Internship Report on RAK Ceramics (Bangladesh) Limited’
Letter of Transmittal

4th February, 2015

Rahma Akter
Lecturer,
BRAC University

Subject: Submission of Internship report

Dear Madam,

This is to inform you that I have completed internship report on Marketing strategies of RAK Ceramics (Bangladesh) Limited’. This report is a summary and analysis of my three months of internship experience at RAK Ceramics (Bangladesh) Limited. I have found the study to be quite interesting, beneficial and knowledgeable. I have tried my level best to prepare an effective report.

I hope that this report will enable you to understand Marketing strategies of RAK Ceramics (Bangladesh) Limited.

To conclude, I will happy to respond to any query (is) and provide to with clarification(s) or detail(s) if it is being required.

Thanking You

Shuhata Akter

Student ID: 10304067
ACKNOWLEDGEMENTS

I would like to take this opportunity to thank RAK Ceramics (Bangladesh) Limited for giving me the chance to complete my internship at their organization. I express my gratitude to my academic supervisor Ms. Rahma Akter. Without her constant guidance, endless efforts and joyful encouragement, this study would have not been successful. It is her perseverance and inspiration that encouraged and pushed me to successfully complete this report.

I also want to thank my field supervisor, Mohammad Khaled Hasan (Branding Manager) who had been more like a brother who constantly gave me advice about how to survive not only in the corporate world but also in my everyday life. Moreover, he allowed me to work on my internship report during office hours for which I am very grateful to him.

Last but not least, I am very thankful to Brac University for allowing me to have this course.
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Executive Summary

RAK Ceramics has strong brand equity in the local market being a multinational entity and delivering quality products at affordable prices. The company is continuously penetrating new markets and developing new products to minimize the risk. The real estate developers have contributed immensely to the growing urbanization of the country which is expected to continue in the foreseeable future. Therefore, the demand for tiles & sanitary ware in the country will continue to increase significantly. The company primarily focuses on local market where it gained 1/4th of tiles and 3/4th of sanitary ware market share in Bangladesh. RAK Ceramics distributes its products through company appointed dealers. The strength of RAK Ceramics lies in its professional expertise, unrelenting pursuit of excellence and a deep and profound knowledge of the business environment.
Part1-The Organization

1.1 Introduction

Ceramics are classified as inorganic and nonmetallic materials that are essential to our daily lifestyle. Ceramic and materials engineers are the people who design the processes in which these products can be made, create new types of ceramic products, and find different uses for ceramic products in everyday life. Ceramics are all around us. This category of materials includes things like tile, bricks, plates, glass, and toilets. There are now a number of Ceramic Industries in our country.

RAK Ceramics Bangladesh Ltd. is the leading Ceramic industry of our country. They are the number one ceramic manufacturer in the world.

RAK Ceramics (Bangladesh) Limited, a UAE-Bangladesh joint venture company, was incorporated in Bangladesh on 26, November 1998 as a private limited company. It has started its commercial production on 12 November, 2000. Passed a resolution in extraordinary general meeting on 10 June 2008, certificate issued by Registrar of Joint Stock Companies dated 11 February, 2009 it’s converted into a public limited company.

RAK Ceramics (Bangladesh) Ltd. have BDT 4009 million global conglomerates in the ceramic industry. They have always strived to create the right ambience in our life with a perfect blend of technical finesse and aesthetics while creating thousands of designs in Ceramic Tiles & GresPorcellanato& several models in Sanitary ware.

RAK Ceramics Bangladesh produces a very wide range of products in the Ceramic Range with products such as Ceramic Wall and Floor Tiles, Décors and Borders, Cladding etc. RAK Ceramics Bangladesh produces an extremely wide range of products in GresPorcellanato in several finishes suited for any ambience. Hundreds of models in Salt & Pepper; Soluble Salt, Glazed Porcelain, Polished Porcelain, Double Charge and other are part of the offerings. Also Rustic,
Wooden, Slate, Step, Pavement tiles are exclusive in GP Product range. In Sanitary ware various models are produced in wash basins (mounted as well as pedestal types), bathroom sets (water closet & water tank), Counter and many associated accessories. Marble shades products, Single set (OASIS) are exclusive collection of product range. Moreover, Double flushing system, Jet flushing system, Soft closing Hinges, Spreader is the available exclusive accessories.

1.2 Historical Background of RAK

RAK Ceramics (Bangladesh) Ltd. is a UAE-Bangladesh joint venture of RAK Ceramics Ltd.

The Company is engaged in manufacturing and marketing ceramic and sanitary ware products. The Company is headquartered in Dhaka with manufacturing facilities at Gazipur. The company is listed with the Dhaka and Chittagong stock exchanges. RAK Ceramics is Bangladesh’s largest ceramic tiles and sanitary ware manufacturer. RAK Ceramics manufacturing capacities increased three fold in the last decade among the fastest-growing and most profitable companies in our business space in Bangladesh. Top line and bottom line grow 14.42 percent and 20.13 percent CAGR respectively over the last five years leading to 2011. Awarded ‘Super brands’ status in 2010, the only one in ceramics industry space in Bangladesh. They have raised the benchmark for the others in ceramics industry space.

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Within a short span of times RAK plays a significant role of the market share. In Bangladesh, every 4th sanitary ware fixed is non RAK Ceramics & every 4th tile fixed is RAK Ceramics. Turnover in 9 years achieved a compounded Annual growth of 33.26%. The company has three product lines, which are Tiles and Sanitary Ware. The company recently set up large scale
Effluent Treatment Plant (ETP) to reduce environmental hazard, which started operation end of March, 2009.

There are three products of the company as Ceramics Tiles, Granite Tiles and Sanitary all kind of Wares items.

Specializing in high-quality ceramic wall and floor tiles, GresPorcellanato, and sanitary ware, RAK Ceramics uses more than 1,000 production models, 40 models of sanitary wares with new designs added almost every week to its portfolio. Tiles are manufactured in a variety of sizes, from 20 cm x 30 cm up to 60 cm x 60 cm, the widest range offered in the ceramic field.

The global production of tiles exceeds 360,000 sq. and 12,000 pieces of sanitary ware per day from its state-of-the-art plants in UAE China, Sudan, Bangladesh, India and Iran. RAK Ceramics manages over 2,500 employees in Bangladesh and over 15,000 employees worldwide and currently exports to more than 160 countries, which is a testimony to its excellent reputation worldwide. RAK Ceramics has recently achieved the status of supplying 1 billion sq. of tiles worldwide and it is the fastest ceramic manufacturer to achieve since its inception within two decades.

RAK Ceramics is the world’s first company to offer the world’s first Luminous, the wonder tile that glows in the dark and the Antimicrobial, a super specialty tile for the hospitality industry and it continues to be a global pioneer in the world of ceramics through innovative eco-friendly products such as RAK SLIM, Stone Art Collection, Orion Collection and Wood Art Collection using the latest Nanopixle digital printing technology. Recently RAK Ceramics has tapped children tiles segment.

**1.3 Products of RAK Ceramics (Bangladesh) Ltd.**

RAK has been manufacturing and supplying a wide range of tiles and sanitary wares in the ceramic sector of Bangladesh since 2000. Excellent designs and pattern can be created using specially selected wall and floor tiles, borders, corners, listellos and capping.
Many of RAK Ceramics' models come in modular designs, making it easier for the customer. The unique ambience patterns created using ceramic tiles and also GresPorcellanato tiles appeals most discerning customers. The company has two product lines, which are Tiles and Sanitary Wares. The company recently set up large scale Effluent Treatment Plant (ETP) to reduce environmental hazard, which started operation end of March, 2009.

i. **Tiles**

- In the Ceramic Range, the company produces ceramic wall tiles, ceramic floor tiles, matching border & decor tiles, listellos and pencils & capping and few other related items.
- In GresProcellanato (porcelain / fully vitrified tiles), the company produces thousands of glazed and unglazed porcelain, covering finishes such as polished, semi polished, unpolished, rustic, stone, travertine etc.
- In Bangladesh with three fold expansion Drive Company has reach capacity to produce over 8 million square meters of tiles per annum & has over 1000 different tiles models recipe. The salient features of the plants are:
  
- **Gang of modern technological machineries:** Versatile 5 presses, long range 5 kilns & multipurpose 12 ball mills.
  
- **Latest equipment & technological application:** Some unique patterns and finishes: are acquired through new technologies such as Roto Printing, Double charge, Granitech, MDR, Techno slate, Twin Press and Dry Glaze etc. Some unique “antique style” finishes and many specialized finishes in tiles have been possible due to such advanced GresProcellanto technology.
  
- **Modern European machinery:** Robotic controlled TGV machines. Computer controlled guided vehicles transferred semi-finished goods from station to station, robots picked and placed semi-finished tiles in many production steps as well as in sorting and packing the finished tiles, skilled technicians in
sophisticated control rooms monitored raw materials in blending mills, wet and dry grinding vessels, presses, kilns, drying and cooling cycles, and many other operations

✓ **Water jet cutting technology machines:** Facilitate unique water jet designs, and diamonds cutting machine tools help make beautiful vanity tops from *Gresporcellanato* slabs.

✓ **High Quality inputs:** Imported raw materials like soda feldspar, potash feldspar, clays from India, Indonesia, Malaysia, and Thailand. Fritz & glazes from Spain & other European countries.

**Ceramist R&D activity:** Active team of ceramist to challenge customer demand & device cost effective input recipe solutions.

ii. **Sanitary Wares**

şı In sanitary ware, various models of wash basin (mounted as well as pedestal), water closets (WC) and water tank (WT) accessories and decorated sets are produced.
State of the art plants produces over 900,000 pieces per annum & over 40 different models of sanitary ware. The salient features of the plants are:

- **Latest Italian Technology:** For production including computerized kilns.
- **6 Medium Pressure Casting Plants:** For production of wash basin, pedestals, cisterns, lids and accessories.
- **Battery Casting Moulds:** To produce water closets.
- **Highest Quality Raw Materials:** Ball clay and kaolin from U.K., glazes from Spain and stains from Germany.
- **In House Quality Control and Testing:** A laboratory of the highest standard.

Certain technology drivers & noteworthy achievement as follows:

- RAK Ceramics is one of the pioneers in installing unique equipment. It is the first company to install the largest press.
- RAK Ceramics also offered several unique and proprietary technical products like luminous tiles (tiles that emitted light in the dark, which took two years and several trials to develop), antimicrobial tiles (tiles that inhibited growth of bacteria), and custom-made designs by water jet.
- The range of RAK Ceramics products is unmatched with over 6000 tiles models & over 600 sanitary models. Smallest mosaics of size 2 cm x 2 cm and tiles of 10 cm x 10 cm to the largest slab in the industry 125 cm x 185 cm.
1.4 Operation network organogram

ORGANOGRAM OF THE COMPANY

Board of Directors

Managing Director

Chief Executive Officer

Finance Controller

GM- HR & Admin

GM- Purchase

GM-Sales & Marketing

Manager-Production

Asst. Manager-TilesDivision

Sr. Exe.-Tiles

Exe.-A/C

Jr. Executive

Asst. Manager-Sanitary WareDiv

Sr. Exe. - Production

Jr. Executive

Asst. Manager- HR

Sr. Executive- HR

Executive- HR

Jr. Executive- HR

Asst. Manager- Accounts

Manager- Accounts

Asst. Manager- Accounts

Sr. Exe.-A/C

Exe.-A/C

Jr. Executive- VAT

Executives

Jr. Executive - Mkt.

Sr. Exe. - Sales

Exe. - Mkt.

Jr. Exe. - Mkt.

Dy. Manager, Marketing

Asst. Manager, Marketing

Sr. Exe. - Mkt.

Exe. - Mkt.

Jr. Exe. - Mkt.

Dy. Manager, Sales

Asst. Manager, Sales

Sr. Exe. - Sales

Exe. - Sales

Jr. Exe. - Sales

Asst. Manager, Local Purchase

Executive, Purchase

Jr. Executive, Purchase

Asst. Manager, Import

Executive, Purchase

Jr. Executive, Purchase

Asst. Manager, Export

Executive, Purchase

Jr. Executive, Purchase

RAK CERAMICS
1.5 Vision & Mission Statement

Vision
To maintain status as world’s leading innovator in ceramic field

Mission Statement
Their Responsible And Knowledge-driven mission includes:

C - Close to our clients by listening to their needs and adapting to market requirements

E - Excellence in producing high quality products that offers best value-for-money

R - Redefining the product innovation and design process

A - Accountable to its clients, trade partners, stakeholders and employees

M - Motive employees to develop them into future entrepreneurs

I - Integrity of the management towards the organizational goals

C - Committed to the society by contributing towards a healthy environment

S - Sustainability in every sphere of business
Part 2 - Job

2.1 Description of the job

Brand Management: This position is responsible for execution of marketing initiatives in support of long term brand strategies. Scope of work would include exposure to a brand’s strategy, marketing plan, and the day in a life of as a brand manager. The ultimate goal is to help the brand manager achieve his/her profit, volume and market share goals. It must be able to work in a fast paced, small, entrepreneurial environment with an emphasis on collective, collaborative teamwork.

2.2 Specific Responsibilities:

✓ Brand Plan Development and Execution - assists the brand manager in developing and executing marketing initiatives within budgeted parameters. This includes, but is not limited to, advertising, program/promotions, research, and public relations. Must be able to work collaboratively with agencies/vendors and internal resources to deliver results.

✓ Program management and execution - manage the day-to-day logistics of the brand programs. Owns timeline management, budget and program analysis.

✓ Market Analysis - monitors and analyzes sales volumes, market share trends and competitive activity and develops/recommends action steps based on existing opportunities. Also analyzes consumption and shipment data and compares results to established objectives to assure the effectiveness of marketing programs.

✓ Brand Plan Development and Execution - assists the brand manager in developing and executing marketing initiatives within budgeted parameters. This includes, but is not limited to, advertising, program/promotions, research, and public relations. Must be able to work collaboratively with agencies/vendors and internal resources to deliver results.
2.3 Different aspects of job performance

During the period of my three-month internship, I had tried to the best of my abilities to approach any task with full effort and utmost determination. My field supervisor was of the opinion that I have sincerely carried out all the tasks that I was assigned, stringently keeping in mind my responsibilities, and have completed them within the allotted time. My major strengths included my proficient and consummate writing skills and fluency in the English Language. However, one area that he believes I needed to work on is my interpersonal skills. It is very important for any individual working in the business front to be an extrovert, especially when it comes to dealing with clients in the business and being the face of the business. With this in mind, my supervisor believes that I need to develop my interpersonal skills not only for the abovementioned reason, but also in order to achieve proper progression professionally. In comparison the interpersonal skills that I walked in with to RAK, I had made some progress over the three months, but there is still room for improvement.

2.4 Critical observations and recommendations

Critical Observation

The Working environment is very friendly and employees are ready to help all the time. There is a good chain of command always followed. In spite it was not an easy job to find so many things during the very short period of practical orientation program. Now, I would like to present my observations and give, my opinion to improve service and make their customer more satisfied.

- Lack of dynamic and prompt customer service
- Lack of Proper Division of Labor and man power
- Lack of Proper compilations & Maintenance of Files
- Shortage of availability of Machineries
- Employee Dissatisfaction
- Lack of effective advertising and promotion
- Lack of Computer Knowledge
- Absence of proper Decoration
- No desk and specific task for internee
RECOMMENDATIONS FOR THE INTERNSHIP COMPANY

RAK is a great learning company for interns. RAK helps interns improve and develops their skills. I would recommend RAK to keep hiring interns with different educational background, to help build and improve the company with the knowledge they gained from their studies and other recommendations are-

- Renovation of customer service
- Ensure Proper Division of Labor and man power
- Ensure Proper compilations & Maintenance of Files
- Ensure availability of Machineries
- Ensure employee satisfaction
- Ensure proper promotional activities
- Ensure effective computer literacy
- Ensure of proper Decoration and expanded office area
- Ensure internship desk and specific task
Part 3- Project

∑ Summary

The study is based on our own experience while working as an intern at RAK Ceramics Bangladesh Ltd. The study helps to identify the key marketing policies and strategies taken by RAK Ceramics Bangladesh Ltd. while marketing its Ceramic products at the market. The study also helps to identify the market of the Ceramic & Sanitary Ware, Positioning, Pricing, Policies etc. taken by RAK Ceramics Bangladesh Ltd. The study also focused on important marketing strategies taken by RAK Ceramics Bangladesh Ltd. to capture its Ceramics & Sanitary Wares market share. The study will help the upcoming researcher to take insights of the ceramic market in Bangladesh. Moreover, greater investment in importing better quality raw materials will take RAK Ceramics Bangladesh Ltd. to the international level as far as the quality and performance is concerned. All in all, this corporate giant is growing faster than any other group of companies of Bangladesh. Finally I wish RAK Ceramics Bangladesh Ltd. all the best for a great future ahead.

Sales and marketing conducted by various large companies operating in Bangladesh is getting increasingly day by day due to newer entrants. The resulting impact is stiffer competition among the established and the newer firms to win over the customers’ heart, and at the same time, making profits. Such situations have given rise to a lucrative corporate scenario in Bangladesh. For these logical reasons, I have selected this sector as I have conducted my internship at RAK Ceramics Bangladesh Ltd. My focus is on the policies & strategies taken by the company. RAK Ceramics Bangladesh Ltd. maintains a competitive advantage over its competitors due to effective marketing policies & strategies taken by the company.

_description of the project_
As a part of internship program of Bachelor of Business Administration course requirement, I have been assigned for doing our internship at RAK Ceramics Bangladesh Ltd. for the period of three months starting from January 27, 2015 to April 27, 2015. We have been assigned to the RAK Ceramics Bangladesh Ltd. the largest manufacturer of ceramic tiles and sanitary wares in Bangladesh. Corporate head office, RAK Tower, 7th, 8th & 9th Floor, Plot # 1A, JasimUddin Avenue, Sector # 3, Uttara, Dhaka-1230. My organizational (on site) supervisor was Mohammad KhaledHasan (Branding Manager). My project is “Marketing Policies & Strategies of RAK Ceramics Bangladesh Ltd.” which is assigned by organizational supervisor of the said organization. My faculty supervisor Ms. RahmaAkteralso approved the project and authorized us to prepare this report.

**Objectives:**

**Broad Objective:**

The major intent of this study is to analyze the Marketing Policies & Strategies of RAK Ceramics Bangladesh Ltd. and measuring the Sales and Distribution Management System of the company.

**Specific Objectives:**

- To identify present market situation of ceramics markets in Bangladesh.
- To analyze the procedures of Marketing and Sales. (RAK Ceramics Bangladesh Ltd.)
- To study on different Policies and Strategies of the Sales & Marketing Department.
- To identify the clients satisfactory level on Products of RAK Ceramics Bangladesh Ltd.
- To identify the ways to deal the customers.
- To identify how the Marketing Executives handle the clients and fulfill the sales target.
- To identify the hypothetical analyze on clients satisfaction on Sales & Distribution Management System of RAK Ceramics Bangladesh Ltd.
The current Sales position and Market share of RAK ceramics (Bangladesh) Ltd

To understand how RAK Ceramics (Bangladesh) Ltd. Produce and distribute their products by using their wide distribution network.

To identify the present demand of ceramics product in Bangladesh.

To understand the brand value of different ceramics manufacturing company.

To develop knowledge and a clear understanding about the Ceramics manufacturing company in Bangladesh.

Methodology used for the Data Collection:

- **Literature review** – A wide range of literature will reviewed to gather necessary information about the subject matters of this study. These literatures include the texts, profile, annual reports, documentation, different Manuals etc.

- **Observation** – A thorough and insightful observation will be conducted on the various Administrative, Interventional and Marketing philosophies, approaches and practices to collect benchmark information.

- **Interview** – Study and information gathering through interviewing employees and personnel involved in the ACI’s interventions, administration and other activities.

- **Field visits** – Visit to the field level activities to generated vital information and enhanced the study. **Discussion** – Discussion with the staffs and other related persons to generated benchmark information for the study as a comprising tool and also important instructions from the project supervisor.

Limitations of the Study: Limitations of the study are mentioned below

- Competitors’ information could not be gathered due to their privacy policy.

- The volume and magnitude of information collection is another limitation of this project. The amount of information needed to conduct such type of assessment is vast, but that could not be gathered. That’s why; the project might lack sufficient clarity and credibility. Rather, it recommends further and larger study on the matter.
✓ The study area will be the non-government organization so the collection of information’s quite hard.
✓ The organization is rigid to reveal the data associated with the employment policy and labor relations.

Though i knew & had access to much information, but there are still some important things which i couldn’t get hold of & they don’t even prefer to disclose those in front of general people.

3.1 Marketing strategies of RAK Ceramics (Bangladesh) Limited

3.1.1 Marketing Strategy Process

a) **Understanding Customer:** Develop a clear picture of the target customer using market research and analysis. The sales & marketing department of RAK always tries to understand their customers. They give lots of importance on the customers view. What the clients and customers want and their expectation to the company is the main base for the market research and analysis.

b) **Analyzing the Market:** RAK ceramics always do the market research to find the market data such as total available market, market growth (historical numbers and projections), market trends, etc. All the employees of the sales & marketing department always keep their concentration to the market position.
c) **Analyze the Competition:** RAK ceramics always analyze the competition with the other ceramics companies of the country. By analyzing the competition RAK ceramics time to time upgrade their product quality and product size or design. These types of competition help to grab the top position among the other companies.

d) **Research Distribution Channels:** RAK Ceramics Bangladesh Ltd. doesn’t follow the direct sales procedure. The company always sells their product only by their dealers. After producing the product they sell their produced products to their authorized dealers. The marketing executives of the company reach the information about their product to the clients and customers. After communicating to the customer or clients, the marketing people provide them the dealers list and the customer or clients collect their product from the dealers. For that reason the sales & marketing department always maintain a good relation with the dealers.

e) **Define Company Marketing Mix:** Product, Place, Promotion, People, Packaging & Positioning.
f) **Analyze the Financials:** RAK Ceramics Bangladesh Ltd. sales & marketing department always analyze their financials. This department controls their financials for supplying the product & service related information to the customers and clients.

g) **Review and Revise:** RAK ceramics continuously evaluate the effectiveness marketing strategy, and revise or extend as needed. Each month the sales & marketing department call for a general meeting which chaired by the GM Sales & Marketing. In this meeting the chairs review the total performance of the employees for the particular month and suggest to them what should be done for the future for better product marketing.

### 3.2 Marketing environment of RAK

The market environment is a marketing term and refers to factors and forces that affect a firm’s ability to build and maintain successful relationships with customers. Two levels of the environment are: Micro (internal) environment- refers to the forces that are close to the company and affect its ability to serve its customers. It includes the company itself, its suppliers, marketing intermediaries, customer markets, competitors, and publics. Macro (external) environment - refers to all forces that are part of the larger society and affect the microenvironment. It includes concepts such as demography, economy, natural forces, technology, politics, and culture.
3.2.1 RAK’s Microenvironment

The micro environment refers to the forces that are close to the company and affect its ability to serve its customers. It includes the company itself, its suppliers, marketing intermediaries, customer markets, competitors, and publics.

- **Supplier:**
The suppliers of the RAK are also an important aspect of its microenvironment because even the slightest delay in receiving supplies can result in customer dissatisfaction. Marketing managers of the RAK Ceramics Bangladesh Ltd. watch supply availability and other trends dealing with suppliers to ensure that product will be delivered to customers in the time frame required in order to maintain a strong customer relationship. And also for that reason the sales & marketing department always maintain a very good relationship with their dealers.

- **Marketing intermediaries:**
RAK has two showrooms in Dhaka city and in some divisional district. Marketing intermediaries refers to resellers, physical distribution firms, marketing services agencies, and financial intermediaries. These are the people that help the company promote, sell, and distribute its products to final buyers. Resellers are those that hold and sell the company’s product. Physical distribution firms are places such as warehouses that store and transport the company’s product from its origin to its destination. Marketing services agencies are companies that offer services such as conducting marketing research, advertising, and consulting. Financial intermediaries are institutions such as banks, credit companies and insurance companies. RAK ceramics doesn’t sell their product directly to the end users. They sell their product only via their dealers. Dealers collect information from the marketing people of the company and supply their product to the clients or customers.

- **Customer:**


Another aspect of microenvironment is the customers. There are different types of customer markets for RAK Ceramics Bangladesh Ltd. including business markets, government markets, international markets, and reseller markets. Business markets include those that buy goods and services for use in producing their own products to sell. The business markets for RAK Ceramics Bangladesh Ltd. are the different real estate companies. They buy the product for developing the flats and houses. This is different from the reseller market which includes businesses that purchase goods to resell as is for a profit. It means the dealers of the company. These are the same companies mentioned as market intermediaries. The government market consists of government agencies that buy goods to produce public services or transfer goods to others who need them. International markets include buyers in other countries and includes customers from the previous categories.

**Competitor:**
RAK tries to provide greater customer value and satisfaction in different specialized sector than competitors. Competitors are also a factor in the microenvironment and include companies with similar offerings for goods and services. To remain competitive RAK consider who their biggest competitors are while considering its own size and position in the industry. The company develops a strategic advantage over their competitors. RAK Ceramics Bangladesh Ltd. always upgrading their product and keep their product price reasonable than the other competitors.

**Publics**
The final aspect of the microenvironment is publics, which is any group that has an interest in or impact on the organization’s ability to meet its goals. For example, financial publics can hinder a company’s ability to obtain funds affecting the level of credit a company has. Media publics include newspapers and magazines that can publish articles of interest regarding the company and editorials that may influence customers’ opinions. Government publics can affect the company by passing legislation and laws that put restrictions on the company’s actions.
Citizen-action publics include environmental groups and minority groups and can question the actions of a company and put them in the public spotlight. Local publics are neighborhood and community organizations and will also question a company’s impact on the local area and the level of responsibility of their actions. The general public can greatly affect the company as any change in their attitude, whether positive or negative, can cause sales to go up or down because the general public is often the company’s customer base. And finally those who are employed within the company and deal with the organization and construction of the company’s product. RAK’s all the department always tries to do their best from their own position. For that reason RAK is the number 1 tiles manufacturer in the world.

3.2.2 RAK’s Macro environment

The macro environment refers to all forces that are part of the larger society and affect the microenvironment. It includes concepts such as demography, economy, natural forces, technology, politics, and culture.

- **Demographic environment:**
  Demography refers to studying human populations in terms of size, density, location, age, gender, race, and occupation. This is a very important factor to study for marketers and helps to divide the population into market segments and target markets. It considers the demographic factors whenever they want to demographic attributes based ceramics services. RAK has divided the total market by demographically. Their target customers are start form the middle class to upper class. The major locations for them are the developing areas. Males and females are both their target customer.

- **Economic environment:**
  It also considers the consumer changing income in their pricing strategy. Changing consumer spending patterns also need to consider in marketing strategy. Within this area are two
different economies, subsistence and industrialized. Subsistence economies are based more in agriculture and consume their own industrial output. Industrial economies have markets that are diverse and carry many different types of goods. Each is important to the marketer because each has a highly different spending pattern as well as different distribution of wealth. RAK put their best concentration on the economic environment of the customers or clients. Keeping the factors in their mind the company controls the price pattern of the products. RAK ceramics price is much reasonable for the buyers.

Natural environment:
The natural environment is another important factor of the macro environment. This includes the natural resources that a company uses as inputs and affects their marketing activities. The concern in this area is the increased pollution, shortages of raw materials and increased governmental intervention. As raw materials become increasingly scarcer, the ability to create a company’s product gets much harder. Also, pollution can go as far as negatively affecting a company’s reputation if they are known for damaging the environment. The last concern, government intervention can make it increasingly harder for a company to fulfill their goals as requirements get more stringent. RAK Ceramics Bangladesh Ltd. has their own policies for the environment. RAK’s product is 100% environment friendly. They produce and sell the products which are safe for the environment as well as the customers or clients. RAK is fully committed to the government that they will not make the product which will harm the environment or make any pollution when they produce their products in the factory.

Technological environment:
The technological environment is perhaps one of the fastest changing factors in the macro environment. As these markets develop it can create new markets and new uses for products. It also requires a company to stay ahead of others and update their own technology as it becomes outdated. RAK always stay informed of trends so they can be part of the next big thing, rather than becoming outdated and suffering the consequences financially. Forces that
create new technologies create new product and market opportunities. Ceramic sector is going to more competitive today so RAK is incorporating all types of new technological innovation up to date in order to cope up with growing new customer demand.

- **Political environment:**
  The political environment includes all laws, government agencies, and groups that influence or limit other organizations and individuals within a society. Laws, government agencies, and pressure groups that influence and limit various organization and individual in a given society are related with the political environments. RAK also follows all types of law regarding electronic distribution as well as keeping the economy strong. Every year they renew their every license.

- **Cultural environment:**
  The aspect of the macro environment is the cultural environment, which consists of institutions and basic values and beliefs of a group of people. The values can also be further categorized into core beliefs, which passed on from generation to generation and very difficult to change, and secondary beliefs, which tend to be easier to influence. As a marketer, it is important to know the difference between the two and to focus their marketing campaign to reflect the values of a target audience. RAK sales & marketing department executives always work by categorizing the culture into these two factors.
3.3 Market Segmentation, Targeting and Positioning (STP).

**SEGMENTATION**
- Choose variables for segmenting market
- Build a profile of segments
- Validate emerging segments

**TARGETING**
- Decide on targeting strategy
- Identify which and how many segments should be targeted

**POSITIONING**
- Understand consumer perceptions
- Position products in the mind of the consumer
- Design appropriate marketing mix to communicate positioning
3.3.1 Segmentation:

RAK Ceramics Bangladesh Ltd. segmented the market strategically to ensure that they could reach all end consumers according to its desire. They have segmented their market divisionally.

RAK Segments the market base and to evaluate the existing customers the following three factors are used:

- **Price**: The historical and current price prevailing in the markets under consideration.
- **Reliability**: The financial stability of the markets under consideration.
- **Liquidity**: The frequency of import by the markets under consideration.

### Geographic, Demographics, Behavioral factors

The profile for RAK customer consists of the following geographic, demographic, and behavior factors:

**Geographic**

- Geographic target all over Bangladesh.
- Sophisticated corporate/individuals who want to carry more quality products.

**Demographics**

- Corporate user who seek more economical and reliable quality product.
Behavioral Factors

✓ Enjoy a high quality product at the reasonable price.

3.3.2 Market Targeting

RAK ceramics normally target the Actual buyer of the product. According to social class segmentation concept, middle level, upper middle level customers are the target customer of RAK Ceramics. In income segmentation, the customer’s income level is 30,000,000 to 50,000,000 they are also quite a significant consumer of RAK Ceramics. The RAK aims their advertisement mostly at them. From our survey we can see that our most of the potential customers are developer. The geographical location of the market will initially for 7 divisions like: Dhaka, Chittagong, Sylhet, Rajshahi, Khulna, and Barishal and the 64 district of Bangladesh. The market can be segmented into three target populations:
RAK’s large target market is the developer companies of Bangladesh. The developer companies buy RAK ceramics and sanitary wares for their developing projects. All most 40% product are sold to the developer companies.

Next largest market is the building owners. The owners buy the RAK ceramics product for their own. In this case the marketing people of the company collect communicate with the building owners and tell about the product information such as the product price and the size. For convincing the customer RAK sales & marketing department supplies free samples to the customers. All most 30% product are been sold to the building owners.

The Architect firms and the consultancy firms are the target market for the RAK Ceramics Bangladesh Ltd.

### 3.3.3 Positioning

Positioning refers to the development of a distinct image for the product or service in the mind of the customer, an image that will differentiate the offering from competing ones and squarely
communicate to the target audience that the particular product or service will fulfill their needs better than competing brands. RAK is positioned as a product that offers uncompromising protection of quality for tiles and sanitary ware users. They are emphasized in the customer mind about the reasonable price, better quality, convenience using, attractive design and more features etc.

3.4 Marketing Mix

![The Marketing Mix Diagram](image)

3.4.1 Product

Products are the key elements for the RAK Ceramics Limited. It has been dealing with four strong brands since their very beginning. These four brands have a lot of products. The variety of RAK's
product always wondered others. Their products are not only show good quality but also the symbol of aristocracy. Recently RAK Ceramics have two types of products.

- Ceramic Tiles
- Sanitary Wares

**Ceramic Tiles**

- **Decor Tiles**
- **Border Tiles**
- **Ceramic Wall Tiles**
- **Ceramic Floor Tiles**

### Ceramic Wall Tiles

- 20 x 30 cm
- 25 x 33 cm
- 25 x 40 cm
- 30.5 x 51 cm
- 30 x 60 cm
Sanitary Wares

Two types of sanitary ware RAK Ceramics (Bangladesh) Ltd. produce.
There are 5 sized ceramic wall tiles RAK produce. Recently they have introduced a premium size which is 30 X 60 wall tiles. There are 3 sized floor tiles. All the floor tiles are homogenous. Only 59.5 X 59.5 cm tiles are Mirror Polished. There are Rustic tiles also RAK produce which’s size is 40 X 40 cm. RAK Ceramics also produces special designed tiles for kitchen.

There are numbers of model for Sanitary Wares. All the sanitary wares are high quality product and long lasting. Generally RAK produces two types of sanitary wares.

✓ Wash Basin.
✓ Water Closet (Commode).

Customer can chose their desired color from listed nine different colors. If they want they can order for marble shade.

Accept these two products RAK also produces,

✓ Counter Basin.
✓ Urinal Bowl.

For both this two product customer can also chose their color from nine different colors and also they can order for marble shade design.

3.4.2 Price

RAK normally sets a certain price for each of its products according to the international market rate which is done in terms of conversion of dollar ($) value. However the rates keep changing every now and then. So it is adjusted by RAK and of course, keeping in mind the competitors price as well. These fluctuations in rate are incorporated by RAK in the local market which largely depends on market conditions e.g., demand. When the demand is high price is raised up and when the demand is low price cuts are made by RAK. The price of their product depends on several factors. They are

✓ The product type
✓ Size
✓ Color
Their pricing strategy is cost plus strategy. They will give different discount offers in different occasions. There are some specific pricing objectives. They are:

- Gain market position
- Achieve financial performance
- Product positioning
- Stimulate demand
- Influence competition

The Ceramic wall tiles price range is 39.50 to 79 tk/sf. The price of the ceramic wall tiles vary on the color, design as well as the size. Border and Décor for wall price range is 75 to 270 tk pcs.

Price for sanitary wares varies on the model, color and design. Both wash basin and water closet price range is 8030 to 23870 tk/set. 35% of the total price will be added if the customer wants marble shade design and 50% of the total price will be added if the customer asks for the deep color. Prices for counter basin range are 1285 to 2010 tk pcs.

3.4.3 Place: (Distribution channel)

Up till now RAK has been targeting the dealers of the country. Since these customers buy in bulk from them and quite regularly also, RAK’s main focus has been stuck on them for quite a number of years now. 100% of their sales came from the dealers. RAK Ceramics (Bangladesh) Ltd. doesn’t sell directly to the end customer. They only sell via their dealers.
The company established an extensive production and distribution channel to make it available throughout the country. There are 4 show room and 185 distributors in seven divisions of Bangladesh: Dhaka, Chittagong, Sylhet, Rajshahi, Rangpur, Khulna, and Barishal. From these distribution centers, they supply their product in whole Bangladesh. From dealers, the sales representatives supply to the retail shops on the basis of their demand. The small traders purchase product directly from the dealers. RAK’s marketing executives pass the information about their product to the customers and tell them to collect their product from the dealers. RAK follows the corporate and general marketing both.

➢ **Procedure for Executing Orders**

The Sales Executives receive orders either by fax, email or verbal (telephone or in person), review and record in the “Order Receiving Register Logbook” or “Order Receive Sheet- Sanitary Ware”. The Sales Executives will check for the availability of the ordered items in the current stock. If the items are available, Sales Executives will prepare the “Goods Release Note” and if the items are not available in the stock, Sales Executives communicate with customers for revised order. Then it is forward to the Accounts Department. The Accounts Department will check and note down the compliance of the approved credit limit and payment terms applicable to that customer. According to the information provided by the Accounts Department, the Head of Sales will authorize to affect the delivery of goods or otherwise, request the customer to comply with the payment terms.

Then, the Sales Executives will inform through phone call or issue the approved “Goods Release Note” to the Stock and Dispatch for affecting the delivery as per arranged trucking by the Company or by customer’s own vehicle. If the customer ordered items are not available in the stock list, the Sales Department will issue a Production Schedule or Sanitary Ware Division-Order Receive Sheet. Once the customer ordered items availability is established, the Sales Executives will follow the same procedure from issuing a “Goods Release Note” to the Accounts
Whenever more than one “caliber” or more than one “batch” of the particular tile model are available, the marketing Executives must notify the customer and get an approval to deliver prior to the preparation of the materials for delivery or shipment. Once the customer approved, then instruction will be given to the Stock and Dispatch to proceed with the delivery commitment. Delivery note received by Sales & Marketing department through Accounts department and prepares three (3) invoices one for file copy, another one for customers copy and other one invoice attached with delivery note and send to the Accounts department.

**Procedure for Handling Enquiries and Quotations**

Sales Executives will receive the enquiries either by fax, by email or by telephone and record in the “Order Receiving Register Logbook” or “Order Receive Sheet- Sanitary Ware”. The Sales Executives will review the enquiry and communicate with customer if any further clarification is required before quoting. Regular dealers, developers and consulting firms, normally placed orders but subject to stock availability. No formal written quotations made, only through Price List or sometimes over the phone. But for local exports (Foreign company works locally) at EPZs, Sales Department issues quotations/ Performa/invoices against queries to the respective company. They also get a price list in US$ but the price list is not fixed because the value of dollar is continuously changed. Marketing Executives will communicate about the price in the same manner to new dealers, developers and consulting firms.

As and when requested by the dealers, developers and consulting firms, the sales Executives will provide samples of the product. For any sample of design for tiles, the sales Department will issue the “Tiles Design Project- Design Input” form to the Ceramist after duly approved by the Managing Director or the Chief Operating Officer.

### 3.4.4 Promotion

Promotion means activities that communicate the merits of the product and persuade target customers to buy the product and services. According to RAK brand washing machine promotion is one of the major tools of marketing. A good way of promoting a product not only
helps to influence and motivate people to buy it but also give a good impression about a company and its products.

**Sales Promotion**

RAK is only interested in selling directly to its dealers who are the customers NOT the consumers. We can consider sales promotion as one of the tools RAK uses to run its promotional activities. They offer it in the form of discounts to their customers. The extent to which discounts are given depends on market conditions such as demand. RAK considers it as part of its promotional expenses.

**Advertising**

RAK uses both electronic and print media for its promotional activities. As RAK is already an established brand RAK gives reminder ads rather than persuasive ads. Billboard ads are given at the key areas of the Dhaka city such as the airport road. People who are leaving or arriving in Dhaka City are exposed to the billboard ads over there which feature RAK. It keeps reminding consumers that RAK exists in the Ceramic industry and is still the best. A television ad has been recently on air which has managed to attract the attention of the mass people. It shows how RAK Ceramics touches the lives of people every day and is contributing to them as well as the country as a whole. Newspaper ads are going once or twice every month in order for RAK to sustain the level of competition and stay ahead in the minds of the consumers as new competitors have entered the scene as of late.

**Communications Mix**

Here are some tools by which RAK can use a means of communication mix

- Advertising
- Sales promotion
- Public relations
- Direct marketing
- Event Sponsorship

Currently RAK is going on a high with its advertising and sales promotion. It does not use the rest of the three tools above. This has created a GAP in its communications mix. Advertising and sales promotional tools are quite regularly used by RAK. The amount of effort being given on these areas is generating satisfactory results. But the rest of the tools need to be utilized as well if RAK is to achieve and maintain its dominance in the Ceramic industry. Public relations are one way RAK can enhance its brand image and establish a long lasting relationship between RAK and its customers. For example cricket is the most popular sport in Bangladesh and whenever Bangladesh team is playing everyone is glued to their seats in the stadium as well as viewers on TV. RAK can sponsor tournaments like “RAK tri-series”. These will positive associations in consumer minds like if Bangladesh team does well or wins the tournament people will link that consistency and performance with RAK as well. Also RAK can arrange for socially contributing concerts like “RAK save the Children Concert” which will create a positive brand image and perception of RAK amongst its customers and consumers. Associations with education like quiz contests or talent hunts (like close up sponsored Close UP One on NTV) will bring more positive results. Recently RAK donated a large amount of money to Dhaka Ahsania Mission cancer Hospital and they have arranged tree plantation project also.
3.5 Marketing Information System (MIS):

Marketing information system consists of people, equipment, and procedure to gather, analyze, evaluate and distribute needed product timely and accurate information to marketing decision maker. MIS is very important in terms of the internal network system. There are the MIS system of RAK and it will tell us how they are using MIS in their day to day business activities.

3.5.1 Internal Record System:

“RAK Ceramics Limited” is used to maintain all employees’ related information on paper based documents. On implementation of this IT enabled system, information is all available on soft form, very easy to use and of course in a very cost effective manner.

3.5.2 Marketing in RAK Allegiances:
RAK Ceramics Ltd. collects information from the different show room, dealer points for searching new opportunities about their product quality, fragrance performance or developing. They also collect information from Govt. statistics, journal, customer supplier and distributor and also collect from macro and micro environment for developing marketing strategies and decision making.

3.5.3 Marketing Research:
RAK Ceramics (Bangladesh) Ltd. has their own research and development department. So they have systematically design of specific brand and reporting of sales and distribution data and finding relevant to a specific marketing situation facing the company.

3.6 New product Development strategies:
RAK Ceramics (Bangladesh) Ltd. is a production based company. When RAK ceramics launch new product then they need the new product development strategies. RAK ceramics recently launched a new product namely "RAK PRIMUM COLLECTION” Here they have developed a new product development strategy for it.

Their qualified experts are performing extensive research and development in their laboratories on materials, design to create top quality and beautiful products. RAK Ceramics (Bangladesh) also has agreements with leading exclusive designers and laboratories in Italy and Spain for developing enchanting new designs.
A new product Development strategy is a strategy for a company growth by offering modified or new products to current market segment. For product development strategy the followings are considered:

3.6.1 Idea Generation: Based on customers demand RAK Ceramics (Bangladesh) Ltd. recently launched a new product that is 30 X 60 wall tiles.

3.6.2 Idea Screening: It could develop different quality product for different segment. For instance it may import different type’s wall tiles in the local market.

3.6.3 Concept Development and Testing: Research & development division of “RAK. Ceramics (Bangladesh) Ltd.” has discovered several growths in tiles & sanitary ware market. Because Bangladeshi tiles market has reached in the mature stage. So there has a good market potential of 30 x 60 tiles in the market of Bangladesh.

3.6.4 Marketing Strategy Development: “RAK Ceramics (Bangladesh) Ltd.” always try to identify the potential user group of PREMIUM tiles in the current sales areas that is through direct marketing, personal selling coupon, discount, public relation collecting data from the marketing channel and market research etc. “RAK might develop the distribution channel in its present location e.g. increase dealer, retailer, sales force. It might consider selling new location in Bangladesh that is increase the sale in urban areas.

3.6.5 Product Development: For product development the brand manager suggests to test the product quality because if the product quality is bad, it creates a bad image in the mind of the consumer.

3.6.6 Market Testing: After finishing all the process the brand manager serves for testing the product quality, getting the customer’s positive response and any new idea from the market for developing the feature.
3.7 Customer Culture:

To determine customer lifestyles and demographic characteristics, occupation, income, buying behavior etc. is considered as customer culture. Such research indicates similar anticipated findings within the market of Bangladesh. In addition, an independent survey conducted by the company has provided the initial grounding for the product's potential consumer.

- Quality commitment
- Delivery commitment
- Product development
- Process modification
- Customer contact.
3.8 Building customer Relationship

3.8.1 Customer relationship management (CRM):
The overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction is called CRM. Relationship building blocks: Customer perceived value is the difference between total customer value and total customer cost. The extent to which products perceived performances matches a buyer expectation. RAK tries to maintain good relationship with their valuable customer by providing high quality products along with a moderate price. RAK offers luxurious product for its High class customer and moderate product for the customer who are in moderate income level. RAK Ceramics have many dealer points in every possible corner of the country. That’s why they can maintain a good relation with their customer.

3.8.2 Benefits of Customer Relationship Management
A Customer Relationship Management system may be chosen because it is thought to provide the following advantages

- Quality and efficiency
- Decrease in overall costs
- Increase Profitability

3.8.3 Changing nature of customer relationship:
Dramatic changes are occurring in the ways in which companies are relating to their customers. Conventional companies focused on mass marketing but today’s firms are building more direct and lasting relationship with more carefully selected customers. Today, RAK provide products updates to their superior customer through SMS, Online and Mobile. It also makes a relationship through different paying system like, installment facilities, pay through credit card etc.
3.9 Capturing value from Customer

3.9.1 Creating customer loyalty and retention:
Good customer relationship management creates customer delight. In turn, delighted customers remain loyal and talk favorably to others about the company and its products and services. The aim of customer relationship management is to create not just customer satisfaction but customer delight. Now-a-days, RAK facilitates customer solving desk in order to make the general customer into loyal and retention. Because it’s profitable to make a customer loyal towards a service rather to motivate new customer. The maintenance cost of loyal customer is lower than the fresher.

3.9.2 Growing share of customer:
The portion of the customer’s purchasing that a company gets in its product category. To increase deposing share of customer, RAK leverage customer relationship by offering greater facilities like after sales service to current customer.

3.9.3 Building customer loyalty:
The ultimate aim of customer relationship management is to produce high customer Equity. RAK views customers as assets that need to be managed and maximized. But not all customers, not even all loyal customers are good investment. RAK classify customer according to their potential profitability and manage its relationship with them accordingly.

3.10 Services of RAK Ceramics (Bangladesh) Ltd.
Although RAK is a product related company but it has to provide greater services to the customer for their satisfaction. Services are something that makes a company different from others. That’s why RAK offers different services to the customer. RAK’s services are very effective. Its services are pretty much user friendly. Every service it offers is reachable to the final consumer. Services that RAK offers for its customer are as follows:
3.11 Corporate Social Responsibilities (CSR)

RAK Ceramics (Bangladesh) Ltd. has actively pursued CSR-related activities, covering areas such as the environment, concerns of social groups, product development, facilities, processes, environmental accreditation, and employee health, safety and benefits. RAK Ceramics (Bangladesh) Ltd. revealed that the report will serve as a benchmark for future CSR activities of the company. Through the CSR Report, RAK Ceramics also aims to provide a blueprint for other business entities, particularly those operating in Ras-Al-Khaimah, to pursue various CSR activities.

3.11.1 Environmentalism:

RAK Ceramics’ environment-related activities included an ambitious initiative to plant over 5,000 trees around its manufacturing facility throughout the year. Some 500 trees were initially
planted to mark the Earth Day celebrations and to launch the campaign. RAK Ceramics has recently received the Environmental Performance Certificate (EPC) RAK ceramics is only tiles manufacturing facility which run its entire plant operation on water following treatment ETP. RAK ceramics donated 5 million taka for Cancer Hospital (Dhaka Ahsania Mission).

3.12   Porter’s Five Competitive Forces:

3.12.1 Threats of New Entrants:

The threat of new entrants into the ceramics market is always high. Not only the domestic firm poses threats but also international firms are there to pose threats. Though the ceramics sector needs huge capital for establishing but industries are growing rapidly in this sector. Furthermore, the great deal of capacity is necessary to achieve economies of scale. In ceramics products capacity is measured in large increments. Purchasing or building facilities proves to be a large capital expense. Within domestic products new companies are posing extreme threats. Some of the domestic firms are producing quality products also. Domestic companies are always posing threats to RAK Ceramics (Bangladesh) Ltd.

3.12.2 Bargaining power of supplier:
The bargaining power of supplier of raw materials is moderate. Prices vary depending on the demand both nationally and internationally. When the development boom in Bangladesh began, the demand of product increased. Substitutes for ceramic product create a challenge for RAK. As an alternative to using mosaic, RAK could produce ceramic products organically.

3.12.3 Bargaining power of buyers:

Because of the large number of buyers, the bargaining power of the group is moderate. The products are undifferentiated which motives buyers to make purchasing decision based mainly on price.

3.12.4 Threats of substitute products:

The treats of substitute products in ceramics market are weak in Bangladesh. The alternatives would often require a compete reworking of the design of the products produced by different product consumers. Thus, low priced alternatives are still unattractive because of the high switching costs. If the switching cost does not detract the buyers, they can find alternative products to fulfill the demand.

3.12.5 Rivalry among competitors:

The strongest force impacting the market is the rivalry among competitors. As mentioned earlier, a firm must invest a great deal of capital to enter into the industry. Once in the industry, capacity increases occur in large increments. To further the rivalry, the lack of diversified products makes buyers switching costs low. This can lead to a price competition among the firms into the industry. Same competitors have diversified into other industries.

3.13 SWOT ANALYSIS

A scan of the internal and external environment is an important part of the strategic planning process. Environmental factors internal to the firm usually can be classified as
strengths (S) or weaknesses (W), and those external to the firm can be classified as opportunities (O) or threats (T). Such an analysis of the strategic environment is referred to as a SWOT analysis.

The SWOT analysis provides information that is helpful in matching the firm’s resources and capabilities to the competitive environment in which it operates. As such, it is instrumental in strategy formulation and selection.

3.13.1 Strengths:
RAK’s strengths are its resources and capabilities that can be used as a basis for developing a competitive advantage. Examples of such strengths include:

- Strong brand names
- Good reputation among customers
- Cost advantages from proprietary know-how
- Exclusive access to high grade natural resources
- Favorable access to distribution networks

3.13.2 Weaknesses:
The absence of certain strengths may be viewed as a weakness. Each of the following may be considered weaknesses:

- High cost structure
- Lack of access to the best natural resources
- Lack of access to key distribution channels
- High cost for importing raw materials

In some cases, a weakness may be the flip side of strength. Take the case in which a firm has a large amount of manufacturing capacity. While this capacity may be considered a strength that competitors do not share, it also may be a considered a weakness if the large investment in manufacturing capacity prevents the firm from reacting quickly to changes in the strategic environment.

3.13.3 Opportunities:
The external environmental analysis may reveal certain new opportunities for profit and growth. Such opportunities include:
✓ An unfulfilled customer need in some cases Arrival of new technologies
✓ Loosening of regulations Removal of international trade barriers
✓ A developing market such as the Internet.
✓ Mergers, joint ventures or strategic alliances.
✓ Moving into new market segments that offer improved profits.

3.13.4 Threats:
Changes in the external environmental also may present threats to the firm. Such threats include:
✓ Shifts in consumer tastes away from the firm’s products
✓ Emergence of substitute products
✓ New regulations Increased trade barriers
✓ A new competitor in home market. Price wars with competitors.
✓ A competitor has a new, innovative product or service.
✓ Competitors have superior access to channels of distribution.
✓ Taxation is introduced on product or service.

Result and discussion
RAK Ceramics (Bangladesh) Ltd. targets mainly architects, project developers and retail clientele. It focuses on the customers who are fashions oriented and who look for world class brands. RAK Ceramics' promotional strategy revolves around supporting high level events of architects and property developers and several other sporting events. The brand is promoted continuously through a broad range of media including radio, trade and popular magazines, outdoor advertising events sponsorship and through high profile exhibition stands. In order to maintain its market share, in today's highly competitive ceramics business RAK Ceramics carries on these innovative approaches in local and regional markets which allow the company to reach as broad a base in public as possible and ensures that the brand has distinctive points of values above the other players from the same category. Efforts in all these areas have resulted in increased revenues and market share.
Conclusion

RAK Ceramics has been recognized as the world's largest ceramic tile manufacturer by the 'Ceramic World Review', the best known and most widely circulated international magazine devoted to ceramic tile and sanitary ware production technologies. It dominates the rankings of the top 25 ceramic tile manufacturers in 2009 with a total production output of 115 million square meters from 15 manufacturing facilities located in six countries. The company had first ever IPO under book building method in Bangladesh, which was highest in collection in terms of amount and number of applications. The company was rated AA+ in long term and ST-1 for short term, which was highest rating in manufacturing sector in Bangladesh.
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