

# Promotional Strategy of ACI Salt



Internship Report



## **Internship Report on Promotional Strategy of ACI Salt**

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**BUS 400 – Internship**



**Submitted To:**

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**Date of submission: 10/05/2014**

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10<sup>th</sup> May, 2014

Ms. Sohana Wadud Ahmad

Lecturer

BRAC Business School

BRAC University

**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,

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**Mobin Ahmed Chowdhury**

ID-09204051

BRAC Business School, BRAC University

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## ACKNOWLEDGEMENT

I am grateful to many individuals for completing my internship report successfully. First of all, I would like to thank the School of Business of BRAC University 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.

My warm admiration is to thank my Internship Supervisor, Ms. Sohana Wadud Ahmad, 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 am very grateful to, madam, Ms. Sohana Wadud Ahmad.

I would like to 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 our 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.

In internship report, I have discussed about the corporate vision, mission, values, goals and objectives of ACI Limited. I have described about all the products and service that ACI Ltd offers to the customers. 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 my job profile chapter, I have discussed about the nature of the job and the specific responsibilities that I had to do throughout the internship period in ACI Limited.

Finally I have made consumer analysis for promotional strategies for to figure out some of the finding regarding the performance of ACI pure salt. Meanwhile I have included my suggestions and recommendations in order to eradicate the weaknesses of their department. Finally I have ended my report through including references and sources that I have used to make this report.

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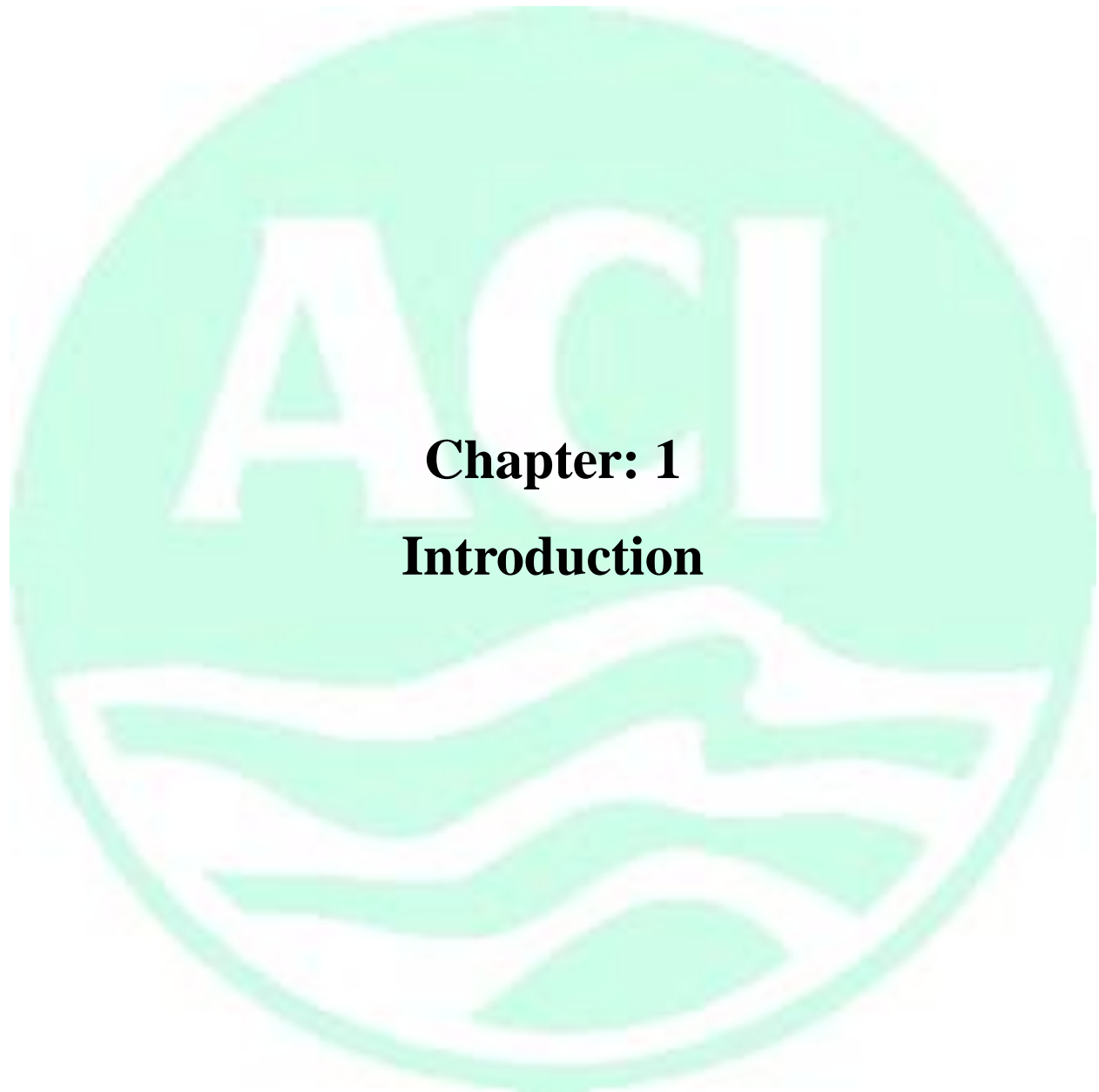


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**Chapter: 1**  
**Introduction**





## **1.1 Rationale of the Study**

From the childhood till now, we have only learned from the book. It is our education system which does not allow any student to gather practical knowledge. So, it is the only chance for us to gather practical experience by getting involved ourselves as an internee with an organization.

Though I am a Student with major in HRM (Human Resource Management), I think it was necessary to know how the branding works, how the department operates and how the organization works to control their markets with the combination of internal and external employees.

So, the opportunity was provided by the marketing department of ACI Ltd. The whole internship has been done under the supervision of ACI Marketing and Consumer Brand department. Practical knowledge of networking has been gathered in this period. I have known about how they make it possible to maintain their distribution channels all over the country..

It was immensely beneficiary for an intern to gather this kind of practical experience.

## **1.2 Objective of the Study**

The main objective of the report is to fulfill the requirement of BBA program. The duration of this program is for 3 months, though I was extended for 1 month as my supervisor offered to do so. However, I was assigned to head office of ACI Ltd to complete the program. The period for this program was from 3rd October, 2013 to 31<sup>st</sup> January, 2014. During this period I have worked closely with the employees of ACI Ltd. A student must submit a report on the assigned topic to the department and supervisor after the completion of the internship program period.

Also theoretical knowledge is not enough for a student. It is a far difference between theoretical knowledge and practical field. So, these two should be synchronized. Our internship program is launched mainly for this purpose. Another purpose that may be is to know about the rules, regulations, and environment of an organization before getting a job. To gather some experience, which will help a student to get a good job, may be another purpose of the study.



I have done my internship program in ACI Salt Limited. ACI Pure Salt is currently the highest profitable business department of the company. This Business has brought out the new technology in this industry and at the same time providing the quality products to the customers and gaining their satisfaction. By the customers review ACI has gained the Best Brand Award in 2013. ACI had also gained Best Brand Award in 2008 and 2011. So lots of practical experience has been gathered here with the help of academic knowledge.

The objective of the study may be viewed as:

- ✓ General objective
- ✓ Specific objective

### 1.2.1 General objectives

The general objective of the study is to prepare and submit a report on the topic of **Information Systems support to 'Shwapno' of ACI Ltd.**

### 1.2.2 Specific Objectives

- ✓ To gather practical experience about utilizing the internal and external employees to distribute the products.
- ✓ To know the market conditions of the products
- ✓ To find out various kinds of market and supply problems instantly.
- ✓ To monitor weather the supply chain is working properly or not.
- ✓ To know the strategies of the competitors.
- ✓ To find out the competitive edge.
- ✓ **To submit the practical work as a paper work that has been learned in the internship of BBA program.**

## **1.3 Research Methodology**

This report is prepared by the observation and on the job training method. The report discloses all the things that has been learned and done during the internship period. The conversation with the executives and senior executives has helped immensely.

### **1.3.1 Sources of Data**

For the purpose of the study data and information have been collected from both primary and secondary sources.

#### **1.3.1.1 Primary Data**

Day to day working experience and regular conversation with the executives helped a lot to find the information and necessary data primarily.

#### **1.3.1.2 Secondary Data**

There are several ways managed to gather data and information.

They are-

- ✓ Prior reports of the office
- ✓ Regular discussion with the supervisors
- ✓ Ex-interns of ACI
- ✓ Official websites of ACI
- ✓ Several e-books



## 1.4 Organization of the Report

The internship program has been done in the Head office of the ACI Ltd. The appointment was under the Consumer Brand Department.

The address of ACI Ltd, is-

ACI Ltd. Nina Kabbo, Level – 11, 270 Tejgaon I/A, Dhaka 1208 Tel: 8825940, 8825924 Ext: 202, Hotline: 01730-024312

## 1.5 Limitation of the Study

There are some limitations in this study. Those are listed below:

- ✓ The study has been done by a non-experienced person.
- ✓ The majority of the department is run by the employees whose background is BBA and MBA. The knowledge has been gathered as far as the credibility of a BBA student goes.

A large, semi-transparent watermark of the ACI logo is centered on the page. It features the letters 'ACI' in a large, bold, white font, with three wavy lines below them, all set against a light green circular background.

# **Chapter: 2**

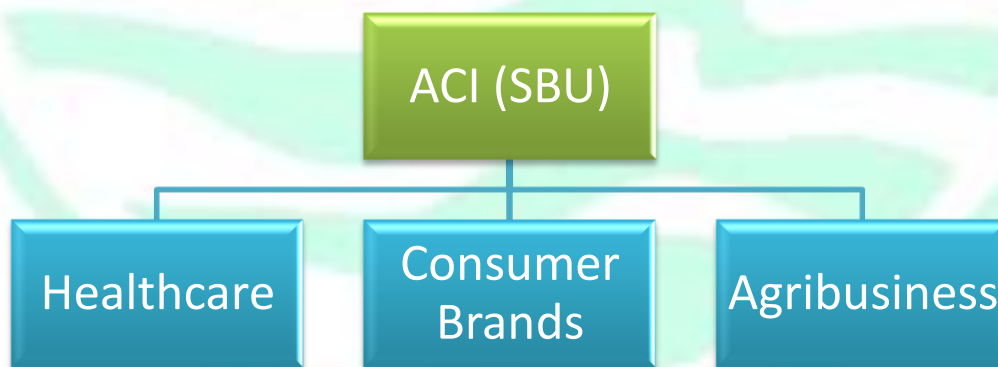
## **Organizational Overview: ACI Limited**

## 2.0. ACI Historical Background:

ACI was established as the subsidiary of Imperial Chemical Industries (ICI) in the then East Pakistan 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.

This Company also obtained listing with Dhaka Stock Exchange on 28 December, 1976 and its first trading of shares took place on 9 March, 1994. Later on 5 May, 1992, ICI plc divested 70% of its shareholding to local management. Subsequently the company was registered in the name of Advanced Chemical Industries Limited. Listing with Chittagong Stock Exchange was made on 22 October 1995.

Advanced Chemical Industries (ACI) Limited is one of the leading conglomerates in Bangladesh, with a multinational heritage. The company has diversified into three major Strategic Business Units (SBU's), which are, Healthcare, Consumer Brands and Agribusiness



**Figure: ACI (SBU)**



## 2.1 Management Committee and Directors:

### 2.1.1 Chairman's Profile



Mr. M Anis Ud Dowla, the Chairman of ACI Limited, is one of the most successful personalities in Bangladesh business circle. He has maintained a high profile, and has provided leadership to business community in different capacities. Mr. Dowla served in the British Oxygen Group of UK in Pakistan, Bangladesh and Kenya for 27 years, including 12 years as Managing Director of Bangladesh Oxygen Ltd. In 1987, he became the Group Managing Director of the three ICI companies in Bangladesh. With experience gathered while working with British Multi-nationals for over 32 years, Mr. Dowla has continued to maintain the multinational culture and management style in ACI, with special emphasis on quality, productivity and customer services. M. Dowla was the President of Metropolitan Chamber of Commerce & Industry for three terms in 1975, 1976 & 1977 and the President of Bangladesh Employers' Federation for four terms in 1976, 1977, 1994 and 1995.



### 2.1.2 Management Committee:

<b>Mr. M AnisUdDowla</b>	<b>Chairman</b>
<b>Mr. ArifDowla</b>	Managing Director
<b>Mrs. NajmaDowla</b>	Director
<b>Mr. WaliurRahmanBhuiyan OBE</b>	Director
<b>Mr. Md. Fayekuzzaman</b>	Director
<b>Mr. GolamMainuddin</b>	Director
<b>Ms. ShusmitaAnis Salam</b>	Director
<b>Ms. Sheema Abed Rahman</b>	Director
<b>Mr. Wajed Salam</b>	Director
<b>Mr. WaliurRahman</b>	Director
<b>Mr. M AnisUdDowla</b>	Chairman
<b>Mr. ArifDowla</b>	Managing Director

### 2.1.3 Board of Directors:

<b>Mr. M AnisUdDowla</b>	<b>Chairman</b>
<b>Mr. ArifDowla</b>	Managing Director
<b>Mrs. NajmaDowla</b>	Director
<b>Mr. WaliurRahmanBhuiyan OBE</b>	Director
<b>Mr. Md. Fayekuzzaman</b>	Director
<b>Mr. GolamMainuddin</b>	Director
<b>Ms. ShusmitaAnis Salam</b>	Director
<b>Ms. Sheema Abed Rahman</b>	Director
<b>Mr. Wajed Salam</b>	Director
<b>Mr. WaliurRahman</b>	Director



## 2.2 Company 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.

## 2.3 Company Vision:

To realize the mission ACI will:

- a) Endeavor to attain a position of leadership in each category of its businesses.
- b) 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.
- c) Develop its employees by encouraging empowerment and rewarding innovation.
- d) Promote an environment for learning and personal growth of its employees.
- e) Provide products and services of high and consistent quality, ensuring value for money to its customers.
- f) Encourage and assist in the qualitative improvement of the services of its suppliers and distributors.
- g) Establish harmonious relationship with the community and promote greater environmental responsibility within its sphere of influence.

## 2.4 Company Values:

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



## 2.5 Company Policies:

ACI has strong Quality Policy, Environmental Policy and Global Compact Endorsement.

## 2.6 Business Units:

### 2.6.1 Strategic Business Units (SBU's):

#### 2.6.1.1 Pharmaceuticals

#### 2.6.1.2 Consumer Brands & Commodity Products:

- i) Household Insecticides
- ii) Antiseptic & Personal Care
- iii) Home Care
- iv) Female Hygiene
- v) Commodity Foods
- vi) ACI Consumer Electronics
- vii) ACI Electrical Division

#### 2.6.1.3 Agribusiness:

- i) Crop Care Public Health
- ii) Livestock & Fisheries
- iii) Fertilizer
- iv) Cropex
- v) Seeds
- vi) Motors



### **2.6.2 Subsidiaries:**

- i) ACI Formulations Limited
- ii) Apex Leather Crafts Limited
- iii) ACI Salt Limited
- iv) ACI Pure Flour Limited
- v) ACI Foods Limited
- vi) Premiaflex Plastics Limited
- vii) Creative Communication Ltd.
- viii) ACI Motors Limited
- ix) ACI Logistics Limited
- x) ACI Godrej Agrovet Private Ltd.
- xi) Tetley ACI (Bangladesh) Ltd.
- xii) Asian Consumer Care (Pvt.) Ltd.
- xiii) ACI Consumer Electronics

### **2.6.3 Joint Ventures:**

- i) ACI Godrej Agrovet Private Limited
- ii) Tetley ACI (Bangladesh) Limited
- iii) Asian Consumer Care (Pvt) Limited

### **2.7 Fundamental Departments of ACI:**

- Administration department
- Finance and planning
- Commercial department
- MIS department
- Distribution department
- Training department
- HR department



## 2.8 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 (cGMP) 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.





## 2.9 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 our employees and suppliers.

Adopt modern waste management technology.

## 2.9 Organogram of CB (Consumer Brands):

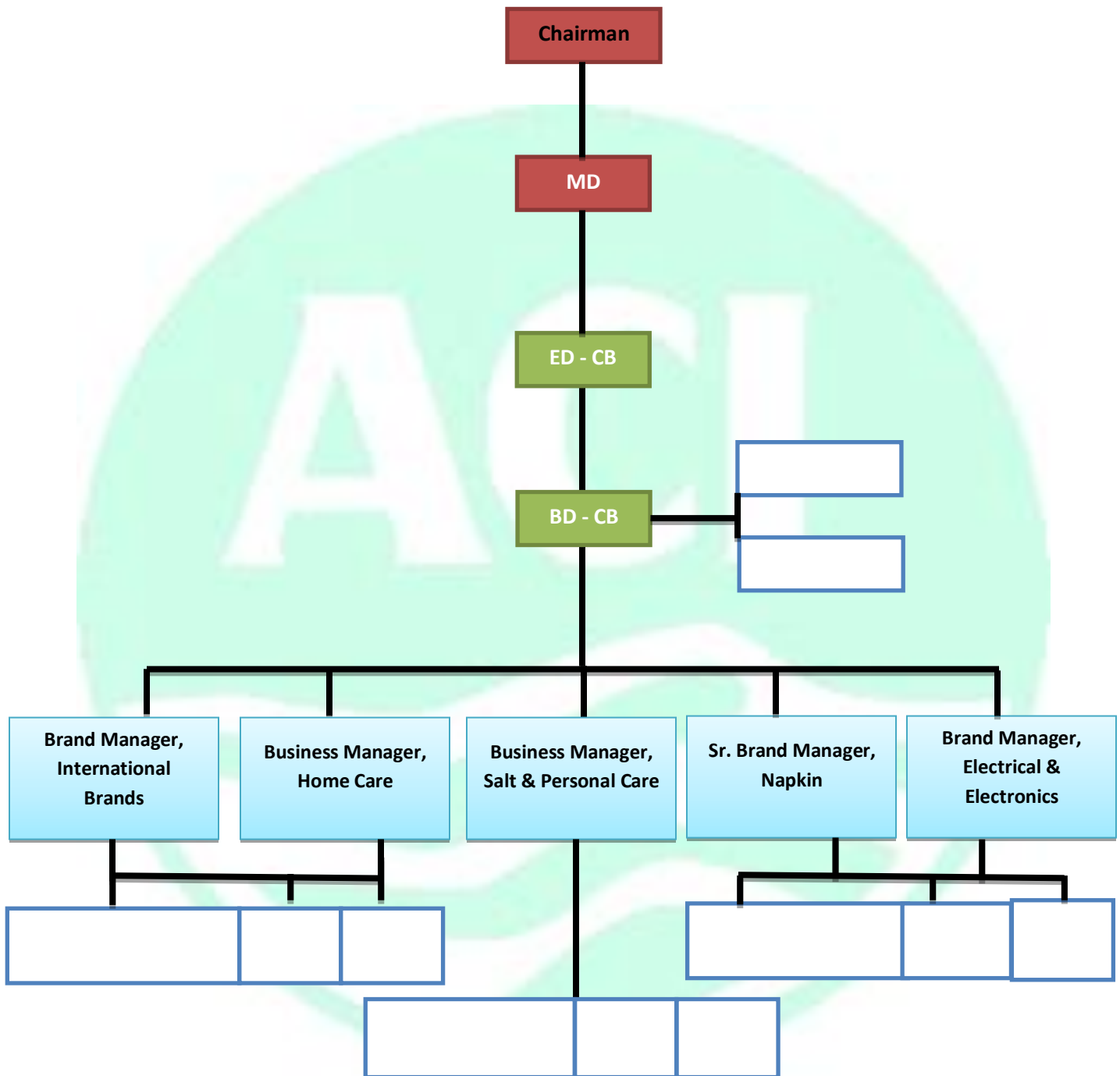
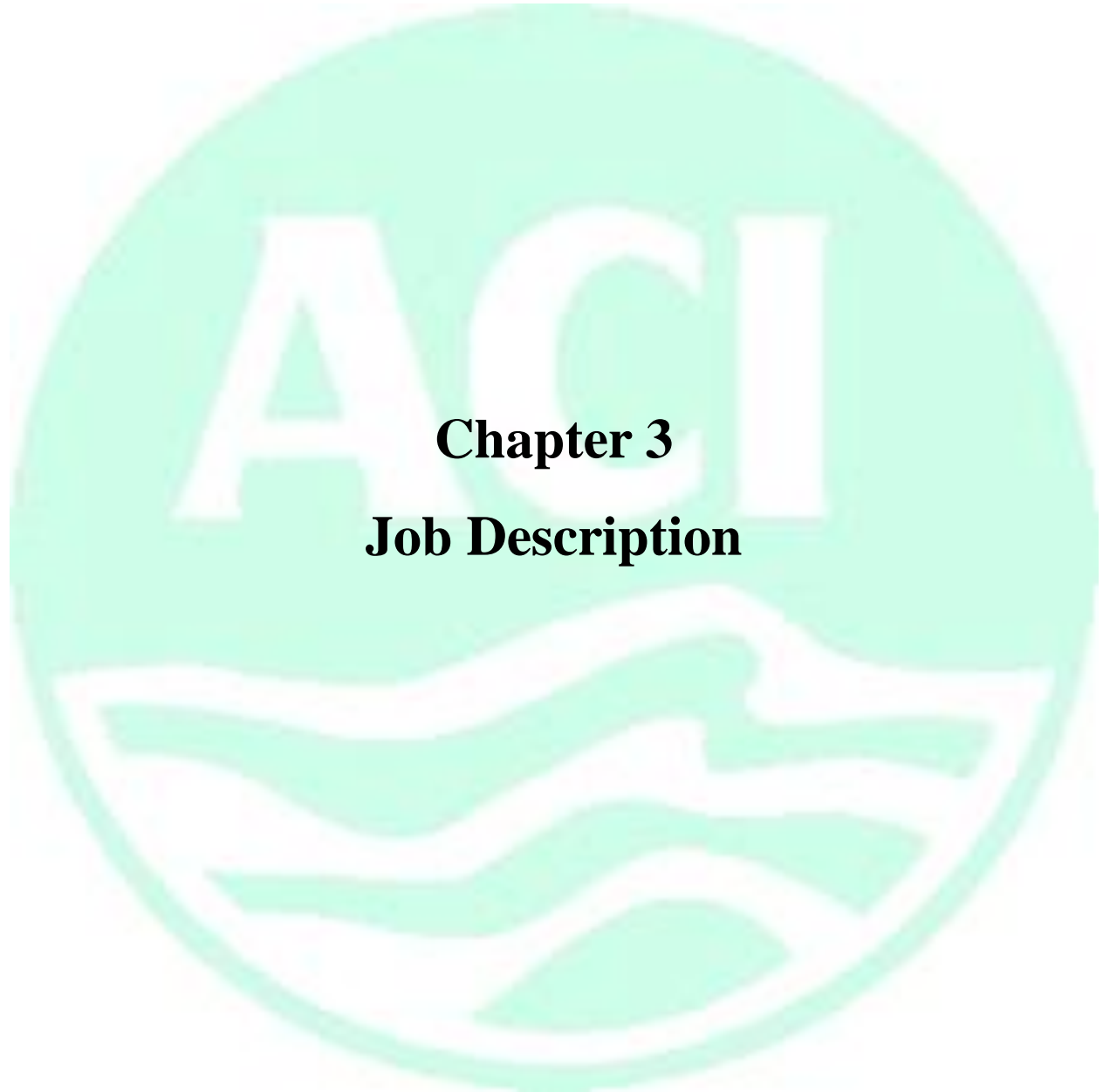


Figure: Organogram of CB (Consumer Brands)



**Chapter 3**  
**Job Description**



### **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 improvise 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 marketing 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:

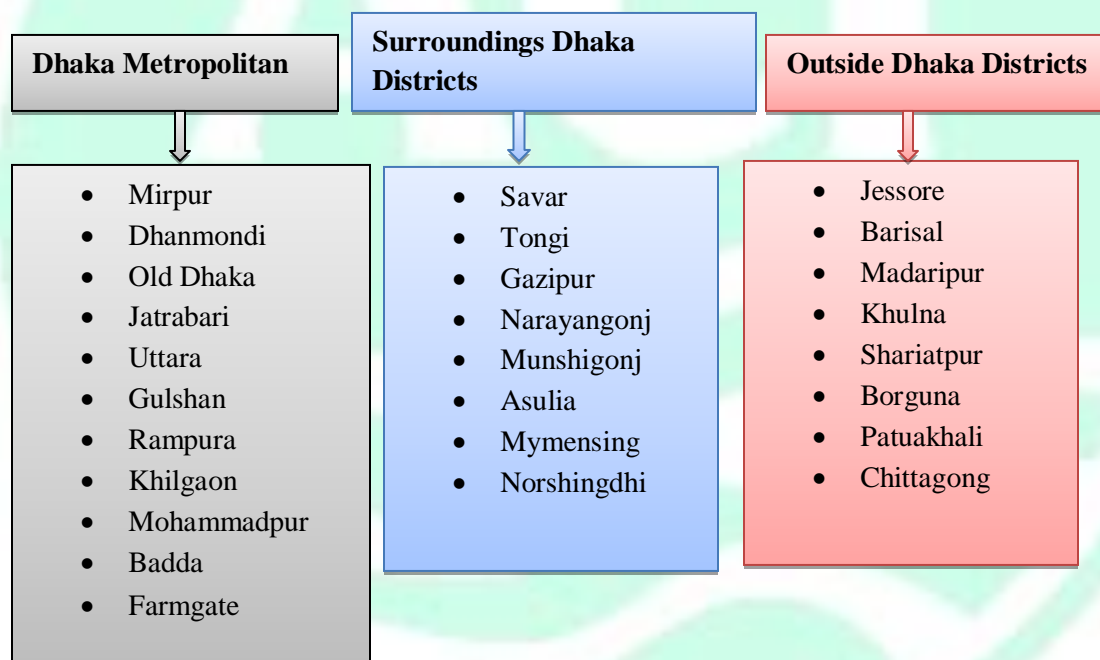
- The audit provides the marketers with an in depth view of the marketing activities that are going around in the concern. It brings out a complete picture of the entire operations of the concern. While revealing the various drawbacks the audit process also leads to efficiency. This process can also 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.



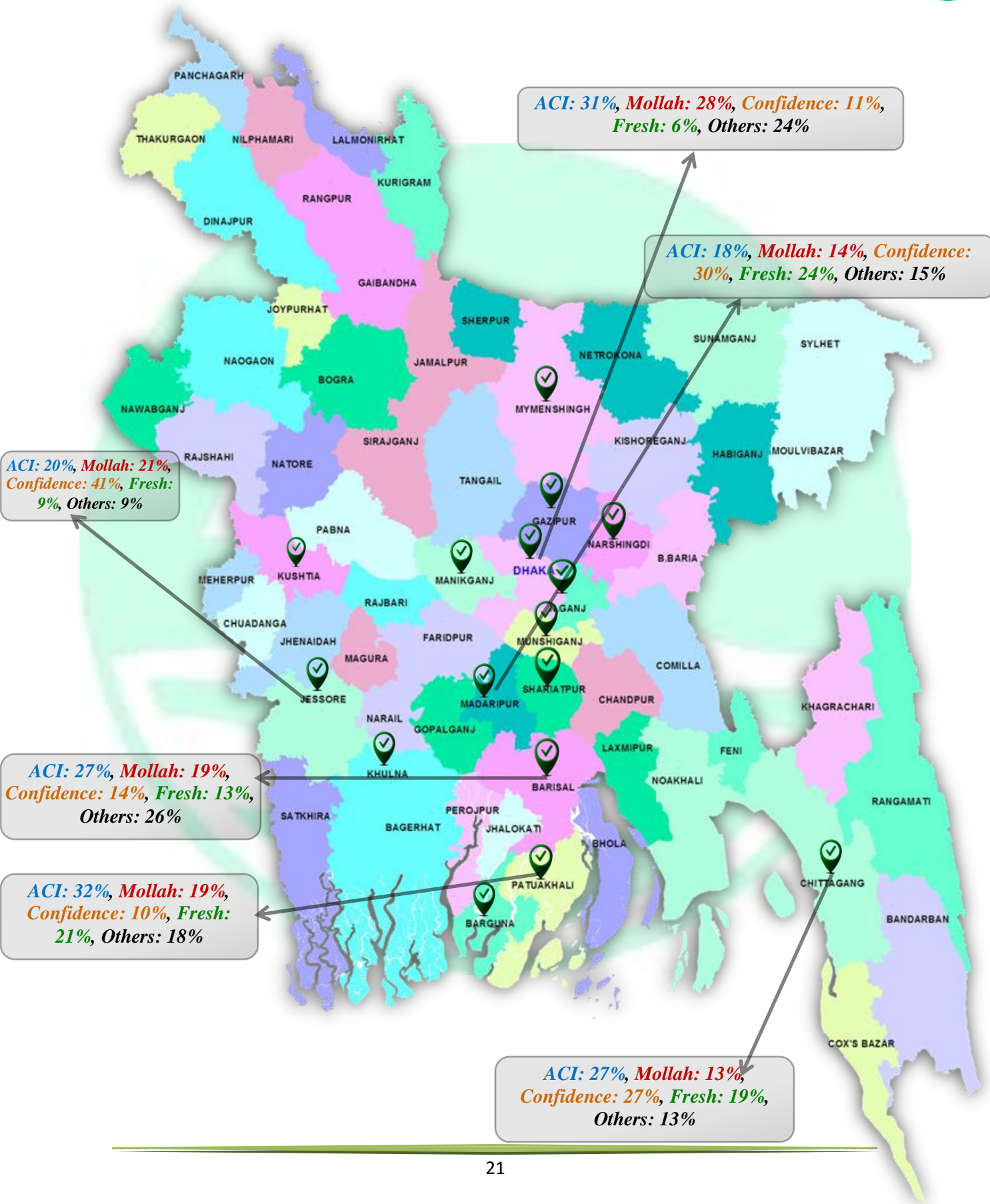
- Marketing audits often lead to strategic marketing change. Careful assessment of the changing environment, customers, channels, and competitors may lead to a reassessment of firm direction.

### 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:**

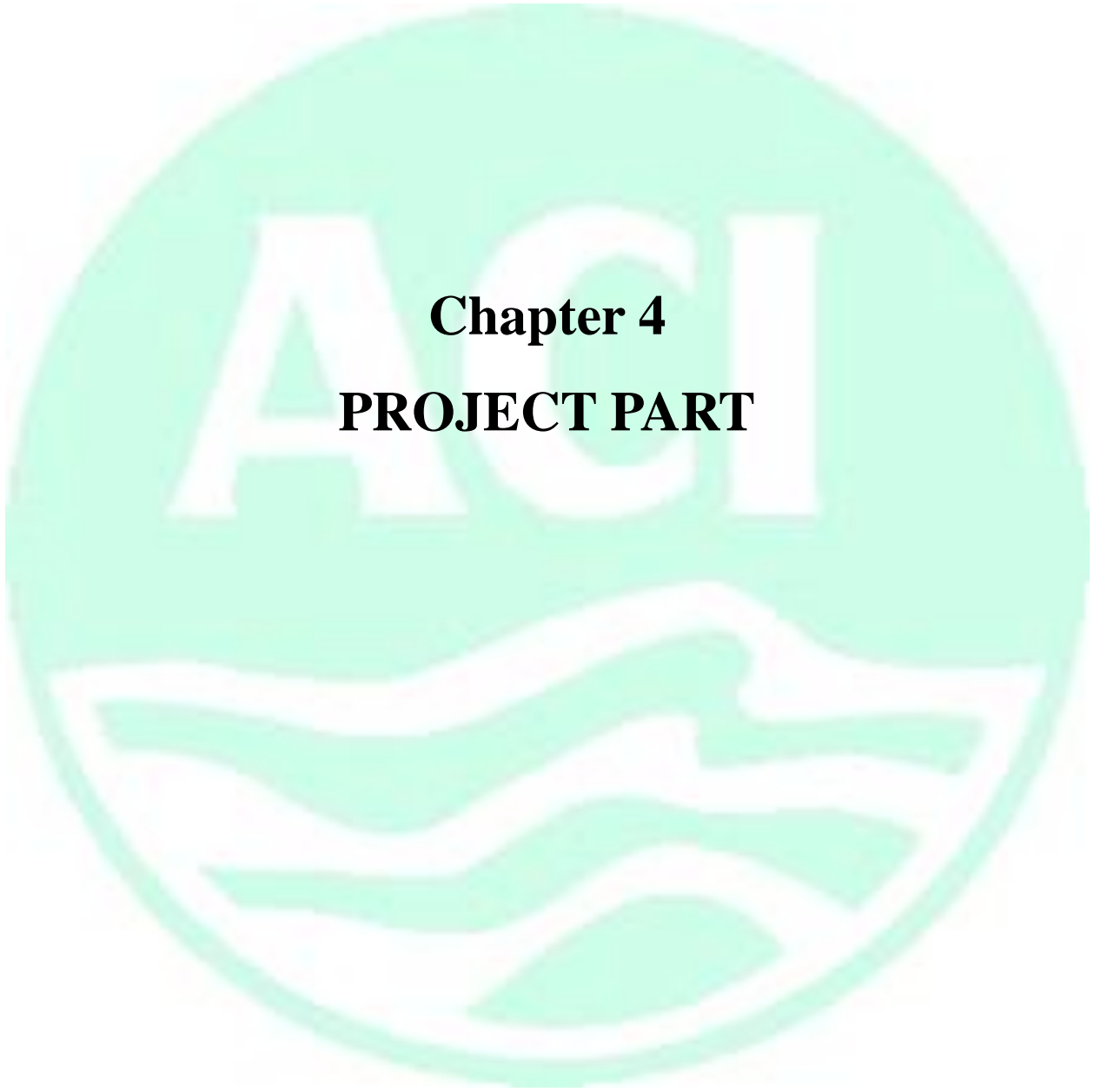
We have found that price is the one kind of the major factor to get lower market share. The trade price of the ACI pure salt is 525BDT. However, Mollah super trade price is 500BDT including trade offers. Confidence trade price is 475 BDT. It is therefore, the price gap between the ACI pure salt and others 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 4**  
**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 the 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](http://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).

#### **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 communication 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. 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 36 x H 18 ft



Size: W 40 x H 20 ft



Size: W 40 x H 20 ft



Size: W 45 x H 18 ft



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. How to best reach the target consumer affinity group:**(What are the priority and secondary media?)

- Bias should be given to ATL activities.

**8. Communication Objective Metrics:**(Specify research measure, and specific target level)

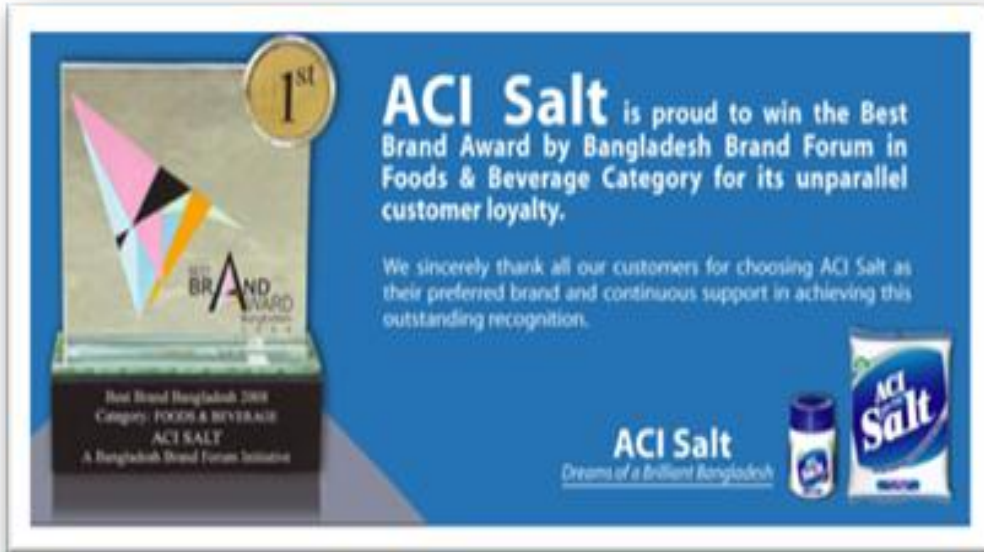
- Spontaneous recall of the brand with proposition by target group - 80% respondents.
- TOM recall within category advertisements – 95% respondents.

**9. 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.




**1<sup>st</sup>**

**ACI Salt** is proud to win the Best Brand Award by Bangladesh Brand Forum in Foods & Beverage Category for its unparalleled 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 & BEVERAGE  
**ACI SALT**  
A Bangladesh Brand Forum Initiative

**ACI Salt**  
*Dreams of a Brilliant Bangladesh*



## 4.8 Marketing Mix

To market the products every company needs to create a successful mix of right product at right price at the right place through the right promotion. Thus marketing mix made up to 4 Ps. ACI Pure Salt has also created a good marketing mix to market their product and most importantly all the Ps are interrelated to each other. A decision to make change in one of them affects the rest. Now I will discuss about the 4 Ps of ACI Pure Salt.

### 4.8.1 Product

Generally, customers do not care about the product features or usability if it fails to solve their problem. So it's not about the features that the product have, it's about the problems that customers need to solve. However, the basic product of ACI Salt is salt which is the best quality salt In Bangladesh. So it can easily solve the customer's problems. Secondly, product packaging is an important issue. ACI provides a nice packaging and maintains the functional form of the product which provides convenience to customers and at the same time it promotes the image of the company and the product.







## 4.8.2 Price

Price is an important element in marketing mix because it is directly related to the revenue generation and all other parts of marketing mix. Pricing decisions are influenced by many objectives like profit, costs, organizational and marketing objectives and so on. To set the price of the salt ACI follow the product bundle pricing strategy. They bundle 25 and 50 packets of product and set the price of each bundle. Though ACI is providing better quality salt than anyone in Bangladesh, they impose the same price for the customers. So it makes them able to grab the highest market share in the country. However, the trade price differs based on the market demand of the product in various locations of the country.

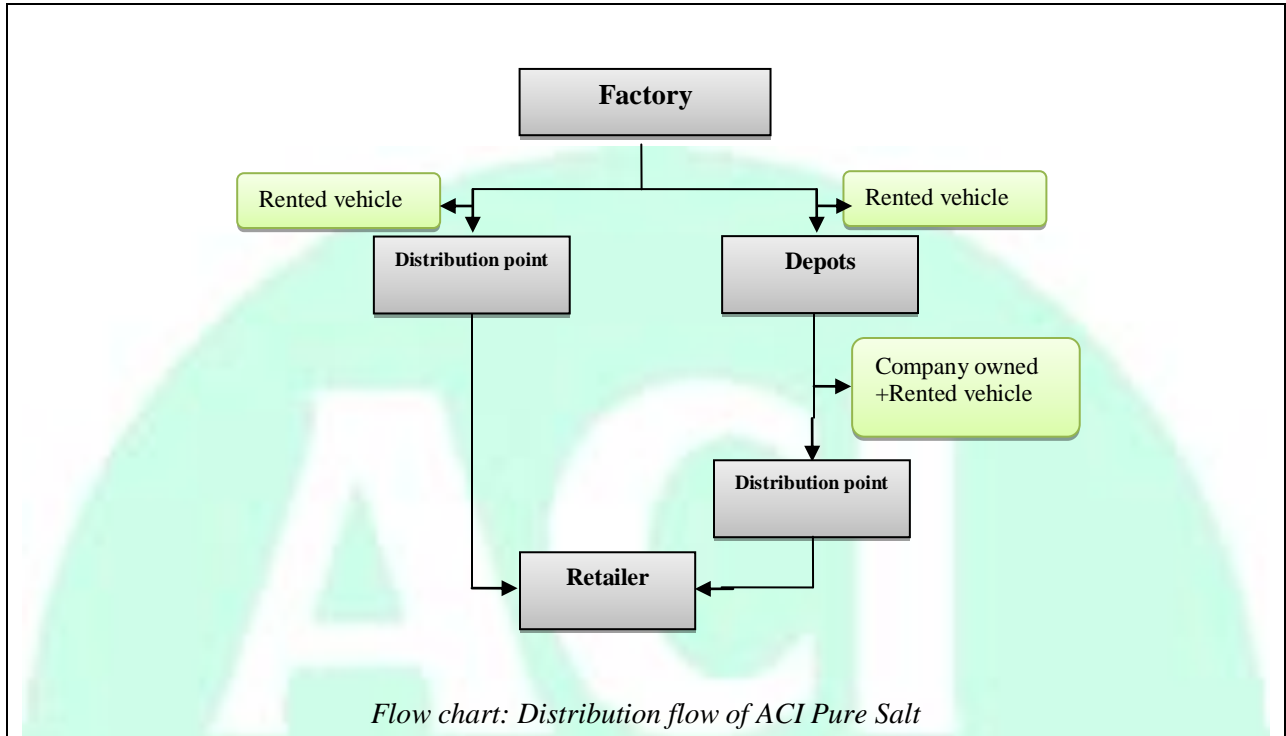
## 4.8.3 Place

The place is connected with making available the products at a place where the customers demand. Thus it is concerned with the stores or retailers where goods will be displayed and sold. ACI Pure Salt has a distribution channel throughout the country. ACI Pure Salt has their distribution points in almost every district. And every regional distribution point has their sub depots through which salts are distributed to the retailers of the nearby areas.

Regional Distribution points are: Dinajpur, Faridpur, Jossore, Rangpur, Bogra, Rajshahi, Maymensingh, Tangail, Gazipur, Chittagong, Bandarban, Majidi, Cox's Bazar Dhaka, Narayangang, Comilla, Kustia, Khulna, Sreemangal, Sylhet, , Chandpur.

The salt is first manufactured in the factory, from factory half of the products are sent directly to the distribution points to the retailers through some rented vehicles and half of the products are sent to the depots and then to the distribution points and then to the retailers. This process is done through some rented vehicles and some company owned vehicles.

The distribution flow is shown by a flow chart below. And the distribution channel is shown by a map bellow-







#### 4.8.4 Promotion

Promotion relates to communicating with customers it will provide information to assist them in making decision to buy the products. The cost associated with promotion often represents a sizeable proportion of the overall cost of producing an item. However, a successful promotional strategy helps to build long term relationship with increased sales due to promotion; costs are spread over a larger output. ACI Pure Salt has TV Commercial, billboard, radio, newspaper, magazine, social media advertizing process to make the promotion of their products. Again, very often the distributors and retailers are provided various trade offers and commissions to boost up sales. This is helpful because many people don't care about the brand. They just buy what the sellers give them. So if ACI provide offers and commissions the retailer or sellers will want to sale their products to hose customers.

## 4.9 Findings:

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

- Comparatively high trade price(TP)
- No special offer for target sells.
- No special monitoring for major markets.
- Opportunities for other brands for irregular supply of salt.
- Gap in retail market for whole sale business in some areas.
- 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.

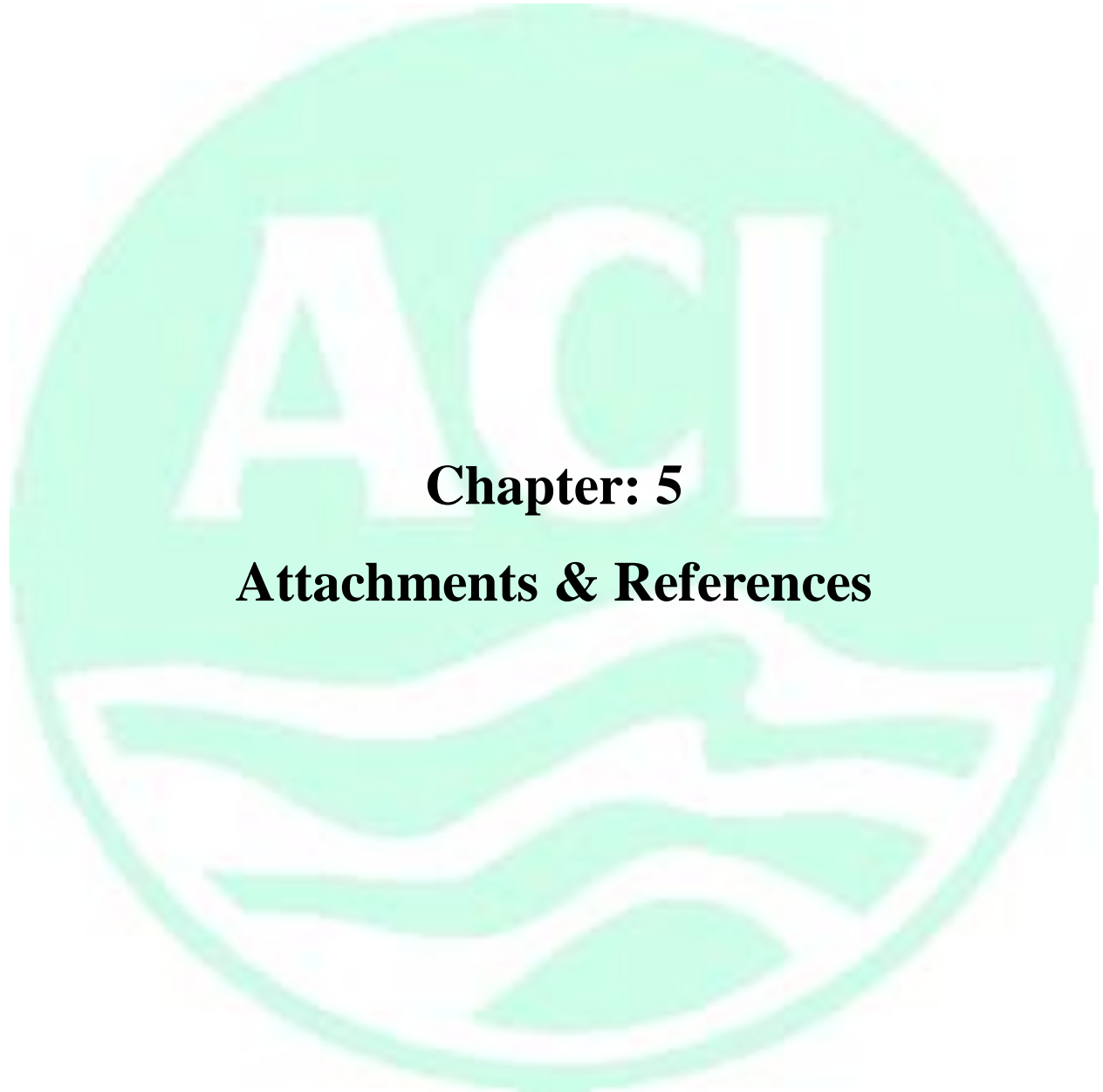
#### 4.10 Recommendations:

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.

#### 4.11 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. The company has diversified into four major businesses. FMCG business is one of them. There is innumerable 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: 5**  
**Attachments & References**



<b>ACI Salt Limited</b>							
<b>Market Visit Report</b>						<b>Total Stock</b>	<b>Market Share</b>
<b>Area</b>						ACI	
<b>Zone</b>						Mollah Super	
<b>Auditor</b>						Confidence	
<b>Date</b>						Fresh	
						Others	
						<b>Total</b>	

No. of Shops Visited	45	ACI Presence	30	67%
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Sl No.	Shop Name & Address	Cell No.	ACI Stock	Mollah Super Stock	Confidence Stock	Fresh Stock	Others
1							
2							
3							
4							
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6							
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## 5.2 References

### Book:

- **Advertising and Promotion** (An Integrated Marketing Communications Perspective), by George E. Belch, Michael A. Belch & Keyoor Purani(Ninth Edition)

### Web- sites and other sources:

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- [www.smallbusiness.wa.gov.au/marketing-promotion-strategy/](http://www.smallbusiness.wa.gov.au/marketing-promotion-strategy/)
- [www.dspace.bracu.ac.bd/](http://www.dspace.bracu.ac.bd/)
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- <http://www.yourarticlelibrary.com>