Internship Report

On

'The Competitive Analysis in the Express Industry of Bangladesh:

[Whether Existing Key Service Features are Satisfying Customers or Not]"

Submitted to:

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BRAC UNIVERSITY
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An Internship Report on

Competitive Analysis in the Express Industry of Bangladesh:

[Whether Existing Service Features are Satisfying Customers or Not]

21st August 2014   Letter of Transmittal

Mr. Mahmudul Haq
Assistant Professor
BRAC Business School
66 Mohakhali, Dhaka – 1212, Bangladesh

Subject: Submission of Internship report on "Competitive Analysis in the Express Industry of Bangladesh: Whether existing service features are satisfying customers or not".

Dear Sir,

This is to inform you that "The Internship report on "Competitive Analysis in the Express Industry of Bangladesh: Whether Existing Service features are satisfying customers or not" accompanies with this letter.

I have put my utmost ability and honest effort to cover all the aspects related with the topic. This report includes all the materials and the contents those I have covered in my Masters in Business Administration program and also gives a view of the marketing activities of FedEx Express in Bangladesh. The report also includes an overview on FedEx and the competitive scenario of the Express industry. There are various analyses of factors and areas which we have studied those includes primary and secondary data. However, there might be some areas of limitation those are not considered by me for my constraints.

I believe that the report will meet your expectations and I will be always available if there any queries or amplification arise about the report contents.

Thank you.
Sincerely,

_____
Shaiyaz Chowdhury
ID: 12164012

Acknowledgements

My sincere nobility and thanks goes to my respectable and admirable supervisor Mr. Mahmudul Haq, Assistant Professor, BRAC Business School. He has helped me a lot to complete the report and gave me the proper guidelines and directions to come up with this project work. I am also thankful to him for the endless courage, help and support.

I am also very thankful to the management of FedEx-Bangladesh Express Co. Ltd. Licensee of Federal Express Corporation in Bangladesh for giving me all the information, support and coverage in order to prepare the report and make is worthy for the course.

My complete gratification goes to Mr. Md. Tanveer Madar, Managing Director and Mr. Bashir A.K. Chowdhury, Executive Director of FedEx Bangladesh. I am also very thankful to the entire company and staffs who have helped me a lot with support, concepts and information of the company.

I am very thankful to the BRAC University authority for helping me out in completing Internship program and helping me to finish my MBA program successfully.

Executive Summary

This report was basically prepared on the company which is the world's largest Express Transportation Corporation known as FedEx Express. This report is confined with the Global operations of the company but more focused on the Bangladesh Context of FedEx where they are being represented by the Joint venture and licensee of Federal Express Corporation named FedEx-Bangladesh Express co Ltd.

The various departments, operational overview, sales and marketing overview and other important areas of the company are shown in the report. We have also discussed regarding the various marketing activities of the company. We have also done a study on the "Competitive Analysis of the Express industry of Bangladesh to find out the key service features that are playing major role in being a successful courier service provider in the Bangladesh market.

In order to carry the study we have done several secondary data analysis and primary survey. In secondary data we have done PEST Analysis, CPM Matrix Analysis, SWOT Analysis to find out the strengths and weakness of the competition and the various courier companies serving in the country. We have done the primary data analysis through a questionnaire survey on 20 respondents of organizations and find out the key service features which customers feels that is the most important things to provide the courier serve and we have found that they have mentioned about the price and rate which should be the key factor to differentiate the companies from the others. Because of the economic recession and cost curtailment the customers are now very price sensitive and wants cheaper solution with the best possible transit time. We have found one customer saying "We want the low price solution in the hyper competitive market where we also have to compete with our rivals and transportation cost is the first thing that we look into for cost curtailment"

Finally we have also suggested various probable solutions those we feel can be of help in order to improve the situation and recommended various other options to develop the overall service and customer satisfaction.

Abbreviations:

GSP= Global Service Partner

SOP= Standard Operating Procedure

POD= Proof of Delivery

ATL= Above the line Promotion

BTL= below the line Promotion

HAL= Hold At Location

BCN= Bill Consignee

IP= International Priority Services

IES= International Economy Services

COSMOS= Customer online screen for manually operated service

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PART 1: ORGANIZATIONAL OVERVIEW

1.0 ORGANIZATIONAL OVERVIEW

1.1 Overview of FedEx Express:

When the FedEx Corporation (from herewith to be referred to as "FedEx") was founded by Frederick W Smith in 1973, it was called "Federal Express". He started Federal Express with funds of over $80 million, making it the largest company of its time ever funded by venture capital.

Today, FedEx has over 143,000 workers worldwide, and delivers more than 3 million express packages to 220 countries daily. FedEx provides both document and freight deliveries as well as additional supporting services. Based in Memphis, FedEx Corp. provides a portfolio of transportation, e-commerce and business services through several divisions including FedEx Express, FedEx Ground, FedEx Freight, and FedEx Office (formerly Kinko's).

FedEx Express, the largest segment of FedEx, is the worldwide leader in the global air express industry at the moment. The worldwide network of transportation and information system of FedEx Express set the industry standard for time-definite delivery, shipment processing and tracking technology, logistics management, reliable service and customer management.

FedEx live by their 'Purple Promise'- where they try to "make every FedEx experience outstanding". This is the foundation of their business. Having such values has helped FedEx maintain strong reputation in the market, receiving awards such as FORTUNE's "Top 10 World's Most Admired" and "100 Best Companies to Work for" *(source: 2009Annual Report).* Additionally, FORTUNE magazine recognized FedEx for its commitment to diversity and women among the "100 Best Companies to Work For." FedEx is the largest company (by number of employees) and the only transportation company on that year's list.

Following from the above overview, FedEx was at one points called FDX Corporation, FedEx Corporation was founded in January 1998 with the acquisition of Caliber System Inc

by Federal Express. Through this and future acquisitions, FedEx sought to build on the strength of its famous express delivery service and create a more diversified company that included a portfolio of different but related businesses. With the purchase of Caliber, FedEx started offering other services besides express shipping.

In January 2000, FDX Corporation changed its name to FedEx Corporation and rebranded all of its subsidiaries. Federal Express became FedEx Express, RPS became FedEx Ground, Roberts Express became FedEx Custom Critical, and Caliber Logistics and Caliber Technology were combined to make up FedEx Global Logistics. A new subsidiary called, FedEx Corporate Services was formed to centralize the sales, marketing, and customer service for all of the subsidiaries.

Vision Statement: FedEx's vision is a world where goods and information move quickly and seamlessly. A world where businesses source raw materials and parts globally, then move high-value goods quickly between continents and across time zones. A world where global information and transportation networks can shrink time and distance, creating competitive advantages for customers. At the end of the day it is all about total customer satisfaction and making every customer experience outstanding.

Mission Statement: FedEx mission is "to produce superior financial returns for shareowners by providing high value-added supply chain, transportation, business and related information services through focused operating companies. Customer requirements will be met in the highest quality manner appropriate to each market segment served. FedEx will strive to develop mutually rewarding relationships with its employees, partners and suppliers. Safety will be the first consideration in all operations. Corporate activities will be conducted to the highest ethical and professional standards."

The unique FedEx operating strategy works seamlessly and simultaneously on three levels as follows:
- ❑ **Operate independently-** by focusing on independent networks to meet distinct customer needs by delivering the best service for its specific market.

- **Compete collectively-** by standing as one brand worldwide and speaking with one voice, and ensure that all of the companies benefit from one of the world's most recognized brands.
- **Manage collaboratively-** by working together to sustain loyal relationships with the workforce, customers and investors.

Values of FedEx:

FedEx operates globally according to the following key values:

People: We value our people and promote diversity in our workplace and in our thinking

Service: Our absolutely, positively spirit puts our customers at the heart of everything we do

Innovation: We invent and inspire the services and technologies that improve the way we work and live.

**Integrity:** We manage our operations, finances and services with honesty, efficiency and reliability.

Responsibility: We champion safe and healthy environments for the communities in which we live and work.

Loyalty: We earn the respect and confidence of our FedEx people, customers and investors every day, in everything we do"

FedEx Express 5-Point Strategy:

Federal Express has five strategies that govern business tactics. These are as follows:

1. To improve service levels
2. To lower unit costs
3. To establish international leadership and sustain profitability
4. To get closer to the customer, and
5. To maintain the People-Service-Profit Philosophy.
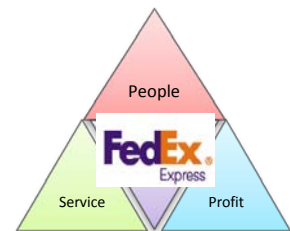
In 'People-Service-Profit' philosophy 'People' goal is the continuous improvement of management's leadership, 'Service' standard is 100 percent customer satisfaction and 'Profit' goal is much like any other company's goal. This philosophy governs how FedEx runs its business, and defines strategies.

First-Mover Advantage of FedEx Express:

Federal Express has had first-mover advantage in several areas, including:

- ❑ Being a global express transportation company.
- ❑ Advanced technology and communication throughout the company's operations.
- ❑ Incorporating smaller companies with similar operations under its belt to synergize and control more of the market.

In 1994 Federal Express officially shortened its marketing identity to FedEx; a term that has become a synonym for "to ship overnight" FedEx was first use the web with a online package tracking service in November of 1994. Strategic use of Information Technology and online package tracking systems, reliability, and faster service helped Federal Express gain market dominance in express market worldwide. In January 2000 FedEx Express became FedEx Corporation by acquisitions of FedEx Ground, FedEx Trade Networks, FedEx Customer Critical, FedEx Services, and FedEx Home delivery, FedEx Express, FedEx Freight.

Though the company did not show a profit until July 1975, it soon became the premier carrier of high-priority goods in the marketplace and the standard setter for the industry it established. In the mid-1970s, Federal Express took a leading role in lobbying for air cargo deregulation that finally came in 1977. These changes allowed Federal Express to use larger aircraft (such as Boeing 727s and McDougall DC-10s) and spurred the company's rapid growth. Today FedEx Express has the world's largest all cargo air fleet, including McDonnell-Douglass MD-11s and Airbus A-300s and A-310s. The planes have a total daily lift capacity of more than 26.5 million pounds. In a 24-hour period, the fleet travels nearly 500,000 miles while its couriers log 2.5 million miles a day the equivalent of 100 trips around the earth.

The company incorporated in June 1971 and officially began operations on April 17, 1973, with the launch of 14 small aircraft from Memphis International Airport. On that night, Federal Express delivered 186 packages to 25 U.S. cities from Rochester, NY, to Miami, Fla. Company headquarters were moved to Memphis, Tennessee, a city selected for its

geographical center to the original target market cities for small packages. In addition, the Memphis weather was excellent and rarely caused closures at Memphis International Airport. The airport was also willing to make the necessary improvements for the operation and had additional hangar space readily available. Today FedEx is the world's largest all-cargo airline, with over 600 aircraft linking together a truly global network. Everyday, 9 major sorting centers or hubs worldwide feed 39,500 delivery vehicles that cover an amazing 2.5 million miles around the globe. Over 140,000 employees at FedEx provide services in 215 countries, offering some of the fastest delivery. Providing on-time delivery builds reputation for FedEx. Everyday FedEx successfully delivers over 26.5 million pounds of freight and nearly 3.2 million packages worldwide. FedEx's service reputation helped fuel its growth from small beginnings in the US back in 1973 to today's global turnover of more than $ 15.5 billion. The company entered its maturing phase in the first half of the 1980s. Federal Express was well established. Competitors were trying to catch up to a company whose growth rate was compounding at about 40 percent annually. In fiscal year 1983 Federal Express reported $1 billion in revenues, making American business history as the first company to reach that financial hallmark inside ten years of start-up without mergers or acquisitions.

Being a "first" company resulted in many firsts for awards and honors, too. In 1990, Federal Express became the first company to win the Malcolm Baldrige National Quality Award in the service category. It also received ISO 9001 registration for all of its worldwide operations in 1994, making it the first global express transportation company to receive simultaneous system-wide certification.

FedEx's commitment, use of technology and innovation strategy has proven to be a key part of its success through the past two decades. FedEx was first to operate a hub and spoke distribution system and first to introduce full shipment tracking. FedEx maintain control of customer's shipment by scanning it at several stages of transit using hand-held computers, Super Trackers, so that where the shipment is can be easily and exactly known. Through the Internet customers can have access to on-line tracking, transit time estimates, country specific information, and many other on-line features.

In January 2000, FDX Corporation changed its name to FedEx Corporation and rebranded all of its subsidiaries. Federal Express became FedEx Express, RPS became FedEx Ground, Roberts Express became FedEx Custom Critical, and Caliber Logistics and Caliber Technology were combined to make up FedEx Global Logistics. A new subsidiary called, FedEx Corporate Services was formed to centralize the sales, marketing, and customer service for all of the subsidiaries.

Some of the significant events in FedEx's history are given below:

Year	Events
April,1973	Federal Express begins its operations.
1975	International operation of Federal Express begins.
1995	FedEx joined the online revolution.
January, 1998	Founded as FDX Corporation.
January, 2000	Changed name to FedEx Corporation.
February, 2000	Acquired Tower Group International, a leader in the business of international logistics and trade information technology.
February, 2001	Acquired American Freightways, a leading LTL freight carrier, & rebranded as FedEx Freight.
February, 2004	Acquired Kinko's and rebranded it FedEx Kinko's.
September, 2004	Acquired Parcel Direct, a parcel consolidator, and rebranded it FedEx Smart Post.
2006	Acquired ANC Holdings Limited, a United Kingdom domestic express transportation company & rebranded it as FedEx UK.
June, 2008	Changed FedEx Kinko's to FedEx Office.
January, 2009	Ranked 90th overall in FORTUNE magazine's list of the "100 Best Companies to Work For".

1.2 Overview of FedEx-Bangladesh Express Co. Ltd:

Bangladesh Express Company Limited (BANEX) was established in 1991. It is a private limited Company – registered in Bangladesh. The company is the exclusive licensee of Federal Express Corporation of USA since May 1991. BANEX is the Global Service Participant (GSA) of Federal Express. The company, with its 18 world service centers and about 295 staff offers express export and import services assisted by electronic communications system. BANEX currently has access to around 368 airports in 214 countries through the operations of its principal, FedEx. The company maintains online communication system for faster shipment trace and tracking.

BANEX uses Electronic Communication System for faster shipment tracing & tracking and also for the integrated communication with all the FedEx service centers worldwide. The company has to follow the rules and regulation of FedEx that is reflected by the monthly SRG (Service Reference Guide), but can take sales and marketing plan independently. Like FedEx, BANEX's top priority is to achieve service excellence and 100% quality. Customer satisfaction is the ultimate goal of BANEX. Keeping this in view, BANEX created a vast network with its customers by visiting every week and providing solutions to their problems. Also through online, Customer Service Agents are always keeping track of shipments of customers. BANEX is totally committed to provide quality services that always meet the needs and expectation of customers for reliability, safety, economy and on-line delivery of shipments. The company exercises Quality Management System (QMS) and continual improvements of its services, that can be comply with the requirements of ISO 9001-2000.

Mission Statement of BANEX:
Bangladesh Express wants to be acknowledged as the market leader in the express transportation solutions and services. They shall continuously strive for excellence by using their dedicated team of professionals and the development of the infrastructure; they will set them apart from the other. BANEX shall adapt to the latest technical know-how in enhancing productivity and creating a truly world class customer friendly organization.
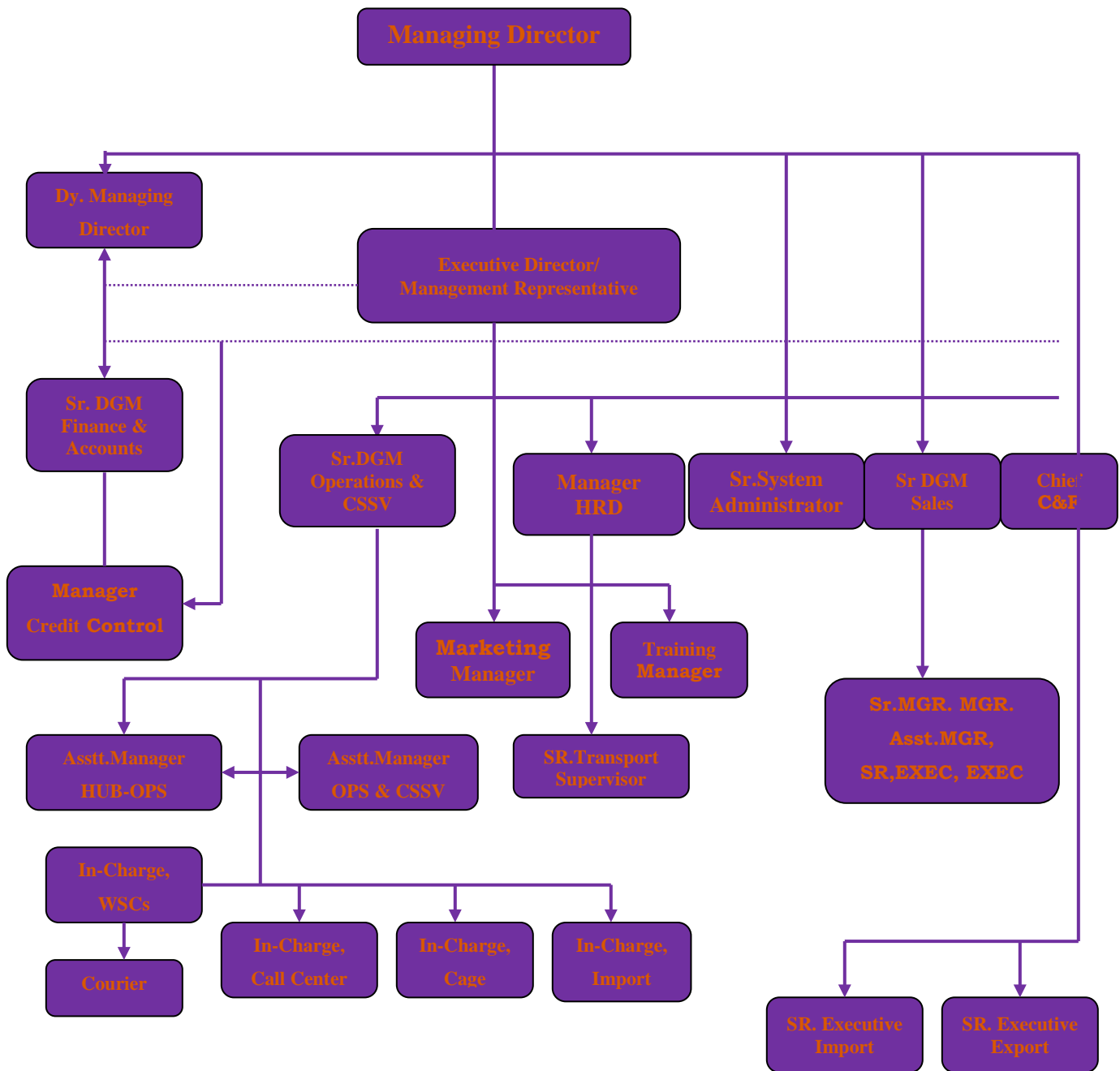
We will ensure that everyone across the organization understands our mission. It will be like a beacon of light that will show us the way and take us from one year to another and also allow us to reaffirm that we are not only the right path but also the path we had exactly planned to take. We will be leaders through business excellence, clearly of operational process and the value and quality of our service. Above all, our growth strategies will be defined and clear to all our workers and associates. We will always have the all-for-one mentality"

Quality Policy of BANEX:

A quality policy describes the total plan of a company for providing the feathers and characteristics of a product or service that bear on its ability to satisfy most of its customers. The Managing Director of BANEX adopted a quality policy. The quality policy is as follows:

"BANEX is totally committed to provide quality services that always meet the needs and expectation of customers for reliability, safety, economy and online delivery of shipments. To achieve this objective, BANEX provides all the necessary resources to ensure a well equipped, adequately trained and experienced manpower to take proper care of customer requirements.

BANEX emphasizes that quality is the shared responsibility of its entire staff. The company ensures that all the personnel are familiar with and work to the company's work policies as well as in conformity with the legal and other obligatory requirements and are determined to comply with the requirements of ISO 9001, 2000 and continually improve its services and Quality Management System (QMS). This QMS has brought the unique opportunity for BANEX to review the quality objectives and achieve business excellence through continual improvement. Customer satisfaction is the company's ultimate goal."

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                    │  Managing Director   │
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│ Dy. Managing │         │   Executive Director/  │
│   Director   │         │ Management Representative│
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│  Finance &   │  │ Operations & │ │     HRD      │ │ Administrator│ │    Sales     │ │   C&F    │
│  Accounts    │  │    CSSV      │ │              │ │              │ │              │ │          │
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│   Manager    │              │  Marketing   │ │   Training   │
│ Credit Control│             │   Manager    │ │   Manager    │
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                                                                   │ Sr.MGR. MGR. │
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│ Asstt.Manager│  │ Asstt.Manager│  │ SR.Transport │
│   HUB-OPS    │  │   OPS & CSSV │  │  Supervisor  │
└──────────────┘  └──────────────┘  └──────────────┘

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│  In-Charge,  │
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                                          │ SR. Executive│ │ SR. Executive│
                                          │   Import     │ │   Export     │
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Abbreviations / Acronyms used:

C & F = Clearing and Forwarding, SrDGM = Senior Deputy General Manager, CSSV = Customer Service; SR = Senior; WSC = World Service Centre; HRD=Human Resource and Development; Asstt = Assistant; HUB-ops= Hub Operation; Mgr = Manager; Exec=Executive; Biz = Business

1.3 Major Departmental Activities and Overview:

The various departments those play a very crucial role for the seamless service and business activities for the company and to run the show for FedEx in Bangladesh are mentioned below and their activities are also given below in details:

Customer Service and Operations (CSSV and OPS):

The customer service & operations department works under the supervision of both Managing Director and Executive Director of the company. The department also has a DGM, two Assistant Managers for Hub-Operation and CSSV & OPS, four In-charges, some couriers and dispatchers. Front counters, Customer Service Agents of Call Center, Senior Executives of Import and Export and Chief C & F are also included in this department.

During the Internship period, it was observed that the officials of this department remain extremely busy for coordination with the customers and processing of shipments. The people of this department also entertain the new comers-for example; conduct of the newly recruited employee and internship program was among the responsibility of this department. The most important job of this department is all the necessary formalities of outbound and inbound shipments. Therefore, this department is the backbone of the company.

Operations of Outbound Express of CSSV & OPS (Document & Non-Document)

- ❑ Welcome walk-in-customers and receiving shipments directly from them
- ❑ Receive customers call, recording it into pick-up sheet and assigning of courier to the attend customer
- ❑ Receive shipments form customs and bringing it to WSCs
- ❑ Verify, process and forward shipments to central hub.
- ❑ Tally with transfer challan for checking, verification and sorting of shipments at hub.
- ❑ Consolidation, manifest, and dispatching to airport
- ❑ Receiving of shipment at airport, addressing airport formalities, and handling over the shipments to airlines

❏ Sending pre-alert to all gateways-Dubai, Singapore and Hong Kong.

**Operations of Inbound Express of CSSV & OPS (Document)**

❏ Receiving pre-alert from Dubai, Singapore and Hong Kong and passing the pre-alert information to senior executive import.

❏ Collecting of MAWB form freight import at airport for customs release of documents console bags.

❏ Bringing document shipments to freight transit area for scanning and then to BANEX cage.

❏ Examination and release of documents shipment and bringing to hub.

❏ Scanning & sorting at hub and forwarding to WSC for delivery.

❏ Tally with shipment challan and starting delivery.

❏ Proof of Delivery (POD) scan and preparation of non-conformity.

Operations of Inbound Express of CSSV & OPS (Non- Document)

❏ Receiving pre-alert from Dubai, Singapore and Hong Kong and passing the pre-alert information to senior executive import

❏ Collecting of MAWB form freight import at airport for customs release of non-documents console bags.

❏ Bringing non-document shipments to freight transit area for scanning and then to BANEX cage for Received In Country (RIC) reporting, sorting, miss-routed, shortages and overages.

❏ Preparing of Shipment Arrival Notice and delivery of it to consignees

❏ Clearing of NON-DOX shipments from customs if consignee authorized

❏ Consolidation of cleared NON-DOX and transportation to import dept. and then forwarded to XSCs

❏ Delivering of shipments by respective XSCs

❏ Proof of Delivery (POD) scan and preparation of non-conformity report if applicable

❏ Investigation of customers complain in case if non-conformity.

So these are the various activities done by customer service and operations department and these are the operational flow that they follow in order to highly ensure their service level.

The following flowchart shows the process flow of a typical shipment moving through the FedEx Express system from origin to destination:
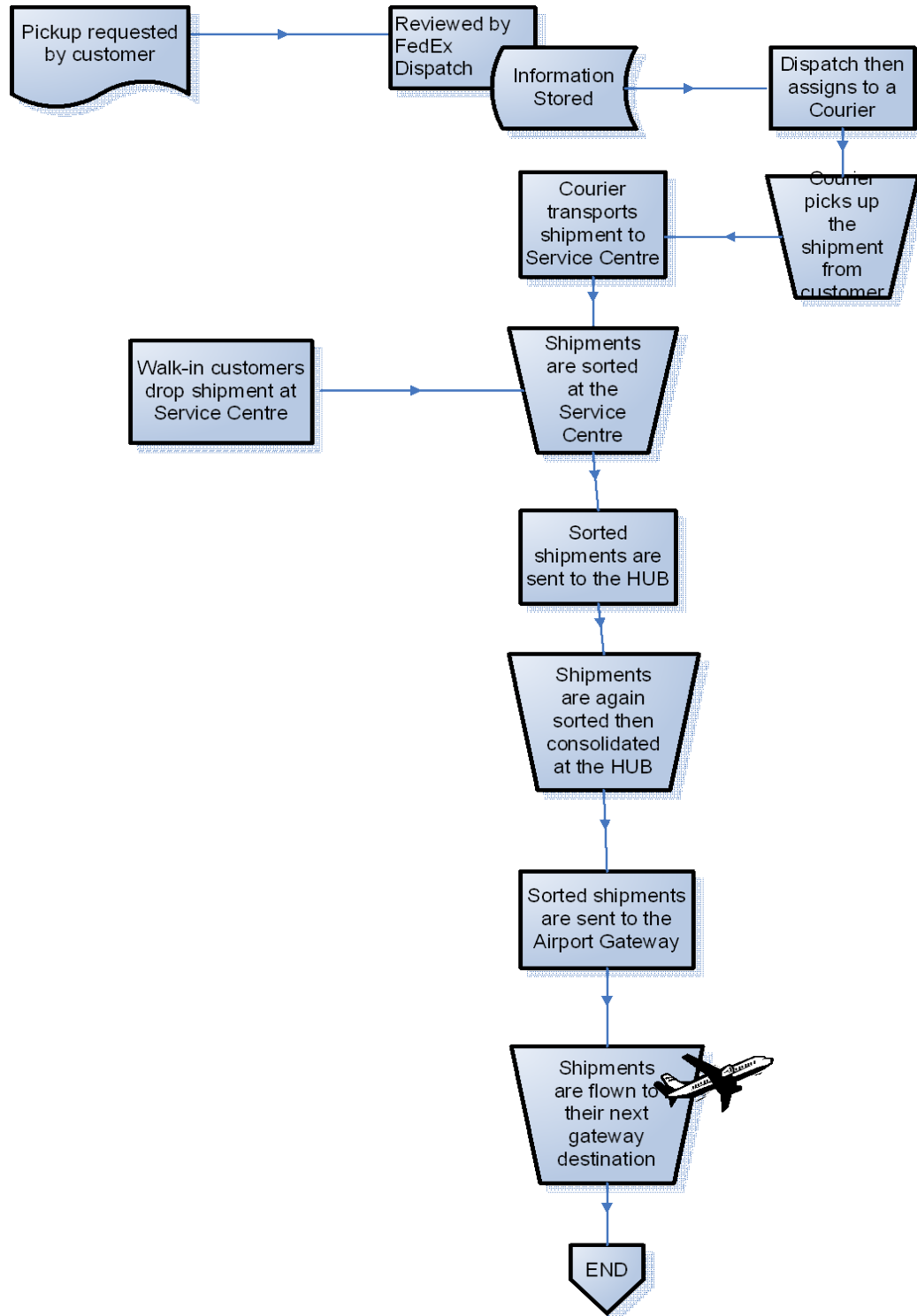
Sales Department:

The responsibility of Sales Department is to sell BANEX / FedEx Products / Services and enhance company's image in the market by understanding and reviewing customer's needs and requirements at different levels. The Deputy General Manager, Sales fixes a sales target for all sales personnel at the beginning of BANEX financial year based upon the decisions of management. A weekly planning of sales activities is also done and discussed in the weekly meeting of the sales department for its effective implementation.

Sales people have to make minimum seven sales calls daily including two new and five existing customers through face-to-face sales and also through Tele sales. The sales people also evaluate the credit worthiness of the clients and the amount of credit is approved by the DGM, Sales.

Vision statement of Sales Department of BANEX:
- Maintain year over year IP growth by at least 15%-20%
- Identify new customer segments and develop them according to their projected growth
- Develop the existing accounts further
- Increase the number of agents in strategic locations to tap new business and ensure our presence across the country.
- Introduce various FedEx products in the Bangladesh Market
- To meet the future demands of the market we will devote ourselves to introduce and sell various FedEx products in the Bangladesh market such as IXF, IPF, IPD and IEF.

Investment in the development of Sales professionals:
- Effective training for the sales professionals in FedEx products, services, and solutions, self-development and motivation to make them tremendously competent and the best in their field. Create conviction, commitment and passion in selling FedEx

- ❑ Provide logistical support to the sales force like access to computers, Internet and FedEx related information that can be used as a selling tool
- ❑ Access to customer data to analyze customer behavior, patterns, trends and customer segmentation for future business strategies.

The department accomplishes the following tasks sequentially:

1. Search & target prospects and plan for sales call (weekly sales planning through internal, external and other sources).
2. Set primary & alternative call objective and face-to-face calls daily (7calls daily including 2 new and 5 existing).
3. Access business needs of customers and offer BANEX services.
4. After negotiation with the customer propose rates and services for approval through the Area Sales Manager.
5. Prepare offer letter with net rates and obtain acceptance (verbal or written) from customer.
6. Signing service contract with credit customer and open profile account.
7. Distributing account profile among concerned dept.

These are the various accomplishments, vision of the department and investment areas of the sales department to give a glimpse of how this particular department works and ho do they operate their sales activities throughout the country.

Finance and Accounts Department:

The major activities of Finance & accounts Department are as follows:

Verification of the physical existence of all company's assets are an important task of this department and so is to ensuring custodianship. Monitoring as well as assessing proper IT requirements pertinence to the activities of the company and there by facilitate accounting procedure and achieve financial growth. To implement the financial policies of the company and to revise the policies as per needed. In Accounts parts of this department they have the following units/ section:

Billing section: This sector monitoring all the prepaid accounts postpaid accounts preparing monthly, fortnightly, weekly and export miscellaneous invoice for exporting shipments and importing shipments with their duty and taxes. Sequentially the activities of billing section are following:

- ❑ Airway bill entry in to computer system and storing.
- ❑ Validation sheet checking.
- ❑ Discount brand.
- ❑ Customer profile for new customers including customer instruction (if any).

Miscellaneous sector: This sector controlling the cash in flow and out flow Like walk in customer payment, credit collection from profiled   customer and internal and external expenses. Sequentially the activities of imprested accounts section are following:

- ❑ Checking time period.
- ❑ Storing vouchers, getting approval
- ❑ Verifying figures with summary statement
- ❑ Posting accounts into imprested accounts.
- ❑ Maintaining staff recorded on attendance recruitment transfer, interest and promotion etc.
- ❑ Preparing /verifying salary statement–paying /transferring bank accounts.
- ❑ Consideration of income tax.
- ❑ Payment revived with documents and making payment. Posting of accounts as per accounting standers.
- ❑ Providing and distributing different report as required. Implementing /attending internal and other financial audits and addressing issues of any.
- ❑ Assessing / paying VAT, income tax –as per regulatory requirements.
- ❑ Submitting return to government authority in time.

So these are the major activities those are taken over by the Finance and account departments. However, the billing and cost accounting jobs are the most important and effective job done by this particular department.

IT & EDP Department:

Information Technology Department of BANEX acts as a bridge between management team and operation. A software named COSMOS, developed by IBM, used by FedEx worldwide as well as BANEX. The major job of IT dept. is to provide 24-hour trouble-free operation of BANEX communication system. The department accomplishes the following tasks:

❑ Electronic data processing for manifestation AWB, credit cash, AFR, credit PP, etc.
❑ MIS related activities, report producing, and data backup and system security.
❑ Planning and executing maintenance activities of IT and net work equipment
❑ Software programming, system support, system design and analysis.

So these are the various software operations, manifestation jobs and the database management activities done by the IT and EDP department of the company.

Human Resources Department:

As a major supporting department of the company HRD plays a very vital role in selecting the right people in the right place and training and developing their skills for crafting efficient manpower for the company. Sequentially the activities of human resource department are given below briefly:

❑ Develop and implement HRD policy.
❑ Select and hire staff.
❑ Assess executive training need, if decided by the management.
❑ Schedule and executing training.
❑ Evaluated training effectiveness.
❑ Staff administration.
❑ Year performance evaluation of staff.
❑ Plan and schedule training on monthly /six monthly basis.
❑ Execute training as per schedule evaluate training.
❑ Evaluate training effectiveness.

These are few major department and their important activities those are shown based on the areas which are very much integral part of the company operations and to make the company different from the other competition in the markets. These departments plays the major role for the organizational success and they are the internal focus of the company and should be analyzed and implemented perfectly for any of their strategies and changes in these departments as per the requirements.

1.4 Products and Services of FedEx in Bangladesh:

For any business to be operated on any market and territory is very important as this is the things that is being sold in the market and based on the quality and acceptance of the products and services of the company the target market and customers accept or reject the company and based on which the brand image is being created in the markets. The several products and service those are offered by FedEx through BANEX in the Bangladesh market are given below and described briefly:

At present by assessing the market demand and understanding the trend of the market BANEX is offering the following Products and Service of FedEx in Bangladesh:

❑ International Priority (IP) services for Export & Import
❑ International Economy (IES) services for Export only
❑ 10 kg and 25 kg Box
❑ Customs Clearance

There are various value added features of FedEx services required to be offered by BANEX and these features are very important for ensuring a differentiation and give more authentic tool to compete in the hyper competitive market. These features are given below:

❑ Door to door services, customs cleared packages
❑ Delivery commitment
❑ Free Proof of Delivery (POD)
❑ Maximum weight-68 kg per package

- Up to 999 pieces of package per Air way Bill
- Up to 10 commodities per AWB
- Free FedEx packing material
- Two types of special economy Box (FedEx 10 kg Box & FedEx 25 kg Box)
- On line tracking of shipments
- Three types of billing options (Sender/Recipient/3rd Party)
- Dim weight
- Prohibited items (As per service reference guide)
- Dangerous goods not accepted in Bangladesh
- Hold at location (HAL) service
- Money Back Guarantee

International Priority (IP) for Export & Import

International Priority is one of the exclusive services of FedEx provides time- definite customs cleared, door-to-door delivery, typically in 1,2, or 3 business days. BANEX exercises IP for both export and import of FedEx from the very beginning. BANEX IP for export and import is absolutely a time sensitive service. If FedEx or BANEX fails to maintain guaranteed delivery time, FedEx or BANEX is obligated to refund the money back to the clients. Transmit time for documents and non-documents vary from one country to another. Customers can enjoy the following benefits of IP.

International Economic (IES) service for import only

International Economic (IES) service is for import only. The transit time from USA is 120 hour for document and 144-hour for non-document. From UAE, the transit time is 96 hour for document and 120 hour for non-document. International Economy (IE) is a deferred, time-defined, door-to-door service for customs-cleared shipments to and from selected locations. The service is available from the U.S. to more than 205 destinations.

Product/ Services	Description	Main Features & Benefits	Restrictions
International Economy Service (IES)	Deferred, time-definite, door-to-door service for customs cleared shipments to and from selected locations.	❑ Cost saving solution for less time sensitive deliveries ❑ Mainly targeted to the small and medium business ❑ Delivery commitment is two business days longer than FedEx IP service ❑ Offered on competitive list rates ❑ Maximum declared value for carriage is $50,000 and $100 for FedEx Envelope/Pak	• Individual packages may weigh as much as 68 kg • FedEx Envelop, Pak, Tube, 10kg & 25kg Box may not be used ❑ Dangerous goods are not accepted
Product/ Services	Description	Main Features & Benefits	Restrictions
International Priority Service (IP)	Highly reliable, express, time-definite, customs-cleared, door-to-door service in more than 220 countries around the world.	• Total shipment weight containing many individual packages is unlimited. • Delivery commitment time is 72 hours depending on the origin and destination of the shipment • Envelop, Pak, Tube, 10kg & 25kg Box are available depending on the type & weight of the packages. • Maximum declared value for carriage is $50,000 and $100 for FedEx Envelope/Pak	• Individual packages may weigh as much as 68 kg • Each shipment can contain up to 10 different packages.

10 kg and 25 kg Box

This service is very similar to IP service but the rate may vary for various countries. The recommended weight of FedEx 10 kg Box is 16 kg and maximum declared value is US$ 50,000. The recommended weight of FedEx 25 kg Box is 35 kegs and maximum declared value is US$ 50,000. No Multiple Piece Shipment and discount is allowed for both FedEx 10 kg and 25 Kg Boxes.

Customs Clearance

BANEX has been performing all customs formalities for its outgoing Shipments and doing customers clearance for FedEx and non-FedEx incoming shipment. BANEX has its own clearing and Forwarding agent at airport for customs clearance. Also the company rented a warehouse called BANEX case at airport to enhance the effectiveness of customs clearance. Incoming documents and non-documents brought to BANEX case after the scanning at freight transit area. After receiving shipments from hub, outgoing documents and non-documents remain and address customs formalities at the BANEX cage before handing to airlines.

1.5 Activities of Corporate Social Responsibility:

BANEX also contributes to various noble causes by lending the helping hand to many charitable organizations. In maintaining the corporate social responsibility BANEX marketing department plays an important role to come up with sponsorship and other charitable activities towards three organizations. These organizations are: Center for Rehabilitation of Paralyzed [CRP], Kidney Foundation and Play Park. The various types of contribution and sponsorship towards these organizations are given below:

❑ Financial sponsorship and contribution for CRP, Kidney Foundation and Play Park
❑ Seminar or event organizing, visiting and financial sponsorship for CRP
❑ Contribution towards the waste paper management service of CRP
❑ Contribution in selling and distributing the greeting cards for various festivals for CRP
❑ Calendar Sponsorship for CRP

It is also marketing departments' job to work on the following areas:

❑ Develop marketing plan including the objectives, policies and programs
❑ Undertake market research and customer survey to identify market opportunity for business decision making
❑ Monitor and evaluate the competitive market
❑ Maintain connection with the suppliers, customers government agencies
❑ Develop marketing handouts, brochures, promotional items
❑ Coordinate in organizing customer event like annual customer meet, annual golf tournament etc.
❑ Maintain good liaison with the FedEx Regional office in Dubai in indentifying opportunities, media advertisement campaign to promote the brand to the target customers.

These are the briefly mentioned overall marketing and brand building activities followed by the marketing department of BANEX to enhance the marketing and sales activities in order to emphasis more or brand building and influence the sales to generate revenues and market share of the company.

1.6 Job Description:

In the Human Resource Department, the specific responsibilities and the nature of the job are as follows-

- Worked on the recruitment guidelines and policy with the HR division.
- Worked on different hiring and training of 22 FedEx outlet branches and all agent points.
- Participated in various HR related projects and assignments.
- Follow up of the corporate identity guidelines and employment history of the employees.
- Participated in similar industry related fair, exhibitions.
- Assist in the idea generation and production of all marketing collateral including flyers, sales folder, brochures, etc
- Worked with the development unit of producing PR materials
- Providing support in organizing the associates' exhibitions, seminars, corporate events, etc.
- Collected industrial news through daily English newspapers and produce weekly reporting to regional office and Press Clipping
- Support the Sales team with presentations, training and promotional items
- Worked on inventory and manage the stock of the FedEx Branded Promotional items.etc

PART 2: PROJECT PART

2.0 INTRODUCTION OF THE STUDY

2.1 Background of the Study:

This study was originated based on the course requirement of MBA degree and in order to have a link with the theoretical knowledge and real life scenario to the corporate practices that provides the students with a glimpse of relationship with the subject matters.

These sections of the report will emphasis on the study and analysis of the various aspects of this study, done for the express industry. As a part of the study of express industry and the competitive analysis of the express industry it is the most primary things to know that what the major factors are or features those plays the important role to gain competency in the industry. Since Express industry is a hyper competitive market and the competitors are very strong in this region we have to cover the area of competitive analysis on the express industry and the existing service factor to find out whether these factors are satisfying the customers or not and what according to them should be the primary key factor to satisfy their demand.

As per the recent business scenario, Bangladesh Express market is dominated by DHL and FedEx is in the market follower stage. Apart from these two giants there are other global players like TNT, UPS, ARAMEX and other small local and country based players in the market. All these players have their own service features and these features bring advantages and disadvantages for each one of them. It may be like this that the price as a key feature might be strength of a certain company and it might be a weakness of the others.

2.2 Objectives of the Study:

The objective of the study is the most important part of the report where the primary reasons for doing this study is mentioned and where this study may impact in the industry and to the specific company is also mentioned. So the Objective of the study is also divided in two major areas. One is the brand objective and the other one is the specific objectives.

The broad objective of the study is given below:

"To undergo a competitive analysis in the Express Industry of Bangladesh, in order to find out whether the existing Key Service Features are satisfying the customers demand or not." This will help us to assess several factors of the express industry and will surely help us to know how a company can design their service features or which areas should be given more importance to cater the customers demand and their expectation level.

The Specific Objectives of the Study is given below:

❑ To develop basic understanding about marketing activities of FedEx in Bangladesh.
❑ To find out the competition level of the express industry in Bangladesh.
❑ To find out the key service features that are required to be successful in the express industry of Bangladesh.
❑ To assess the satisfaction level of customers in operations & customer service activities

So these are the various objectives of the study which are the yardstick as the total study will be done properly based on these objectives and will help the readers to understand and develop the basic knowledge about the above mentioned areas of the companies in the express industry and will help us to provide necessary suggestions to develop the market share of the specific company. I have tried to develop the internship report study materials, questionnaires, data analyzing tools and all the other mechanism of the study to make sure that the study objectives and the study finds have got logical links and can be joined together to have a useful and resourceful report.

2.3 Rationale of the Study:

So this study will help us to assess the market and the competition and their offers those given to the customers and according to the customers what are the major aspects or features those are very important in order to meet their demand. This study will also bring a light on the areas where the companies can pay their focus based on the market need and where the

company can be offering or designing better service for their customers in order th retain the market share and grow their business in the country.

2.4 Scope of the Study:

The Scope of the study is basically to assess the market information regarding the competitive environment, customer satisfaction of the express industry in Bangladesh and the customer's choice and their likings regarding the various existing service features those play a key role in ensuring customer satisfaction and their loyal towards the brand and company.

2.5 Limitations of the Study:

Since this study was done in very short scale in terms of the number of respondents, sample size and the length of the study and it has got several implications of academic and corporate arenas so there are some limitations that I have to face coming up with this study. The limitations are briefly discusses as follows:

- ❑ I have given much information, which was provided us by the concerned personnel of the organization, and the various persons who are involved in the company's relevant activities. They have helped us by their knowledge and practical experiences. But for their tight schedule and workload it was not possible for me to get more information from them which would surely helped the report to earn more.
- ❑ I am doing the report by my limited knowledge over various things in business research and regarding the express transportation and logistics industry.
- ❑ Time limitation in preparing the report was there.
- ❑ Lack of perfect co-ordinations in the different answers given by the respondents.
- ❑ The focus of the report was broad but the coverage due to several issues was very narrowed down which I believe another limitation of this study.
- ❑ This is always the case that the organization doesn't provide some information that is confidential. Few companies were also reluctant to do the same as well. So, some internal information that has not been provided despite that was helpful, so here is a constraint in preparing the report as well.

3. LITERATURE REVIEW

The literature review for any study is a very important factor and this should be done in such a way that it serves the purpose of doing the study. So the literatures review of this particular study whether the existing service features are satisfying the customers or not are given and discussed below in details:

Literature Review on the Customer Satisfaction & Key Service Features:

A review of the existing literature indicates a wide variance in the definitions of satisfaction. The lack of a consensus definition limits the contribution of consumer satisfaction research. Without a uniform definition of satisfaction, researchers are unable to select an appropriate definition for a given context; develop valid measures of satisfaction; and/or compare and interpret empirical results. Consumer satisfaction researchers have contended that these problems are pervasive and important (Gardial, Clemons, Woodruff, Schumann, and Burns 1994; Peterson and Wilson 1992; Yi 1990). This research will:

1. Suggest a definitional framework of consumer satisfaction based on commonalities in the literature and the views of consumers.
2. Discuss how this framework can be used to develop a definition of satisfaction to accommodate different contextual settings.
3. Ensure that our definitions of satisfaction are consistent with consumers' views. This is critical since, ultimately, we must understand consumers' meanings of satisfaction and consumers must understand what we mean when we use the term, satisfaction.

The Literature and Consumer Views of Satisfaction - While the literature contains significant differences in the definition of satisfaction, all the definitions share some common elements. When examined as a whole, three general components can be identified: 1) consumer satisfaction is a response (emotional or cognitive); 2) the response pertains to a particular focus (expectations, product, consumption experience, etc.); and 3) the response occurs at a particular time (after consumption, after choice, based on accumulated experience, etc). Consumer responses followed a general pattern similar to the literature. Satisfaction was comprised of three basic components, a response pertaining to a particular focus determined at a particular time.

Response: Type and Intensity - Consumer satisfaction has been typically conceptualized as either an emotional or cognitive response. More recent satisfaction definitions concede an emotional response. The emotional basis for satisfaction is confirmed by the consumer responses. 77.3% of group interview responses specifically used affective responses to describe satisfaction and 64% of the personal interviewees actually changed the question term "satisfaction" to more affective terms. Both the literature and consumers also recognize that this affective response varies in intensity depending on the situation. Response intensity refers to the strength of the satisfaction response, ranging from strong to weak. Terms such as, "like love," "excited," "euphoria," "thrilled," "very satisfied," "pleasantly surprised," "relieved," "helpless," "frustrated," "cheated," "indifferent," "relieved," "apathy," and "neutral" reveal the range of intensity. In sum, the literature and consumers both view satisfaction as a summary affective response of varying intensity.

Focus of the Response- The focus identifies the object of a consumer's satisfaction and usually entails comparing performance to some standard. This standard can vary from very specific to more general standards. There are often multiple foci to which these various standards are directed including the product, consumption, purchase decision, salesperson, or store/acquisition. The determination of an appropriate focus for satisfaction varies from context to context. However, without a clear focus, any definition of satisfaction would have little meaning since interpretation of the construct would vary from person to person (chameleon effects).

Timing of the Response - It is generally accepted that consumer satisfaction is a post purchase phenomenon, yet a number of subtle differences exist in this perspective. The purchase decision may be evaluated after choice, but prior to the actual purchase of the product. Consumer satisfaction may occur prior to choice or even in the absence of purchase or choice (e.g., dissatisfied with out-of-town supermarkets, which were never patronized, because they caused a local store to close). It has even been argued that none of the above time frames is appropriate since satisfaction can vary dramatically over time and satisfaction is only determined at the time the evaluation occurs. The consumer responses reinforced this

varied timing aspect of satisfaction. In addition, the consumers discussed the duration of satisfaction, which refers to how long a particular satisfaction response lasts.

Dissatisfaction - The literature has taken two approaches to conceptualizing and operational the dissatisfaction construct. Consumer dissatisfaction is portrayed as the bipolar opposite of satisfaction; or consumer satisfaction and dissatisfaction are viewed as two different dimensions. Since the literature does not provide a clear conceptualization of dissatisfaction, we turned to consumer perceptions. Consumers suggest that dissatisfaction is still comprised of the three components of the definitional framework: affective response; focus; and timing. However, the consumer data did not help resolve the dimensionality issue. We speculate that the apparent dimensionality of satisfaction might be understood by examining the focus of satisfaction and dissatisfaction. Consumers were sometimes satisfied with one aspect of the choice/consumption experience, but dissatisfied with another aspect. In this case, satisfaction and dissatisfaction can be viewed as different dimensions.

Based on the insights provided by the literature review and interviews, we propose a framework for developing context-specific definitions of consumer satisfaction. This framework is not a generic definition of satisfaction. As noted above, innumerable contextual variables will affect how satisfaction is viewed. As such, any generic definition of satisfaction will be subject to chameleon effects. Rather than presenting a generic definition of satisfaction, we identify the conceptual domain of satisfaction, delineate specific components necessary for any meaningful definition of satisfaction, and outline a process for developing context-specific definitions that can be compared across studies.

As concluded by the literature review and validated by the group and personal interview data, consumer satisfaction is:

- A summary affective response of varying intensity. The exact type of affective response and the level of intensity likely to be experienced must be explicitly defined by a researcher depending on the context of interest.
- With a time-specific point of determination and limited duration. The researcher should select the point of determination most relevant for the research questions and identify the likely duration of the summary response. It is reasonable to expect that consumers

may consciously determine their satisfaction response when asked by a researcher; therefore, timing is most critical to ascertain the most accurate, well-formed response.

- Directed toward focal aspects of product acquisition and/or consumption. The researcher should identify the focus of interest based on the managerial or research question they face. This may include a broad or narrow range of acquisition or consumption activities/issues.

By fleshing out these components, researchers should be able to develop specific definitions that are conceptually richer and empirically more useful than previous definitions. To develop context-relevant definitions and measures, researchers must be able to identify both the questions they are interested in answering and some basic information about the setting and consumers. Specifically, the researcher will need to provide details about all three components of satisfaction.

Implications: The satisfaction literature has not yet, explicitly or implicitly, established a generally accepted definition of satisfaction. This has limited our abilities to develop appropriate measures and compare results across studies. The definitional framework we present provides guidelines for developing conceptually consistent, clearly delineated, context-specific definitions of satisfaction. By providing appropriate detail concerning the affective response, time of determination and duration, and the focus of the response, a more meaningful definition of satisfaction can be constructed. Context-specific definitions created using the framework should be general enough to allow comparisons across studies, but specific enough to allow for the development of context-specific measures in order to prevent chameleon effects.

Implications for Theory Development and Testing - Currently, it is impossible to disentangle differences in operationalizing satisfaction from differences in results. This limits theoretical advancements. Our proposed definition framework allows researchers to identify the common and unique components of different satisfaction studies. This will allow results to be more easily interpreted and compared.

Developing Measures of Satisfaction- The proposed definitional framework provides the specificity to allow researchers to develop context-specific measures by helping researchers clearly identify the relevant satisfaction domain for their study. When appropriate, researchers can develop measures of satisfaction consistent with the conceptual definition and their research goals. Providing context-specific measures will prevent chameleon effects which can cause the meaning of items to vary depending on the other information presented in the questionnaire or research context. Furthermore, the typical measurement problems of negative skewness and lack of variability can be alleviated with scales reflecting appropriate intensity of the affective response.

Implications for Managers- Managers need to know how their consumer groups define satisfaction and then interpret satisfaction scales to accurately target, report, and respond to satisfaction levels. Guided by our framework, managers should conduct post-purchase segmentation, realizing that consumers vary with respect to the components and related properties of satisfaction. Results suggest that different industries may need to use different satisfaction scales, or a single industry may need to tailor scales to different types of consumers. More importantly, managers can recognize that the satisfaction focus and timing can be customized for their needs. Rather than looking at all aspects of choice/consumption experience, managers can concentrate on those that are of direct interest or are directly controllable. As a result, managers are able to obtain "true" consumer responses that are relevant to managerial decision making. (*Defining Consumer Satisfaction by Giese and Cote, Academy of Marketing Science Review Volume 2000.*)

In businesses where the underlying products have become commodity-like, quality of service depends heavily on the quality of its personnel. This is well documented in a study by Leeds (1992), who documented that approximately 40 percent of customers switched banks because of what they considered to be poor service. Leeds further argued that nearly three-quarters of the banking customers mentioned teller courtesy as a prime consideration in choosing a bank. The study also showed that increased use of service quality/sales and professional behaviors (such as formal greetings) improved customer satisfaction and reduced customer attrition.

Indeed, customer satisfaction has for many years been perceived as key in determining why customers leave or stay with an organization. Organizations need to know how to keep their customers, even if they appear to be satisfied. Reichheld (1996) suggests that unsatisfied customers may choose not to defect, because they do not expect to receive better service elsewhere. Additionally, satisfied customers may look for other providers because they believe they might receive better service elsewhere. However, keeping customers is also dependent on a number of other factors. These include a wider range of product choices, greater convenience, better prices, and enhanced income (Storbacka et al., 1994). Fornell (1992), in his study of Swedish consumers, notes that although customer satisfaction and quality appear to be important for all firms, satisfaction is more important for loyalty in industries such as banks, insurance, mail order, and automobiles.

Ioanna (2002) further proposed that product differentiation is impossible in a competitive environment like the banking industry. Banks everywhere are delivering the same products. For example, there is usually only minimal variation in interest rates charged or the range of products available to customers. Bank prices are fixed and driven by the marketplace. Thus, bank management tends to differentiate their firm from competitors through service quality. Service quality is an imperative element impacting customers' satisfaction level in the banking industry. In banking, quality is a multi-variable concept, which includes differing types of convenience, reliability, services portfolio, and critically, the staff delivering the service.

The paramount goal of marketing is to understand the consumer and to influence buying behavior. One of the main perspectives of the consumer behavior research analyses buying behavior from the so-called "information processing perspective" (Holbrook and Hirschman 1982). According to the model, customer decision-making process comprises a need-satisfying behavior and a wide range of motivating and influencing factors. The process can be depicted in the following steps (Engel, Blackwell et al. 1995):

• Need recognition – realization of the difference between desired situation and the current situation that serves as a trigger for the entire consumption process.

• Search for information - search for data relevant for the purchasing decision, both from internal sources (one's memory) and/or external sources.

• Pre-purchase alternative evaluation - assessment of available choices that can fulfill the realized need by evaluating benefits they may deliver and reduction of the number of options to the one (or several) preferred.

• Purchase - acquirement of the chosen option of product or service. Life cycle approaches to sustainable consumption.

• Consumption - Utilization of the procured option.

• Post-purchase alternative re-evaluation - assessment of whether or not and to what degree the consumption of the alternative produced satisfaction.

• Divestment - disposal of the unconsumed product or its remnants.

Besides the information processing perspective, marketing analyses consumer behavior by employing a psychologically grounded concept of attitudes (Balderjahn 1988; Ronis, Yates et al. 1989; Luzar and Cosse 1998). It is consumer attitudes that are usually named as the major factor in shaping consumer behavior and a wealth of studies is available on the topic of how

attitudes can predict behavior. *(Customer satisfaction: review of literature and application to the product-service systems by Ms. Oksana Mont & Mr. Andrius Plepys, International Institute for Industrial Environmental Economics, Lund University)*

It's a well known fact that no business can exist without customers. In the business of Website design, it's important to work closely with your customers to make sure the site or system you create for them is as close to their requirements as you can manage. Because it's critical that you form a close working relationship with your client, customer service is of vital importance. What follows are a selection of tips that will make your clients feel valued, wanted and loved.

1. Encourage Face-to-Face Dealings

This is the most daunting and downright scary part of interacting with a customer. If you're not used to this sort of thing it can be a pretty nerve-wracking experience. Rest assured, though, it does get easier over time. It's important to meet your customers face to face at least once or even twice during the course of a project.

My experience has shown that a client finds it easier to relate to and work with someone they've actually met in person, rather than a voice on the phone or someone typing into an email or messenger program. When you do meet them, be calm, confident and above all, take time to ask them what they need. I believe that if a potential client spends over half the meeting doing the talking, you're well on your way to a sale.

2. Respond to Messages Promptly & Keep Your Clients Informed

This goes without saying really. We all know how annoying it is to wait days for a response to an email or phone call. It might not always be practical to deal with all customers' queries within the space of a few hours, but at least email or call them back and let them know you've received their message and you'll contact them about it as soon as possible. Even if you're not able to solve a problem right away, let the customer know you're working on it.

A good example of this is my Web host. They've had some trouble with server hardware which has caused a fair bit of downtime lately. At every step along the way I was emailed and told exactly what was going on, why things were going wrong, and how long it would be

before they were working again. They also apologized repeatedly, which was nice. Now if they server had just gone down with no explanation I think I'd have been pretty annoyed and may have moved my business elsewhere. But because they took time to keep me informed, it didn't seem so bad, and I at least knew they were doing something about the problems. That to me is a prime example of customer service.

3. Be Friendly and Approachable

A fellow Site pointer once told me that you can hear a smile through the phone. This is very true. It's very important to be friendly, courteous and to make your clients feel like you're their friend and you're there to help them out. There will be times when you want to beat your clients over the head repeatedly with a blunt object – it happens to all of us. It's vital that you keep a clear head, respond to your clients' wishes as best you can, and at all times remain polite and courteous.

4. Have a Clearly-Defined Customer Service Policy

This may not be too important when you're just starting out, but a clearly defined customer service policy is going to save you a lot of time and effort in the long run. If a customer has a problem, what should they do? If the first option doesn't work, then what? Should they contact different people for billing and technical enquiries? If they're not satisfied with any aspect of your customer service, who should they tell? There's nothing more annoying for a client than being passed from person to person, or not knowing who to turn to. Making sure they know exactly what to do at each stage of their enquiry should be of utmost importance. So make sure your customer service policy is present on your site — and anywhere else it may be useful.

5. Attention to Detail (also known as 'The Little Niceties')

Have you ever received a Happy Birthday email or card from a company you were a client of? Have you ever had a personalized sign-up confirmation email for a service that you could tell was typed from scratch? These little niceties can be time consuming and aren't always cost effective, but remember to do them. Even if it's as small as sending a Happy Holidays email to all your customers, it's something. It shows you care; it shows there are real people

on the other end of that screen or telephone; and most importantly, it makes the customer feel welcomed, wanted and valued.

6. Anticipate Your Client's Needs & Go Out Of Your Way to Help Them Out

Sometimes this is easier said than done! However, achieving this supreme level of understanding with your clients will do wonders for your working relationship. Take this as an example: you're working on the front-end for your client's exciting new ecommerce endeavour. You have all the images, originals and files backed up on your desktop computer and the site is going really well. During a meeting with your client he/she happens to mention a hard-copy brochure their internal marketing people are developing. As if by magic, a couple of weeks later a CD-ROM arrives on their doorstep complete with high resolution versions of all the images you've used on the site. A note accompanies it which reads:

"Hi, you mentioned a hard-copy brochure you were working on and I wanted to provide you with large-scale copies of the graphics I've used on the site. Hopefully you'll be able to make use of some in your brochure." Your client is heartily impressed, and remarks to his colleagues and friends how very helpful and considerate his Web designers are. Meanwhile, in your office, you lay back in your chair drinking your 7th cup of coffee that morning, safe in the knowledge this happy customer will send several referrals your way.

7. Honor Your Promises

It's possible this is the most important point in this article. The simple message: when you promise something, deliver. The most common example here is project delivery dates. Clients don't like to be disappointed. Sometimes, something may not get done, or you might miss a deadline through no fault of your own. Projects can be late, technology can fail and sub-contractors don't always deliver on time. In this case a quick apology and assurance it'll be ready ASAP wouldn't go amiss.

Conclusion

Customer service, like any aspect of business, is a practiced art that takes time and effort to master. All you need to do to achieve this is to stop and switch roles with the customer. What

would you want from your business if you were the client? How would you want to be treated? Treat your customers like your friends and they'll always come back. (*Customer Satisfaction in 7 Steps by Adrian Thompson, February 11, 2002*)

4. METHODOLOGY OF THE STUDY

The methodology is the most important section where we try to formulate the methods and figure out ways how to carry on the study, collect the data, do the entry and analyze the data. Finally it also covers the findings and interpretation of the data and compiles all the necessary areas of the report. The various areas of methodology are given below in details:

4.1 Sampling method: The sampling method of the study that will be using is the "Simple Random Sampling" where from the list of the customers and prospects of FedEx, we have found out the customers and prospects randomly by randomizing their unique ID number generated in the customer database and Prospect database and we have found out the data randomly generated from Ms. Excel and we have found out 20 sampling units all together to find out the date by interviewing them individually.

4.2 Data Source: The data source of the study is divided into two parts. The Primary data Source and the Secondary Data Source. Primarily the customers and prospect those are randomly generated from the database and secondarily we have to get back on the available data sources of the study.

❑ **Primary Data Source:** The respondents section whom we have selected randomly from the customer database and prospect database list and we have also divided the database and randomize their number of ID code and selected them by automatically generated random numbers. This is a direct session with the respondent who are the concerned contact personnel of the particular company and who deals with the transportation to have a better view on subject.

❑ **Secondary Data Source:** The information those we have compiled in this section are collected from various authentic sources of Export Promotion Bureau (EPB), International Air Express Association, Marketing Intelligence unit of FedEx, etc. in other forms of trusted resource personnel.

4.3 Research Approaches: The research approach of this study is primarily based on the descriptive study and analysis. This study is covering both, Descriptive Research approach and Causal Research Approach. Through this research and study we would described the certain situation and analyze certain factors of the express industry and we will be also doing some primary findings on few area to describe the recent phenomena of the express industry and the major features those plays important role in industry to regain the market share and the growth of the business.

4.4 Research Instruments: In this study we have used the questionnaire as the primary instrument and we have also gone through several types of questions and scaling methods to have a conclusive result of the study. In the questionnaire we have closed ended and open ended questions related to the study topic. There are also several ranking, rating, and opinion preference questions asked to the respondents to have a better analysis of the subject matter in this regard.

4.5 Sampling Plan: As we have mentioned the simple random sampling techniques are being used to carry out the study and we are randomizing the sample list form the customer database and prospect database so these database are the population of our study and the randomized sample units are the sample size of our study. We have selected 20 random samples across the total database of 2700 randomly selected organizations where we have existing customer and prospects of FedEx. We can have a balanced sample size and that is the reason of selecting customers and prospects of the company. Finally we have selected 20 randomly selected organizations who are the customers and the prospects of the express industry and companies like FedEx, DHL, TNT, UPS and Aramex so that we can have a better exposure from the market.

4.6 Contact Methods: We have contacted the customers through telephone and mentioned them about the background and the reasons for this study and relationship with the Internship program and then after taking the required appointments we have went to the customer's premises and collected the necessary data through the questionnaire and face to face interviewing procedures. We have went to the concerned personnel who are

responsible to take the decision regarding using the express transportation company and to make sure that the person knows about the several issues and areas of the topic and to be able to answer our queries and contribute to the study objectives.

4.7 Data Analysis: The data analysis was done by using the **Ms**. Excel application and **we** have tried to bring all the result in the percentage format by showing the pie chart and graphical formats to conclude the analysis and interpret the summary. In analysis, we have done frequency distribution, ranking measurement, central tendency analysis, descriptive analysis of the different variables and few causal findings related with the service features.

So these are the various important aspect of the methodology which are very important for the study and will help us to go deeper into this study of the express industry.

5. DATA ANALYSIS AND INTERPRETATION

This is the most important section of the study as this section reveals the outcome or the answers of the questions for the study and this part will help us to assess the existing service features of the company in order to find out the changes those are needed to be done in order to develop the features or services for having a better acceptance in the market.

5.1 PEST Analysis

Through this particular analysis we can find out the areas of Political, Economical, Social and Technological factors analysis and what impact these areas are having in the express industry competition and the service features. The factors and their analysis are given below:

Political Factor Analysis: There are several important areas in this factor which may play very important role in the competitive scenario overall to the industry. The Political factors are one of the most important one to influence the operations and network coverage to provide seamless services by these companies.

Since the independence of Bangladesh in 1971, various political parties have taken charge of the country. However, every political party and its leaders had different beliefs and ideologies of conducting politics and running the country. This gave the country a highly changing political climate after every five years of one Democratic government's reign and thus followed the footsteps of the leader. The political history of Bangladesh is very bloody indeed, political leaders have used the public sentiment to their advantage many times and they have very little respect for the public property and public sentiment. The political situation of Bangladesh is regarded to be a very volatile one and investors are highly skeptical about their investments return. It is a common practice for the Bangladeshi political parties to call for strikes, these strikes are called for very insignificant reason and these cause severe problems for operating both the public and the private corporations who run their business in Bangladesh. This practice has become so common that the businesses in our

country have adjusted to the situation and all the businesses have special policies regarding Strike days. However in the last three years the Strike situation has been more unbearable due to the fact that many of the political leaders were imprisoned and the interim caretaker government was very strict upon the people who tried to disrupt the natural flow of economy.

Strikes and agitations pose problems in many different ways, during the Strikes the office workers have difficulty in commuting to their workplaces, the vehicles are endangered from the rogue crowd who gather to damage and destroy any form of mechanical vehicles, the businesses which are more service oriented fail to serve their customers promptly and effectively.

In this political backdrop the corporations have many a times urged the political parties to avoid these types of demonstrations however they have gone unheard for all the times requested. It is also alleged and acknowledged that the political affiliation can help a business in Bangladesh to grow rapidly. The businesses which have political affiliation can sometimes gain unfair advantages from the government regarding policies and even tax benefits. Though this can be a positive side but there are disadvantages to it. Since the country's politics is dominated by two major parties having affiliation with only one can disfavor a business to the other. The political parties are also highly vindictive and they can harm the business in ways which they think is appropriate and will cause maximum damage to a company.

Express companies in Bangladesh operate 24/7 so any kind of political disruption is making the companies lose money. The companies may also fail to keep their commitment to the customer to deliver their package within the committed time.

The company may also face danger in terms of damage and loss to their assets, as the company vehicles has to run in order to satisfy the customer demands and they may be attacked and destroyed by the deviant political supporters. This risk is completely understood by the company and they have accepted this fact and are running their business with this.

Due to the strikes and political instability big companies like DHL and FedEx who have got more service centers, branches and a large number of vehicles are gaining a competitive advantage for better operational and network coverage in this political unrest situations., On the other hand the smaller players like TNT, UPS and Aramex are comparatively weaker in running their network and operations throughout the country.

Economical Factor Analysis: The economic scenario has got huge impact in the business adversely as express companies in Bangladesh have to earn profit based on the economy of the country. The business is heavily dependent on the garments industry in Bangladesh. The express carrier moves a majority of the garments sample and documents to the various developed countries. As the developed countries are going through the economic crisis they are now reducing their expenditures in the apparel sector. For this reason the business has dried up and the company is observing a steady decline in the business. This can be said that the success and the growth of this company are totally interlinked with the growth of the readymade garments sector of Bangladesh. This dependency is advantageous because RMG sector in Bangladesh is the largest sector which earns the maximum foreign revenue, however on the hind side when RMG sector slows down the courier company and transportation companies will also face a hard time for their business. The GDP is contributed of around 85% from the garments sector and from this garment sector a total of 10 billion dollar industry is the express, and courier service industry. The GDP growth rate of the country is given below:

GDP GROWTH

GDP Growth Rate (%)

	2008	2009	2010	2011
GDP GROWTH	6.3	4.9	5.7	6
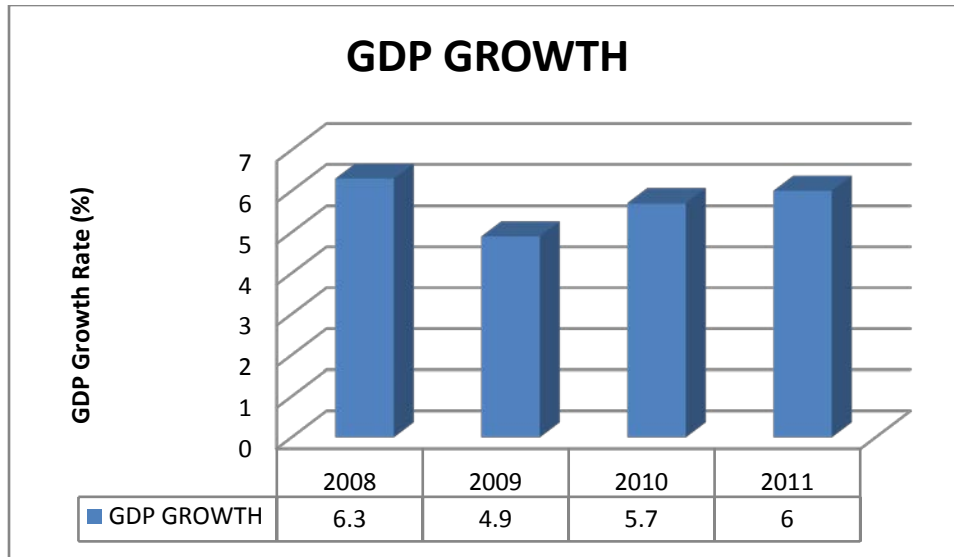
Apart from garments the several industries are also playing major role in the express transportation industry including; Jute and jute products, pharmaceuticals, tea, leather and leather goods, ceramics etc. All these items are also contributing to the economy of the industry for express/ courier and freight forwarding companies. The brief summary of the top industries that contributes towards the economy of this industry are given below:

Top 10 Export Commodities	Rev (Mill $) FY 2007-08	Revenue (Million Dollar) FY 2008-09	Revenue (Million Dollar) FY 2009-10
Knitwear	5532.52	6429.26	6483.29
Woven Garments	5167.28	5918.51	6013.43
Jute Goods	318.34	269.25	591.72
Leather	284.41	177.32	226.1
Frozen Food	534.07	454.53	445.18
Petroleum products	185.11	142.03	301.15
Chem. Fertilizer	215.78	279.55	102.87
Raw Jute	165.06	148.17	196.27
Textile Fabrics	66.57	76.32	28.9

So these industries where the express companies are not focusing now like the Jute and jute goods, leather, frozen foods, and pharmaceuticals can be focused as new target segments and market potential due to the economic recession and cost curtailment in the garment sectors and the sector is reaching towards the maturity.

The various economical factors those are affecting this industry are primarily the cost curtailment of the buyers and price sensitivity of the exporters. Apart from that the slow growth in the GDP and to the above mentioned major industries are also hindering the operations of the business for all the companies.

Lastly, since the RMG sector is cutting their transportation cost the comparatively small competitors like TNT, Aramex and UPS are being able to fight and regain the market share as they have the scope to reduce down their price because of low fixed cost, infrastructural cost and operational expenses compared to big global power like DHL and FedEx. So in this case the small players are getting advantage now a day and losing the account of FedEx and DHL with lower rates in the market.

Socio-Cultural Factor Analysis: The socio cultural issues are very important for us to know in this business. The social influence in this industry plays a very strong role for operating business. As a part of the society and culture we have a better acceptance of MNC's like DHL, FedEx, TNT, UPS and Aramex for using as an International courier and freight forwarding company. However local companies find it very hard to gain acceptance in the mind of the customers as they are integral part of the society and our culture is to try out and trust the foreign company, products and service rather than any local organization despite of offering the same features and bundle benefits with even lower price/ rates.

In this case the more expensive brands like DHL, FedEx & UPS will be in a very awkward position to sell their expensive brands compared to the least expensive brands like TNT, OCS, Aramex and others. In terms of prestige and premium service a brand Bangladeshi customer have a notion of FedEx to be the most premium and expensive brands and then comes DHL in the mind of the customers. So during this time of cost reduction era and economic recession the expensive brands are not being used as much as the less expensive and premium brands. So logically businesses of these big players have gone down significantly over the last two years.

In addition for Bangladesh market it is very common for the general people to believe that the company that has started its operation for the first time is going to be the best, there is no hard evidence against this claim but generally speaking this hold true for most of the companies. The first mover advantage has significant impact among the customers in the Bangladeshi market. This is also a fact that global giant like DHL mentioned above will surely have better advantage of being first in the market compared to the small players who entered the market after them.

Technological Factor Analysis: The express and courier industry has become indispensible to the usage of hi-tech equipments like g-tracker, super tracker and power pads to ensure proper tracking and tracing of the shipments and to give the customers a real time update of their shipments. The international companies and most of the local companies in this industry have already implemented the adequate technology to provide the same services.

The technological advantage is also a very affective selling tool for the companies against their competition. All the big players and major multinational companies are also adopting various software for their customers to make proper billing, invoices, airway bill execution, prepare commercial documents and paper works to make their life easier and they are also selling these features to the customers. So the technological environment is very strong in this industry as the peace of mind is ensured by the help of technology compared to each one of them to their customers and prospects.

DHL in this case is very keen in incorporating the latest technologies into their business in order to improve the customer satisfaction. The company is using the latest innovations to make sure that the shipments can be tracked properly and easily by the customer. They have also got dedicated resource personnel to cater the need of the big and volumous customers and in this aspect technically DHL is clearly ahead of all the other companies.

All the companies now a day are using the hand held computers known as G-trackers are used to process the shipments and label them properly to be sent their respective destinations.

Previously super trackers were used to do the job but the new G- tracker has simplified work more.

The company like FedEx, UPS and TNT are also use computers extensively throughout, this is to help the company to ensure that the company can identify the problems in each and every area. The company knows that the use of technology doesn't reduce cost, however the technology helps to identify the cause of the problems so that the necessary actions can be taken to improve overall situation. The company also uses software's those are built in house to serve the needs of different departments. This shows that the company is very much interested in using and developing new technology in order to improve their overall efficiency.

So in the end of the PEST analysis we can summarize the findings as follows:

Political: DHL & FedEx is ahead in competition because of their network and operational strengths to cater in the political instability with their number of branches, vehicles, manpower strength and volume, etc.

Economical: Because of the economical downtrend and recession and at the same time because of being expensive for their various cost and infrastructural expense the smaller companies like TNT, UPS and Aramex can quote lower price compared to DHL and FedEx and they are getting more business due to customers cost curtailment.

Socio-Cultural: The brand image of FedEx and DHL is higher compared to the other courtier companies in this regard. Customers have got less interest now a day in the premium brands in order to reduce their costs and thus the smaller players like TNT, UPS and Aramex is gaining the business in Bangladesh market.

Technological: In the technological area DHL is clearly ahead with more sophisticated technology and software support to the customers compared to the other competitors. Where FedEx, TNT, UPS and Aramex is using the same technology for their operations and customer service and billing options.

5.2 SWOT Analysis:

The comparative SWOT analysis will give a brief picture on the gap or differences between the company and the competitors which may help to reduce the flaws and give an overview of the areas for further improvements. The strength, weakness, opportunity and threats of FedEx in Bangladesh are given below:

❑ **Strengths and Resource Capabilities:**

Brand Image: FedEx has a strong, renowned brand image and goodwill in the customers mind in Bangladesh. The name itself represents itself as a global courier service provider. In 1990, Federal Express became the first company awarded the Malcolm Baldrige National Quality Award in the service category. With the same strength there is also DHL with a true global brand image like FedEx.

Largest Global Operation: FedEx's 'FedEx Express' segment operates on a global scale. They operate in more than 220 countries, including Bangladesh. They have a large market in which to operate, by touching 376 airports around the world and thus realize significant revenues. They are also able to achieve global economies of scale, which FedEx in Bangladesh also benefits from. At the same level but not as large as FedEx is the DHL's operations where they have coverage in 190 countries and 250 airports. Followed by DHL we have UPS who are operating in 170 countries and 120 airports.

Customer Service: FedEx maintains customer friendly attitude in every customer center around the world and this includes FedEx in Bangladesh. It also has excellent communication with their customers. They keep tracking on all shipments from pickup to delivery, and customers can find out where their shipment is through many different avenues including a user-friendly Web site. This same tracking and tracing and update and real time Proof of delivery service is also provided by all the other competitions in Bangladesh.

Pioneer in WSC Concept: Being the industry leader since 1973 FedEx is the pioneer of World Service Center (WSC) concept. In Bangladesh it has the highest number of 21 WSCs

throughout the country to ensure better and quick service to its customers. DHL is following up in the market with 18 WSC, TNT & UPS are with 12 WSC's each and Aramex with 9 WSC's in the country.

Third Party Billing: In Bangladesh FedEx is the only company that is offering third party billing provision, by which bills can be paid by a party other then the consignee. This is also done by DHL and TNT but the other two major players are not having this special service offered to the customers.

Better Service in North America: Simply by layering the unique resource and operating requirements of a time-definite, global, express-delivery network onto a day-definite, ground small-package network FedEx is able to provide better service to the North American Countries compared to its competitors. In this case FedEx is the number one and nobody in this market can beat their rates and transit time.

❑ **Weaknesses and Resource Deficiencies:**

Weak Value Chain: There is no specific service differentiation or competitive edge over the customers for FedEx in Bangladesh, whereas other companies like DHL, UPS, ARAMEX are using competitive pricing, target pricing strategies. This might be key issue in the long run when FedEx would look for newer markets.

Weaker Service in Europe: Compared to the other companies in the industry specially companies like DHL and TNT who are very strong in Europe market, FedEx service is weaker in many of the European countries and more in East European countries. Due to this, FedEx in Bangladesh may lose customers who are sending shipments to European Destinations.

Investment of Principle: FedEx experiences lack of budget/investment in its operation in Bangladesh from the principle. Especially, in the marketing, brand building activities it is experiencing less financial involvement of its parent. Also it lacks in high quality infrastructural support compared to the competitors in Bangladesh Market. In comparison to

this the companies like DHL, TNT & Aramex are direct served and they have got huge budgets and regional support from the direct office to cater the above mentioned areas of marketing, sales and infrastructural development.

□ **Opportunities:**

International Economy Service: This cost saving service will be very much cost-effective for the less time sensitive deliveries for FedEx in Bangladesh customers and provides a good opportunity for FedEx in Bangladesh to develop this service. No other competitors so far has offered such service so far as this can be a competitive edge for FedEx in market.

Inbound Shipments: Scope of improvements for inbound shipments, i.e., reducing price, targeting appropriately, as there is good scope to earn healthy revenues from import as the top competitors like DHL, TNT and UPS is enjoying this advantage since long.

Document (DOX) & Non- Document (Non-DOX) Market: Scope to develop the document market for more business in financial sectors like, banks, foreign financial organizations, remittance sectors. Also there is scope for further business development for non-document market in pharmaceuticals, perishable products, ceramics, jute products, handicrafts, leather and leather goods, energy and FMCG sectors. This is a industry opportunity where the other competitors can also get advantage and market share out of these areas.

Cut-off & Transit Time: Scope for further service developments in the cut off time and transit time for giving a better service to the customers by adding this benefit. As DHL, TNT and UP sues dedicated containers that can allow better cut off time and transit time to the customers and FedEx is staying behind in this area.

Dangerous Goods (DG) Market: Scope for development in DG segment as this has a huge potential of export needs in various market sectors of the country. Necessary arrangements and infrastructural setup is required for the emerging DG market industry. This opportunity is applicable for all the companies in the industry.

❑ **Threats:**

Rising Prices: FedEx in Bangladesh's prices are above their competitors' price in most of the locations. This can be a threat if their customers do not perceive a difference between FedEx in Bangladesh and its competitors' services. Higher outbound and inbound rates are some of the main issue in terms of gaining and retaining the customers and that is the reason why FedEx in Bangladesh loosing the business. Here the price leaders are TNT and Aramex as they are able to quote in some cases half of FedEx and DHL price to some destinations.

No target pricing: Pricing strategy according to which FedEx sets the rates of the shipments in Bangladesh has to follow is mostly gateway driven rates (GDR). So there is less scope for the management in Bangladesh to provide market driven rates (MDR) to the customers in Bangladesh. But the close competitors like Aramex, DHL, TNT, UPS uses MDR in their operation and offering much competitive price to the customers.

Economic and Political Conditions: FedEx is subject to the entire world's economic and political condition in the areas of inflation rates, fuel prices and supply, customer purchase of their services, and relations with foreign countries. As a global company, they are subject to much more risk than domestic companies. All the companies are having the same global issues related to the business.

Consolidation Situation: The consolidation system that FedEx uses in its operation gives many advantages in terms of saving time and space in the airlines cargo, and keeping the brand name. But for some companies who use the name of FedEx not being the authorized agent of FedEx in Bangladesh and as they provide lower rates than FedEx official rate, FedEx is losing a good portion to those unauthorized companies. This same issue is also faced by all the multinational companies as they operates the same way.

Area Wise Pricing: Some niche players in the market are offering area wise incompatible price and enhancing service for specific location/country and are trying to serve the customers better in those areas. This is creating different options for the customers as they are getting more available low cost express service providers. Companies like OCS is

offering for Japan and China, TNT is offering for Far Eastern countries and DHL for the European Destinations.

Hub & Spoke: Need to follow 'Hub & Spoke' system for all flights and routing around the world. This decreases the flexibility of the operation, flight schedule and routing system as there is no 'point to point' delivery system in Bangladesh. That's why the low priced, time sensitive and easy handling facilities are not achieved by FedEx in Bangladesh, whereas some of the competitors are capitalizing their business on this advantage. Specially companies like DHL and TNT is utilizing this advantage and having good business in Asian countries.

So these are the SWOT analysis of FedEx where we have also shown comparison with the other major competitors. Here we have shown where the particular company is strong and weak in comparison to the other companies in the market.

5.3 Industry Analysis:

The express industry in Bangladesh is composed of merely five international players. The main reason for such a small number is the business nature of the industry. For years, DHL had been the sole player in the market. Then FedEx comes in and after that UPS and TNT came in as the major competition started in the market. The market became fiercer with competition when Aramex joins the market with price war in the year of 2000. The Express market's summarized information is given below:

Market Size: In Bangladesh FedEx is holding US$ 10 million worth of market combining the export and import of Bangladesh. The market holds more than 7 billion in the RMG sector and the rest 3 billion are from the other sectors. This is same for the industry also as all the other companies may experience the same scenario in their portfolio.

Market Growth: Regardless of the poor infrastructure, government and non- government regulations growth of FedEx in Bangladesh has been experiencing around 10-12% growth

over the last 3 year till 2009. But in last year and this year the growth came down to 2% and 3% only. This growth should be higher as the market has experienced los in economic downtrend and recession and despite of these issues we are facing the growth which is giving us the breathing space.

Market Share: The total market has been divided between international and regional networks. Other then FedEx the international express courier market is scattered among – DHL, TNT, UPS, ARAMEX. Regional express courier market is scattered among – OCS, Skynet, Antron, ACI, Master Courier Express etc. Currently in the total Express industry the market players had shares that are depicted in the chart drawn below:
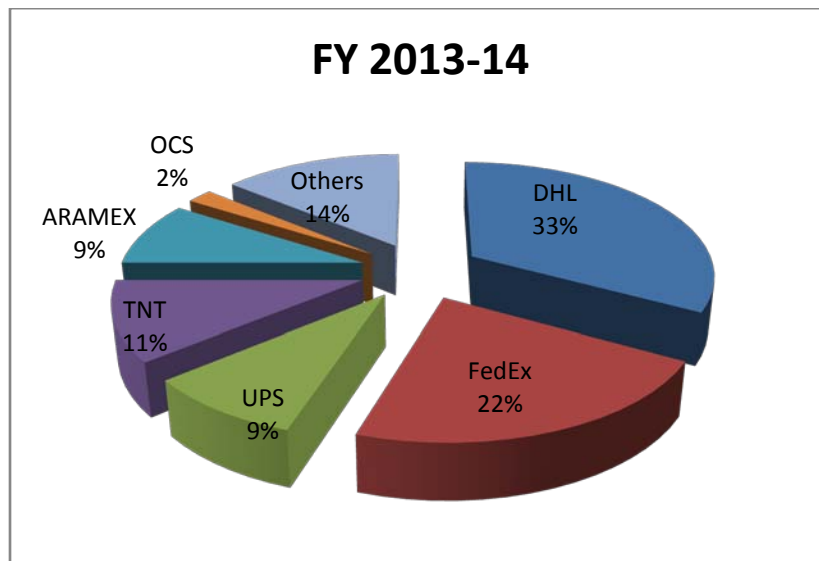
Sector Wise Market Share:

FedEx in Bangladesh serves mostly the readymade garment (RMG) industry in Bangladesh. In addition, other sectors that FedEx in Bangladesh serves are – Pharmaceuticals, Leather, Freight Forwarders, Handicrafts, Jute & Jute Products, Electronics, NGOs, International Agencies, Private Enterprises and Individuals etc.

Sector Wise Market Share

RMG & Buying Houses — 80%
Bank — 10%
Other — 10%
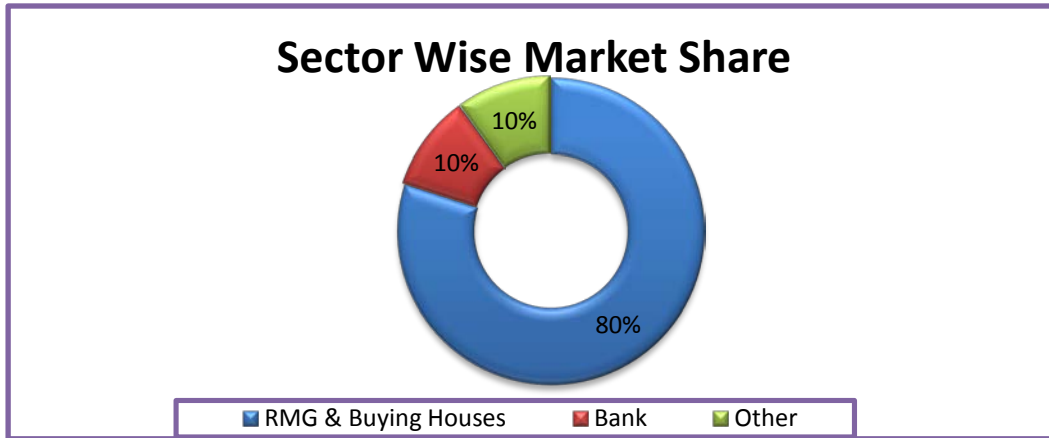
Geographical Business Trend:

The 220 countries that FedEx serves worldwide are divided into 11 regions, for ease of service. Among these regions, FedEx in Bangladesh conducts most of its business in the European region. However, FedEx's strength area is South America.

USA & Canada — 40%
Europe — 44%
Asia Pacific — 10%
Rest of the World — 6%

Geographical Business Trend
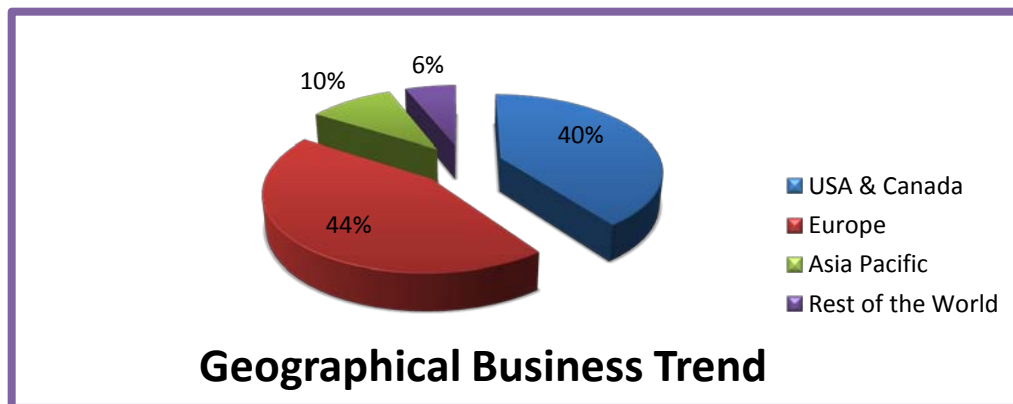
Region	Number of Countries Served	Region	Number of Countries Served
Asia Pacific	25	Indian Sub-continent	07
Australasia	08	Mexico	01
Canada	01	Middle East	15
Caribbean	31	Africa	47
Central America	07	South America	13
Europe	59		

Customer Base:

The market base largely depends on the customer base in Bangladesh. The customer base is divided in two segments:

- o Profile Customers
    - Cash Profile
    - Credit Profile
    - Bill Third Party
- o Non-profile Customers
    - Walk in Customers
    - Prospective Customers

So the Industry analysis shows that the competitors are more or less very close to each other as in the market share it is very clear that no such company is dominating the market taking out almost the half of the pie or around 50% of the total market.

5.4 CPM Matrix Analyses:

A Competitive Profile Matrix (CPM) is shown below. This can help in analyzing the competitive position of a company. This enables to identify the competitive landscape to get better bargaining power. Some of the factors that play critical role in determining the success factors of the industry are as follows:

- ❑ Pricing policy
- ❑ Customer service & support from operations
- ❑ Brand image
- ❑ Market share
- ❑ Availability
- ❑ Transit time & cut off time

The CPM has been prepared using these critical success factors is given below:

(Rating Scale: 1 = Minimum, 2 = Modest, 3 = Average & 4 = Maximum)

Critical Success Factors	Weight	DHL		FedEx		TNT		UPS	
		Rating	Score	Rating	Score	Rating	Score	Rating	Score
1.Pricing Policy	0.25	2	0.50	3	0.75	2	0.50	1	0.25
2.Customer service & support	0.25	3	0.75	3	0.75	1	0.25	2	0.50
3. Cut off time & transit time	0.25	3	0.75	2	0.50	1	0.25	2	0.50
4.Brand image	0.10	4	0.40	3	0.30	2	0.20	2	0.20
5. Market share	0.05	4	0.20	3	0.15	2	0.10	2	0.10
6.Availability	0.10	3	0.30	3	0.30	2	0.20	3	0.30
Total	1.00		2.90		2.75		1.50		1.85
Ranking Position			1st		2nd		4th		3rd

Source: Marketing Department of FedEx in Bangladesh

From the above ratings it is assumed that the large firms are situated very closely to each other. They are very competitive. From the above table it is clear that FedEx is in the second position in the competitive profile matrix. But the difference between DHL and FedEx is very minimal. It will be difficult for new companies to enter in this market.

5.5 Analysis of Survey Data

This part of the findings highlights the information found from the interview of the respondents of the sample 20 organizations and their views on the various factors to analyze the competencies in the market and to find out the differentiation among all the competition in the market. The primary data analysis will have the graphical representation of the data and the Pie Chart where the percentage distributions are mentioned in the data. The finding from the Primary distribution is illustrated below:
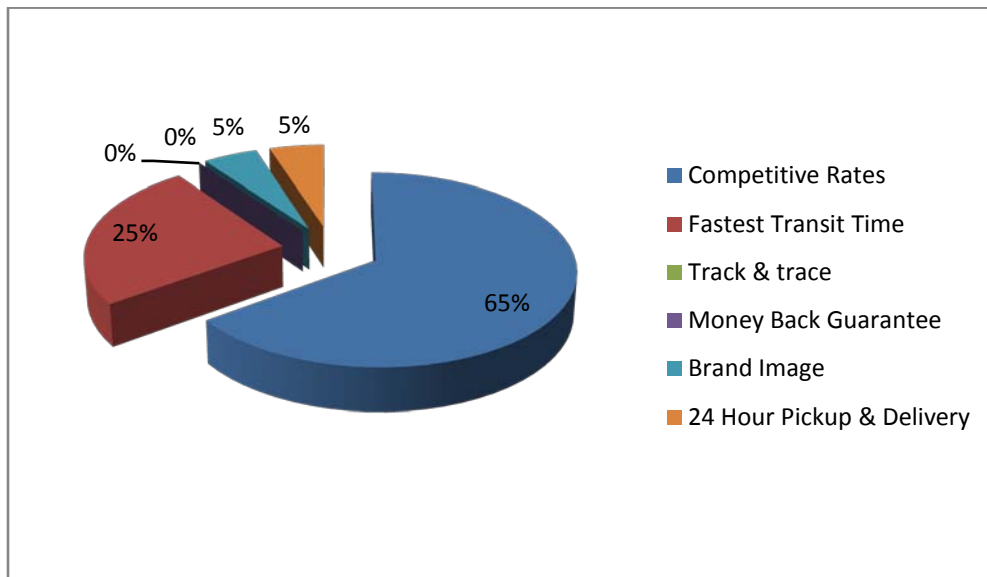
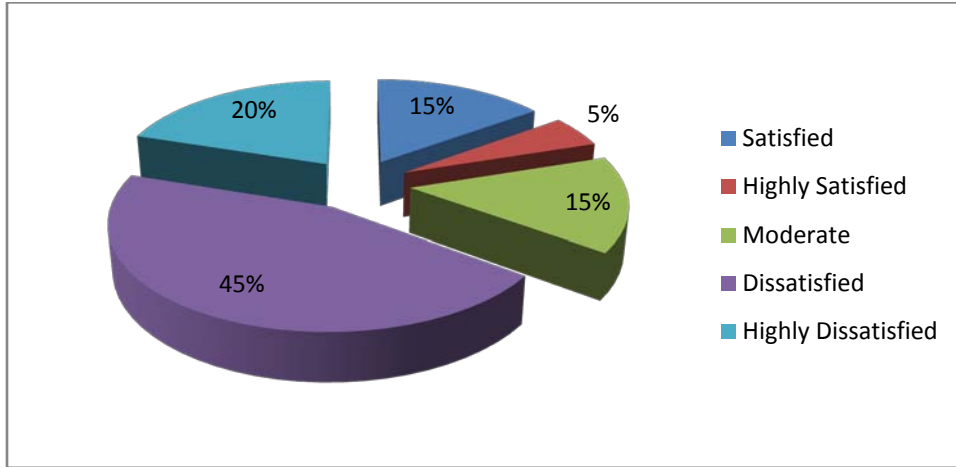❑ Which courier company are you using currently to send your shipments?
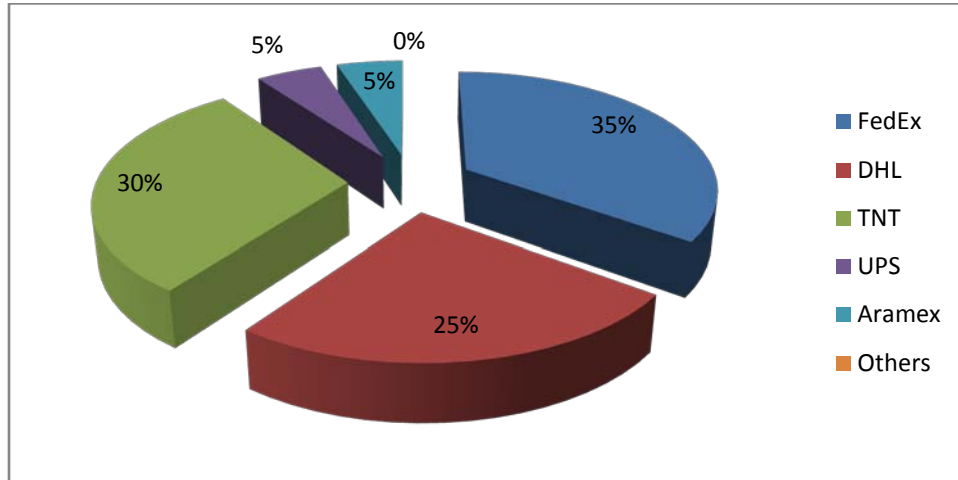
Pie chart showing courier company usage:
- FedEx: 35%
- DHL: 25%
- TNT: 30%
- UPS: 5%
- Aramex: 5%
- Others: 0%

❑ Are you satisfied with the service provided by your current courier company?

Pie chart:
- Yes: 55%
- No: 45%
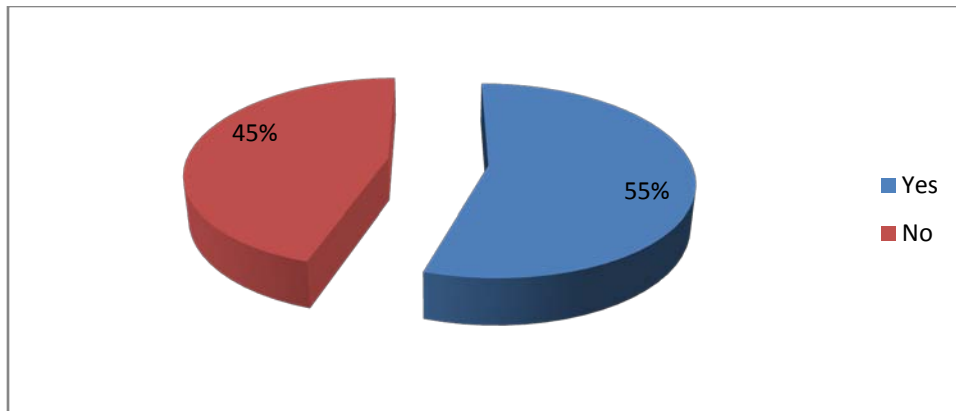
❑ Which one is the most important feature to you for using a courier service company?

Pie chart showing most important feature:
- Competitive Rates: 65%
- Fastest Transit Time: 25%
- Track & trace: 0%
- Money Back Guarantee: 0%
- Brand Image: 5%
- 24 Hour Pickup & Delivery: 5%

❑ Are you happy with the rates you are enjoying for your courier company?

- Satisfied 15%
- Highly Satisfied 5%
- Moderate 15%
- Dissatisfied 45%
- Highly Dissatisfied 20%

❑ Do you think that price can be compromised for the quality service in terms of shipping?
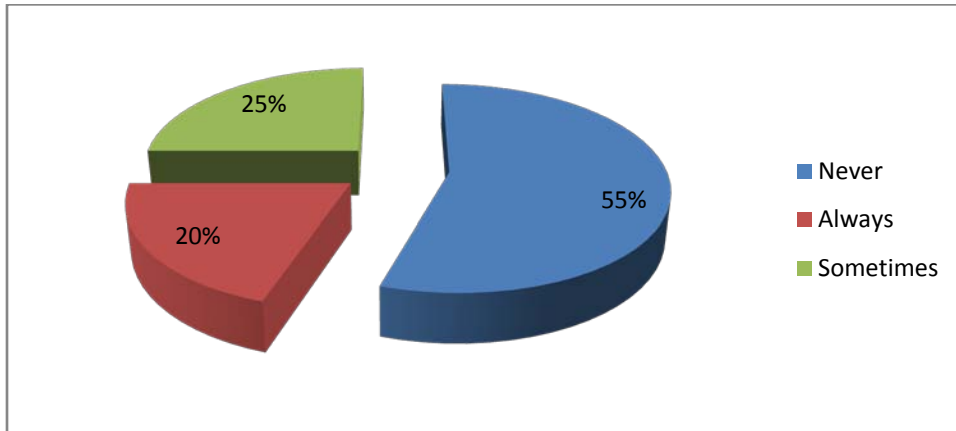
- Never 55%
- Always 20%
- Sometimes 25%

❑ In which part of the world you have most of your shipments going?

- North & South America 35%
- Europe 45%
- Far East & Asia 15%
- Middle East & Africa 5%
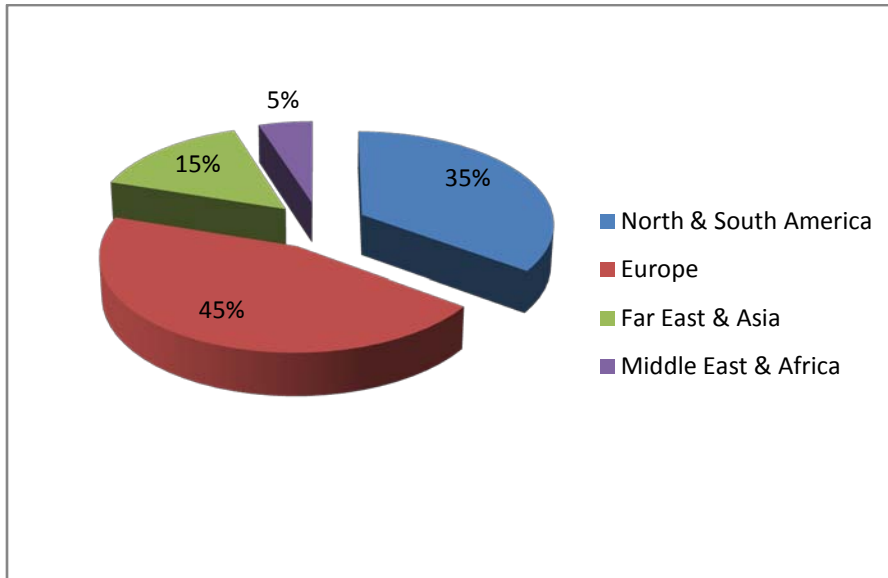
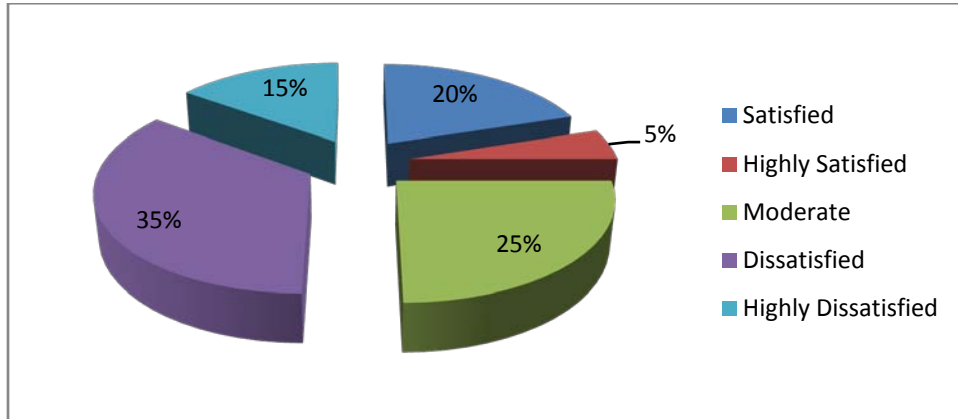❑ Are you satisfied with the transit time offered by your courier company?
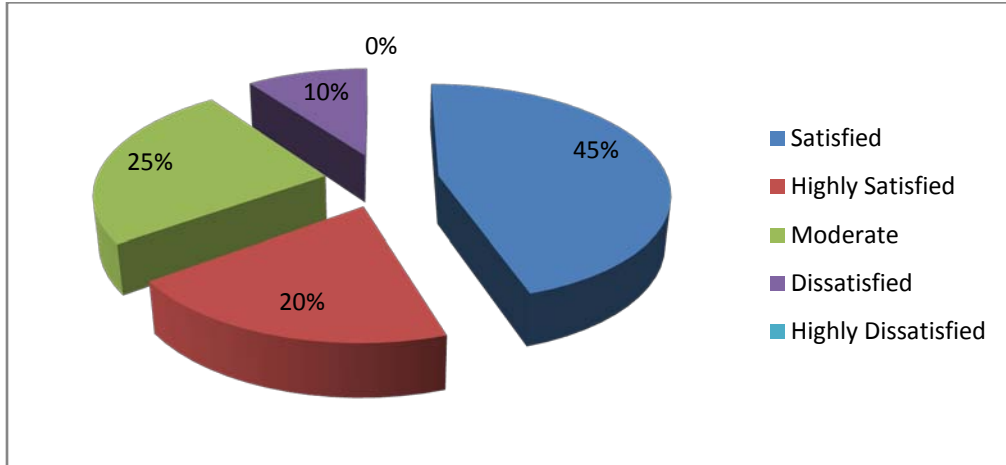
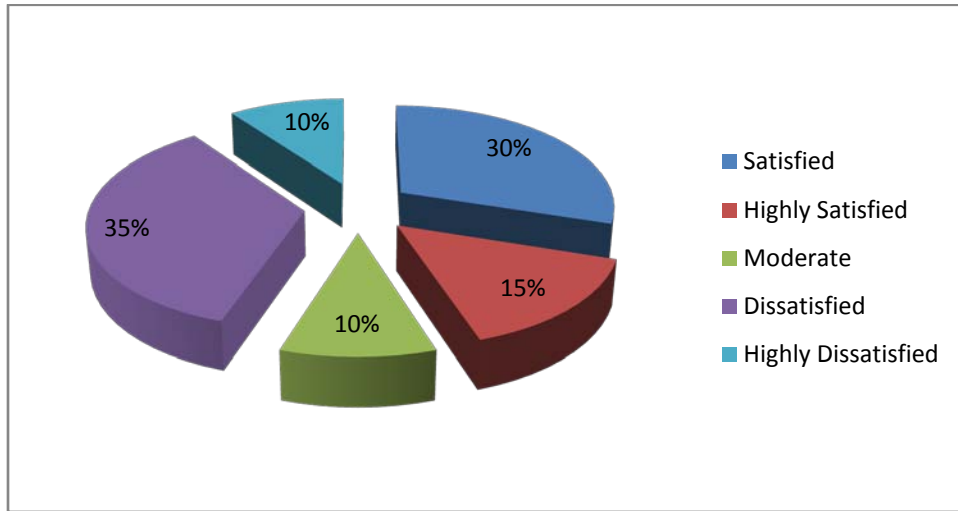❑ The service that your couriers and WSC/ Branches are providing you is-
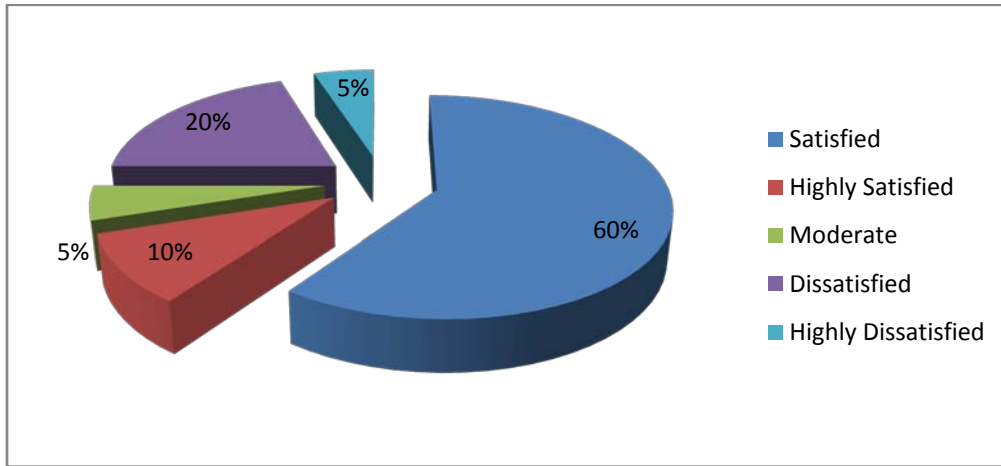
❑ The service that you are receiving from customer service/ call centre agents is –
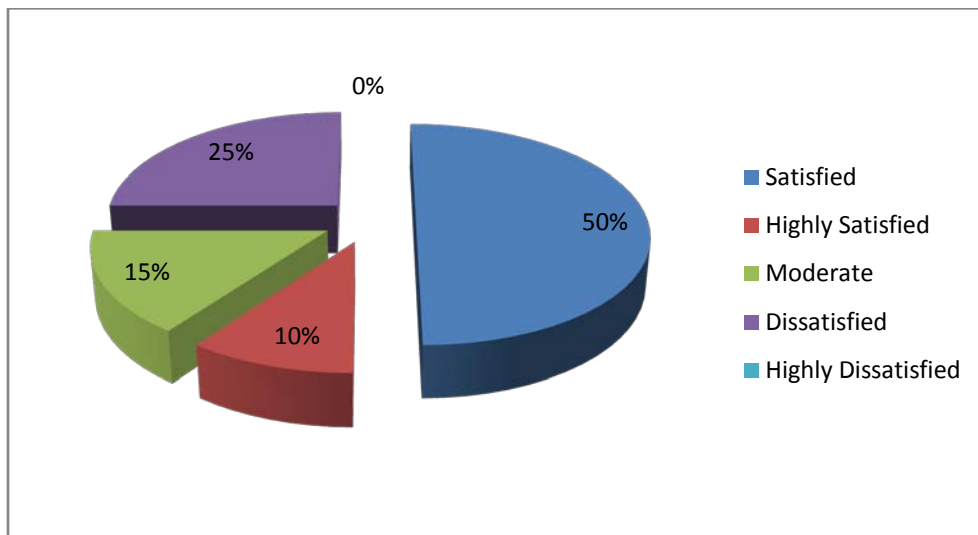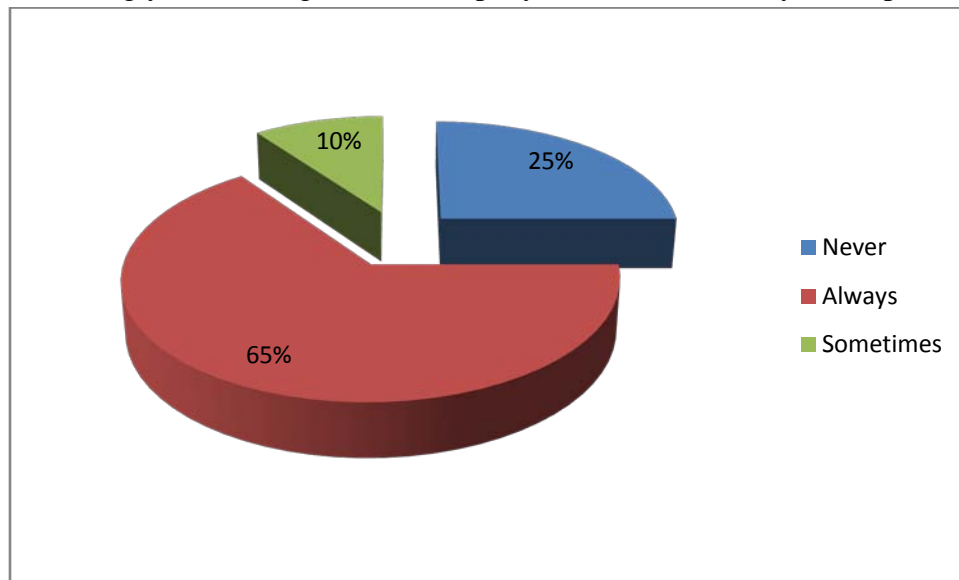
❑ The time that call center people take to receive your call and solve problem is-


Satisfied 20%
Highly Satisfied 5%
Moderate 25%
Dissatisfied 35%
Highly Dissatisfied 15%

❑ The quarries that you have and solutions of problems are done by the call agents-

Satisfied 30%
Highly Satisfied 15%
Moderate 10%
Dissatisfied 35%
Highly Dissatisfied 10%

❑ The ease of using your existing courier company's website to track your shipment is-

Never 25%
Always 65%
Sometimes 10%

❑ The overall satisfaction level for meeting the express need that your courier is giving is-
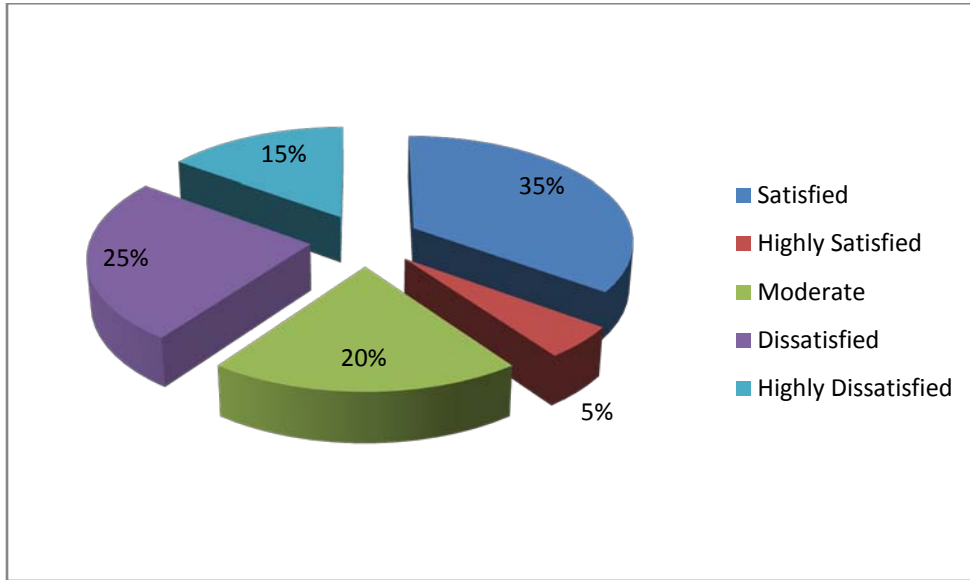
❑ Do you have any possibilities to switch your current courier company?
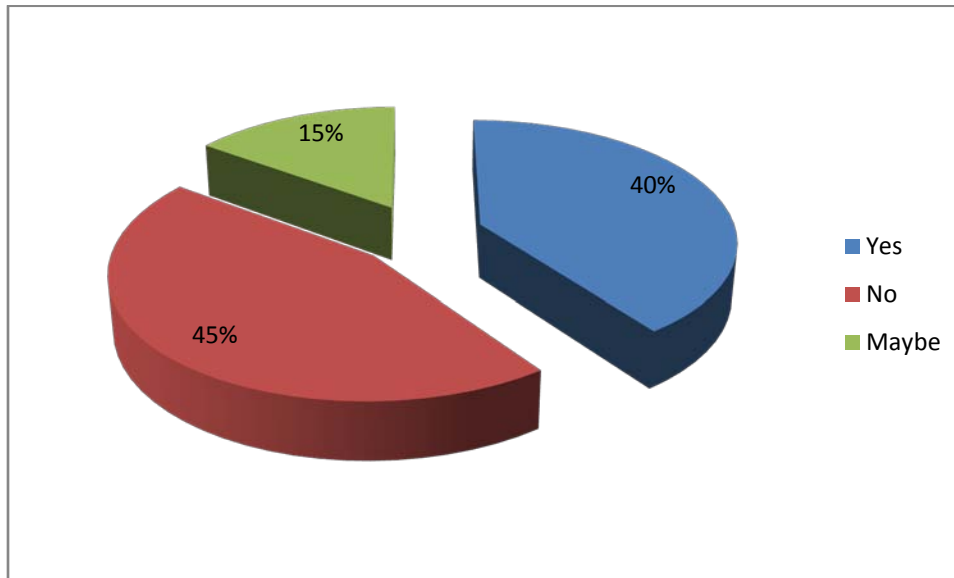
So these are the major primary data findings and based on these finding we will be recommending whether the existing service features are satisfying the customers or they are not satisfied with the current features and service quality of the existing courier companies that they are using.

6.0 FINDINGS OF THE STUDY:

The summary of findings for this study will have specific observation on the service features in order asses the customer's satisfaction level on the express companies. Thus the summary of the findings are mentioned below:

- 35% of the total respondents are using FedEx, 30% of the total respondents are using TNT and 25% are using DHL while the others are having very small portion of the sample size.

- 45% of the total respondents mentioned that they are not satisfied with the service provided by the current courier company. So we can conclude at this point that the service features are not yet up to the mark or as per the expectation of the customers and can be further improved to reduce down the level to the minimum.

- 65% of the total respondents said that "Competitive Price/Rate" is the most important service feature for the express companies. Whereas only25% of the total respondents said that Transit Time is the most important feature of the express service. So it is very predominant that the customers in this industry are very "Price Sensitive" and to a large proportion of them price is the major service feature to satisfy them.

- Only 15% of the total respondents said that they are satisfied with the rates they are getting from their courier company. Where 45% of the total respondents are dissatisfied with their rates and 20% are highly dissatisfied with their rates they are enjoying.

- In order to further investigate the issue, respondents were asked that if the price can be compromised with quality service and only 20% respondents mentioned "always" whereas 25% mentioned "sometimes" and 55% mentioned "Never" so it is now prevalent that the customer primary demand is to have a cheaper express solution.

- We have checked with the destinations where most of the shipment goes and found out that 45% of the total shipments goes to Europe and 35% goes to North & South America.

- It is also certain that the transit times offered by the courier company are having a satisfactory level of response. As 45% of the total respondents are saying that they are satisfied with the transit time and 20% said to be highly satisfied and 25% said it to be moderate and only 15% of the respondents are dissatisfied. So this service feature earned satisfactory outcome.

- As per the service of the branches, couriers and WSC's 60% are satisfied and 10% are highly satisfied and only 20% are dissatisfied. So, this service feature has also satisfactory reviews also.

- As per the service of the call centre agents/ customer service agents respondents mentioned that 50% of them are satisfied and 10% are highly satisfied but 25% are dissatisfied with them. So there is scope to develop or improve this service feature.

- Assessing the time that call center people take to receive the calls and solve problems have 35% dissatisfaction level, 15% highly dissatisfaction level, 25% moderate level and 20% satisfaction level. So this is another area where customer service and call centre can work and reduce complains or dissatisfaction on this.

- Assessing the satisfaction level on the customer query and solution of the problem we found that 35% are dissatisfied and 10% are highly dissatisfied on the other hand 30% are satisfied and 15% are highly satisfied and 10% are showing moderate views. So there is also scope to develop this particular service and improve the 35% dissatisfaction level and reduce it down to the minimum.

- As per the satisfaction level in using the website tracking and tracing system the respondents are 65% feels easy always and 25% feels never easy to do that. This areas are quite okay and looks good from the percentage

- As per the overalls satisfaction level, it shows a balanced situation as 35% are satisfied with the overall service and 5% are highly satisfied. On the other hand 25% are dissatisfied and 15% are highly dissatisfied. So it is very balanced scenario when it comes to the overall satisfaction criteria. But in order to make more brand focus and loyal towards the company the courier companies should improve the few above mentioned service areas to build more loyal and captive customers

- At last there are 40% respondents mentioned that they will switch the current express service provider and look for the better one and 45% said that they are happy with the overall service and will not change the current company and 15% said they maybe switch to a new company.

So these are the summary of major findings and these can show us the way where we can recommend few things those are very effective and essential for the companies to know and adopt in order to further strengthen their service level.

7. RECOMMENDATIONS:

Well as per the recommendation we have few prescriptions those can be very effective to look into and can be worked out for service improvements and to offer better solutions to the customer. The recommendations are as follows:

❑ We have found that the customers are very Price sensitive and looking for cheaper solutions in terms of their rates. This may be because of the recession, cost curtailment, order issues and margin shrinkage. So we suggest companies to design or develop new products/ service with a cheaper or less expensive solution provided to the customers.

❑ The courier companies can provide more customized shipping options and more flexible prices in order to get the shipments t their convenient locations and shipping areas.

❑ Companies can redesign their linehaul and operational network at least for the major destinations in order to design a cost effective network and transport the shipments through an improved linehaul by reducing down the cost so that the service level remains the same and cost is reduced also and eventually the price will be reduced.

❑ As we have witnessed dissatisfaction level in the mind of the respondents for the efficiency level and service level of the customer service, call center and solution agents, I suggest that adequate amount of training and skills development should be done in order to develop their efficiency and make the customers satisfied with the service.

❑ We can also work on the inbound linehaul and pricing strategies as this is severely affecting the customers because of such higher pricing and rates offered across different markets.

❑ Increase Target Based/ lane Based Promotional & Brand Awareness Campaigns to develop the global brand image locally and communicate the brand essence to the customers so that they become loyal at one point of time.

❑ Improve CRM tools and media to Influence Decision Making across the globe, to the regional office to reduce the price and develop new operational linehaul which will be cost effective and also to develop relationship with the customers with the various tools, media, gifts, events, promotional programs etc. to build the relationship and sustain it.

❑ Increase below the line & direct marketing approaches across different areas and target group. This approach will be targeted differently for the different customer base and will

be done and communicated accordingly. SO that each and every customer group feel special and they believe that individually the company is taking care of them by having a closely linked communication and campaigns.

❑ Develop point to point delivery and established finer linehaul and more options to go to each local market with more flexibility.

❑ Establish more solid transit time for the European destinations and promote it as the European destinations are the primary focus because of the largest number of shipments goes to that lane.

So these are the few important suggestions that we can have in order to develop the service level and the features to catch the customers in this hyper competition market and to make sure that the customers are remaining captive and not switching the brand.

8. CONCLUSION:

Customer wants a cheaper solution with the moderate linehaul and transit time with all the regular features that a global courier company is providing currently. Customer wants to reduce their portion of transportation cost and increase margin because of global hyper competition in RMG sector. Because of this hyper competitive scenario the express company with cheaper rates in the market with same or better service will win the race.

So these are the various service features areas and information on the express industry and on the FedEx perspective as a global transportation service provider. We would hope that our representation of the information and various data shown here will be helpful for better understanding of the theoretical support and the practical relationship with the concepts and terminologies of the Internship report and will help us to relate it with the real life experience. This report as mentioned have got specific areas to be covered and I have tried my level best to cover all the relevant aspects of the study topic and tried to come up with real life practical recommendations for the company.

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Appendix:

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Survey on Customer's Observation on Courier Service Provider

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This is a *Survey* on "***Customer's Observation on Key Service Features of the Courier Service Providers in Bangladesh***". This survey will help us to understand the observations of the customers that they are getting from their current courier service provider. It will be very helpful for us if you kindly co-operate with us by filling the questionnaires. It will take only 10 minutes to fill up this. We are giving you the assurance regarding the secrecy of the information. One thing is that your co-operation has got the utmost value to us. We really appreciate your kind co-operations.

Please Answer the Following Questions by checking (☑) the correct Box:

1. Which courier company are you using currently to send your shipments? (You can check more than one answers for this question)

   ☐ DHL

   ☐ FedEx

   ☐ TNT

   ☐ Aramax

   ☐ UPS

   ☐ Others_____

2. Are you satisfied with the service provided by your current courier company?

   ☐ Never

   ☐ Always

   ☐ Sometimes

3. Please tick the criteria which are most important to you for using a courier service company-

   ☐ Competitive rates

☐ Transit time

☐ 24 hour pickup and delivery

☐ Money back guarantee

☐ Track and Trace

☐ Brand Image

☐ Other_____

4. Are you happy with the rates you are enjoying for your courier company?

   ☐ 5 = Very satisfactory

   ☐ 4 = Satisfactory

   ☐ 3 = Moderate

   ☐ 2 =Dissatisfactory

   ☐ 1 = Very dissatisfactory

5. What rates should be comfortable for you to sustain the current courier service provider?

6. Do you think that price can be compromised for the best quality service in terms of shipping?

   ☐ Never

   ☐ Always

   ☐ Sometimes

7. In which part of the world you have most of your shipments going?

   ☐ Europe

   ☐ North & South America

   ☐ Middle East & Africa

   ☐ Far East & Asia

8. Are you satisfied with the transit time offered by your courier company?

    ☐   5 = Very satisfactory

    ☐   4 = Satisfactory

    ☐   3 = Moderate

    ☐   2 =Dissatisfactory

    ☐   1 = Very dissatisfactory

Please rate your level of satisfaction with regards to the following statements on a scale of 1 to 5 where 5 = Very satisfactory, 4 = Satisfactory, 3 = Moderate, 2 = Dissatisfactory, 1 = Very dissatisfactory

9. The service that your couriers and WSC/ Branches are providing you is-

    ☐   5 = Very satisfactory

    ☐   4 = Satisfactory

    ☐   3 = Moderate

    ☐   2 =Dissatisfactory

    ☐   1 = Very dissatisfactory

10. The service that you are receiving from customer service agents is –

    ☐   5 = Very satisfactory

    ☐   4 = Satisfactory

    ☐   3 = Moderate

    ☐   2 =Dissatisfactory

    ☐   1 = Very dissatisfactory

11. The time that call center people take to receive your call and solve problem is-

- ☐ 5 = Very satisfactory
- ☐ 4 = Satisfactory
- ☐ 3 = Moderate
- ☐ 2 =Dissatisfactory
- ☐ 1 = Very dissatisfactory

12. The quarries that you have and solutions of problems are done by the call agents-

- ☐ 5 = Very satisfactory
- ☐ 4 = Satisfactory
- ☐ 3 = Moderate
- ☐ 2 =Dissatisfactory
- ☐ 1 = Very dissatisfactory

13. The overall Solution to your express need that you are getting from your existing courier is-

- ☐ 5 = Very satisfactory
- ☐ 4 = Satisfactory
- ☐ 3 = Moderate
- ☐ 2 =Dissatisfactory
- ☐ 1 = Very dissatisfactory

14. The ease of using your existing courier company's website to track your shipment is-

- ☐ Never
- ☐ Always

☐   Sometimes

15. What do you suggest to improve Call Center Agents?

16. What kind of change you want to see in our couriers and pick up operation?

17. What developments would you recommend specifically in order to improve the Service?

18. Do you have any possibilities to switch your current courier company?
- ☐   Yes
- ☐   No
- ☐   Maybe

Customer Profile (Company Information):

1. Name:
2. Designation:
3. Name of The Company:
4. Contact No: