



GlaxoSmithKline

Internship Report

“Understanding Current HFD Market Dynamics”

Submitted To:

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Letter of transmittal

2nd May, 2016

Ms. Nusrat Hafiz

Lecturer,
BRAC Business School
BRAC University,

Sub: Submission of final internship report.

Dear Ma'am,

I am pleased to submit my Internship Report on “**Understanding Current HFD Market Dynamics**”. This report was part of my assignment during my tenure at GlaxoSmithKline Bangladesh Limited.

The report also includes a review of my job duties and experiences as a Marketing Intern. In the end I have included some of my recommendations regarding the critical points in the processes.

I am submitting my internship report and I will be grateful enough if you kindly accept this.

Your consideration will motivate me in the future to write better reports.

Sincerely Yours,

Md.Azimul Islam
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Acknowledgement

Writing a research paper is always the most challenging part of a student's life. It was the most important academic contribution by me. However, this would not have been possible without the encouragement and support of a few people. I am personally indebted to some people who assisted me in my endeavor. Here I take this opportunity to display my gratitude towards them.

First, I would also like to express my gratitude to my University internship supervisor, **Ms. Nusrat Hafiz** for her kind support and instruction for making this report more meaningful. She was very much helpful from the beginning of my internship program.

Secondly, I would like to thank my supervisor at GlaxoSmithKline Bangladesh Ltd, **Soumendra S Das**, Marketing Director, Consumer Healthcare Business, for his continuous assistance and guidance toward completing this report. Without his direct supervision and direction, completing this paper would be impossible.

Finally, I would also like to thank all the staffs of GSK and my intern colleagues for their nice cooperation during my internship. Also, like to thank my friends who helped on designing the report.

Executive summary

Globally health awareness has become new hype to the consumer. Health, consciousness of consumers, has become an important driving factor for healthier food product brands. They have entered the global markets with force in the past years and rapidly gained market share. Along with the economic development, Bangladesh has also become an attractive market for healthier food product brands. There is also a boost in Health Food Drinks (HFD) consumption. While previously HFD considered as an expensive and non-regular drink, now it is being consumed by middle class and even lower-middle-class people as a regular drink for kids. But there is another side of the coin. Growing market competitiveness, the rise of Milk Powder Brands as a competitive force and increasing parallel import are some issue need to be considered. The basic purpose of this research paper is to Identify existing and potential competitors, and their different selling propositions, Understand the impact of gray market and Unleash potential threats and opportunities of this specific market by studying the retail market of HFD in Bangladesh. Another aspect of this study is to identify the influence of various factors on the buying decision of customers. Paper also attempts to determine the awareness level & loyalty status of consumers. To develop the conclusions exploratory & descriptive research designs are used. Primary data had collected with the help of questionnaire method & data is analyzed with the help of various statistical techniques. Finally, I have put some recommendations by analyzing my data findings from the retail survey, consumer survey and other secondary data analysis.

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Organizational Overview



Introduction

GlaxoSmithKline (GSK) is a world's leading research-based pharmaceutical company, along with in the area of Consumer Healthcare with a powerful combination of skills and resources that provide a platform for delivering strong growth in today's rapidly growing healthcare sector. GSK's researches and develops a broad range of innovative medicines, vaccines and consumer healthcare products. GSK's products are used by millions of people around the world, helping them to do more, feel better and live longer. GSK's headquarter located in the UK. Currently, it

has a global reach which includes 115 countries, manufacturing network in 87 sites and more than 100,000 people working globally. The company has three prime areas of business in pharmaceuticals, vaccines, and consumer healthcare. As a research-based company, GSK believes in creating innovative new products and making these available to as many people who need them.

GSK Bangladesh a subsidiary of GSK plc started its operation in Bangladesh, the then East Pakistan in 1949. GSK Bangladesh's operations include the secondary manufacture of pharmaceutical products and marketing of vaccines, pharmaceutical products, nutrition and oral healthcare products. The activities in all three business areas are strictly directed by "GSK values" which include showing respect for people, being patient/customer centered and promise to transparency and demonstration of highest integrity in company's conduct. Embedded with these values and backed by cutting edge technology, more than 700 employees are working all over the country with the global vision to improve the quality of human life by confirming quality healthcare products.

Previously the company in Bangladesh was only operated as an importer. By establishing its factory in Chittagong in 1967, it became a manufacturer. Along with the global mergers and acquisitions the company went through name changes from Glaxo to GlaxoWellcome Bangladesh in 1995, following the acquisition of Burroughs Wellcome and finally in 2002 to GlaxoSmithKline Bangladesh Limited, following the mega-merger with SmithKlineBeecham in 2000.

In the past year, GSK's signed acquisition with "Stiefel Laboratories", the world's largest independent dermatology company. This notable acquisition has strengthened GSK's position on skin healthcare market and made them the market leader. GSK becomes stronger and more

competitive driving force in dermatology and provides an even wide range portfolio of medicated, consumer, and aesthetic skin health products to patients.

Also, GSK Bangladesh is the market leader of vaccine with its ten vaccine brands. The company is providing a whole range of disease prevention for both infants and adults. In 2009 GSK Bangladesh had introduced their revolutionary cervical cancer vaccine called Cervarix™ which was very significant regarding prevention of one of the most deadly diseases of women. Rotaviral diarrheal Vaccine Rotarix™ and the recent inclusion of pneumococcal pneumonia vaccine Synflorix™ in the EPI are effectively working towards preventing the two diseases which claim the most lives of infants in the country. Amongst others, the six in one- Infanrix™ Hexa vaccine for the infants have further enriched their vaccine portfolio.

Revolade™ is the first of its category of drug in the pharmaceutical market of Bangladesh for treating chronic ITP (unknown cause of bleeding). GSK's oral breast cancer medicine Tykerb™ opened up yet another new arena in their Oncology segment augmented by recently launched VOTRIENT for renal cell carcinoma. Brands like Ventolin™, Seretide™, Zinnat™ & Cexime™ still the best quality vaccine in the market in respiratory and anti-infective therapeutic areas.

The consumer healthcare division now provides to the consumers with health food drinks, instant powder drinks, biscuits, and oral healthcare products. Horlicks™ is the market leader and most valuable brand in HFD category. To further satisfy the needs of different market segment extensions like Women's Horlicks, Horlicks Lite, etc. have been added to the old heritage brand of Horlicks™. Horlicks biscuits with different variants have recently been added to the portfolio along with Maltova™, Boost™ & Glaxose™ in Bangladesh. With the launch of Sensodyne™ and Paradontax™ we have stepped into the Oral healthcare category in the country.

GSK has made a global commitment to re-invest 20% of the profits in developing countries to address issues around providing healthcare services to the underserved communities. In line with the above, in Bangladesh, GSK has been investing more than GBP one million per year since 2010 in some projects in partnerships with CARE, icddr,b and Friendship.

History



Glaxo was founded by Henry Wellcome and Silas Burroughs in 1880. Glaxo established medicine research center around the world. In the Thirties, the

company brought better technology to the business. The business grew, and new ventures bought in the UK. Glaxo Wellcome and SmithKline Beecham announced their intention to merge on 17 January 2000. In December that year, the merger was completed by forming GlaxoSmithKline (GSK). Companies were competing for the same raw materials; both were involved in the large-scale marketing of medicine produce and both used similar distribution channels. Between them, they had operations in over 76 countries.

SmithKline Beecham grew through mergers with other medicine companies in the 1920s.

Throughout the history of three centuries, GSK's success has been affected by the major events of those days, economic boom, depression, world wars, changing consumer lifestyles and advances in technology.

And throughout they've created five products that help people get more out of life – Health Food Drinks, Oral Care, Vitamins Minerals Supplement and Instant Powder Drink. Through this timeline, you'll see how GSK brand portfolio has evolved.

At the beginning of the 21st century, the Path to Growth strategy focused us on global high-potential brands and Vitality mission is taking us into a new phase of development. More than ever, how brands are helping people 'Do More Feel Better Live Longer'.

Timeline of GSK	
In 1830	John K Smith opens a Drugstore in Philadelphia
In 1842	Thomas Beecham launches Beecham's pills in England
In 1880	Burroughs Wellcome & Company was founded
In 1891	SmithKline & Co. acquires French, Richards & Company
In 1906	Glaxo registered by Joseph Nathan & Company as a trademark for dried milk
In 1935	The importance of the pharmaceutical market was soon realized and in 1935, Glaxo Laboratories Limited was founded with its headquarters in Greenford, Middlesex,

	and London for the production and marketing of foods and pharmaceuticals.
In 1947	After the 2 nd world war, Glaxo developed rapidly. Glaxo Laboratories Limited absorbed its parent Joseph Nathan & Company and became a public company in 1947.
In 1963	Edinburgh Pharmaceutical Industries Limited, which owned Duncan, Flockhart and Company Limited and MAC Farlane Smith Limited, joined Glaxo.
In 1995	Glaxo acquired 100% share, of Wellcomes PLC on May 01, 1995 and formed GlaxoWellcome PLC.
In 2000	GlaxoWellcome and SmithKline Beecham merged to form GlaxoSmithKline; a worldwide research-based pharmaceutical company.

The Spirit of GlaxoSmithKline

The GlaxoSmithKline Spirit is a set of values and operating principles shared by employees across the company that forms the basis of its Corporate Culture:

Mission:

Improve the quality of human life by enabling people to do more, feel better and live longer

Vision:

Grow a diversified global company that will deliver more products of value, build trust and successfully delivering the mission and, improving the quality of human life.

Strategies:

- ✓ Grow a diversified global company
- ✓ Deliver more products of value
- ✓ Simplify the operating model

Behaviors:

- ✓ Flexible thinking
- ✓ Continuous improvement
- ✓ Customer driven
- ✓ Developing people
- ✓ Enable and drive change
- ✓ Building relationships

Quality Statement:

“Quality is at the heart of everything we do- from the discovery of the molecule through product development, manufacture, supply and sale- and vital to all the services that support our business performance.”

Product Index

GlaxoSmithKline operates principally in two industry segments:

1. Pharmaceuticals: prescriptions, medicine, and vaccines.
2. Consumer HealthCare: Over the counter medicines, Oral care, Health Food Drinks, and nutritional healthcare products.

As a leading and prominent healthcare company, GSK’s product portfolio ranges across key therapy areas benefiting millions of lives across the globe. GSK products focus on various therapeutic areas such as- Anti-bacterial, Respiratory, Cough & Cold preps, Dermatology, Gastro-intestinal, vitamin, vaccines for Hepatitis A & B, Typhoid, Chicken Pox, Measles, Mumps as well as cervical cancer and others. The company has Consumer Health Care and Nutritional Health Care Drinks also. Some products GSK are displaying through the following table:

Therapeutic Area	Trade Name
Anti-Bacterial	Ceporex, Zinnat, Zinacef, Amoxil, Kefdein, Cexime, etc
Respiratory	Ventolin, Piriton, Flixonase ANS, VentolinNebules etc.
Cough & Cold Preps	Actifed, Sudafed

Dermatology	Betnovate, Betnovate N, Betnovet CL, Dermovate, etc.
Vitamin	Complavit, Berin, Caldivit etc.
Oncology	Alkeran, Imuran, Leukeran, Mylaren, Purinethol
Eye/Ear preps	Otosporin
Gastro-intestinal	Zantac, Norain
Oral steroid	Betnelan, Prednisolone
Anti-Viral	Zeffix
Vaccines	Engerix B, Havrix, Varilrix, Tritanrix HB, Priorix, etc
Consumer Products	Horlicks (Chocolate Horlicks, Junior Horlicks, Horlicks Lite, Womens' Horlicks, Mother Horlicks), Maltova, Viva, Boost, Ribena, Aquafresh, Glaxose,

A short description of GSK's Consumer Healthcare Products:



Horlicks

Horlicks is the market leader in health food drink category in Bangladesh. It contains 23 vital nutrients (macronutrients, vitamins and minerals) that are

important for internal strength and nourishment. It has Nutriabsorb science and is clinically proven to make kids Taller, Stronger, and Sharper. Moreover, it improves five signs of growth. It's a combination of milk, malted barley and wheat, available in Original and Chocolate Flavors.

Junior Horlicks

Junior Horlicks is a specialized Health Food Drink for younger kids over five years old. Junior Horlicks contains 20 vital micronutrients known to be essential for optimal physical growth and development. And it has DHA, which, with other micronutrients, are known to contribute to normal



brain development and function of the older preschooler.

Women's Horlicks

Women's Horlicks is another specialized supplement for the women of today. It contains a unique combination of HemoCal nutrients important for



healthy blood and bones.



Mother's Horlicks

Mother's Horlicks is an excellent nutritional supplement for pregnant and breastfeeding mothers. Specially designed with a unique combination of 26 essential micronutrients known to

help fill gaps in dietary intakes, improve the birth weight of infant and improve the quality and quantity of breast milk. It also has choline which is important for the brain development of the fetus.



Horlicks Lite

Horlicks Lite provides a unique combination of essential micronutrients important for strength and stamina. It also contains anti-oxidants essential to reduce oxidative stress and help manage fatigue. Horlicks Lite is also low fat and has zero cholesterol to serve the need of health conscious adult.



Horlicks Biscuits

By performing Brand Extension successfully few years back, Horlicks marketed “Horlicks Biscuits”. Every 75g pack contains Calcium equivalent to 2 glasses of milk.

Boost

Boost is another major Health Food Drink from GSK. It is scientifically proven to increase stamina by three times more. It is enriched with



ENVITA NUTRIENTS; that is a unique scientific combination of essential vitamins and minerals that enhance metabolism. That's why, over the years, Boost has been the choice of kids who want to perform better in sports and other competition.

Sensodyne Toothpaste



Sensodyne is a very well-known brand by GSK. It is sensitivity toothpaste that gives clinically proven relief and daily protection for sensitivity. Though the dentist often prescribes it, Sensodyne also positioned itself as a consumer brand.

Glaxose D

Glaxose D contains Glucose Powder, Dextrose Monohydrate that provides the consumer with Instant energy and helps them to refresh rapidly. As a source of Instant energy, Glaxose D is being consumed during/after sports, while recovering, during summer, or even in Iftar and at any time there is a need for instant energy.



Organizational Structure

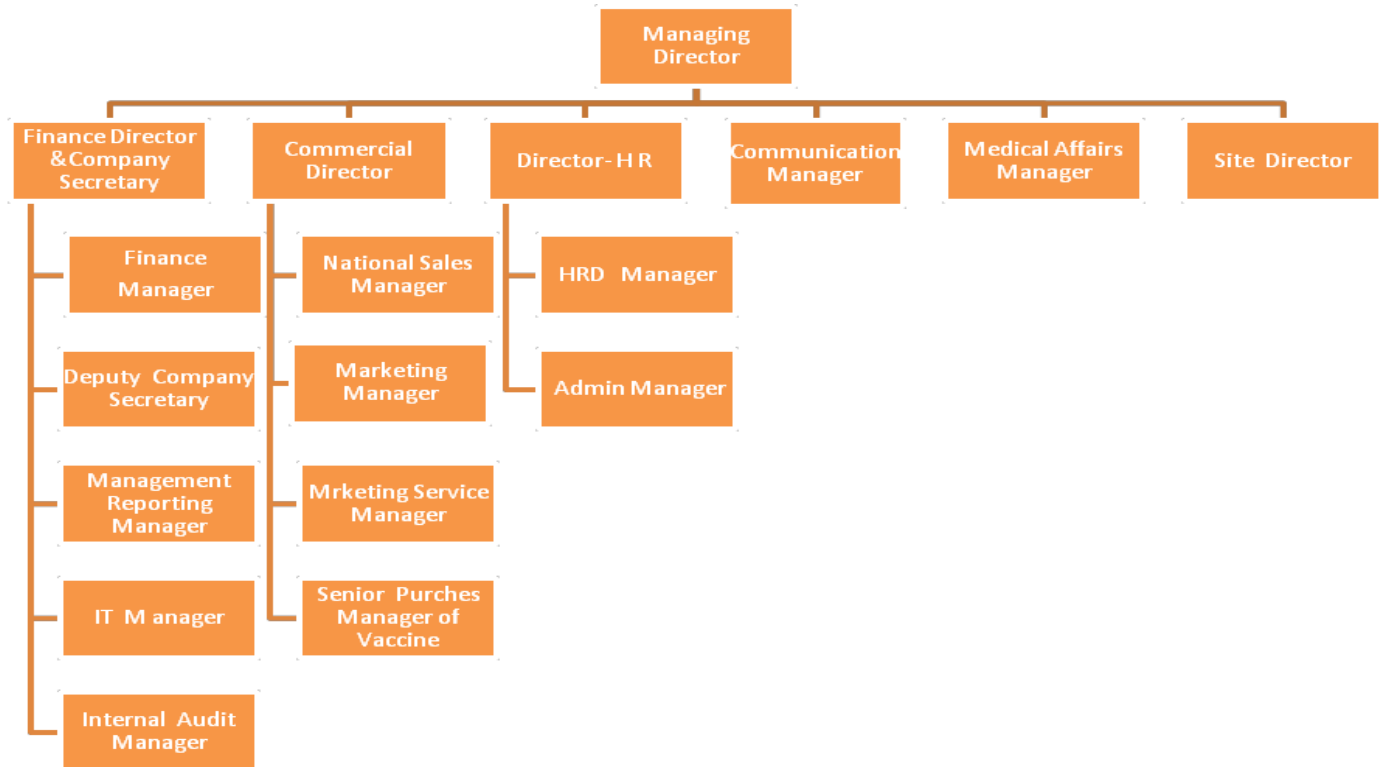
Functional Departments of GlaxoSmithKline Bangladesh Ltd:

GlaxoSmithKline Bangladesh Limited comprises of six major departments. Those are as below:

- ✓ Marketing
- ✓ Human Resources
- ✓ Sales Department
- ✓ Finance & Accounts
- ✓ Information Technology
- ✓ Consumer Healthcare

GSK has been operating the business in this country over 60 years, and they are one of the major employers in both Pharmaceuticals and FMCG sector. GlaxoSmithKline Bangladesh Ltd. recruits more than 800 people directly. GSK is driven by the passion for helping people to do more, feel better and live longer. Each department of GSK operates in different aspects, but they are inter-related as well as harmonizing to each other. Above mentioned functional departments are worked under the Managing Director. The company's allocation of authority is decentralized. Below I illustrate GSK's organizational chart that shows the power structure of the organization.

Organization Chart of GSK:



Corporate Social Responsibility (CSR) Activities:

GSK as a global company has taken an initiative to reinvest 20% of its profits to developing countries. This initiative is taken up since 2010 at all the Developing Countries where GSK is operating. The motive of this investment is to build the capacity of the Community Health Workers at the hard to reach locations of the country. The 20% profit reinvestment initiative in Bangladesh runs the following joint programs as part of building up a sustainable healthcare infrastructure in the country:

- ✓ GSK-CARE Public-Private Partnership initiatives to address health workforce issues at remote areas

- ✓ GSK-Friendship M-Health Project
- ✓ GSK icddr health system strengthening program

Besides these GSK Bangladesh also involves in other regular CSR activities like supporting the communities during the natural disasters, building free primary schools, providing personal hygiene and health education to underserved rural communities, etc.

Job Description

I worked at GlaxoSmithKline Bangladesh Limited as a Marketing Intern. I was in Consumer Healthcare Business department that deals with all their consumer brands like Horlicks, Boost, Maltova, Glaxose, Sensodyne, etc. During my 12 weeks internship, I was under the direct supervision of the Marketing Director of Consumer Healthcare Business “Soumendra S Das”.

I was involved in market research activity during my internship period. I was entitled with a research project “Understanding Current HFD Market Dynamics”. The study included retailer’s survey, consumer survey, Market observation, competitors study, etc. The purpose of this research was to understand different aspects of HFD market, both from the consumer side and from the retailer’s side. There were lots of field visits inside Dhaka included as one of my job responsibilities.

The consumer survey was a part of the study. I prepared a questionnaire and had to conduct a marketing survey of 35 respondents. I had to visit Dhanmondi, Mohakhali, Niketan and Siddheswari to collect consumer data and take interview from the respondents. Two types of data were collected from the consumer survey, Qualitative data and Quantitative data. I need to analyze, interpret and present those data for the purpose of making this paper.

There was a Retail Survey to collect relevant trade data. A different questionnaire prepared for this survey. The objective of this survey was to identify the monthly demand of health food drinks, determine the market share of different competitive brands, finding trade related data of milk powder market, also to find the impact of parallel imports of health food drinks. To conduct this survey I had collected trade data from 35 small/ medium, large retail stores,

superstores from the area of Gulshan-1 DCC Market, Gulshan-2 DCC Market, Mahakhali Bazar, Kawran Bazar, and Dhanmondi Town Hall Market.

Market visit and retail observation were another key responsibility of this survey. There are some critical information's that can't be reviled by only interviewing retailers. I need to visit and observe the retail market of HFD get those informations. For example, studying the gray market impact, different promotional and push marketing activities by competing brands, etc.

To study the dynamics of HFD market I had to study the different promotional activity of competing brands. To have a clear conscious insight regarding the marketing and promotional activities of health food drinks and milk powders brands I need to follow up their TV commercials, print ads, and other promotional activities to get different selling propositions and offered value by different competitors brand, both in HFD and Milk Powder Category.

Each and every step of this research had been followed up by my supervisor. I need to report and consult with him regularly, regarding my research progress, next tasks, and if I face any problem throughout the process.

Though there was no regular desk work involved during my internship period, my job was pretty exciting. Throughout the whole period, I need to communicate directly with retailers and consumers directly. I've got a clear insight about the HFD market in Bangladesh. This internship opportunity helped me to apply my theoretical knowledge into the practice. Here I can apply my previous knowledge of different areas like Market Research, Consumer Behavior, Supply Chain Management and Statistics.

My overall experience at GlaxoSmithKline Bangladesh Ltd. was good. Everyone is very much helpful, and it's pleasant working environment. As a recommendation, I want to suggest them to create a structured internship program that will help them in the long run. As a leading

pharmaceuticals and healthcare company, they need to have proper and structured internship program as per their community responsibility and for more efficient talent pool. An internship program can be their part of succession planning like many other MNC and well-known companies.

Project: Understanding Current HFD Market Dynamics

Summary

The title of this report is: **“Understanding Current HFD Market Dynamics”**. To understand the market dynamics I have studied the retail market of HFD that also included studying the grey market, Understanding the milk powder market as an indirect competitor and also studying the consumer behavior toward HFD. From my retail study, almost all small, medium and large retail stores of my sample locations are selling several branded HFD and on an average the monthly sell per store is around 72 bottles. Even in some poorest part of Dhaka I have noticed Horlicks mini pack is being sold. That reflects HFD is also being consumed by families with low income. As per my survey, Horlicks is the market leader of this category with around 85% market share. Among its several variations the classic Horlicks and the Junior Horlicks are most available in the market. Though there is no significant competitor of Horlicks in the Bangladeshi HFD market, Complan Nutri Gro (Chocolate) and BournVita is gaining popularity among coco based HFD consumers. Also, from my retail study, I have found that almost all HFD brands are following competitive pricing with no major price differences. Regarding the grey market of HFD, there are specific customer group for imported product. Basically, Superstores, and some departmental stores in Gulshan, Dhanmondi area are selling imported HFD along with local HFD, surprisingly at similar price. “Horlicks Traditional” from UK is the most sold imported HFD. Basically, these products are being imported by some local agencies and black traders through Dubai and India. Furthermore, the volume of the milk powder market is almost three times larger than the HFD market in Bangladesh. Milk Powder market is highly competitive with

lots of local and foreign brands. Despite having similar value propositions (e.g. Growth, Nutrients, Healthy) as HFD 83% retailers think there is no correlation between the demand of HFD and Milk Powder. Finally, from my consumer survey I have found some consumer insights that help me to get the real understanding about HFD market dynamics. Horlicks has the highest level of brand awareness among all other HFD. Though most of the promotional activity of HFD targeted kids, HFD is also being consumed by adult members of family. And with most of them the taste has nostalgic association and develops a habit of drinking. Beside this, from my consumer survey I have found that among several attributes, consumers prefer to get essential vitamins and other nutrition from HFD. And unlike other FMCG products, consumer loyalty with HFD brands is very high. Only 18% of current HFD consumers have intention to shift the brand in future. After all those studies, I am very optimistic about the potential growth of this category in Bangladesh. Particularly, Middle and lower middle class mothers are always in a state of insecurity about fulfilling the everyday dietary needs of their kids with minimal monthly income and rely on HFD. Along with the growing number of urban middle class in Bangladesh there is a huge potential market of HFD like our neighboring country India.

Objectives of the study

General Objective:

Understand the Current HFD Market Dynamics.

Specific Objectives:

Information required from Trade:

- ❖ Find out the new HFD Brands in the market.

- ❖ Identify the competitors claim and selling proposition.
- ❖ Assess the grey market of HFD.
- ❖ New Claims of Milk Powder Brand.
- ❖ Similar Benefits offered by Milk Powder Brands.

Information to collect from Consumer:

- ❖ Consumer's HFD Experience.
- ❖ HFD consumption pattern.
- ❖ The frequency of consumption.
- ❖ Taste and preference regarding HFD.
- ❖ Lifestyle and level of health consciousness.
- ❖ Brand Switching rate and Reason of switching.
- ❖ Perception regarding HFD.
- ❖ Needs and wants.
- ❖ Preference between HFD and Milk Powder.

Methodology

Research Design:

The market research has been designed as below:

Preparing Questionnaire:

For this study purpose I have prepared two different questionnaires. One was for consumer survey and another for the retail business survey. Both of the questionnaires contains open-ended, close-ended and multiple questions.

Data Collection:

For data collection I have conducted face to face interview using the questionnaires. In total my sample size was 70, 35 consumer and 35 retailers. I have collected data from several selected location inside Dhaka city.

Interpretation:

Data have been interpreted with Microsoft Excel, Microsoft Word. Data have been analyzed and presented by using Bar charts, Pie charts, and tables.

Analysis:

After interpreting data, I give my analysis by measuring several ratios and correlations. I have presented those data elaborately and in a communicable way. Based on data analysis I have specified recommendations on several aspects of HFD market.

Target Respondents:

This research will study the market dynamics of HFD from both consumer and trade perspective. For this reason, I will collect trade related data from retailers. As well as, the household to collect the consumer data. Regarding retailers, five market areas of Dhaka city will be covered. Here small and medium retail shops are my target respondents. And for collecting consumer data, my target respondents are urban middle and upper-middle-class people of Dhaka city. This survey doesn't have any specific target age group but Working Parents, Housewives are usually considered as target customer of HFD.

Sampling Location:

For Retail Survey:

- ✓ Gulshan-1 DCC Market
- ✓ Gulshan-2 DCC Market
- ✓ Mahakhali Bazar

- ✓ Kawran Bazar
- ✓ Dhanmondi Town Hall Market

For Consumer Survey:

- ✓ Dhanmondi
- ✓ Mohakhali
- ✓ Niketan and
- ✓ Siddheswari.

Sample Size:

35 retailers and 35 households.

Sampling Method:

Convenience Sampling (In convenience sample method researcher can use any subjects that are easy and available to participate in the survey. There are some limitations of the study so; it is not possible to use another descriptive type of sampling method. That's why Convenience sampling method has been used here.)

Data Collection Method:

Face to face interview.

Secondary Data Source:

Secondary data collected from some authentic online sources. To give of this paper a better look, information is also bee collected from the internet and some online article. And following up

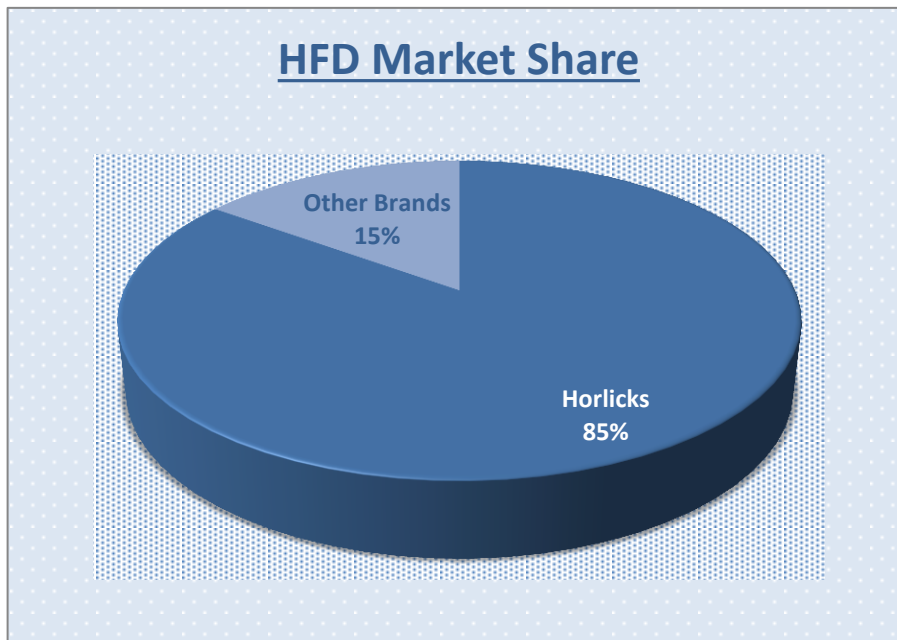
TVC, Newspaper Ad, Billboards, and packaging were and secondary sources of data to get idea about the promotional activity of different competing brands.

Limitations

Time limitation of the respondents was the biggest challenge for to this research. It's hard to take interview from the retailer as they are always busy with customers. Most of them were not interested in participating. I also had to face similar problem during consumer survey. Some consumers were not very enthusiastic about participating and showing their busyness.

Furthermore, many of the analysis on the acquired data are built upon my judgment and logic. This result might bring some biasness as lack of knowledge and depth of understanding might hinder me to produce an authentic and meaningful report.

Current HFD Market Analysis



From the retail business survey, I have found some current market insights of HFD. At this portion of the paper, I am going to demonstrate elaborately those market insight as well as recent promotional and marketing activity of

different competitive brands. At present there are six HFD brands are competing in Bangladesh market. Those brands are Horlicks, Bournvita, Milo, Boost, Ovaltine, and Company. Most of these brands have some different flavors, the variation of taste and flavors. According to this retail survey, in a regular size departmental store monthly sale of HFD is around 72 bottles and among them on average around 61 bottles are Horlicks. Horlicks is the market leader with around 85% market share.

Here I discuss different marketing aspects of those six major HFD brands of Bangladesh:

Horlicks:

GlaxoSmithKline Bangladesh Ltd. is the manufacturer of Horlicks. Horlicks has a significant presence in over fifteen countries. Now Horlicks is the best-known brand in the health foods section in Bangladesh. As I have stated earlier, that it has around 85% of total HFD market share in Bangladeshi HFD market. It owes its success to its brand legacy, commitment to product

quality, focused communication and promotional activity, an efficient distribution network, and a deep understanding of consumer's needs. Horlicks is a nourishing malted food drink which combines the healthful goodness of malted barley, wheat, and dairy ingredients. Horlicks is popularly known as an easy to prepare malted food drink. It is fortified with vitamins A, C, D, B12, plus calcium, iron, thiamin, riboflavin, niacin, foliate, and dietary fiber. Horlicks is still the world's most widely consumed health food drink. Currently, there are six varieties of Horlicks are available in Bangladeshi market (Horlicks, Chocolate Horlicks, Junior Horlicks, Women's Horlicks, Mother Horlicks and Horlicks Lite)

Horlicks	Malted Barley, Malt Extract, Wheat Flour, Milk Solids, Sugar, Minerals, Vitamins, Color (Annatto)
Chocolate Horlicks	Sugar, Wheat Flour, Malted Barley, Milk solids, Coca Powder, Minerals, Vitamins, Protein Isolate
Junior Horlicks	Milk Solids, Wheat flour, Malted Barley, Sugar, Malt Extract, Minerals and Vitamins
Women Horlicks	Milk Solids, Malt Extract, Wheat Flour, Malted Barley, Minerals, Caramel, Coco-powder, Vitamins & Honey
Mother Horlicks	Milk Solids, Malt Extract, Wheat Flour, Malted Barley, Minerals, Caramel, Coco-powder, Vitamins & Honey
Horlicks Lite	Wheat Flour, Malted Barley, Milk Solids, Malt Dextrin, Edible Fibers, Gum Acacia, Soy Fiber, Guar Gum, Fruit Powder, Protein Isolate, Minerals, Acidity Regulator (Potassium Bi-Carbonate), Vitamins, Salt, Color (Annatto), Sweetener



Price of Horlicks:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Horlicks Jar	200 g	195 Tk.
Horlicks Jar	450 g	395 Tk.
Junior Horlicks	400 g	390 Tk.
Women's Horlicks Jar	330 g	470 Tk.
Chocolate Horlicks Jar	400 g	395 Tk.
Horlicks Jar	800 g	695 Tk.

Previously the packaging and distribution function of Horlicks was done by Mutual Food Products Ltd. Horlicks was being packed in Mutual's factory in Konabari, Gazipur. Sales and Distribution network was operated through seven depots in Gazipur (Konabari), Dhaka (Topkhana), Chittagong (Haliashahar), Bogra (Badurtala), Khulna (Sheikhpara) and in Sylhet (Shah Paran Mazar) and Barishal. After 2008, GlaxoSmithKline Bangladesh Ltd. took over all production and operational functions of Horlicks in Bangladeshi market. Now the strong and efficient supply chain is one of the biggest strength for Horlicks. Following is the distribution channel followed by GlaxoSmithKline Bangladesh Ltd. for Horlicks:

- Factory
- Distribution Channels
- Wholesalers
- Retailers

Horlicks initially positioned itself as a nutrient supplement for kids only. But there was a massive misunderstanding behind targeting only kids. Horlicks was consumed by Adults, Teenagers, and older people as a remedy for illness or tiredness. Then the company extended the category and introduced other variations to reposition it from children segments to other segments. They have introduced the wide range of products under the same brand name across multiple product categories. By targeting each of family members, Horlicks introduced specialized health drinks for Women, Older people, kids and as well as mothers. This is how the brand positioned itself as “The Great Family Nourisher ”. Regarding its, campaign Horlicks is always very dynamics and developed based on the deficiencies

identified from the previous campaign. Now I am going to discuss some of the popular and effective campaigns by Horlicks.

Campaign 1: “Taller, Stranger, Sharper”:

Through this campaign, Horlicks wanted to reaffirm the value of the product and communicate the actual value to end consumers and buyers. The targeted audiences were kids and mothers (Purchasing decision makers). Using ATL, TVC, Billboard as a medium Horlicks incorporate the message that the product will make kids Taller, Stronger, and Sharper. To make the message more credible, the brand promotes it as a scientific claim. In this campaign Horlicks use some funny jingles like “Epang ,Opang, Jhapang !” to make it more children oriented. Also to make this campaign more relatable to mothers, Horlicks introduced “Bhabi” character in the TVC.



Campaign 2: “BERE UTHAR DOSE ROJ ROJ”

By this campaign, Horlicks again wanted to promote the brand as a growth supplement food. Though the previous campaign also conveys the same message still Horlicks consumption was very exclusive, consumers did not consume Horlicks as an everyday meal. So the campaign focuses on this issue and asks consumers to drink Horlicks regularly. This campaign was also very significant because during the campaign Horlicks moved from glass jar to plastic jar packaging. Like previous campaign, this campaign also uses the scientific claim to be more credible and use the “Bhabi” character in the TV commercials to create an emotional appeal to mothers as a concerned and competitive ambassador of the best child care.



Campaign 3: Horlicks as a part of regular food

The previous campaign “BERE UTHAR DOSE ROJ ROJ” tried to promote Horlicks as a part of regular meal but consumers did not consider it as a part of their regular meal. So the campaign 3 is basically to justify the nutritional density and all the food value of Horlicks. According to this campaign, Horlicks contains key ingredients as per RDA (Recommended Dietary Allowances) The brand strongly position itself as a part of regular food by comparing nutritional value from two glasses of Horlicks with equivalent nutrition obtained from various fruits, vegetables, and other regular balanced meals. The campaign was a 360-degree approach by using different channel and medium (TVC, Packaging, Billboards, Display at the grocery store etc.) to reach the targeted audience (Kids and Mothers).

Campaign: 4 “DUDHE HORLICKS MESHAO DUDHER SHAKTI BARAO”



This campaign is about position Horlicks as it adds nutritional value to Milk. Milk is considered as ideal food and parents want to give it to their kids every day. Through this campaign, Horlicks want to leverage the everyday demand of a glass of milk. By

providing a scientific claim of how Horlicks increases the nutritional value of milk they tried to convince consumers that Horlicks increase the food value of milk.

Campaign 5: “FIVE SIGN OF GROWTH.”



This one is the most recent campaign of Horlicks where they again come up with scientific claim that Horlicks ensure growth. This time, the scientific claim is much bolder than ever. According to the campaign Horlicks, 5 Signs of Growth’ is not just a claim but a clinically proven fact. After a 14

month research on Horlicks, it was concluded that the children who consumed Horlicks with their meals showed significant improvements in height, muscle mass, bone health and attention, concentration scores as compared to the children who consumed any other non-fortified health drink.



Besides all these campaigns Horlicks also involves lots of Public Relation and Media engagement. They do sponsored media events, competition to keep the brand engaging with target consumers. Also, they are very active in digital content marketing. Currently, they have a very active Facebook page

where they promote and bring the brand dynamic through proper marketing content. The picture below is an example of their visual content that had posted on their Facebook page

Bournvita:



Bournvita is another well-known brand in health food drinks category and a major competitor of the market leader Horlicks. Bournvita is a brand that has sustained over time and competition. Bournvita has a unique taste which combines the taste of malt and chocolate. It has nutritious ingredients which

help the child's growth and assist in developing a healthy body and an active mind. Cadbury own the brand originally and here in Bangladesh Sajeeb Group is operating the marketing functions of Bournvita under franchise deal. Currently Bournvita dominant the market of coco based health food drinks market.

The ingredients Bournvita are Malt Extract, Coco, sugar, caramel (E 150), milk solids, emulsifiers, glucose, minerals, vitamins, raising agents (E 500), vanilla flavor and salt. It contains some artificial substances and flavor. There are some variations of Bournvita, regular

Bournvita, Bournvita Five Star Magic and Bournvita Lil Champs. Recently they have introduced Bournvita Badam Booster where they use Almond and honey to increase the taste and energy.

Cadbury Bournvita 5 Star Magic, leveraging the rich chocolate and caramel flavor of Cadbury 5 Star. Cadbury Bournvita advertising has moved with the times to reflect the changing needs of the consumers. On the other hand, Bournvita Lil Champs is specially formulated with scientifically proven ingredients like DHA & Whey protein, making it ideal for children between the formative years of 2 to 5 yrs.

Price of Bournvita:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Cadbury Bournvita Jar	500 g	476 Tk.
Bournvita Lil Champs	500 g	547 Tk.
Bournvita Badam Booster	400g	540 Tk.

Regarding distribution and supply chain, Sajeer group has a strong supply network throughout the country. The group is doing the manufacturing and distribution functions of other world famous brands like Tang, Nocilla, Oreo, Shezan etc. it gives them a powerful retail based network. Bournvita is found in almost all retail stores, supermarkets and local area based shops in urban areas.

There is no major above the line (ATL) marketing approach of Bournvita in Bangladesh. But still Bournvita is one of the most visible brands in the health food drink category to Bangladeshi

customers. It's because Cadbury has created a huge positive Brand Image of Bournvita in our neighboring country India through their continuous and effective marketing communication. And most of the Bangladeshi audiences watch Indian media regularly. So ultimately Bournvita's TVC on Indian media also serve the purpose of Bangladeshi market. Since we have some cultural and language similarities, Bangladeshi audiences can relate those brand messages as well. Most of their TVC's are award winning in India and mostly focuses on Mother-Child relationship and motivational content. Cadbury Bournvita advertising has moved with the times to reflect the changing needs of the consumers. During the '70s the communication centered on 'Good upbringing' and Bournvita became an essential building block for childhood. "Goodness that grows with you" was the campaign idea that communicated this thought.



In the 80's the focus shifted from 'Upbringing' to 'Intelligence' with the more aggressive "Brought up right, Bournvita Bright" campaign, which was very successful during its time. In the early '90s, all brands in the category provided purely physical benefits like nutrient, energy, and growth. It was at this time that Bournvita decided to raise the bar by promising physical and mental benefits. This resulted in the famous Tan Ki Shakti, Man Ki Shakti Campaign, which

became an anthem for the brand. Recently their tagline is “Baraiye Dudh Ki Shakti” Also Bournvita always differentiate their selling proposition and the brand message from competitors. For instance, the key selling proposition of Bournvita is, being healthy and tasty food drinks. Bournvita offered that unique combination of health and taste. Vitamin D is a vital ingredient in Cadbury Bournvita. Vitamin D is also known as the "sunshine vitamin" because it gets produced in our body by exposure to sunlight. They focus on this attributes in their marketing communication. Vitamin D plays a major role in building strong bones and teeth. By increasing the levels of calcium absorbed by the human body, it helps add to bone strength. For their Bournvita Lil Champs, they claim 90% of the mental growth of kids happen between age 2-5 and the product contains DHA (Docosahexaenoic acid, an omega-3 fatty acid) and macronutrients (carbohydrates, protein and fat). Bournvita Li'l Champs helps during this phase by providing nutrition for their brain and muscle growth. All these unique selling propositions give Cadbury competitive advantage over other cocoa-based malt drink brands.

Milo:

MILO was developed in the 1930s during the depression as a response to the fact that kids were not getting enough vitamins and nutrition from their daily diet. Thomas Mayne was the inventor of this health drink. He named the drink MILO after the mythical Greek character “Milo”, who was known for his physical strength. In Bangladesh Milo is very well known cocoa based health food drink manufacturing and marketing by global company Nestle.

Malt barley is one of the main ingredients that give MILO the unique malty taste and crunch you love. It is naturally rich in carbohydrates (including starches and maltose), the preferred energy

source for the brain, nervous system, and working muscles. Milo also contains calcium, and eight essential vitamins and minerals. Together with milk, it is a nutrient rich drink for active kids. Unlike most other health food drinks Milo has only one flavor. But Milo has successfully done few category extensions. For example, Milo powders drink Milo instant canned drink, Milo Coco Cereal, etc.

Price of Milo:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Milo Proto Malt (Tin)	500 g	675 Tk.
Milo Pack	400 g	325
Milo Active B	140 g	180 Tk.

Nestlé Bangladesh Limited markets its products throughout the country with the help of the distributors. There are currently 80 distributors of Nestlé Bangladesh products of which 76 are



retail distributors and remaining 4 are Nestlé Professional’s distributors. Nestlé Professional is a separate function which is responsible for the institutional sale. The whole country is divided into six regions: Dhaka North, Dhaka South, Chittagong, Bogra,

Khulna, and Sylhet. The Supply Chain department ensures the stable supply of the products according to the demand of the customers.

Compare to Horlicks and Bournvita, Milo's marketing and promotional activity is a bit relaxed, and there is less dynamic on their brand renovation process. Though the product is reasonably available on the marketplaces but there is very little recent promotional or marketing communication activity by Nestle. They are doing some point of purchase display Ad at supermarkets and retail stores. Like, Horlicks and Bournvita, Milo also focuses on energy and health issue of the drink. To differentiate the brand, Milo focuses on their attribute of containing ACTIGEN-E. MILO is fortified with ACTIGEN-E. This is a combination of "energy-releasing" micronutrients which help promote the optimal release of energy from food (proteins, fats, and carbohydrates). The energy-releasing mixture contains eight vitamins and four minerals. Secondly, they steadily maintain the brand green color which gives the brand a unique association and brand identity. Also, their TVC and other marketing messages bring a very sporty image of the brand.

In their marketing communication, Milo associates the brand with attributes like Championship, Win, and Strong, etc. For example, previously their tagline was "Win with Milo energy". Moreover, the mother brand of Milo is Nestle. Nestle is the world's largest nutrition brand. So the image of Nestle gives Milo huge competitive advantage on health food drink category. The name of the mother brand (Nestle) is visible in their packaging and all other marketing communication to make a positive brand association and leverage the brand value of Nestle.

Boost:

Boost is another well-known Chocolate flavored HFD in Bangladeshi market. The drink was first developed by the R&D team of GSK India in 1974. Now in Bangladesh, it has a significant amount of market share in coco based HFD market. Boost has positioned itself as energy-fuel drinks for 5-18 years old kids. While other HFD brands are focusing on growth and nutrition factors, the market of Boost is huge since this is the age group that demands some energy drink.

Boost contains Malt Extract, Wheat Flour, Milk Solids, Malted Barley, Sugar, Minerals, Cocoa Powder, Vitamins, Protein isolate. The unique formula of Boost increases the

Oxygen consumption of body which leads to increase energy and stamina. Boost only comes in one chocolaty flavor; there is no variation. It's unique packaging also attracts its target market (5-18 yeas kids).



Price of Boost:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Boost Jar	400 g	395 Tk.

Regarding the distribution of Boost, Gsk follows the same strategy and mechanism as Horlicks. Previously the packaging and distribution function of Boost was done by Mutual Food Products Ltd. After 2008, GlaxoSmithKline Bangladesh Ltd. took over all manufacturing and operational functions of Horlicks and Boost in Bangladeshi market. Now the efficient supply chain is one of the biggest strength for Boost. Following is the distribution channel followed by GlaxoSmithKline Bangladesh Ltd. for Horlicks and Boost:

- Factory
- Distribution Channels
- Wholesalers
- Retailers



GlaxoSmithKline as a parental company will have some cognitive effect on the consumer which forces them to taste Boost. Boost uses GlaxoSmithKline brand's goodwill to position itself. Besides that Boost has a very different brand image than other HFD brands. For instance, Boost only focuses on energy and stamina while other brands like Horlicks and Bournvita always focus on growth, nutrition factors, and taste. Throughout their TV commercials and other marketing communication, Boost tries to convey the message that the special formula of Boost will increase the oxygen consumption of body which will increase the stamina. Most of its TV commercials target kids from 5-18 years old. By effective and continues sportsman celebrity endorsements the brand able to create a very sporty and hardworking image to its target audience minds. For example, one recent TV commercial of Boost engage countries most popular cricket player Shakib Al Hassan and Nasir Hossain. Not only in Bangladesh Boost India previously endorsed legendary cricketer Kapil Dev and Sachin Tendulkar.

Ovaltine:



Ovaltine was developed in Switzerland; originally it was known as Ovomaltine. Ovomaltine was exported to England in 1909; it was misspelling in the trademark registration that led to the name being shortened to Ovaltine in English-speaking markets. Now, Ovaltine is globally popular name in health food drink category. In Bangladesh, the brand is owned

and marketed by Danish Distribution Network Limited, which is a sister concern of Partex Star Group.

Ovaltine contains Barley Malt Extract (73%), Milk Serum Concentrate, Fat-Reduced Cocoa Powder (8%), Sugar, Calcium Carbonate, Vegetable Oil (Rapeseed Oil), Magnesium Carbonate, Vitamins (C, E, Niacin, A, Pantothenic Acid, B12, B6, B2, B1, Folic Acid, Biotin), Iron, Zinc Sulphate, Salt, Contains Barley Gluten, Milk, May Contain: Egg. Currently there are two flavors of Ovaltine in Bangladeshi market. One is Malted Milk, and another is Melted Chocolate.

Price of Ovaltine:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Ovaltine Malted Milk Jar	400 g	395 Tk.
Ovaltine Chocolate Jar	400 g	395 Tk.

Danish Distribution Network Limited has lots of FMCG brands like Danish Condense Milk, Doreo Biscuits, Rani Powder Spices, FnF Crackers and Ovaltine. The group has country wide, strong retail based supply chain. Their strong presence in supermarket, retail and grocery stores is their one of the biggest strength.



Regarding promotional activity, Ovaltine is not involved in TV commercial at this stage of its PLC (product life cycle). Rather they keep the brand awareness up by doing the print ad in the newspaper, display at the point of purchase, billboard, etc. Sometimes they also involve in sales promotion by offering extra volume, special gift with each purchase. Like other HFD Ovaltine also focus on their nutrition factor most. They claim Ovaltine contains 14 types of vitamins and ten types of

minerals. In some of their marketing communication, Ovaltine compares the food value of per glass Ovaltine with healthy food like milk and egg. Overall they try to promote the brand as a family nutrition drink.

Complan:



Complan has created a very strong presence in Bangladeshi HFD market within a very short period. Very continuous and timely marketing activities, effective product

segmentation and differentiation policy, proven success in distribution and packaging of Transcom Distribution Company Ltd has made the brand very competitive one in Bangladeshi HFD market scene. Complan originally is a brand of Heinz. In Bangladesh Transcom Distribution Company Ltd operating the packaging, distribution, and marketing activity of Complan based on franchise deal with the parental organization Heinz.

There are three basic categories of Complan, Complan for Growth, Complan for Memory and Complan Nutri-Gro. Complan for Growth contains 100% of milk protein that helps in growth. Milk protein is a good protein which contains all essential amino acid. Complan for growth also contains 34 vital nutrients such as Calcium, Iron, Zink, Vitamin A, Vitamin D, Protein, Phosphorous, and Magnesium that are essential for growth and development of children. Complan for Growth has some flavors like, Chocolate, Natural, Kesar Badab, Pista badam, Strawberry, and Kulfi. Then, Complan for Memory specially developed with nutrients that help the cognitive development of kids. It's an enriched version of the tested formulation with increased quantities of Iron, Vitamin B12, Folic Acid, Vitamin B6, Choline, Iodine & Zinc. Lastly, Complan Nutri-Gro is the most popular one in Bangladeshi market right now. Complan Nutri Gro focuses on the development of the immune system of kids. It is Equipped with 11 Immunity Supporting Nutrients. It also has Better Growth formula with 39 Vital Nutrients along with 100% Milk Protein. Complan Nutri-Gro contains DHA for Brain Development and Functioning. It has easy digest formula with Whey Protein, Prebiotic, and Probiotic. Complan Nutri-Gro comes in three different flavors Chocolate, Badam Kheer, and Vanilla flavor.

Price of Complan:

<u>Product</u>	<u>Size</u>	<u>Price</u>
Complan Chocolate Jar	200 g	240 Tk.
Complan-NutriGro Chocolate	200 g	260 Tk.
Complan Memory Chargers	400 g	525 Tk.
Complan Chocolate Milk Drink	500 g	525 Tk.
Complan Plain	350 g	333 Tk.

Transcom Distribution Company Ltd is operating the distribution function of all Heinz products including Complan in Bangladesh. The company has the largest independent distribution setup in Bangladesh with full infrastructural facilities provided by a countrywide network of 23 branch offices along with one main office, warehouses, and delivery vans, directly servicing over 8000 outlets throughout the whole country. Transcom Distribution Company Ltd is distributing the world-class consumer brands like Frito-Lay, Heinz, Wrigley, Mars, Energizer, Schick, L'Oreal, Grainer, ConAgra Foods, McVities and Hemas in Bangladeshi market.



Throughout their marketing campaign and communications Complan able to position itself as a health food drink only for children. It's three different types have three different selling propositions. For instance, Complan

for Growth ensures the physical growth of children, Complan for Memory focuses on the cognitive and neural wellbeing of kids and finally Complan Nutri-Gro specially made for strengthens the immune system and also ensure overall health improvement of kids. The wide range of options and product variation is another unique feature of Complan that gives consumers a very wide range of choice. Moreover, Complan can properly use different channel and media to convey their marketing messages and to communicate. For instance, Complan uses TV commercial, Sales Promotion, Print Ad, Display and billboard, Event sponsorship, etc. to connect their consumer.

Study on Grey Market of Health Food Drinks

The parallel market, also known as the gray market, refers to the market that develops in goods sold outside of their authorized channels of trade. Grey market involves the buying and selling of goods and services that are not illegal, but the channels used in their distribution are not official. Unlike Black Market, Grey Market doesn't involve selling illegal or counterfeit products. The goods are genuine goods in that they have been manufactured by or for or under license from the brand owner. It needs to be made clear that parallel imports are not counterfeits, but genuine products that are often sold at a lower price to consumers than these distributed by regular channels (Ahmadi and Yang, 1995). However, they may have been formulated or packaged for a particular market, and then are imported into a different market from that intended by the brand owner. For example, if a producer of Milk powder sells a product in the India and Bangladesh, and a third party purchases a large quantity of the Milk Powder in India and imports it for resale in Bangladesh, this is a parallel market transaction. Parallel import or Grey Market is a huge

threat for authorized distributor and brand owner. Unauthorized imports create competition for the local market. For example, if Horlicks is producing HFD for UK and Indian market, which are different in taste and quality, and UK Horlicks sold in India and liked by Indian consumers then it will be competition for Indian Horlicks market.

As there is two face of a coin, the gray markets also have some positive and negative effects on different stakeholders. Grey market leads to the delusion of exclusivity on consumer mind about the foreign product. People have fascination regarding exotic products. Especially in 3rd world country like Bangladesh anything foreign is the equivalence to high quality. Also, gray market causes a reduction in manufacturer's profit by sharing market and driving consumer of local goods. Moreover, Grey market creates free riding problem. For example, Horlicks Bangladesh spent a lot of money on marketing and promotional activity to create a good brand image. Because of Grey market, unauthorized distributors and sellers take the advantage of it and make a profit without investing promotional activity on their own. On the other hand, Grey market creates a new customer base in existing market; give a broad choice to the consumer and helps in exploring the new market.

General Reasons for Grey Market are as follows:

- ❖ **Price discrimination in among countries:** Extreme differences in product price in different countries give incentive for the development of the grey market. For example- Electronics are cheaper in Singapore as compared to India and, therefore, being imported to India by unauthorized dealers, giving rise to parallel import.

- ❖ **Scarcity driven market:** Grey market arises when the authorized sellers are unable to match demand and supply in various markets. For example, when iPhone was first launched, there were shortages in the UK, so people were bought iPhone from other markets.
- ❖ **Fluctuation in Exchange rate:** Exchange rates are subject to changes according to economic conditions of the countries. Therefore, exchange rate volatility creates profit opportunities for the sellers and, therefore, gives rise to a new form of the market known as gray market.
- ❖ **Global nature of marketing:** Because of globalization, the marketing is not restricted to the national boundaries only. It's become more global, thereby, taking commercial advantage of global operational differences, similarities, and opportunities to meet the global objective. For example: Before launching iPhone-5 in India, Indian people were aware of it because of the global nature of the marketing. So this type of global demand creates a space for gray markets.
- ❖ **Improved communication among markets:** With the development of the technology the access of the marketer to consumers has increased. For example-Alibaba.com is the world largest b2b marketplace and enables unofficial global trade easy and accessible. Also, now producers from all over the world can sell their product beyond national boundaries by using e-commerce sites.
- ❖ **Ease with each product moves across nations:** Along with the globalization, there has been a significant reduction in the barrier to trades such as import tariff, customs duty, and transportation cost which lead to an easy movement of goods across the border.

- ❖ **Excess inventory:** It can be another reason of parallel import as when an authorized dealer cannot sell its inventory to consumers. It may transfer the leftover items to the unauthorized dealer.



One major objective of this paper is to study and measure the parallel market of health food drink category. At this portion of the paper, I am going to represent my findings regarding parallel/gray market of health food drinks in Bangladesh based on my retail store survey and market observation.



37% of retail stores of my sample stores are selling imported and unauthorized HFD besides local and authorized HFD (Imported were available in 13 out of 35 retail stores and super shop). But the number doesn't say the range of the

parallel market. From my market observation, I have found that local area based retail stores do not sell any imported HFD product. There are strong presence and regular communication of local authorized distributor. On the other hand, imported HFD are highly visible in super stores, and grocery and departmental stores located at commercial places like Gulshan 1 DCC Market, Gulshan 2 DCC market, etc. In those locations, the presence of parallel import is so high that some shops only sell imported products. In my survey 13 out of 35 stores sell imported HFD and around 62% of their total HFD sell is imported. Horlicks (UK), Milo, Bournvita are most imported brands. Among them imported Horlicks is the most sold brand. From my observation, the main reason behind such strong parallel market is simply the quality perception and high availability of imported HFD. Grey market importers have a well-established channel and able to avoid the customs fee and tax so that they can sell the product at a similar price as authorized distributors. So, for the consumers who like the foreign product, it's a good value for their money. Moreover, I asked some retailers about the source of those imported HFD. Few local importers import brands like Horlicks, Bournvita, and Milo from India and other countries. Besides, lots of gray market importers are also locally known as "Luggage Party" as they bring the product from abroad by luggage. And they mostly import from Dubai and Middle East.

Since it is impossible to stop parallel import as long as there is demand from the consumer side. Authorized brands should focus more on their strategic marketing to win against gray importers. Understating the consumer behavior toward imported HFD is crucial. More customize the product for the local market, efficient supply chain, and Defensive promotional activity against imported goods may weaken the Grey Market.

Milk Powder Market Analysis

To understand the overall health food drink market dynamics, we need to study the dynamics of all direct and indirect competitors. As having a similar target market and value proposition Milk Powder considered as an indirect competitor of health food drinks. That's why in this study we focus on the current market situation of Milk Powder in Bangladesh. In the market survey, I have tried to identify all major competing milk powder brands, measure the average monthly sale of milk powder, observe their selling proposition and offered value, and finally, find if there is any correlation between the demand of Milk Powder and Health Food Drinks.

Now a day's milk is an essential part of our daily life, but we could not get an adequate supply of liquid milk. For this reason, consumers are becoming dependent on milk powder instead of liquid milk. The use of powder milk is becoming diversified such as a substitute for liquid milk, as a baby drink, as a nutritional drink for Mother and Child, for stamina, Active Living, Healthy recovery, etc. So, milk powder market of Bangladesh is expanding. Also, the buying behavior of consumers is changing due to changing of lifestyle & attitude. The monthly demand for milk powder is much larger than the monthly demand of health food drinks. From my survey over 35 retail stores in Dhaka, the average monthly sale of milk powder is around 194 kg per shop. At present, there are lots of competing brands in Bangladeshi milk powder market. There is no only market leader as the market is highly saturated. But according to Nelson Bangladesh yearly Report 2015 Diploma, Nido and Dano is the biggest milk powder in Bangladeshi market with the market share of 19%, 18%, and 14%. In my retail survey, I visited around five major marketplaces and supermarkets in Dhaka and had found around twelve competitive milk powder brands. Diploma, Nido, Dano, Aarong Milk Powder, Marks, Anchor Milk Powder, Pran Milk

Powder, Fresh Milk Powder, Cowhead Milk Powder, Promex, and ShapeUp Milk Powder are some currently active Milk Powder brands in the market. Below I provide a comparative analysis of current milk powder market of Bangladesh.



First of all, Diploma is an Australian origin milk powder brand. It's the Product of New Zealand Dairy Bangladesh Ltd. Diploma has the largest market share in Bangladesh (19%). It's

an all-purpose, full cream milk powder but best for preparing desserts. It's 14 years old brand gradually positioned itself as taste considered and best milk powder for making sweetmeats and desserts. Diploma full cream milk powder is made from pure and fresh cow's milk, Vitamin A and D, Soy-Lecithin. It also contains Carbohydrate, Protein, Vitamins, and Calcium. Diploma is available in 1 Kg, 500gm, 400gm, 200gm, 100gm Pack.



Nestle Nido is the second largest milk powder brand with 18% market share. Nido made from very superior quality milk and with the addition of vitamins A and D, NESTLE NIDO is the best quality milk for growing children. Kids are the target customer of Nido in Bangladesh. Nido fortified milk powder is a perfectly

balanced combination of nutrients that will provide kids specific needs and meet the increasing demands of their growing years. The key ingredients include High-Quality Protein to aid muscle growth, Calcium, and Vitamin D to maintain normal bones and teeth, Iron and Vitamin C to support their cognitive development and immunity. Throughout their marketing communication, Nestle tried to position Nido as a high food value milk powder for kids which will provide children with 64%* of their GDA (guideline daily amount) for Protein.

Previously Dano by Arla Foods Bangladesh Limited was the market leader in this category. The origin of this brand is Denmark. The brand is still using its country of origin in their promotional activity to get the positive association. The biggest strength is its long-standing brand image and quality perception. The brand was in the market since 1960. So Dano has a nostalgic appeal to its consumer. In their TVC, they also focus on these attributes of the brand. For example, in a recent TVC DANO shows how the brand remains the best milk powder brand over 50 years throughout the generations.



DANO involves in celebrity endorsement in their latest TVC. They endorse celebrity cricketer Tamim Iqbal to promote the brand.



Another new name of the market is Aarong Milk powder. It's a product of BRAC dairy. BRAC Dairy and Aarong is very reputed name in the

country for pasteurized liquid milk and other dairy product. So their established brand image helps the brand to enter into the milk powder market effortlessly. They didn't even do any specific TVC during the launching of Milk Powder, but they do a TVC generally for the Brand and promote all their dairy products including Milk powder. In that TVC, they promote the brand as a reliable source for family dairy need, and as a preferred brand to working women. Aarong Milk Powder comes in two varieties; one is low fat another one is full cream milk powder. Strong distribution channel of BRAC Dairy is another advantage of them. From the very beginning of launching Aarong Milk powder, the product is highly visible in superstores, grocery shops, and area based small retail stores. As a social enterprise, BRAC Dairy has some competitive advantage also. Their overall value chain is different than other profit motive enterprises. They directly source raw milk from a farmer. The overall process is built upon very sustainable business process which is the biggest strength of BRAC dairy.



Marks Milk Powder first introduced in 1997 In Bangladeshi milk powder market by Abul Khair Consumer Good Division. Since then it has gradually become the major player in the market. Over the years MARKS has successfully acquired an iconic stature through providing with superior quality as well as doing proper marketing activity. The brand is very active in its promotional activity. They are

highly involved in TV commercials, Reality show, Billboards, Display ad. Though previously they promoted the brand as a family product but now in some of their recent TVC and campaign Marks promotes itself as balance food and nutrition source for kids that ensure their physical and mental growth. They also arrange reality show like, MARKS All-rounder which is the only talent search show for school going children and proudly organized by Abul Khair Consumer Good Division, is widely popular among all the people as it brings the hidden talents into the light. These types of media involvements help the brand to more engaging and relevant. Currently, there are few variations in its milk powder category. Marks Full Cream Milk Powder, Marks Active School, Marks Young star, Marks Gold and Marks Diet are targeting different need of a different segment of its consumers.

Like Diploma, Anchor milk is a product of New Zealand Dairy Bangladesh Ltd. The country of origin of the brand is New Zealand. Anchor has been an iconic New Zealand brand, synonymous with milk and dairy innovation since 1886. Anchor is a global brand with strong presence in New Zealand, Sri Lanka, Mauritius, Asia (including Philippines, Malaysia, Singapore and

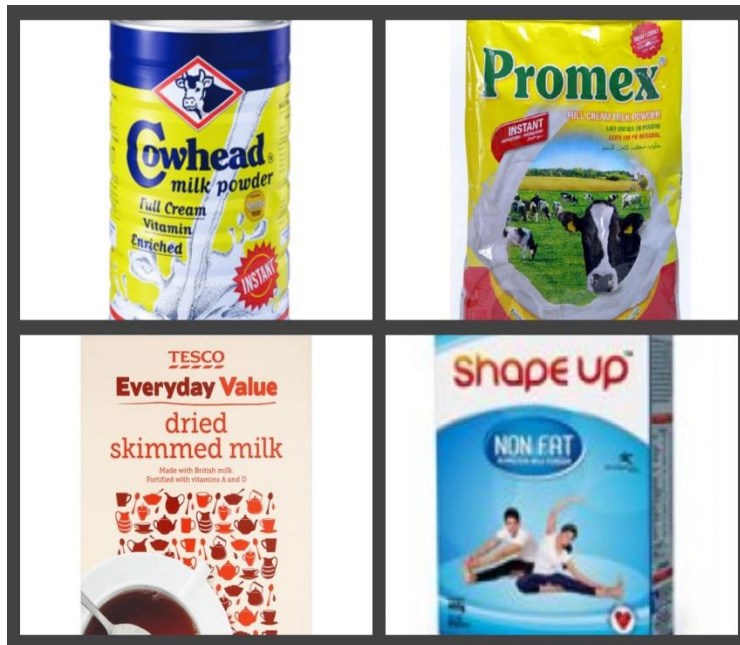
Taiwan), the Middle East (including Saudi Arabia, UAE, and Bahrain) and the Pacific.



Here in Bangladesh Anchor promoted itself as a source of nutrition that contains Iron, Colin, Iodine, Protein, Zinc, Vitamin A, Vitamin C, Calcium, and Vitamin D3. Its unique selling proposition is, “IMUCARE” formula that enhances the immune system and stands as protection against the common childhood sickness. Anchor milk is available in 1 Kg, 800gm, 500gm, 400gm, 200gm pack.

Fresh is another big name in the Bangladeshi Milk Powder market. It’s a brand of Meghna Group of Industries. There are lots of products under the same brand name. Fresh full cream milk powder provides the essential energy and nutrition for kids and adults intelligence, growth, and strong health. Its choline helps in brain development, its protein, calcium, potassium, phosphorus aids in better growth and finally vitamin A, B, D, and Zinc helps to build better immune system. For their marketing communication, Fresh use TV commercials, Place Advertisements, Point of purchase display, etc. Fresh is currently the proud sponsor of Bangladesh National Cricket Team

that gives them the ultimate brand exposure. During my market visit, I have noticed the high and visible amount of product availability is another marketing strategy of Fresh. There are some super shops where the entire row is filled with Fresh Milk powder. Often they offer incentive or gift for buying a certain amount of Fresh Milk Powder as a part of their sales promotion.



Furthermore, there are lots of brands currently in the market, both local and foreign brands. Not all brands look at the same segment of the market. Now a day's the usage of milk powder is more diverse. Other factors like health consciousness, change in lifestyle also reason for the emergence of new needs. As I have

already discussed some major competing milk powder brands, Most of them offer different value to their consumers. For instance, some brands focus on the taste of the milk powder and target the consumer who uses consume milk powder to make dessert, some brands focus on food value and growth factor for the kids, some brand just sees milk powder as a better substitute for fresh liquid milk and essential for an active lifestyle. Also, there is a recent trend for low fat and diet milk powder. Lots of brands now focusing on this low fat attribute of milk powder. For example, Shapeup, Aarong Low Fat, Pran Diet Low Fat Milk Powder, etc. are offering low-fat and lite milk powder. In addition, there are some foreign imported brands in the market. Those brands

are comparatively expensive and serving a very niche segment of the milk powder market, for example, Cowhead Milk Powder and “Tesco Everyday Value Dried Skimmed Milk”.

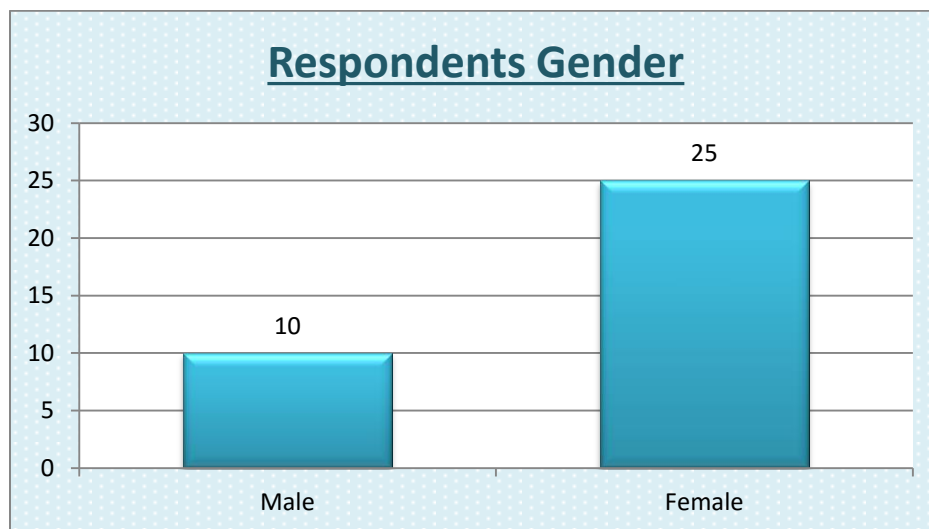
HFD Consumer Study

Understanding consumer behavior is a core issue in understanding the market dynamics. Consumer behavior is a complex pattern and sophisticated understanding for marketing researchers, but simply defined; study of psychological, social and physical actions when people buy, use and dispose of products, services, ideas and practices (Solomon, 2006; Blackwell et al, 2001; Peter and Olson, 2008). As the aim of this paper is to understand the market dynamics of Health Food Drinks (HFD). My survey focuses on understanding the retail business as well as measuring the consumer behavior toward HFD. I have conducted a consumer survey on 35 respondents. My target respondents were urban middle and upper-middle-class people of Dhaka city. Here my selected locations were Dhanmondi, Mohakhali, Niketan, and Siddheswari. This survey didn't have any specific target age group but Working Parents, Housewives are usually considered as target customer of HFD. The aim of my consumer survey was to understand Consumer's HFD Experience, identify their HFD consumption pattern, To know about consumers frequency of consumption, understand their taste and preference regarding HFD, to know about consumers Lifestyle and level of health consciousness, find out the brand switching rate and reason of switching, Understanding their perception about HFD, Identify their needs, wants, And consumers preference between HFD and Milk Powder. At this part of the paper, I am going to manifest all my quantitative and qualitative data findings from a consumer survey. From the quantitative data, I have figured out several ratios and correlations between different factors,

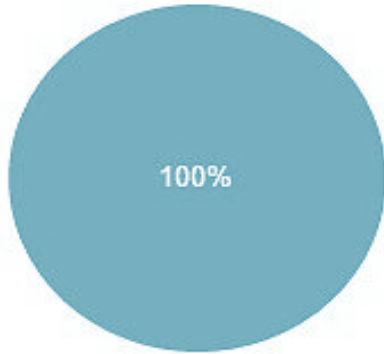
and from qualitative data I have collected real consumer insight regarding HFD consumption and other relevant issues.

Quantitative Data Analysis:

The consumer survey questionnaire intended to seek both quantitative and qualitative data. Now I'm going to illustrate the quantitative data findings from the consumer survey. I have interviewed 35 respondents with different age occupation. The average age of the respondents was 37 years. Among 35 respondents 10 were male, and 25 were female.



Q. Are you aware of any Health Food Drink (HFD) brand?



YES	35	100%
No	0	0%

Source: Personal Survey

The above question intended to identify the awareness level of the generic product (HFD). And 35 out of 35 respondents answered positively that they all are aware of Health Food Drinks.

Q: What are the HFD brands that come in your mind? (Sequentially Record)

1st response:

Horlicks	Maltova	Boost	Bournvita	Milo	Ovaltine	Complan
33	0	1	0	0	1	0

2nd response:

Horlicks	Maltova	Boost	Bournvita	Milo	Ovaltine	Complan
1	8	4	9	0	6	1

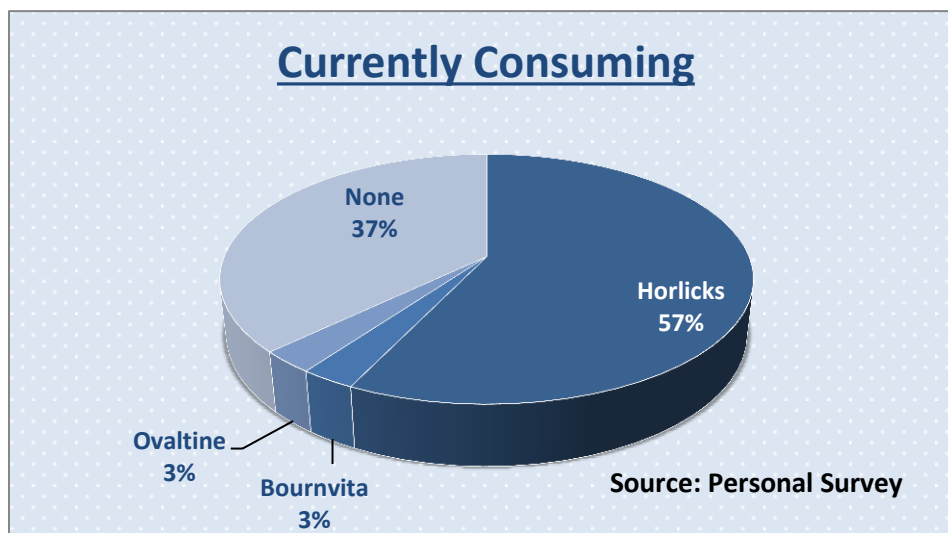
3rd response:

Horlicks	Maltova	Boost	Bournvita	Milo	Ovaltine	Complan
0	4	4	3	2	7	1

Source: Personal Survey

The objective of the above question was to measure the level of awareness of the specific brand. Respondents were allowed to say as much HFD brand names they can say. And I recorded all their responses sequentially. At least all respondent were able to answer one Brand name and few respondents were able to answer maximum four HFD brand names. From the above table, Horlicks is the brand that first comes to people's mind when I had asked them regarding HFD brands they are aware about. In their 1st response, 33 out of 35 respondents answer Horlicks. The sequential response reflects the brand memorability, level of awareness.

Q: Which Brand are you using now?

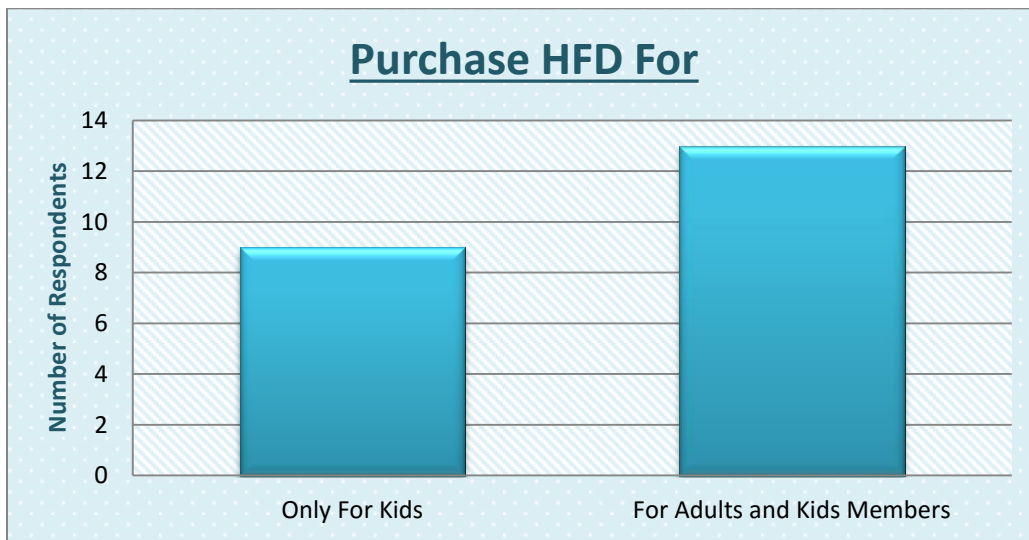


This question was about to identify the HFD consumption status of the consumer. It totals 22 out of 35 consumers currently consume any of

HFD brand among them 20 respondents consume Horlicks, 1 Bournvita, and another 1 Ovaltine.

And 13 among 35 respondents currently do not consume any HFD. From the above graph, we can see that 57% of respondents consume Horlicks, 37% consumer do not consume any brands, 3% consumer are currently consume Bournvita and Ovaltine consumer is 3%.

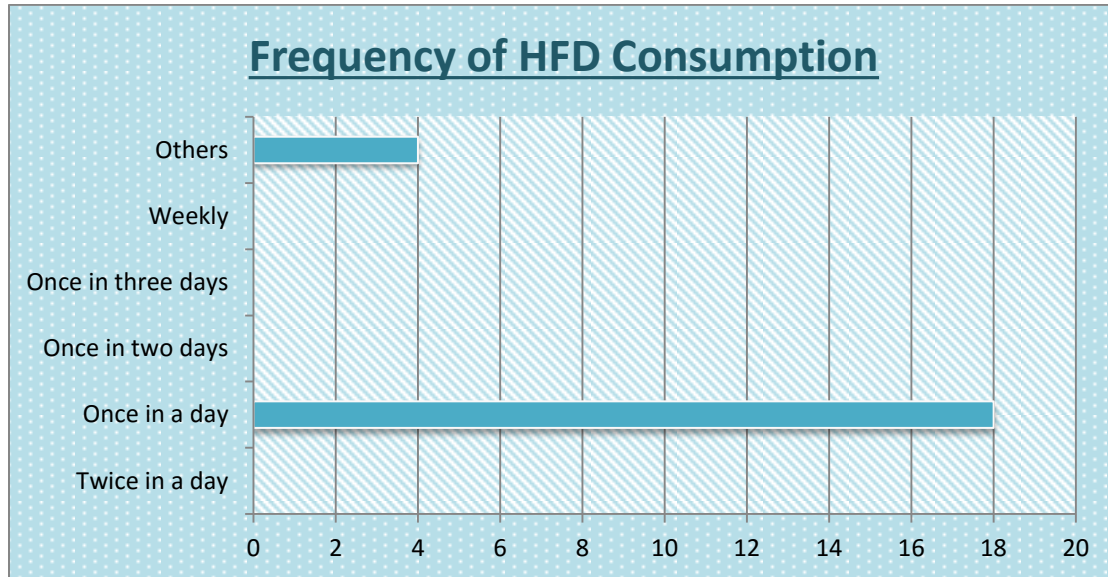
Q: For whom you purchase it? (Ask age for kids)



Source: Personal Survey

Among 22 HFD Customers, 9 customer purchase HFD for only their kids and 13 customers purchase HFD for both adults and kids members of the family. The mean age of kids in this survey is 6.5 years.

Q: How often do you/your family members drink HFD?

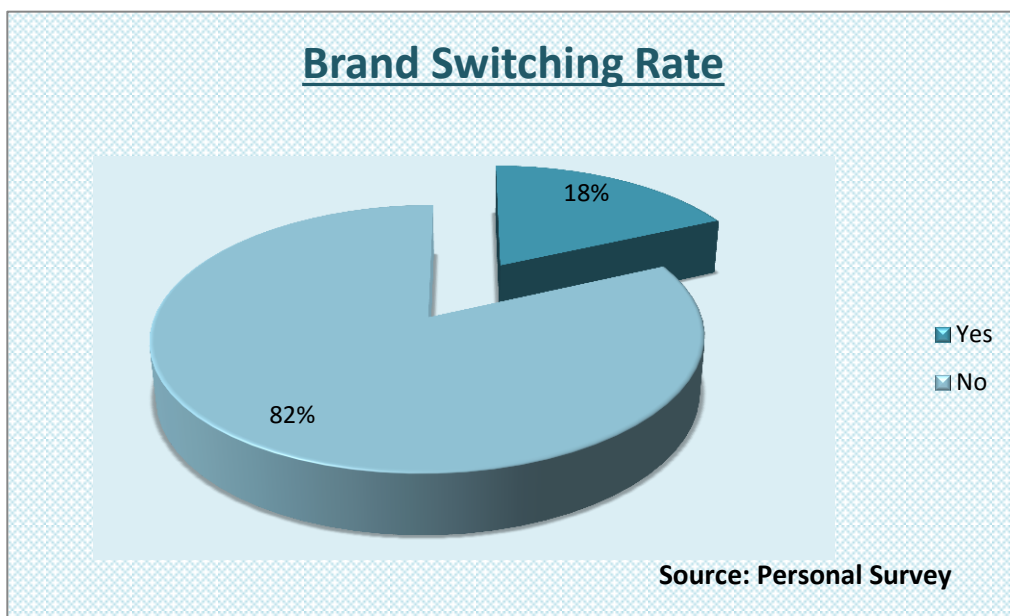


Source: Personal Survey

This question intended to understand the consumption frequency of health food drinks. This question gives consumer six option to answer it. 18 out of 22 consumers replied that they consume HFD once in a day, and other four consumers said they sometimes consume and not regularly.

Q: Given a chance would you like to shift the Brand?

This question expected to determine the future brand switching intention of consumer and the degree of brand loyalty. That was a close-ended question that provided respondents Yes/No option. 4 out of 22 (18%) respondents want to change the brand and not highly dependent on their existing brand. 3 out of 4 of them are currently consuming Horlicks, and another one is



Ovaltine. And, rest of the 18 respondents out of 22 (82%) are happy with their existing brand and no future probability of brand switching.

Q: What are the important aspects of HFD to you? (Ranking)

- Enhance the taste if plain milk
- Get Vitamins and Nutrition
- Get Stamina
- Ensure Growth

This question asked respondents to rank those four given attributes of HFD according to their requirements and importance. This question urges to assess the value and benefits of HFD from consumer perspective also to identify consumers' needs and wants. Below I illustrate the findings in tables:

1st priority:

Enhance the taste if plain milk	Get Vitamins and Nutrition	Get Stamina	Ensure Growth
3	10	4	5

2nd Priority:

Enhance the taste if plain milk	Get Vitamins and Nutrition	Get Stamina	Ensure Growth
4	5	5	9

3rd Priority:

Enhance the taste if plain milk	Get Vitamins and Nutrition	Get Stamina	Ensure Growth
4	7	7	4

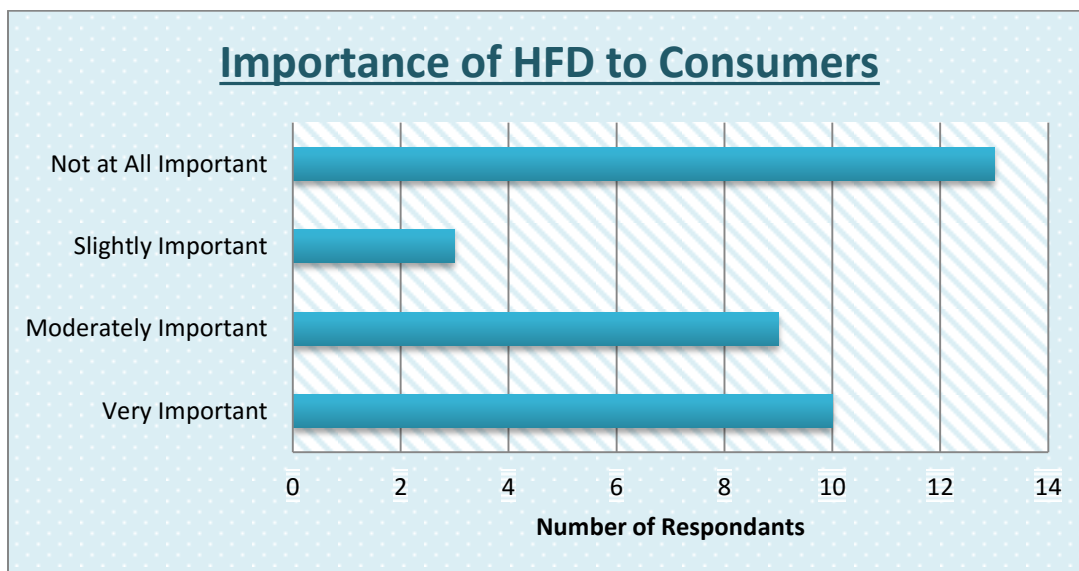
4th Priority:

Enhance the taste if plain milk	Get Vitamins and Nutrition	Get Stamina	Ensure Growth
11	1	6	4

Source: Personal Survey

From the above table, we can see which attributes of HFD is most desirable and which are least desirable to consumers. For instance, the 1st table shows all attributes that are ranked as 1st priority and the table also shows how many respondents ranked each attribute. Here ten respondents ranked “Get Vitamins and Nutrition” as their 1st priority, five respondents ranked “Ensure Growth” as their 1st priority, four respondents ranked “Get Stamina” as their 1st priority and lastly, three respondents ranked “Enhance the taste if plain milk” as their 1st priority. Similarly, other three tables show 2nd, 3rd and 4th priority on HFD attribute to consumers.

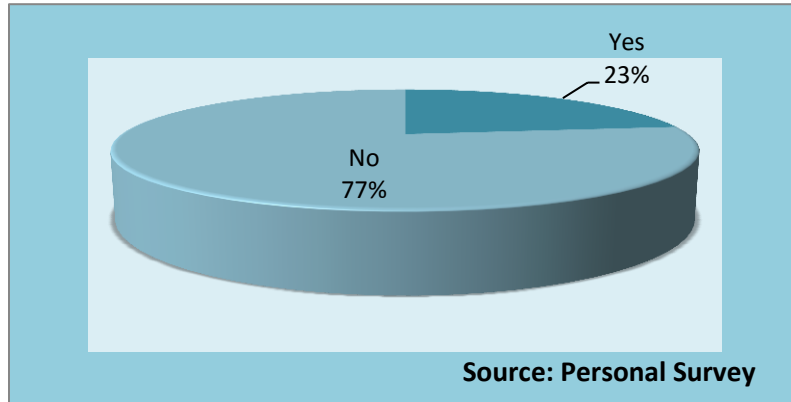
Q: How important do you think HFD to your family?



Source: Personal Survey

This question wants to find out the level of perceived importance of HFD to the consumers. The above graph shows that 13 out of 35 respondents think that HFD is not at all important to them (Non-consumer). Ten respondents think HFD is very important, nine respondents think HFD is moderately important, and three respondents think that HFD is slightly important to them and their family.

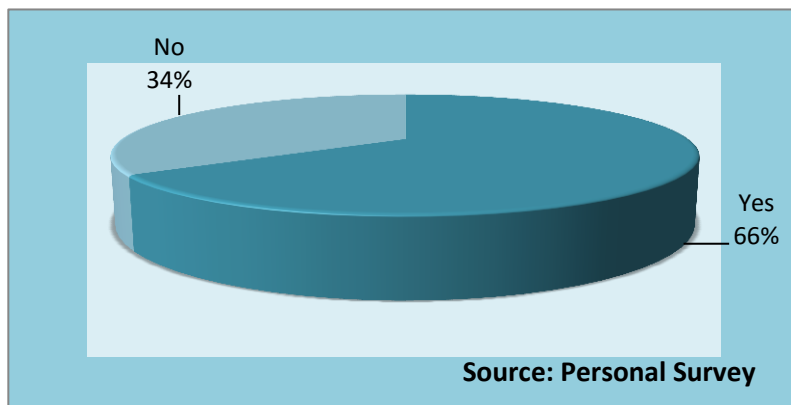
Q: Do you think milk can give you same benefits as HFD?



The question focuses on finding if there is any correlation between consumers perceived value of Milk and Health Food Drinks. Around 23% consumers think they can get same benefits

as Health Food Drinks from only Milk and rest 77% think that HFD has different benefits than Milk.

Q: Do you think HFD added milk is good for your kid?



66% of respondents think that HFD added to milk is good for kids. And the rest 34% think HFD added Milk is not good for kids.

Qualitative Data Analysis

Over the last decade, the health awareness of consumers has become an important factor driving the food market. Healthier food products and brands are gaining market share rapidly than ever before. This is a very vibrant phenomenon in developed countries also in developing countries like Bangladesh, India. Various studies have concluded that better understanding of consumer perception of healthy foods and its determinants are key success factors for market orientation and development and for successfully negotiating market opportunities. At this part of the paper, I am going to analyze in depth explanatory data collected from respondents. There are few open-ended questions intended to explore consumer's perception regarding several relevant issues. From those questions, I have got consumers spontaneous responses that reflect their cognitive association with some specific objectives of this study. For instance, I asked them to describe their current HFD brand, describe their opinion about Milk and Healthy Diet. I recorded their precipitate responses verbatim. There are few similar responses, and here I have mentioned the only keyword that they used to describe their current HFD brand. Below I have stated qualitative data findings from the survey:

Consumer's spontaneous association with their "Current HFD Brand":

- ✓ Healthy For Kids
- ✓ Healthy
- ✓ Habitual Drink after dinner
- ✓ Good with Milk
- ✓ High-Quality Food
- ✓ Tasty
- ✓ Expensive
- ✓ Nostalgic and classic flavor
- ✓ Essential for growing kids
- ✓ Regular Drink for kids
- ✓ Energetic drink for Kids
- ✓ Too Much Sugar for adults
- ✓ Bedtime drinks and good for sleep
- ✓ Popular
- ✓ Chocolaty
- ✓ Reduce weakness
- ✓ Stress reliever

Main Reasons behind Brand Switching:

- ✓ To change the taste/flavor.
- ✓ Low brand involvement.
- ✓ For better quality.

Consumer's spontaneous association with "Milk":

- | | |
|--------------------------------------|---|
| ✓ Good after Dinner Drink | ✓ Hard to digest |
| ✓ Healthy | ✓ Essential Food |
| ✓ Ideal Food | ✓ Fatty |
| ✓ Regular Drink | ✓ Fresh and pure milk is good not
pasteurized or powder milk |
| ✓ Good for Women source of calcium | ✓ Good Protein and calcium |
| ✓ Not so tasty but healthy | ✓ Good for all age |
| ✓ Good for dessert | ✓ Good in Breakfast |
| ✓ Natural drink with health benefits | ✓ Powder milk contains chemical |
| ✓ Source of Nutrition | |

Consumer's spontaneous association with "Healthy Diet":

- | | |
|----------------------------------|-------------------|
| ✓ High Protein Food | ✓ No rich food |
| ✓ Energetic and Fit | ✓ Less spicy |
| ✓ Less sugar | ✓ Suits with body |
| ✓ Less oily | ✓ Milk and Egg |
| ✓ Vegetables | ✓ Salad |
| ✓ Fresh food | ✓ Cornflake's |
| ✓ Balance diet | ✓ Homemade food |
| ✓ Low fat food | |
| ✓ Low cholesterol | |
| ✓ Food prepared in a healthy way | |
| ✓ Variation in food | |
| ✓ Fresh food | |
| ✓ Comfortable for stomach | |
| ✓ Vitamins | |
| ✓ Timely eating habit | |
| ✓ Natural Food | |

Recommendations and Conclusion

As we already know, HFD market in Bangladesh is less saturated, and the brand Horlicks holds around 85% of the market share according to this study. But we cannot say this market competition free as consumer taste and preference is highly evolving in FMCG (Fast Moving Consumer Goods). Each and every move by competitors needs to be considered. So it's urgent for any HFD brand to be strategically sound regarding all marketing controllable aspects to penetrate more into the market or to hold the existing market share.



First of all, Product Innovation is the cornerstone for better survival of any product category, especially in FMCG. HFD brands should focus on changes in consumer needs and alter their product accordingly. Also, more investment in research and development to ensure continuous product development is essential. Regarding product flavor and variation, it must be consumer centric. Being too much experimental with the flavor or taste

in HFD category might backfire. As this consumer survey, many consumers have the high nostalgic association with the traditional flavor of their malted drink brand and develop a habit of drinking over time. Moreover, Product innovation must be initiated from a complete consumer-centric point of view. Packaging is another major concern. Mini pack might be introduced to

serve a different segment of the market. Horlicks has already been introduced mini pack by targeting those people who cannot afford to buy a big jar or pack. Also, instead of powder drink only, HFD can be sold as an instant drink just to buy and drink. For example, Nestle Milo has instant HFD sold in the metallic can to consume outside. HFD brands should focus on consumer-centric innovation by targeting different level of the product, for example:

Core product:	Flavored milk drink
Basic product:	Nutritious, Testy
Expected product:	Various flavors, vitamins, packaging in durable bottles
Augmented product:	Brain developing and Bones protecting drinks for women and babies
Potential product:	Special sweet health drinks for diabetes patients

Currently, all the major HFD brands in Bangladesh are following competitive pricing policy. There is no big difference regarding their pricing. And from my consumer study, some of the respondents think the price of HFD is high and stated HFD as expensive food. There is scope for HFD brands to be more strategic about the pricing policy other than just reacting to the competition. For example, a cost leadership pricing strategy might help HFD brand to tap into the different market segment and generate more revenue.

In today's business, distribution network has a significant impact on the success of any business. Especially in the FMCG segment, the role of a first-rate distribution channel becomes even more crucial as the delivery of FMCG Product is confined to day to day basic. Hence, to survive in a

highly competitive market companies must have to have an efficient distribution channel which has no problem at any point of the distribution channel. Most of the Bangladeshi HFD brands currently have a sound distribution channel, but there is still scope for innovation. Companies must improve their distribution channel by which a consumer can get the product at the nearest store so that customer will not prefer another brand.



Most of the HFD brands in Bangladesh are currently now at the maturity stage of their product lifecycle, still promotion and continuous brand nurturing is a critical factor. Brands like Horlicks, Boost, and Complan, have a very active presence in digital media (TVC) and another

form of advertisements. Though Bournvita has no customized branding effort for Bangladeshi market, their intense marketing effort in India has an influence on Bangladeshi consumers to some extent. Nestle Milo and Ovaltine is not involved in TVC currently, but they are making the point of purchase display and place advertising. Very few brands have an active Facebook page, but there is integrated approach using digital, print and social media. After becoming smartphone available and 3g internet penetration, the number of digital population of Bangladesh is

increasing. The audience is moving from traditional media. People are passing more time on Facebook, Google, YouTube than Television and newspaper. So here my recommendation is to make more presence in New Medias like Facebook, Twitter, Google Ad words, etc. Design integrated marketing campaign by incorporating all different media to make the campaign more efficient and engaging to the target customer.

The market would be witnessing tremendous growth shortly, as there are huge opportunities in the Health Food Drink market. These are being fuelled by a rise in the disposable income, changing lifestyle and uprising middle-class. The increase in healthcare awareness, especially among the young population, has encouraged them to join fitness centers and gyms to stay fit. From the HFD comparative study, most of the Bangladeshi HFD brands focus on Kids or Women/Mothers, but there is a scope of targeting young population of the country. Especially there is no workout drink brand in Bangladesh. There are some imported powder drinks (e.g. Whey Protein) selling at the local market at a high price. Local HFD brands can focus on this segment. And develop HFD for young health conscious people.

As the study showed that there is a significant impact of the gray market on HFD category, and there is a particular demand for imported HFD, Authorized HFD producers and distributors should know the consumer to reduce the demand for those imported products. It's impossible; to stop parallel trading as long as there is a force from the demand side. Local HFD producers simply cannot stop it by monitoring distribution channel or adapting predatory pricing policy. And since the parallel market is not black market, the government won't be that much strict to control parallel trading. Here my recommendation is to do more consumer study to know their

needs, wants and demands regarding HFD. Find out the reason behind their fascination for imported brands. And alter the product if it's necessary to serve the majority demand.

In conclusion, I would like to say that, this paper deals with understanding the market dynamics of Health Food Drink category. So it is better to understand the market scenario and the major players in this market, what they are offering to their customers who can influence their behavior. And study the consumer behavior toward HFD. Throughout the paper, I have demonstrated the key findings from consumer and retail survey and analyzed those data. After the study and analysis dynamic aspect of this topic has been revealed. So many findings are available now. Here, only the product quality and price is not key concerns regarding HFD. Along with product quality, promotional tools and consumers mentality and their belief are responsible for decision making and preferences in selecting Health Food Drinks. Moreover, the gray/parallel market is a big threat since all the major HFD brands are globally operating, and there is an existing market demand for imported products. This study also observe and analyze the marketing and promotional activity of milk powder brands. Find the selling propositions and offered value by them as indirect competitors. The study has been designed to cover vast area regarding HFD . It covers so many areas of market and behavioral study. There are so many dynamism here that seems to be the base of further study.

Learning outcome of internship

The main goal of my internship was to acquire practical knowledge regarding several organizational activities and to apply business concepts and theories to real-world decision-making. Fortunately, at GlaxoSmithKline Bangladesh Limited I had found very friendly working environment where everyone was so eager to help me as a learner. I had a lot to learn from my supervisor “Soumendra S Das”. He is the marketing director of consumer healthcare business, and had served a range of MNC before. So, it was a great opportunity for me to keep in touch with such an experienced person and get insight from him. Below I have listed some major outcomes from my 12 weeks long internship program at GSK:

- Demonstrating understanding of professional customs and practices.
- Organizing and maintaining information.
- Applying knowledge to the task.
- Working with diverse populations.
- Identifying, understanding and working with professional standards.
- Working in cross-cultural settings.
- Improving problem-solving and critical thinking skills.
- Monitoring and correcting performance.
- Adapting effectively to changing conditions.
- Developing appropriate workplace attitudes.

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Appendix

Questionnaire for Consumer Survey:

The objective of this survey is to understand the dynamics of health food drinks (HFD) market of Bangladesh. Thank you very much for your participation.

Age:

Occupation:

Gender:

Family Size:

Q1. Are you aware of any Health Food Drink (HFD) Brand?

Yes

No

Q2. What is the name that first comes to your mind? (Sequentially note all responses)

Q3. Which Brand are you using now?

Q4. How would you describe the brand? (Record verbatim)

Q5. For whom you purchase it? (Ask age for kids)

Q6. How often do you/your family drink HFD?

- Twice in a day
- Once in a day
- Once in two days
- Once in three days
- Weekly
- Others:

Q7. Given a chance would you like to shift to another brand?

- Yes
- No

Q8. Which Brand you want to move?

Q9. What is the reason behind the shift? (Record verbatim)

Q10. What are the important aspects of HFD to you? (Ranking)

- () Enhance the taste of plain milk
- () Get Vitamins and Nutrition
- () Get Stamina
- () Ensure Growth

Q11. How important do you think HFD is for you/your family health?

- Very important
- Moderately important
- Slightly important
- Not at all important

Q12. What is your perception regarding milk? (Record verbatim)

Q13. Do you think Milk can give you same benefits as HFD?

- Yes
- No

Q14. What is healthy diet to you?

Q15. Do you think HFD added to milk is good for your kid?

- Yes (Write down the reason below)

- No

Questionnaire for trade:

১. আপনার দোকানে কি কি ব্র্যান্ডের স্বাস্থ্যকর পানীয় বিক্রি করেন?

২. মাসে আনুমানিক কত বোতল/ প্যাকেট স্বাস্থ্যকর পানীয় বিক্রি হয়?

৩. আপনার সর্বাধিক বিক্রিত স্বাস্থ্যকর পানীয় ব্র্যান্ড কোনটি?

৪. এই ব্র্যান্ডটির আনুমানিক মাসিক চাহিদা কেমন?

৫. কোম্পানি ছাড়া অন্য কোন পাইকারি বিক্রেতার কাছ থেকে কি কি ব্র্যান্ডের স্বাস্থ্যকর পানীয় ক্রয় করেন?

৬। ওইসকল ব্র্যান্ডের বাজারে চাহিদা কেমন?

৭. বাজারে বর্তমানে প্রচলিত গুড়োদুধ ব্র্যান্ড কি কি ?

৮. মাসে আনুমানিক গুড়োদুধের চাহিদা কেমন?

৯. আপনার কি ধারণা, স্বাস্থ্যকর পানীয়ের চাহিদার সাথে গুড়োদুধের চাহিদার কোনধরনের সম্পর্ক আছে?

হ্যাঁ

না

১০. বর্তমানে বাজারে কোনটির চাহিদা বেশি স্বাস্থ্যকর পানীয়ের নাকি গুড়োদুধের?

