Internship Report

On

Business process of garment accessories (Zipper) supplier in Bangladesh:
A study on NEO Zipper company Ltd.

Prepared For

Suntu Kumar Ghosh
Assistant Professor
BRAC Business School
BRAC University

Prepared By

Mohammad Mizanur Rahman
ID # 12264055
MBA Program
BRAC Business School

Date of Submission: 14th December, 2015
Letter of Transmittal

12th December, 2015

Suntu Kumar Gosh
Assistant Professor
BRAC Business School,
BRAC University

Subject: Internship report on “business process of garment accessories (Zipper) supplier in Bangladesh: A study on NEO Zipper company Ltd.”

Dear Sir,

This is informing you that I have completed my internship program at NEO Zipper Co. Ltd. The internship report paper titled “business process of garment accessories (Zipper) supplier in Bangladesh: A study on NEO Zipper company Ltd.” has been prepared for the completion of my internship as per the requirements of my MBA program at BRAC Business School.

I have tried my best to make this report informative and presentable and I believe that this type of practical knowledge and experiences gathered from this study will be helpful in my upcoming career.
I will be readily available to explain the matter to you for any kind of confusion and explanation regarding the report.

Sincerely yours,

Mohammad Mizanur Rahman
ID# 12264055
MBA Program
BRAC Business School
Acknowledgement

At the very beginning, I would like to express my deepest gratitude to almighty Allah for giving me the strength to finish the report.

As a part of my MBA program, I did my internship program at NEO Zipper Co. Ltd. a globally accepted zipper manufacturing company.

Mr. Suntu Kumar Gosh (Assistant Professor, BRAC Business School, BRAC University) my honorable supervisor deserves heart-felt thanks and profound gratitude for his guidance and competent mentoring to enable this report to be a successful one.

I am also grateful to the entire employee of the “NEO Zipper Co. Ltd.” especially to Mr. Shabbir Ahmed (Director, Marketing), My supervisor at NEO Zipper Co. Ltd. Mr. Ali- Al Mamun (Manager, Marketing). Without their help it was not possible for me to prepare this report so informative.
Executive Summary

RMG sector is one of the biggest and most GDP earning sectors in Bangladesh. Different types of garment accessories are needed to complete the garment. Zipper is one of the most important garment accessories. There are many companies in the world who are manufacturing zipper and NEO Zipper is one of them and has already gained fame in this industry. My report contains a brief study on this company, my job responsibility and also my learning.
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<td>33</td>
</tr>
<tr>
<td>References</td>
<td>34</td>
</tr>
</tbody>
</table>
Objective of the study

Broad Objective:

- To find out the total business process of NEO Zipper Co. Ltd.

Specific Objectives:

- To identify the limitations of NEO Zipper
- To identify the export performance of NEO Zipper
- To identify the overall problems of NEO Zipper

Limitations of the Study

From the beginning to end the study has became a challenge for me. The problems that I have to face during the period of preparing this are as follows:

- Unavailability of information in the website
- Lack of proper primary sources
- Mental & Physical inability

Methodology

PRIMARY DATA:

Sources of primary data: For this study primary data is collected through direct observation and personal experience of working at NEO Zipper Co. Ltd.

SECONDARY DATA:

Sources of Secondary Data: Secondary data have been used in this study are basically collected from company website.
Job Responsibility

As a marketing executive of NEO Zipper the job responsibilities that I have, are as follows:

- **Maintaining both internal and external relationship:** As a marketing executive it is must to have a relationship with my client. Maintaining a good relationship can help me to get the order. I also have to maintain a relationship with my production department, procurement department and commercial department for smooth production, delivery and payment.

- **Providing product knowledge to the customers:** All of my clients are engaged with the garment business but they don’t have clear conception regarding the zipper in every case. There are some special type of zipper for what I have to explain them regarding the zipper and some times I have to visit their office to make them clear regarding the zipper.

- **Development of sample for the customers:** To get an order customers are always seeking for the sample first and after the approval of sample they place the order. I have to develop the sample carefully so that my clients approve that.

- **Pricing and negotiation with the customers:** We are maintaining a standard price list for our nominated clients. Incase of other clients we mainly follow the ORCHESTRA price list for pricing. But in special case we used to increase or decrease the price. Here I am showing how we normally fix our price.

**For Example:** I received a plastic zipper booking from our local client “Appril Fashion” and it’s foreign buyer “ORCHESTRA”.

<table>
<thead>
<tr>
<th>Vendor: Appril Fashin Ltd.</th>
<th>Garment Item: Hoody Jacket</th>
<th>Shipment to: Appril Fashion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buyer: ORCHESTRA/ FRANCE</td>
<td>Style: Zinfandal</td>
<td>Booing date: 10.11.2015</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date of shipment: 20.11.2015</td>
</tr>
<tr>
<td>Item: Vision#5 Zipper, Thumb Puller, Open end Zipper</td>
<td>Garment Item: Hoody Jacket</td>
<td>Style: Zinfandal</td>
</tr>
<tr>
<td>Zipper Size (in cm)</td>
<td>50.00 cm</td>
<td>55.00 cm</td>
</tr>
<tr>
<td></td>
<td>60.00 cm</td>
<td>70.00 cm</td>
</tr>
<tr>
<td>Color</td>
<td>5000</td>
<td>3000</td>
</tr>
<tr>
<td>White</td>
<td>2000</td>
<td>1000</td>
</tr>
<tr>
<td>Grey</td>
<td>11000</td>
<td>11000</td>
</tr>
<tr>
<td>Blue</td>
<td>5000</td>
<td>3000</td>
</tr>
<tr>
<td></td>
<td>2000</td>
<td>1000</td>
</tr>
<tr>
<td>Total</td>
<td>15000</td>
<td>9000</td>
</tr>
<tr>
<td></td>
<td>6000</td>
<td>3000</td>
</tr>
<tr>
<td></td>
<td>33000</td>
<td></td>
</tr>
</tbody>
</table>
Standard Price for ORCHESTRA:
Standard price for 50.00 cm is $0.2427/pcs
Price for additional 1.00 cm is $0.0031/pcs

**Calculation:** (Required size – standard size) X additional size price + Standard Price
For 50.00 cm = $ 0.2427/pcs
For 55.00 cm = $ 0.2582/pcs

- **Forming production and delivery plan:** For smooth production and delivery I have to prepare a production plan and delivery plan through the help of my production manager.

- **Follow up with the production department:** I have to knock my production department continuously so that I can get the finished product on exact date and serve my clients properly.

- **Follow up with the customers for maintaining business related documents:** I have to knock my clients continuously for getting LC, UD and document acceptance.

- **Identifying new customers and convince them to get the order:** For getting new client I used to visit them, showing our sample zipper, slider catalogue, color book, showing our OEKO-TEX certificate, provide price list, ensure them quick delivery and ensure the product quality.

- **Providing production related information to the customers:** I always provide information to my clients regarding the order status *i.e.* how much production have done, when delivery will start, when the production and delivery will be finished etc.

- **Providing after sales support:** Sometimes it may happens that my clients got some problems regarding the zipper that have already delivered and for that NEO Zipper is bound to solve that problems. The problems can be mistake of color, zipper teeth broken, slanted zipper etc.
• **Issue Performa Invoice:** After the price confirmation from the client I used to issue a “Performa Invoice” for the vendor.

![Image](image1.png)

![Image](image2.png)

• **Preparing monthly sales report:** I have to prepare a monthly sales report on the basis of Performa Invoice (PI) that have issued for a specific month *i.e.* in every month after getting the booking from our client we issue PI and we consider the total value of all the issued PI for that particular month.

![Image](image3.png)
Introduction Part
1.00 Introduction:

NEO Zipper is a Euro-American branded quality and 100% export oriented zipper manufacturing company in Bangladesh. It is also a Korean joint-venture company. The journey started on 1992 and now NEO zipper is one of the famous zipper manufacturing companies in Bangladesh. NEO zipper did not gain its fame over the night, this is the outcomes of some individuals who are dedicating and involved themselves in zipper manufacturing and development. In Bangladesh NEO zipper is the second company who fully used the branded zipper technology from Korea in 2005. From inception, NEO zipper started manufacturing zipper for one of the top most international zipper brand from USA on OEM (Original Equipment Manufacturer) basis. NEO zipper has been improving every year and now one of the best choices for zipper to Euro-American buyers.

In a word NEO zipper is the combination of American Technology and Korean Technology.

1.01 History of NEO Zipper:

<table>
<thead>
<tr>
<th>Year</th>
<th>History</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>It was incorporated</td>
</tr>
<tr>
<td>2005</td>
<td>It has started its trial production with Plastic zipper, polyester zipper and metal zipper</td>
</tr>
<tr>
<td>2006</td>
<td>It has started its full production</td>
</tr>
<tr>
<td>2007</td>
<td>Started its polyester zipper line with plastic molded stopper</td>
</tr>
<tr>
<td>2008</td>
<td>Started in-house electroplating process and increased metal zipper production capacity</td>
</tr>
<tr>
<td>2009</td>
<td>Increased the production capacity for all kind of zipper production</td>
</tr>
<tr>
<td>2011</td>
<td>Started invisible close-end zipper line, improved the technology in smoothing the sharpness of metal zipper teeth and started polyester#3 open-end zipper production</td>
</tr>
</tbody>
</table>
### 1.02 Product of NEO zipper:

Followings are the basic zipper produced in the NEO Zipper factory but they can also produced different types of zipper according to the buyer requirements.

<table>
<thead>
<tr>
<th><strong>Product name</strong></th>
<th><strong>Product Picture</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Coil Zipper/ Nylon Zipper/Polyester Zipper/Spiral Zipper/ Ziplon Zipper</td>
<td><img src="image1.jpg" alt="Image of Coil Zipper" /></td>
</tr>
<tr>
<td>2. Metal Zipper</td>
<td><img src="image2.jpg" alt="Image of Metal Zipper" /></td>
</tr>
<tr>
<td>3. Plastic Zipper/ Vislon Zipper/ Delrin Zipper</td>
<td><img src="image3.jpg" alt="Image of Plastic Zipper" /></td>
</tr>
</tbody>
</table>
1.03 Current Buyers:

NEO Zipper has got the nomination from foreign buyers due to the quality of product and the services.
1.04 Membership:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AAFA</td>
<td>The American Apparel &amp; Footwear Association</td>
</tr>
<tr>
<td>2</td>
<td>D&amp;B</td>
<td>DUN &amp; BRADSHEET (NEO Zipper’s D&amp;B No. 73-155-0088)</td>
</tr>
<tr>
<td>3</td>
<td>VICS</td>
<td>Voluntary Interindustry Commerce Solutions Association</td>
</tr>
<tr>
<td>4</td>
<td>ISI</td>
<td>iSupplier Intelligence (NEO Zipper’s ISI No. 1000099537)</td>
</tr>
<tr>
<td>5</td>
<td>BGAPMEA</td>
<td>Bangladesh Garments Accessories &amp; Packaging Manufacturers &amp; Exporters Association</td>
</tr>
<tr>
<td>6</td>
<td>DCCI</td>
<td>Dhaka Chamber of Commerce &amp; Industry</td>
</tr>
<tr>
<td>7</td>
<td>DBCCI</td>
<td>Dutch Bangla Chamber Of Commerce &amp; Industry</td>
</tr>
</tbody>
</table>

1.05 Certification

NEO Zipper has received the prestigious Oeko-Tex Standard 100 certification which is must for zippers to be used in apparels for European market.
### 2.00 Current Local Buyers

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aptech Designs Ltd.</td>
<td>Centex Ltd.</td>
</tr>
<tr>
<td>Apparel Gallery Ltd.</td>
<td>The Bay Super Textile Mills Ltd.</td>
</tr>
<tr>
<td>DBL Group</td>
<td>Dekko Design Ltd.</td>
</tr>
<tr>
<td>Sharmin Fashion Ltd.</td>
<td>Naila Fashions Ltd.</td>
</tr>
<tr>
<td>Radial International Ltd.</td>
<td>Ananta Apparels Ltd.</td>
</tr>
<tr>
<td>Radiance Fashions Ltd.</td>
<td>TRZ Garments Industry Ltd.</td>
</tr>
<tr>
<td>Centrotex Ltd.</td>
<td>Ratul Apparels Ltd.</td>
</tr>
<tr>
<td>Duke Focus Ltd.</td>
<td>Fakir Group</td>
</tr>
<tr>
<td>Shanghai World Fashion Ltd.</td>
<td>Alif Group</td>
</tr>
<tr>
<td>Textown Ltd.</td>
<td>Univouge Garments Ltd.</td>
</tr>
<tr>
<td>Amtranet Group</td>
<td>NASSA Group</td>
</tr>
<tr>
<td>Power Vintage Wear Ltd.</td>
<td>Alcot</td>
</tr>
<tr>
<td>Fashion Globe</td>
<td>Jeans Maker Ltd.</td>
</tr>
<tr>
<td>FGS Denim Intl.</td>
<td>Snowtes Ltd.</td>
</tr>
<tr>
<td>Doreen Garments</td>
<td>Palma Group</td>
</tr>
<tr>
<td>Eurotex Ltd.</td>
<td>Coast to Coast (PVT) Ltd.</td>
</tr>
<tr>
<td>Sweater Maker Ltd.</td>
<td>Shrabony Fashion Ltd.</td>
</tr>
<tr>
<td>Appril Fashion Ltd.</td>
<td>OLIO Apparels Ltd.</td>
</tr>
<tr>
<td>Russel Apparel Ltd.</td>
<td>Nadia Garments Ltd.</td>
</tr>
<tr>
<td>Metro Sweater Ltd.</td>
<td>ROSIN Import Export Company Ltd.</td>
</tr>
<tr>
<td>Envoy Group</td>
<td>Big Boss Corporatuion Ltd.</td>
</tr>
<tr>
<td>Shanila Fashion Ltd.</td>
<td>Texprego</td>
</tr>
<tr>
<td>TEB Fashion Intl. Ltd.</td>
<td>Toptex Design Ltd.</td>
</tr>
<tr>
<td>Windy Group</td>
<td>Mashiha Garments Ltd.</td>
</tr>
<tr>
<td>Panesia Garments Ltd.</td>
<td>Matrix Sweater Ltd.</td>
</tr>
<tr>
<td>Rabab Fashion Ltd.</td>
<td>Arabi fashion Ltd.</td>
</tr>
</tbody>
</table>
Learning

top tape extension
slider
top stop
pull tab
teeth / chain
tape width
tape
bottom stop
bottom tape extension
3.00 Learning

3.01 NEO Zipper's Business Process

NEO Zipper has four main departments for running the business. These departments are Marketing, Procurement, Commercial and HR. First three departments are directly involved in business process. Among these, marketing department is the biggest and most working department. The total business process is interrelated one another’s work. The following flowchart shows the total business process of NEO Zipper.
3.02 Working process of Marketing Department

Marketing department is one of the four main departments of the NEO Zipper Co. Though the marketing department plays an important role for getting the business but without the other department it is not possible for NEO to run their business in a tremendous way. The following flowchart shows how marketing department is doing their routine works.

To develop the business the marketing department always communicate with the local buyers through mail, phone calls and also arrange face to face meeting with the local and foreign buyers. When we got a new buyer first we have to develop sample for getting the approval regarding product quality. For regular products we can arrange sample easily but to develop the special requirements of buyer we have to develop the sample from our Supplier at Hongkong. We always try to maintain the sample quality so that our products can pass all the tests according to the buyer requirements. After getting the buyer approval we used to step our business ahead. The whole business process is maintained by the marketing department under the supervision of “Director of Marketing”.

![Flowchart Diagram]
For every order marketing people deals with the buyer. We are always ready to provide them zipper related information, sample zipper, make them convince to use our zipper, ensure them our zipper quality, pricing, understand their urgency regarding the zipper, ensure quick delivery, provide Performa invoice, push the buyers to collect LC (Letter of Credit), UD (Utilization Declaration), keep liaison with buyers factory, push our production department to arrange the zipper within estimated time schedule, providing after sales support, ensure the delivery at buyers expected destination, help the commercial department to get acceptance from the buyer.

Basically the most number of orders we are doing for our nominated customers. They used to take our zipper through the whole year. Regarding the nominated customers we used to do the orders of different customers (foreign & local). As we are directly sell our zipper to different local & foreign buying house and local factories so we are on B2B field.

The basic work of a marketing people to get and place an order:

1. **To get an order:**

   - Collect zipper information from buyer to develop the sample
   - **for available sample**
     - Check with factory
     - Proceed for sample
     - Provide the sample for approval
     - Not approved
   - **for special sample**
     - Check with foreign supplier
     - Proceed for sample
     - Provide the sample for approval
     - approved
   - Receive order for production
2. **To place an order:**

- **Issue PI (Performa Invoice) according to the buyer’s booking**
- **Provide the PI to buyer**
- **Receive Buyer’s permission for production**
- **Check with procurement department for raw materials**
  - **Available**
    - Proceed for production
  - **Not available**
    - Import from supplier
3.03 Working process of Procurement Department

Procurement department is one of the most important department which ensure the availability of all types of raw materials regarding the production of zipper. As NEO zipper produce only the zipper in the factory so for the raw materials they have to import from the Hongkong. Procurement department hold the responsibility to arrange all types of raw materials according to the forecasting of marketing department. Marketing people inform the procurement department regarding the materials that they need to complete an order. After getting the information from marketing people they used to go for checking whether the materials are available or not and also make the consumption of raw materials. If the materials are available then they proceed the order paper to the production department. If the materials are not available or the materials are special then they go for materials booking to our Hongkong supplier. After proceeding for materials booking it takes 3 to 4 working weeks (for regular item) and 4 to 5 working weeks (for special item) to in-house the materials. Following flowchart shows the total working process of procurement department.
3.04 Working process of Commercial Department

As our country is strong enough in producing garment items with lower cost compare to the other countries so the foreign importers are interested to purchase garment items from our country (Bangladesh). As the importers and the exporters are from different region so both importers and exporters are in trouble of making the payment. So to solve this type of problems in this business commercial department plays an important role. Commercial department of NEO decides every decision regarding the payment and documentation, negotiate with the commercial department of NEO Zipper’s client regarding the LC, UD and acceptance of document. Our commercial department is divided in two parts:

<table>
<thead>
<tr>
<th>Commercial department</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Commercial (Export)</td>
</tr>
<tr>
<td>Responsibilities:</td>
</tr>
<tr>
<td>• LC related task</td>
</tr>
<tr>
<td>• Prepare document</td>
</tr>
<tr>
<td>• Payment</td>
</tr>
<tr>
<td>• Maintain both internal &amp; external relationship</td>
</tr>
<tr>
<td>• Issue Export Permit (EXP)</td>
</tr>
</tbody>
</table>

| (2) Commercial (Import) |
| Responsibilities: |
| • Work with UD (Utilization Declaration) |
| • Create relation with customs |
| • Create relation with C & F |
| • Issue Import Permit (IP) |

At NEO we are working with both Back to Back LC and Export/Import L/C (Master LC). There are some rules regarding the issuance of LC. These are as follows:

- Valid Import Registration Certificate (IRC) and Export Registration Certificate (ERC)
- Performa Invoice
- Insurance Cover Note with money receipt
- Payment mode should be at USD ($)
- Maturity period with 90 days.
We are not only doing business within our home country but also in different countries of the world. So to ensure the payment we have to submit:

- Bill of exchange
- Commercial invoice
- Certificate of origin
- Packing list
- Weight list
- Insurance cover note
- Pre-shipment certificate

3.05 Working process of Production Department

Production department of NEO zipper is responsible for turning the inputs into finished output as zipper through a production process. Every single person of production unit doing their job smoothly so that they can meet the production timeline. Production of zipper is not so easy a task that’s why the production unit is always careful about what they are doing. Any kind of mistake can hamper the total production system and for that it will also hamper the garment production. They are always maintaining the production requirement according to the buyers demand and for that they have to follow the OEKO-TEX standard, WALMART standard, H&M standard. The production department of NEO Zipper is shown with the flowchart.

```
Production Department

1. Dyeing section
2. Metal Zipper Section
3. Plastic Zipper Section
4. Nylon Zipper Section
```
1. **Dyeing Section:**

Dyeing section mainly give the color in raw tape which is white according to the buyer’s expected color. Buyers provide some color swatch (fabric) or provide color code and the dyeing section follows that to make the same color tape. They need minimum 4 to 5 hours to bring the actual color. After completing dyeing they use to iron the tape to make it dry.

![Dyeing Section Image]

2. **Metal Zipper Section:**

After collecting tape from the dyeing section the metal zipper section produces the zipper through some process showing below with a flowchart:

![Flowchart Image]

**1st Step:**

- Size wise Teeth forming
- Single tape polish
- Joining chain
- Zipper & Slider plating
- Zipper Iron
- Send to the finish part
Production Finish part:

- MZC#3 & 4.5 (YG)
  - Insert bottom stopper
  - Slider Mounting
  - Insert top stopper
  - Cutting (automatically)
  - Inspection & Counting
  - Poly packing (manually)

- MZC#5
  - Insert bottom stopper
  - Slider Mounting
  - Insert top stopper
  - Cutting (automatically)
  - Inspection & Counting
  - Poly packing (manually)
  - Size wise gaping

- MZO#5
  - Tape Sealing
  - Hole Punching
  - Insert Pin & Box
  - Insert top stopper
  - Cutting (automatically)
  - Inspection & Counting
  - Poly packing (manually)
3. Plastic Zipper Section:

After collecting tape from the dyeing section the plastic zipper section produces the zipper through some process showing below with a flowchart._
4. Nylon Zipper Section:

After collecting tape from the dyeing section the nylon zipper section produces the zipper through some process showing below with a flowchart:

- CZC#3 & CZC#5
- CZC#3 & CZC#5
  - Size wise gaping
    - CZC#3 & CZC#5
      - Slider Insertion
        - Insert Top & Bottom Stopper
          - Cutting
            - Inspection & Counting
              - Poly Packing
    - CZO#3 & CZO#5
      - Tape Sealing
        - Hole Punching
          - Slider Insertion
            - Insert Pin Box & Stopper
              - Cutting
                - Inspection & Counting
                  - Poly Packing
4.00 Marketing Mix

We all are familiar with the 4P’s of marketing known as marketing mix. Lets have a look that how NEO Zipper influence the customers through marketing mix.

1. Product:
   - NEO Zipper offers different types of zipper to their customers such as (a) Metal Zipper, (b) Plastic Zipper and (c) Nylon Zipper
   - We offers different types of zipper with unlimited color (according to buyers expectation)
   - We are available with different size of zipper (Number 3, Number 5, Number 4, Number 4.5, Number 5)
   - We also produce Number 8 zipper only for Plastic zipper.

2. Price:
   - For pricing NEO follow the cost based pricing
   - For maintaining the quality of zipper NEO charge the premium price
   - Price is varied for customer to customer

3. Place:
   - NEO has one factory at Tongi
   - After finishing the zipper production they send it to the customers from NEO factory
   - All the official work is done in global corporate office at Tongi
   - As NEO is doing B2B so the goods are sent at garments industry

4. Promotion:
   - As NEO is in B2B field so advertising is not done to increase the sell
   - Normally they use bill board advertising
   - NEO follow word of mouth strategy to sell their products
5.00 SWOT Analysis

1. **Strength**

- The dialogue of NEO Zipper “fastening the world with care” itself is the most powerful strength
- For marketing NEO Zipper use word of mouth strategy
- Quality of zipper
- As the factory is outside of EPZ so there is no C&F charge
- Competitive pricing
- Small order catering
- Additional order catering
- Able to deliver on urgent basis
- Door to Door service
- Produced all kinds of zipper

2. **Weakness**

- Lack of machineries
- Production capacity is not up to the mark
- For special type of zipper NEO Zipper depends on foreign supplier
- Lack of skilled worker
- Poor remuneration
- Marketing people are not so enough
- Factory space is not so enough
- Lead time for special zipper is not suitable to buyers
- Producing only zipper
- No opportunity is there for overseas marketing
3. Opportunities

- Production capacity can be increased with the increase of factory space and machineries
- Can be produced special type of zipper
- Arrange training facilities for the workers and marketing people
- Negotiate with the foreign supplier to reduce the lead time for special zipper
- Start production of other garment accessories like button, eyelet, hanger, poly etc.
- Can go for CSR for the development of the garment factory who works on sub-contract basis
- Can go for TV advertising and also for e-marketing
- Offer strong remuneration packages for the workers

4. Threats

- Existence of garment accessories (zipper) Supplier Company like YKK, HHH Zipper, FBN Zipper, Coats Bangladesh Ltd., Ideal Zipper, 888 Zipper etc.
- Allowing partial shipment without LC & UD
- Some buyers refuse to make the payment with USD ($)
- Buyers are taking time to make the acceptance
- Delivery lead time is hampered due to the regulatory issues issued by the Government of Bangladesh *i.e.* customs clearance
6.00 Findings & Observation

At NEO Zipper are implementing Total Quality Management (TQM) system to meet the OEKO-TEX standard. Our produced zippers are tested in international laboratories such as ITS, CTL, BV, SGS etc.

The facilities that we have at our factory for production are:

a) Dyeing plant with color lab
b) In-house plating plant
c) Water treatment plant
d) Own power generating unit
e) In-house zipper testing facility

Let's have a look about our daily production through the chart:

![Metal Zipper Per day production chart]

Production of metal zipper is lengthy process. NEO zipper produces 2, 95,000/pcs metal zipper per day because of its huge number of production line. It takes minimum 4 days to send it to the production finish part after completing of dyeing.
Production of plastic zipper is quite difficult because here we have to match the slider color & teeth color according to the zipper tape color. For giving the slider color and teeth color according to the tape color we have coating unit for slider coating. In every coating machine we are able to coat 5000/pcs of slider which takes minimum 3 hours and for matching teeth color we have resin color machine which takes minimum 1.30 hours to get the actual color. It needs time to mould the stopper, pin box and tape sealing. Per day we are producing 1, 15,000/pcs of plastic zipper.
Production of coil zipper is quite similar of plastic zipper. Here only slider coating is needed because the teeth color is done with the zipper tape dyeing. It also needs time to mould the stopper, pin box and tape sealing. Per day we are producing 2,90,000 pcs coil zipper.

If all the machine works properly then we can produce 7,00,000 pcs zipper (metal, plastic & coil) per day.
Total numbers of order shares are as follows through a chart that the nominated buyers provide to the NEO Zipper for the whole year.

Every buyer’s are not demanding the same zipper item. Some buyers demand metal zipper, some demands coil zipper, some demands plastic zipper and there are some buyers who demand all types of zipper.
Though the world’s famous buyers are using the zipper of NEO Zipper but H&M is taking the highest number of zipper from NEO Zipper. We get highest number of order from H&M. About 55.00% of total orders we are doing for the H&M. K-mart/Australia is now increasing there order at NEO Zipper. Recently we have got the nomination of REGATTA who are taking plastic and coil zipper from us. We are trying to increase the order of Carrefour but the problem is we could not meet their expected short lead time. Let’s have a look to get the total view of NEO Zippers order for different buyer.

![Buyer wise order status chart]

<table>
<thead>
<tr>
<th>Buyer</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>H &amp; M</td>
<td>55.00%</td>
</tr>
<tr>
<td>Orchestra</td>
<td>3.00%</td>
</tr>
<tr>
<td>Regatta</td>
<td>4.00%</td>
</tr>
<tr>
<td>Carrefour</td>
<td>2.00%</td>
</tr>
<tr>
<td>K-mart</td>
<td>11.00%</td>
</tr>
<tr>
<td>Walmart</td>
<td>4.00%</td>
</tr>
<tr>
<td>Others</td>
<td>21.00%</td>
</tr>
</tbody>
</table>
According to my observation the problems that NEO Zipper faces during the time of production and getting more orders from buyers are as follows:

- Production capacity is not enough
- Lack of skilled people to run the machine
- Lack of machineries
- Power generating system is not enough
- Lack of skilled worker
- Lack of proper training facilities
- Sometimes failed to maintain the time schedule
- Marketing team is quite small
- Sometimes failed to maintain the product quality
- Quality control team is not well trained
- For special sample the mold charge is high
- Charging higher prices in some cases than the other zipper supplier companies
- Taking more lead time than the other zipper supplier companies
- Using only word of mouth strategy to get the order
7.00 Recommendation

- Production capacity should be increased as soon as possible
- Trained the people under the supervision of expert to run the machine
- Lack of machineries
- Enrich the power generating system
- Worker should be trained properly
- Need to use the software for the ease of preparing order paper and production planning
- Marketing team should be enlarged with proper marketing guy
- Ensure the product quality for every buyer
- For special sample the mold charge should be competitive
- Price should be charged on the basis of product quality
- Reduces the lead time with 5 to 10 days.
- With the word of mouth strategy it is must to go for TVC & e-marketing
8.00 Conclusion

NEO Zipper is a brand which already gains the customers attraction through its quality of zipper and plays a vital role to earn foreign currency for the country Bangladesh. It represents our country in the different part of the world through exporting zipper. There are lots of foreign and local zipper manufacturing companies running their business in Bangladesh so it is quite difficult to stay in this competitive market. But we are doing our business successfully by competing with them. Last year (2014) our turnover was $7 million. As we are not technically sound but we are trying to capture the market with the help of our foreign supplier. They are helping us by supplying machine, raw materials and also provide us expert who trains our people to run the machine. Hopefully we will increase our market share.
References

www.neozipper.com