization's communications with the marketplace take place as part of a carefully planned and controlled promotional program. The basic tools used to accomplish an organization's communication objectives are often referred to as the promotional mix.

Traditionally the promotional mix has included four elements: Advertising, Sales promotion, Publicity/Public relations, and Personal selling. Each element of the promotional mix is viewed as an integrated marketing communications tool that plays a distinctive role in an IMC program. Each may take on a variety of forms and each has certain advantages.

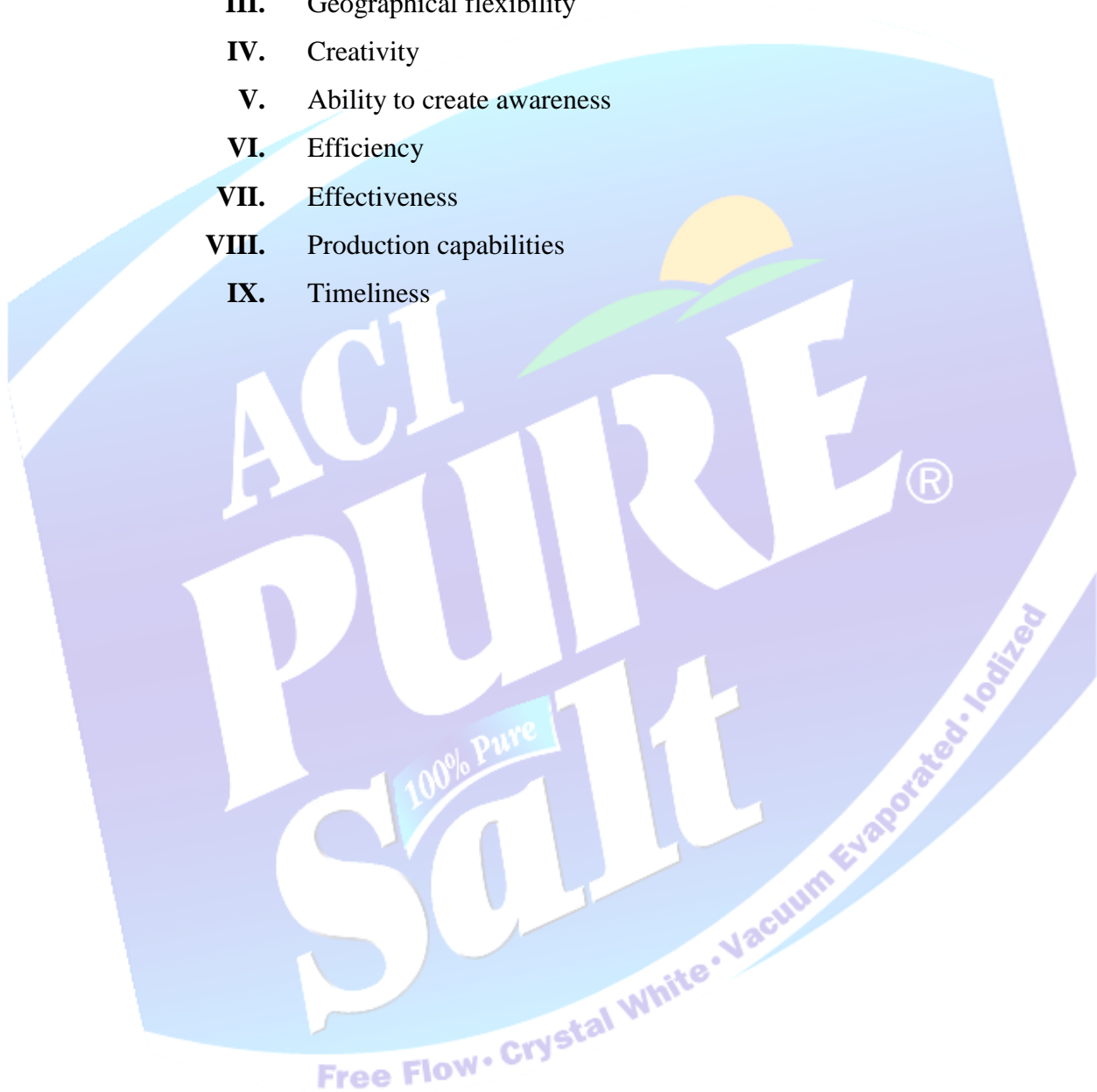
ACI ltd used certain types of promotional mix for its consumer brand (ACI salt). Like,

- **Advertising:** Advertising is defined as any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor. Mainly, ACI salt uses a few numbers of non- personal components like, TVC, Newspapers. It is the best known and most widely discussed form of promotion, probably because of its pervasiveness. [4] It is also a very important promotional tool, particularly for ACI companies whose products are targeted at mass consumer markets. Furthermore, it is the most cost effective way to reach large numbers of consumers.
- **Sales promotion:** Sales promotion is generally defined as those marketing activities that provide extra value or incentives to the sales force, the distributor, or the ultimate consumer and can stimulate immediate sales. Sales promotion is generally broken into two major categories: Consumer oriented & Trade oriented activities.

ACI salt mainly uses *Trade oriented* sales promotion which is targeted toward marketing intermediaries such as wholesalers, distributors, and retailer. Promotional and Merchandising allowances, price deals, sales contests and trade shows are some of the promotional tools used to encourage the trade to stock and promote a company's product. In recent times salt industries have shifted the emphasis of their promotional strategy from advertising to sales promotion. Reason for the increased emphasis on sales promotion includes declining brand loyalty and increased consumer sensitivity to promotional deals. Another reason is that retailers have become larger and powerful and are demanding more trade promotion support from companies. For instance, the actual trade price of ACI pure salt per sacks is 525BDT excluding sales offering. If trade offers is given, the price will be 475BDT. Alternatively, they give two kilogram salt remaining the actual price to the retailers. However, the Mollah Super salt trade price is 460 BDT per sacks including sales offers. If we compare between two salt brands in retail markets, ACI pure salt is much higher than the Mollah super. Moreover, Mollah super gives certain types of gifts or incentives to the retailer to stimulate the sales. It is therefore, small retailers keep a huge number sacks in their store. When we visited different types of retail shops, they complained us to reduce the trade price of ACI and more sales offers were expected to raise the ACI pure salt sales volume.

➤ **Out of home advertising:** It includes Billboards, Street furniture, Alternative media and transit. ACI pure salt uses Billboard advertising for some certain reasons. Like,

- I. Wide coverage of local markets
- II. Frequency
- III. Geographical flexibility
- IV. Creativity
- V. Ability to create awareness
- VI. Efficiency
- VII. Effectiveness
- VIII. Production capabilities
- IX. Timeliness



Size: W 40 x H 20 ft



এ সি আই পিওর লবণ
মেধা বিকাশে সাহায্য করে

Size: W 40 x H 20 ft



এ সি আই পিওর লবণ
মেধা বিকাশে সাহায্য করে

Size: W 45 x H 18 ft



এ সি আই পিওর লবণ
মেধা বিকাশে সাহায্য করে

Size: W 36 x H 18 ft



এ সি আই পিওর লবণ
মেধা বিকাশে সাহায্য করে

4(A) Picture- Billboard of ACI pure salt

4.7.3 Perspective of Consumer Behavior:

There are some factors to identify the consumer mind set which is mainly used for making TVC and Billboard. These are following below-

1. **The Target Consumer Affinity Group** (Demographic and psychographic profile):

- **Demographic Profile:**

Age: 25 – 40 years

Gender: Bias towards female

Education: University graduate

Income: BDT 12,000+

Marital status: Married

Household composition: Small family with children

- **Psychographic Profile:**

Lifestyle: Trendy

Social class: Middle & Upper

Opinion: Opinion leaders

Attitudes and beliefs: Sincere and family oriented

2. **The current consumer behavior, attitude and mindset:** (key insights towards the category, our brand, and/or competition)

- In presence of multiple brands, most consumers prefer to purchase ACI Pure Salt over others.
- Since it is directly related to mental faculty development, edible salt must contain iodine in adequate quantity. This is a key issue in the consumer's & the stakeholder's mind while purchasing salt. Iodization of salt is also mandatory by law.
- Health and hygiene issues are of utmost importance in Salt as it is a nutrient consumer uses every day.
- Consumers do not understand production processes; all they want is properly iodized clean dirt free salt.
- Generally the first and last week of every month is considered as the buying cycle for salt. (may be used for media planning)

3. **The desired consumer behavior, attitude and mindset** (towards the category, our brand, and/or competition) **after seeing the communication:**

- ACI Pure Salt should be the generic name for Vacuum Evaporated Salt in consumer's mind. ACI Pure Salt should be the number 1 brand in top of mind awareness of the consumers when it comes to the salt category.
 - *"I should provide my family with ACI PURE Salt since it contains ideal level of iodine which helps in mental faculty development. I should not deprive my family when it comes to the merit of my children."*
 - ACI Pure Salt and I dream of a dazzling and flourishing future of my children.
 - Salt is something I use in preparing all kinds of foods, so it must be 100% pure, hygienic and iodized.
 - ACI PURE Salt & I believe that purity is the vital essence of a happy & healthy family.
 - ACI PURE Salt comes from the quality house of ACI, who has a proven track record of quality in pharmaceuticals and consumer goods business. ACI Pure Salt is produced using the state of the art machinery adhering the strict quality standards. So ACI PURE Salt should be chosen over all other brands while purchasing salt.
4. **The pivotal consumer insight our brand can leverage to achieve the desired consumer change:** (the deep consumer truth that the brand can capitalize on in the communications. Refer to researches, observations, category understanding etc.)
- I want my children to be healthy, brilliant, and successful. I will give them the best I can so that, they reach their full-potential.
5. **Role of the brand in relation to this insight:** (benefit proposition considering the insight)
- ACI PURE salt offers properly iodized, world's best quality, 100% pure edible salt which helps in development of mental faculties (merit) and in leading a healthy life.

6. Reason to Believe:

- ACI PURE Salt comes from the quality house of ACI. With world class technology and most modern machineries, ACI PURE Salt is processed through the most modern vacuum evaporation system which ensures 100% pure, crystal white, **properly iodized** and free flowing edible salt.

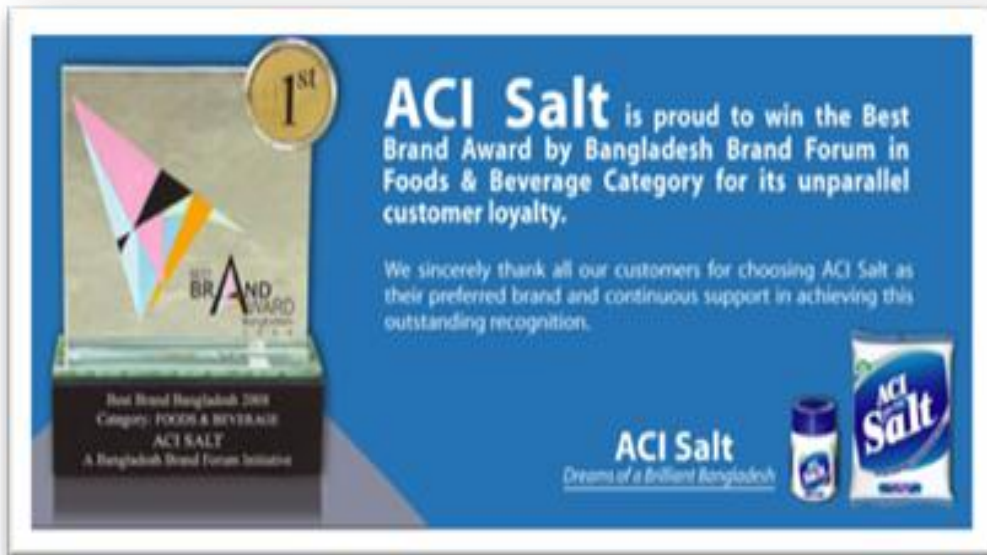
ACI PURE Salt – Helps develop the mental faculty.

7. Executional Elements: (specific elements that need to be incorporated)

- Detailed product window – communicating key product features (Crystal white, free flow, etc.)

4.7.4 Achievement:

ACI Salt was launched in 2005. Within the very short period it has been enjoying the pride of the Brand Leader. The best in its kind, ACI Salt is vacuum evaporated, free flowing and properly iodized. It is also very porous and free flowing. Iodine is coated in every single grain which makes it an essential product for the children; the absence of right quantity of iodine in their food may cause mental disability to them. ACI Salt has won the three times "BEST BRAND OF BANGLADESH AWARD consecutively 2008, 2011 & 2013" for unparalleled customer loyalty beating all the brands in Foods & Beverages category.[5]




1st

ACI Salt is proud to win the Best Brand Award by Bangladesh Brand Forum in Foods & Beverage Category for its unparallel customer loyalty.

We sincerely thank all our customers for choosing ACI Salt as their preferred brand and continuous support in achieving this outstanding recognition.

Best Brand Bangladesh 2011
Category: FOODS & BEVERAGES
ACI SALT
A Bangladesh Brand Forum Initiative

ACI Salt
Dreams of a Brilliant Bangladesh



100%
SALT
Free Flow • Crystal White • Vacuum Evaporated • Iodized

4.7.5 SWOT Analysis:

Strength

- Strong Brand Image.
- Strong in mass marketing.
- Market leader in big cities & VIP residential areas.
- Easily get distributor as a group of companies.
- Has a strong customer preference in big cities.
- First choice for vacuum salt

Weakness:

- Irregular delivery system outside the big cities.
- Conflicts for SBU.
- Weak Packaging.
- Weak inventory management system in Depot.

Opportunities

- Opportunity for creating potential markets.
- Introducing new variant of ACI Salt.
- Introducing new type of salt.

Threats

- Political violence
- Bargaining power of customer –Retailer is increasing.
- Entry of new competitor.

4.8 Findings:

During the whole internship period I have found some critical observation. These are following below-

- **Comparatively high trade price (TP):** Due to the high trade price ACI pure salt cannot make peak up their sales. Retailers are dissatisfied with their prices
- **No special offer for target sells:** There have not given special offer for retailers for creating target sales.
- **No special monitoring for major markets:** There are innumerable markets in Bangladesh. No special monitoring systems for major markets have not been made yet. Therefore, weak monitoring system reduces its sales.
- **Opportunities for other brands for irregular supply of salt:** Many retailers cannot get their salt on time. Therefore, others brand create an advantages for irregular supply of salt.
- **Gap in retail market for whole sale business in some areas:** There are few areas which market share is very low. In these areas wholesalers are not there. As a result, it is created a gap in retail market for wholesale business.
- **Sellers are confused of price for more than one distributor in some areas**
- **Irregular delivery is a major issue especially in small towns.**
- **Distributor's point is far away to the market comparatively other brands.**
- **Damage of master bag for weak inventory management.**

4.9 Recommendations:

There are some suggestions to compete with the market rivals. This are-

- ACI pure salt is a vacuum evaporated salt. There are certain numbers of market competitors who actually produce same type of VE salt. So, ACI can introduce a new type of salt like-Smoked sea salt.

- Packaging system should be improvised so that we can compete with international markets.
- Quick delivery system so that retailers can get easily their products before finishing their stock.
- Trade price need to be competitive in which every retailer can purchase ACI pure salt easily.
- Proper monitory system in every retail markets. Like- rural areas.

4.10 Conclusion:

ACI was established as the subsidiary of Imperial Chemical Industries (ICI) in 1968. After independence the company has been incorporated in Bangladesh on the 24th of January 1973 as ICI Bangladesh Manufacturers Limited and also as Public Limited Company. ACI Limited is one of the leading conglomerates in Bangladesh, with a multinational heritage. ACI Administration Department is the blood circulation for the whole ACI Centre. By this way ACI Administration Department provides all the facilities to the ACI Centre and tries to solve all types of problem that can affect the organization. The company has diversified into four major businesses. FMCG business is one of them. There is innumeros SBU under the FMCG products. ACI pure salt is one of them. It is the first VE salt in Bangladesh. Gradually, VE salt market expanded. It is therefore, Competition became more acute. However, ACI pure salt would keep its brand image and loyalty by assuring its product quality. As a result, it became the market leader in Bangladesh. In a nut shell we can say, If ACI pure salt keep remaining the market leader, its administration system need to be strong at retail markets.

Chapter- Five

ATTACHMENT

&

REFERENCES



ACI Salt Limited										Total Stock	Market Share
Market Visit Report											
Area										ACI	
Zone										Mollah Super	
Auditor										Confidence	
Date										Fresh	
										Others	
										Total	
No. of Shops Visited				45	ACI Presence	30				67%	
Sl No.	Shop Name & Address	Cell No.	ACI Stock	Mollah Super Stock	Confidence Stock	Fresh Stock	Others				
1											
2											
3											
4											
5											
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5.1 (Attachment of Market visit survey report format)

5.2 References

1. ¹ www.aci-bd.com
2. ² Hossain, Tania , Internship Report on “Administrative Operation Wheel of ACI Limited”, 26th December,2012
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4. ⁴ www.smallbusiness.wa.gov.au/marketing-promotion-strategy/
5. ⁵ ACI Annual Report 2013-2014

