



**INTERNSHIP REPORT  
ON SIEMENS BANGLADESH LIMITED**

**Submitted to:**

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**SIEMENS**  
*Ingenuity for life*



Inspiring Excellence

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**Subject: Submission of Internship Report**

Respected Ma'am,

It is indeed a great pleasure to have the opportunity to submit my internship report on the experience gained during my three months internship period at "**Siemens Bangladesh Limited**".

I have prepared this report in accordance with the instructions given by you. I expect this report to be informative as well as comprehensive.

Working in Siemens Bangladesh Limited was an inspiring and learning experience for me. I hope this knowledge will facilitate me a lot in my future career endeavors. In spite of the various difficulties faced in preparing the report, I have given utmost care to be as thorough as possible.

With my limited knowledge, I have tried my level best to make the report worthwhile.

I sincerely hope that this report meets your approval and demonstrate my ability to present internship reports. I would be glad to explain you with any clarification if required.

Sincerely,

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Nahian Noshin Mustafa ID# 12204093

## **Acknowledgement**

First of all, I would like to express my gratitude to Almighty Allah for enabling me to complete the report in due time. I would like to express my sincere gratitude to Mrs. Rahma Akhter Lecturer, BRAC Business School, BRAC University for providing me with detailed feedback and advice on this report. She gave me suggestions in order to make this study as flawless as possible. My utmost thankfulness goes to my supervisor Mr. Humayun Kabir, Head of Marketing and Corporate Communications at Siemens Bangladesh Limited, for giving me an in-depth knowledge. I would also like to thank all other seniors for providing the necessary support in the organization. Their guidance and co-operation helped me to get a more hands-on experience. Moreover, they have provided me with the information regarding each and every operational activity of the organization which enabled me to get a better understanding of all the tasks.

I have also thoroughly enjoyed while working on the project report and hope the project is appreciated.

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## **Abbreviations:-**

NEMA= National Electronic Manufacturers Association

IEEE= Institute of Electrical and Electronics Engineers

SEDA= Sustainable energy development authority

## **Executive Summary**

The report is originated in result of my internship program which I have done as a requirement of BBA program .This report is completed based on my three months internship in SBL. This is an orientation report that contains the real life day to day working experience of different tasks in sales, marketing and corporate communication of SBL.

The first section of this report consists of an introductory part which has been developed for the proper execution of the entire report. Second part has explained the working experience of my internship period with the sales team and corporate communication of SBL. The remaining part consisted of analysis, findings, recommendations and conclusion.

SBL is one of the leading Multinational Company in the world. For Siemens, being a pioneer means more than promoting new technologies and fostering innovation. Siemens determined to break new ground, launching cutting-edge products that can be integrated into proven solutions. And its employees are pursuing this aim with great conviction and passion. The kind of teamwork that enables all players to give their best, shoulder their responsibilities and leverage their strengths is what brings forth true pioneering achievements, whether in 1847 – the year Siemens was founded – or today. And Siemens pioneering spirit ensures that Siemens will continue providing answers to the questions of the day well into the future. To serve the customers SBL performs some activities like highly qualified product, hurry up payment, and flexible product price etc.

Moreover, the SBL is very careful to its all rules and procedures. The SBL has more competent managers in every sector and their employees are also much competent. And they are so sincto their duties. Particularly corporate Dept is very much careful to their duties. So they also maintain their procedures guide lines.

**CHAPTER- 01:  
THE ORGANIZATION**

## 1.1 Introduction

Siemens Bangladesh Limited is one of the leading multinational company offering full range of medical, industrial, infrastructure and cities and energy solutions. SBL had been widely acclaimed by the business community from small business to large traders and industrial conglomerates, including the top rated corporate and Government Customer for forward looking business outlook and innovative medical, industrial and energy solutions.

## 1.2. The Background of Siemens Germany

Siemens (Berlin and Munich) is a global powerhouse in electrical engineering and electronics. The company has 405,000 employees (as of September 30, 2013) working to develop and manufacture products, design and install complex systems and projects, and tailor a wide range of services for individual requirements.

Siemens at a glance	
Year of foundation	1847
Segments	Industry sector Healthcare sector Energy sector Cross-Sector Businesses Equity Investments
Employees 2013 (as of September 30, 2013)	Global: 405,000 employees (continuing operations) Germany: 128,000 Outside Germany: 277,000
Listings	Deutsche Börse: 08.03.1899 London Stock Exchange: 21.06.1990



<b>Siemens at a glance</b>	
	Swiss Exchange: 16.08.1999 New York Stock Exchange: 12.03. 2001
Sector	capital goods
Industry	electrical engineering and electronics
Listing segment	prime standard / regulated market
Currency	Euro (EUR)
Category	no-par value shares in registered form
Capital stock (30.09.2009)	EUR 2,742,610,263
Number of shares (30.09.2009)	914,203,421
Stock exchanges	Frankfurt, Stuttgart, Munich, Hamburg/Hannover, Düsseldorf, Berlin/Bremen, Xetra, New York Stock Exchange, London Stock Exchange, Swiss Stock Exchange, Italian Stock Exchange Milan
First listing	08.03.1899
Selected indices	DAX 30, S&P Global 100, Dow Jones EuroStoxx 50, Dow Jones Stoxx 50, DJ Sustainability Index, Global Titan
Accounting	consolidated group statements according to IFRS

<b>Siemens at a glance</b>	
End of fiscal year	30. September
Registered office	Berlin and Munich
Country	Germany
Commercial register	Berlin-Charlottenburg: HRB 12300 Munich HRB 6684 Sales tax ID: DE 129274202
<b>Key figures (in million of euros)</b>	
New orders 2009	78,991
Sales 2009	76,651
Net income 2009	2,497
Research and development 2009	3,900
Employee costs 2009	24.669
Shareholders' equity (September 30, 2009)	27,287
Dividend per share 2009 (in EUR)	1.60

<b>Siemens at a glance</b>	
Total assets 2009	94,926
Common stock, no par value 2009	2,743

Table 1.1: Siemens at a glance

### 1.3. Brief History of Siemens in Bangladesh

Siemens starts business in Bangladesh since 1956, and since then they have been involved in a number of Bangladesh's major modernization and infrastructure development programs.

Siemens has been active in railway projects in the country since 1962. In 1968, they were privileged to become the first direct foreign investor to start a joint venture with the government to manufacture telephone switches and sets. Siemens BD have been quite successful in the power and energy sector of Bangladesh. In 1967, Siemens BD actively involved in constructing the Ashuganj power plant and thus gained a major market share of the country's power sector. And from the beginning, their medical systems and solutions have been the country's technology of choice in the sector. Siemens Bangladesh Ltd. is also playing a prominent role in Bangladesh by helping to establish the country's mobile network infrastructure.

Siemens BD have been operating in the country for more than 50 years, during which time they established their selves as a leading solution provider in Transportation System, Power Transmission a Distribution, Medical Solutions, Power Generation, Power Distribution and Lighting Solution in the electrical and electronics market, Automation and Drive, Industrial Solutions and Services. So, on any particular day you will find Siemens products and solutions all around you.

With a work force of around 140 people and comprising three business units, Siemens Bangladesh Ltd. is providing the country's latest technologies and innovations. They have tremendous faith in the country's potential for further development and are confident that they can provide various technological solutions for Bangladesh and its modernization efforts.

## 1.4. Product & Services of SIEMENS

Siemens is a joint multinational company. They divided their whole company in to these business sectors. Those business sectors are:

### Automation Systems

- Operator Control and Monitoring Systems
- Identification Systems
- Industrial Communication
- Industrial Controls
- Manufacturing Execution System (MES)
- PC based automation
- Product Lifecycle Management Software
- Process Control Systems
- Sensor Systems
- Power Supplies

### Energy

- Fossil Power Generation
- Power Transmission
- Power Distribution
- Automation, Controls, Protection & Electrical
- Compression, Expansion & Ventilation
- Mechanical Drives
- Service

### Healthcare

- Healthcare IT & Infrastructure
- Hearing Instruments
- Laboratory Diagnostics
- Medical Imaging
- Therapy Systems
- Accessories & OEM Equipment
- Refurbished Systems
- Healthcare Services

## 1.5. Organizational Structure of SIEMENS

Siemens Limited maintains a flat organization structure. The Managing Director or CEO is the head of operations. The company has nine separate divisions for the smooth operations. The five divisions are directly related with business and rest four are supporting divisions.

### **The main divisions are:**

- ❖ Healthcare Division
- ❖ Power Generation & Transportation System Division
- ❖ Power Transmission & Distribution System
- ❖ Information Technology
- ❖ Consumer products
- ❖ Human Resources Department
- ❖ Finance & Business Administration, Top+
- ❖ Corporate Communications & Business Development

### **Supporting Divisions are:**

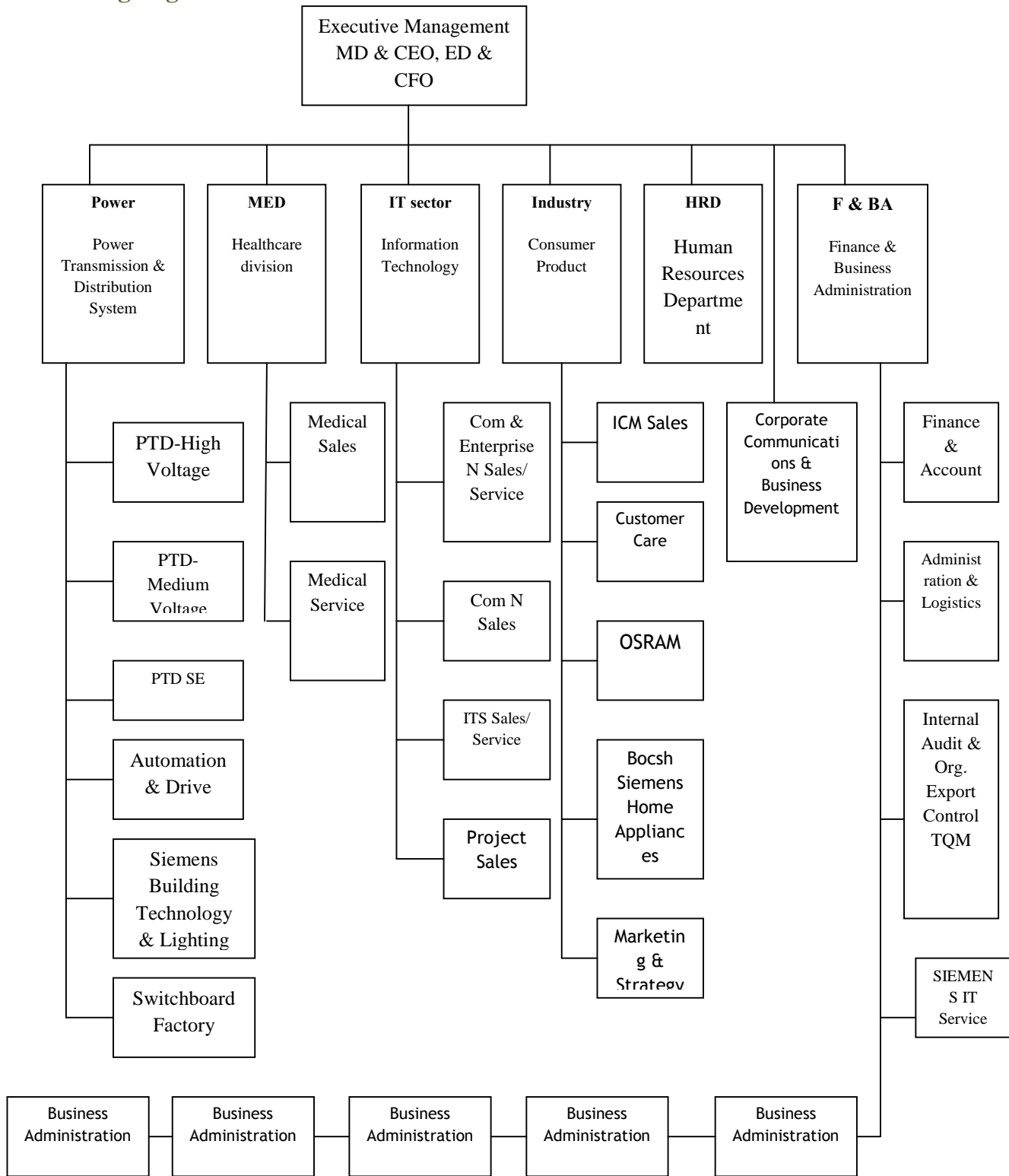
- ❖ Human Resources Division
- ❖ Finance & Accounts Division
- ❖ IT Service Division
- ❖ Corporate Communication & Business Development Division

All the departments are headed by the respective General Managers, who reports directly to the Managing Director and there is also one Commercial Manager in each division. Each division has Sales & Service Managers who are responsible for sales and after sales service of the product respectively.

The main divisions are responsible for selling and giving after sales servicing to the customers of their product. The Human Resource Division is responsible for the recruitment of the needed personnel, the payment of the salary and allowances, the selection of personnel for promotion and other facilities depending on the performance of the personnel. The Finance and Accounts Division work as an internal auditor involved with the bookkeeping of the payments as well as

collections and prepare the financial statement of SIEMENS. The IT division responsible for well functioning of the local intranet system as well as manages the access system of the company. The Corporate Communication and Business Development is the "Think Tank" of the company. It focuses on improvement of the business situation and designing the advertisement to present SIEMENS in the most attractive and applicable view.

### 1.6 Organ gram of SIEMENS



## 1.7 Operating Cycle

The duration of time required to complete the following sequence of events, in case of manufacturing firm, is called the operating cycle:

1. Conversion of cash into raw materials.
2. Conversion of raw materials into work-in-progress.
3. Conversion of work in process into finished goods.
4. Conversion of finished goods into debtors and bills receivables through sales.
5. Conversion of debtors and bills receivables into cash. The length of cycle will depend on the nature of business. Non manufacturing concerns, service concerns and financial concerns will not have raw material and work-in-process so their cycle will be shorter.

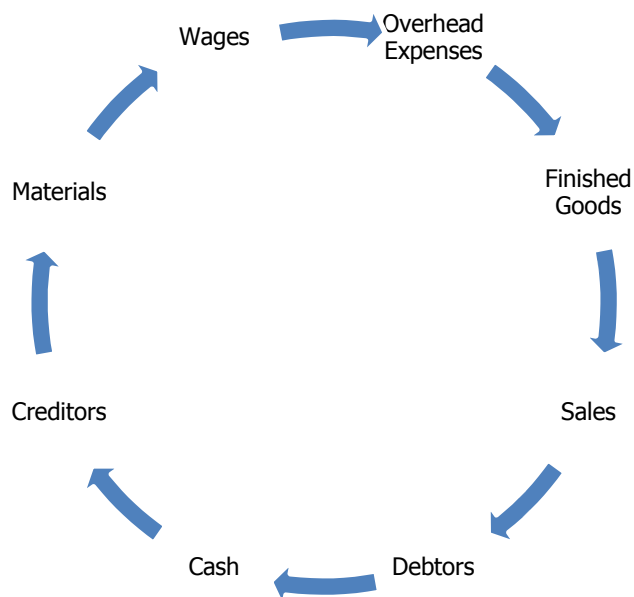


Figure: Duration of the Operating Cycle



## CHAPTER- 02: JOB RESPONSIBILITIES

## 2.1 Job Responsibilities:-

During my internship period I have worked for their several divisions even though I am marketing major. It helped me to learn the work of different departments. My assigned department was Corporate Communication.

My job responsibilities for my division: - When they recruit me as an intern, my supervisor said to me to work creatively as I said that am interested to make advertisements and I am marketing major. For this reason they assigned me to this department. My responsibilities were:-

- To identify ideas of market by researching industry and related events, publications, and announcements; tracking individual contributors and their accomplishments.
- Create a customer database.
- Organize events
- Make advertisements for magazine
- Design banners for several occasions
- Design card for different occasions

My job responsibilities for other departments:-

Sales:-

- Locates or proposes potential business deals by contacting potential partners; discovering and exploring opportunities.
- Screens potential business deals by analyzing market strategies, deal requirements, potential, and financials; evaluating options; resolving internal priorities; recommending equity investments.
- Develops negotiating strategies and positions
- Closes new business deals by coordinating requirements; developing and negotiating contracts.

### Human Resource Management:-

- Assisted in preparation of provident fund loans audit.
- Responsible for updating the medical database of all employees.
- Participated in various cross department work teams to prepare presentations.
- Actively maintained the overall employees' record filings.

### Accounting and Finance:-

- Check bills
- Help to maintain files
- Create portfolio for 2015-16 fiscal year

## 2.2 Different Aspects of job responsibilities:-

**Everyday Operations:** Consistently kept notes in all the important meetings for my team in the three months period. Later on, they would take the necessary details from me or I would have had to make summaries of the valuable discussions in those meetings and the details of it.

**Knowledge Transfer:** Therefore, I designed a new datasheet template for record-keeping, which they can print and compile into a single file.

**Assisting Supervisor:** Helped my supervisor to write reports and to make presentations.

**Process improvement:** Created Scope of work (SOW) for several occasions.

**Skill transfer:** Showed them how to use new tools and commands, make presentations, design datasheets, use access for database management, etc.

## **CHAPTER- 03: MARKETING PROJECT AND IMPLIMENTATION**

Apart from its other engineering and electrical solutions it is ready to introduce product like energy efficient industrial motors for the growing industry includes from installation to commissioning of automation technology using different type of hardware and software in the production operations as well as the servicing and consultancy activities. Though this technology was started many years ago in the western countries , a very new concept in our country with its 10 year history for heavy manufacturing and engineering industries like cement , paper mill, plastic industry, food and beverage gas station etc. this energy efficient industrial motors enhances the productivity with quality through production system in the production phases.

Our government is putting emphasize on industries in case of replacing their energies guzzling machineries with energy efficient technology and enacts laws to ensure optimum use of scarce gas and costly electricity. They also want to boost up the process to set up Sustainable energy development authority(SEDA) and enact the energy conversion act to have policies and legal frame work for saving energy. In addition power plants, fertilizer plants and other industries together consume over 80 percent of the 2000 million cubic feet of gas produced in the country, while industries and commercial entities account for half of the 5500 megawatt of electricity generated, according to government estimates. So energy efficiency should be one of the major pillars of Bangladesh. Around 5000 industrial units in the country use boilers from the model of 1980's which consume a huge amount of gas compared to modern machineries. SBL has already fund them so that new boilers can save 60 percent of gas,

Their assumption is that the government would never be able to reach its target on energy without energy efficiency product, as there is no initiative to set up coal based power plants and the country is making very little progress in finding new gas. Appropriate intervention is needed in areas of industrial lighting, motors, boilers, steel re-rolling mills , brick kilns , sugar, pulp and paper, fertilizers and ceramics industries to improve energy efficiency.

Siemens Bangladesh LTD intends to launch this new product to the market immediately. Considering the current competitors status in the market, the company thinks it has high potentiality of business in the market and to achieve the remarkable market share. At present a

remarkable number of manufacturing companies in Bangladesh are using the automation systems. With the installation of hardware and software for automation system and process it also will provide the necessary training on technical knowhow to the relevant engineers of the customers. Siemens will also have the vision to develop some renowned channel partners which we call system integrator who will support us to provide the automation solutions in the customer premises during the whole project phase.

All the hardware and software of automation system will be distributed from the German Conglomerate Siemens. Global Siemens exactly introduced three new lines of AC motors designed to meet or exceed NEMA (National Electronic Manufacturers Association) standards. Offered in aluminum and cast iron frame configurations, these motors include high efficiency and industry leading NEMA(National Electronic Manufacturers Association) premium efficient designs to help motor users lower energy costs and extended service life. The unique die cast copper rotor and special stator designs provide the added efficiency of these motors. We have already a contract with the Siemens AG who will provide all the hardware and software materials for installation of effective automation technology along the consultants. Siemens is committed to providing their customers with the finest technology available to help lower operating costs through superior motor performance,

As this is the new endeavor for Siemens Bangladesh LTD to introduce this product on Bangladesh, its objective will be to penetrate in the market in the first year. They target some potential customer contracts in the first year. They are not expecting to profit in the first year as our objective is to be introduced in the market first. They have estimated expense BDT 2 lakh for marketing and promotional activities including product demonstration and presentations activities in the first year. Their projection for sales is 60 million BDT and EBIT is 5 million BDT by the end of the second year.

### 3.2 Current Market Situation

The automation systems technology is not very old concept in Bangladesh. Rather its history in manufacturing company here is very new. Only a few numbers of companies have used this technology for their operational system. Most of them are industrial leaders and some of them are government organizations. There is a larger potential in this field, as many companies are going for expansion of their business and a good number of manufacturing companies in different sectors are going to be started in future who will go for energy efficient automation systems in the industrial operation of machineries and production system.

Siemens Bangladesh Ltd is ready to provide their customers with the finest technology available to help with lower operating costs through superior motor performance. Energy efficient industrial motor system is such a technology which requires high quality of hardware and software support for better output considering its long time sustainability as well as for the greater efficiency with the use of minimum energy consumption. Siemens BD expects that they will be able to capture 10% of market share by second year.

As development of industrialization is very important for our country, different industry sectors are growing here and the new technology is replacing old manual operations in the manufacturing system day by day. For greater output and quality with a lower cost, the company is now going for energy efficient automation technology in the manufacturing process and hence we think we will get the favorable market share in future in Bangladesh.

Siemens BD's core competency is its quality product and services. All the products (hardware & software) will be imported from world famous company and electrical conglomerate Siemens and qualified engineers & experts will work in the project phase. This company believes in the differentiation and creating value addition to the customers. All sales personnel are already trained and experienced in this sector.

### 3.3 Opportunity and Issue Analysis

One of the most important opportunities of Siemens Bangladesh is its quality commitment and non-compromising with low-graded quality products.

Siemens (global) has more than 14 decades of motor design experience, and their latest NEMA motor innovations will provide significant energy and cost savings to these industries. Siemens BD has the engineers who have the experience of working in this field abroad. Their team leader of Automation technology has five years experience of working in Germany. Under his supervision a dedicated & efficient sales and service team is deployed for working in the automations technology in different projects. Besides this, we are in the development phase of two channel partners which has 10 years of working experience automation technology and solutions.

Siemens BD's ability to offer differentiation from its competitors is another opportunity here. The three new product lines include general-purpose die-cast aluminum, general-purpose cast iron and severe-duty cast-iron frame motors for use in a wide variety of industrial applications. Siemens die-cast aluminum frame motors have been developed to provide a high degree of mounting flexibility for general purpose applications such as air handling, conveyors, pumps and compressors. Cast-iron frame motors are available for general-purpose and severe-duty applications. A definite-purpose version, exceeding the demanding requirements of IEEE Standard 841, also is available for durability and energy efficiency in critical petroleum, chemical and paper processing environments.

Siemens BD already has prepared the presentation of use of energy efficient industrial motors for different manufacturing capacity which portrays the distinction in terms of meaningful value creation to the customers.

During the project work, responsible person of customer will be duly trained up on site so that the customer can be accustomed to the technology, thus they will find supplier's products superior in returns.



The project expenditure will be as low as possible and as the output of the technology is great in terms of productivity and quality, it will be affordable and reasonable from the customer side.

The new motors offer unique benefits through:

- Industry-leading die-cast copper rotor technology, resulting in best-in-class efficiencies and lower total cost of ownership.
- A combination of specially designed cooling fins, polypropylene fan and internal cooling scheme minimizes heat build-up within the motor for longer life.
- Highly refined rotating assembly that incorporates anti-friction bearings, polyurea-based grease, dynamically balanced rotor and precision-machined mating surfaces for reduced vibration.
- Specially designed insulation system that meets NEMA Class F standards with a Class B temperature rise at 1.0 service factor for long service life and meets NEMA standard MG 1-2003, Part 31 standards for compatibility with variable-speed drive operation.
- Exclusive bolt-on foot design for general purpose aluminum frame motors permits rapid change to NEMA mounting positions F-1, F-2 and F-3 allowing a high degree of mounting flexibility.

Apart from the opportunity stated above there are some issues to be considered which are as follows:

- Existing competitors can confuse the customers with offering very low price quotation with low quality product.
- As the new customers are not so much familiar with the technology, it can take lot of time and patience to grab the customer attention.
- Negative campaign can be made by the competitors.
- Higher import cost may be encountered.

### 3.4 Project Objectives

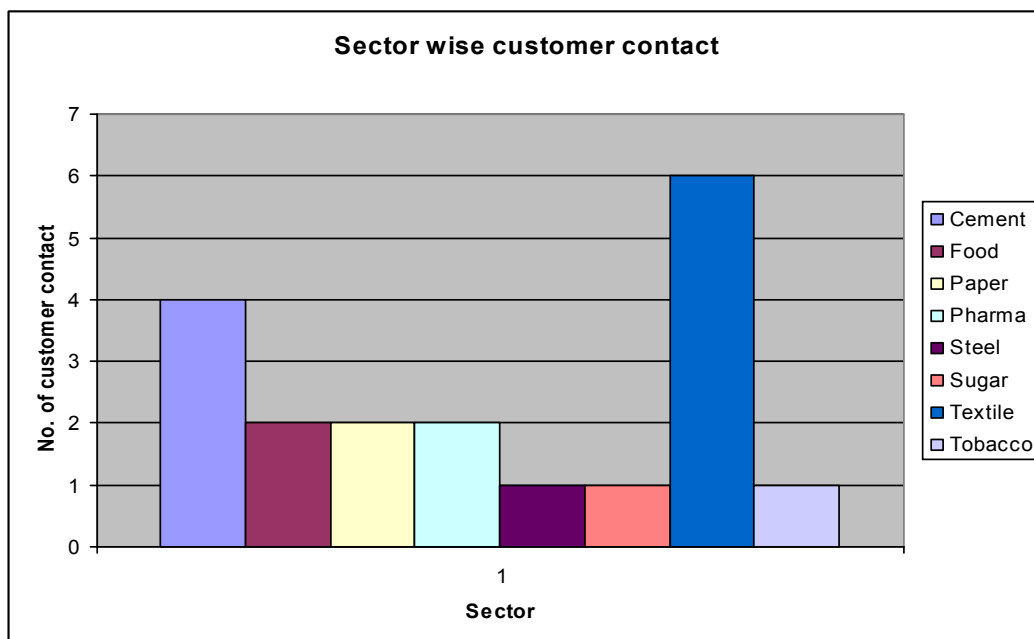
Their objectives for launching energy efficient products consist of two category objectives.

#### Financial objectives:

- Achieve sales revenue 60 million BDT by the end of second year out of 500 million BDT market
- Produce EBIT 6 million BDT by the end of second year

#### Marketing objectives:

Access in the potential business sector which are shown in the following graph



- Achieve market share 10% from the second year
- Make 50% target customer aware of the new product within six months

### 3.5 Project's methodology

For this project purpose I had to collect data from the following sources:

#### **Primary data**

Primary data has been collected as following:

##### **Verbal Interview**

Taking interview of CFO and Finance Head of Siemens Bangladesh LTD will be the most important source for writing this report. Besides I took line manager's and engineer's interview for this project purpose. I along with two line managers worked together to make this proposal.

##### **Observing the ongoing process**

Observing the ongoing process of Siemens Bangladesh LTD as an intern has been another source of information to write this report.

#### **Secondary Data**

Always primary data is not sufficient for making a report. For this reason I will collect data from other sources which are-

##### **Annual reports and other publications**

Annual reports and other publications were the main sources of secondary information.

##### **Internet websites**

Global website of Siemens is another secondary source where I can get relevant information about the organization. I will also use goggle search, yahoo etc.

### 3.6. Limitations

There were some limitations while I approach to collect data for this report and project purpose. The limitations were:

No	Area	Limitation
1.	Time limit	Because of some unavoidable reasons time limit is a major constraint in accumulating all sorts of information in an organized way.
2.	Knowledge	Lack of knowledge about Siemens company because it is a giant multinational company and operating huge functions.
3.	Information	Employee's unwillingness, hesitation on providing confidential information. They felt that they are leaking out some information, which they are not supposed to.
4.	Records and publications	Sufficient records & publications as well as up to date information are not readily available.
5.	Co-operation	As they are too much busy and as I am an outsider for this reason may be they will not co-operate with me.

Table 2.1: Limitation

### 3.7 Marketing Strategy

Target market of Siemens Bangladesh Ltd are cement, food & beverage, paper, pharmaceutical, steels, sugar, textiles, tobacco industry and CNG stations. The new comers in the above industries must adopt the new energy efficient automation technology in their manufacturing plant to minimize the overall cost and in order to comply with the rules & regulation imposed by the govt. They will prefer the state of the art technology for the production process and want to be the market leader in the country. That's why our strategy will be knocking continuously targeted segment and getting the project. (Alam, 2016)

The highlights of our marketing strategy are the followings:

**Positioning:** These are the motto and slogans Siemens will use for positioning:-

Project's motto for positioning: "Save Energy, Save Money, Save Environment"

"We aim to assist Bangladesh with high quality energy efficient products in meeting their commitment to make the best use of scarce energy resources"

Their slogan "Make the world a better place to live"

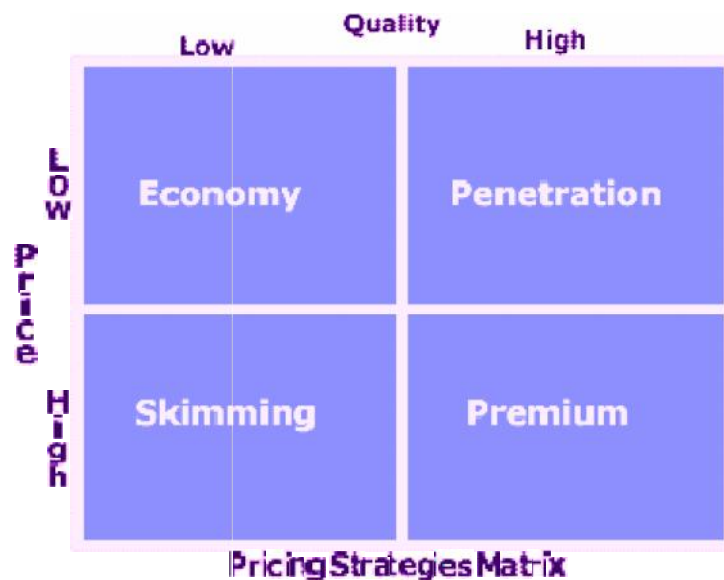
**Product management:**

All the hardware and software will be latest manufactured and of high quality. The motors, drives, inverter, software package etc. will have differentiated features. Their engineers along with the system integrator will work in a very organized way while the inventory management system will be part of effective supply chain management. Under the product management, it is required to emphasis on project management & inventory management.

### Pricing:

The project price will be different for different capacity. But Siemens will try to keep the price as low as possible with quality product and services as our intention to grab the market share. In this market their main competitors are ABB motors, Delta, Energypac, Schneider. They will use penetration pricing strategy to hold the market share. (Alve, 2016)

### Quality:



As mentioned earlier, we are going to provide product with high quality at a reasonable price. So the pricing strategy of our product will be in the 1<sup>st</sup> quadrant.

### Developing Channel Partners:

They will develop the renowned channel partners so that they can provide the quality energy efficient automation solutions to the customers.

**Training Centre:**

They will arrange an equipped training centre and will conduct a free quarterly training session for the potential customers. If required, they are able to arrange training by foreign trainers.

**Marketing Communication:**

They will communicate with the target customers through email and internet. They will conduct the product promotions through product demonstration and presentation to the customers. Their main focus will be the cost efficiency. As this is not the consumer product, the presentation will be very focused for only for the target customer and project wise. The presentations will include the followings:

- Features of the energy efficient industrial automation technology
- Cost efficiency in terms of production volume
- Functionality of the system
- Efficiency and effectiveness of this system

**Communication Objective:**

- To create awareness among the target audience about the product availability in Bangladesh.
- To change the adverse public attitude towards the Energy Efficient Product.

**Marketing research:**

Siemens BD Ltd will conduct the customer survey of market share and strength, market potentiality, opportunities during the marketing campaign.

As they have already informed that our government is currently focusing on the country's industries replace their energy-guzzling machineries with energy-efficient technology and enacts laws to ensure efficient use of scarce gas and costly electricity. They also want to speed up process to set up the Sustainable Energy Development Authority (SEDA) and enact the Energy Conservation Act to have policies and legal framework for saving energy. In Addition, power plants, fertilizer plants and other industries together consume over 80 percent of the 2,000 million cubic feet of gas produced in the country, while industries and commercial

entities account for half of the 5,500 megawatt of electricity generated, according to the government estimates. So, energy efficiency should be one of the major pillars of Bangladesh.

They have decided to conduct both cross sectional and longitudinal research for this as their target customers are small and reachable.

### **SWOT Analysis:-**

This SWOT analysis gives a bird-eye view to the favorable and unfavorable factors that affects this project.

### **Internal analysis:**

#### **Strengths:**

- Siemens Bangladesh has a strong brand image in the Electrical, Electronic & Power generation industry in Bangladesh.
- Has wide range of product line that includes solution regarding power generation, power transmission, healthcare products, industry automation, household products, telecommunication products, building technologies etc.
- The products are made with the help of German innovative engineering technology which ensures the highest quality.
- Provides reliable after-sales service with the best engineering team
- Serving in the industry for a long period has given it ample of experiences and economies of scale.
- Siemens Bangladesh has a sound organization structure with clear reporting relationship.
- Ample of cash flows are generating from the continuous growth of business units like Energy, Healthcare & IC.

#### **Weaknesses:**

- Siemens Bangladesh has almost no promotional activity for its products & services.
- Weak product distribution channel for its products under Industry unit.
- Strategic HR staffing is missing for the workforce of Industry unit.



## External analysis:

### Opportunities:

- Continuous urbanization, raising dependency on electric solutions on transportation are creating opportunities for Siemens BD to contribute for the development of the country.
- BD government is putting high emphasize on industrialization with energy efficient technology for saving energy and this will be an important issue in near future. Having wide range of experiences, Siemens BD can boost up the energy efficiency for industries with it's plenty of energy efficient products.
- Increasing demand in electronic consumer products.

### Threats:

- Increasing competition in the local market due to the entrance of Indian, Chinese and Japanese products.
- The other competitors, specially the Chinese companies can provide electric energy equipments at a cheaper price which has helped them to take away a major market share as BD market is very price sensitive.
- The presence of corruption hinders the goal Siemens “doing business in a complaint manner”.
- Political unrest causing barriers for investments and developments.
- Devaluation of local currency against foreign currency, which increases the price.

## PESTEL Analysis

Environment analysis is a comprehensive analysis of the internal and external environmental factors affecting an organization. A wide range of influences surrounding businesses can affect organizational decision making powers, strategies, process and performance. Among all factors, we have considered factors of political, economical, social, technological, environmental and legal. The PESTEL analysis for Siemens is like below:

**Political:** These refer to government policy such as the degree of intervention in the economy. The political situation in Bangladesh is unfavorable for any business. Political strikes, vandalisms are observed frequently in the country. All these unwanted political activities adversely affect the private sectors. Due to such unfriendly political environment the investment in the country is very low. Although political unrest exists, Siemens Bangladesh is not much affected as no production facilities exists here and most of the activities of Siemens Bangladesh based on the imported material from Siemens Global.

**Economic:** These include interest rates, taxation changes, economic growth, inflation and exchange rates and these can have a major influence on the firm's behavior. The slowing global economy resulted in a decline in investments, which impacted Germany, the head quarters for Siemens, as an export nation in particular. However, as a developing country, the economic prospect of Bangladesh is very high in upcoming years. This will be basically on foreign investments in Bangladesh and industrialization in different areas. In this current situation, Siemens Bangladesh and also other companies have opportunities to invest more in line with the development of this country.

**Social:** Bangladesh is one of the poorest countries in the world. Though its vast population produces a big opportunity for any business, the poverty stands as an obstacle in such activity. But with the increase in the per capita income, this obstacle is getting gradually removed. Changes in social trends can impact on the demand for a firm's products and the increasing

urbanization changes. Increasing urbanization changes are exerting an ever-greater impact on the company in current times. More people are moving to urban areas in search of better jobs, better education and a better life. For example, Indian customers are highly discerning, educated and well informed. Thus Siemens emphasis is on the value for money.

**Technological:** New technologies create new products and new processes. Technology can reduce costs, improve quality and lead to innovation. These developments can benefit consumers as well as the organizations providing the products. High tech and electronics companies like Siemens face a variety of challenging business imperatives due to developing technology. They develop and deliver products that are highly innovative and cost sensitive while competing in the distributed global market. However, technologically Bangladesh is pretty much handicapped. The local demand of technological products and other solutions are mostly met by imported goods, which creates huge opportunity for companies like Siemens. At the same time the local productions suffer as the technical knowledge is missing among the workers and technical helps are unavailable. For Siemens this is an opportunity to help those entrepreneurs who are thinking for having a factory.

### **Environmental:**

Environmental factors include the weather and climate change. With major climate changes occurring due to global warming, there is a growing desire to protect the environment. This is having an impact on many industries to move towards more environmentally friendly products and processes. Siemens is the green infrastructure giant. Siemens is facing a challenge in meeting rising needs of customers in ways that are cost efficient, sustainable and environmentally compatible. Yes, obviously environmental factors have an impact on for doing any business in Bangladesh. The environment related issues are not paid much value for the regulatory bodies. Therefore, environment friendly products are not paid any priority.

**Legal:** These are related to the legal environment in which firms operate. Legal changes can affect a firm's costs (e.g. if new systems and procedures have to be developed) and demand (e.g. if the law affects the likelihood of customers buying the good or using the service). Different countries have different types of legal system for human rights, property rights all over the world. Siemens considers all changes in legal system of a country and adopted that culture for the sustainability. Administrative inertia is a fundamental problem faced by any business while dealing the legal issues in Bangladesh. In many cases there is practice of dishonesty. The intellectual property rights are not matured and implemented enough. The rule of law is not so strictly practiced. Besides the tax imposed on electronic product is very high. All these legal issues have hindered business of Siemens in Bangladesh.

### **Competitive Analysis:-**

Siemens is aiming to capture and maintain leading market and technology positions in all its business in order to achieve sustainable profitable growth and, thus, continually increase its company value. For this reason its strategy is reflected in three different directions: -

**Innovation-driven growth markets:** The Company is breaking new ground while focusing on growth markets. Its activities are closely geared to innovation driven markets with long-term potential and they intend to play a leading role in these markets. It boosts up their competition power.

**Get closer to its consumers:** They want to be close to their market. For these reason another strategic aim that they are pursuing is the professionalization and expansion of their service portfolio. They are opening up a large number of new business opportunities and reinforcing customer retention. Moreover, to better understand what really helps their customers; Siemens is constantly intensifying its already wide ranging interaction with them.

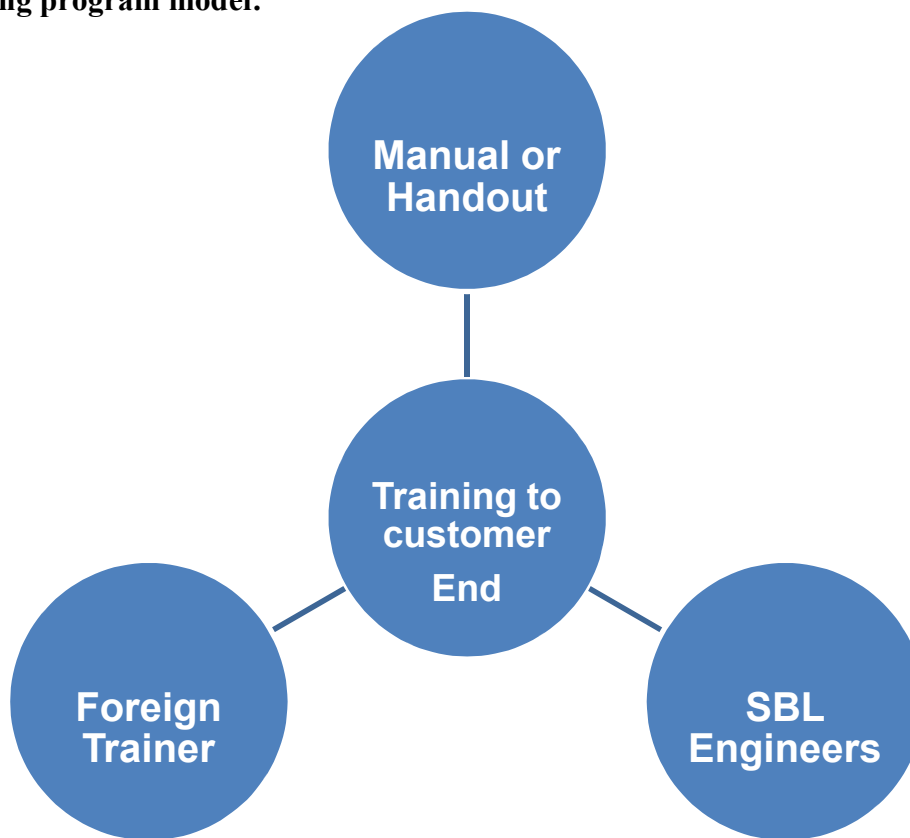
**Use the power of Siemens, "One Siemens":** To rank among the best, it is important to excel in everything to do, and that means you need an outstanding team. Because of this, their last commitment is their employees' integrity.

The One Siemens strategy is based on the idea of each employee contribute to the company success with his knowledge, his compromise and his pioneer spirit. In addition, Siemens always operate under the name of Siemens; they only use one brand for all their business as their objective is to transmit confidence and innovation through all their products.

### 3.8 Actions Program

Siemens will conduct different actions programs in order to achieve its marketing strategy and make it effective. Its sales force will contact with all the target customers and try to develop the business with them. They will invite all the potential customers to free product presentation program on the very beginning of the fiscal year 2015-2016. Afterwards, segmented presentations will be provided i.e. it will be for sector wise within next six months.

#### Training program model:



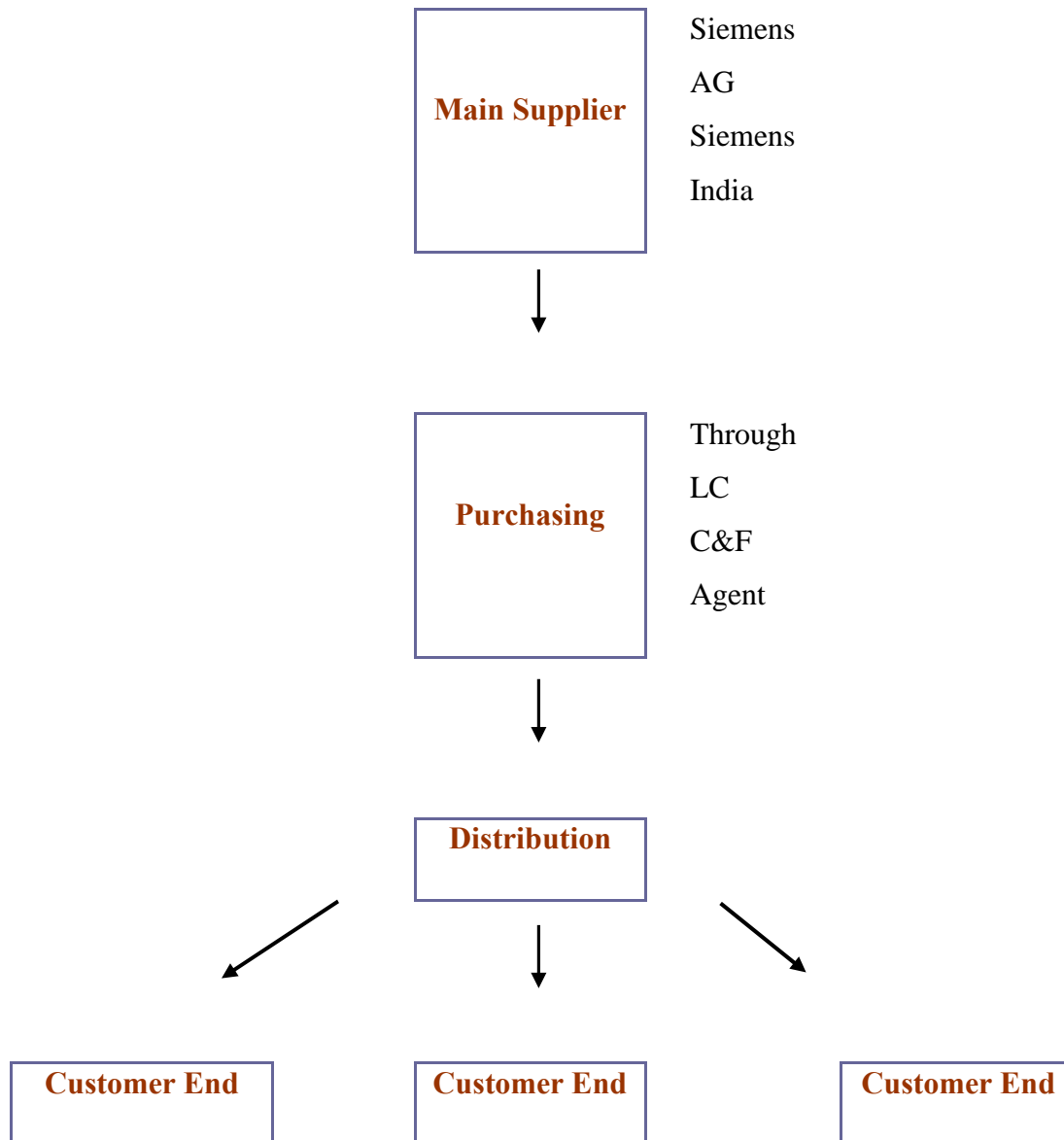
The management of the division will finalize the development of at least two channel partners by next two months and prepare the profile of them for customers.

The expert engineers will arrange the training kit by the next three months with necessary software support. The training centre will accommodate 20 trainees. It is the responsibility of the head of the department.

The sales people will develop the product demonstration in form of computer presentations sector wise so that they can present when customer will intend to have the detail features of the project.

Two sales persons have been assigned for performing the market survey. They will present the total market status along with key figures of financial positions to the management.

### Supply chain Management model:



**Market communication:**

For this project they need to make sure the followings through communicating with customers:

1. To make sure SBL is properly communicating with its target market
2. To make sure the message is understood by the customer
3. To make sure IMC tools are properly used
4. To make sure proper channels are used to reach the target customers
5. To make sure campaign resulted in increased sales



### 3.9 Financial Projection

In the first year, they estimate no sales as they expect the market introduction in this year. In the first year the estimation for the project promotional expenditure is BDT 2 lakh.

But this project at least has some remarkable contracts by the end of this year. In the second year we project total sales of 60 million BDT and its EBIT will be 5 million BDT.

Each action programs carries it's own financial assumptions, as well as managerial assignments and scheduling details.

The following table will shows the financial projections by the end of second year:

Title	Amount (BDT)
Total Sales	60 million BDT
Cost of sales	44 million BDT
Gross Profit (30 % margin)	18 million BDT
Sales overhead	5.5 million BDT
General Administration cost	5.5 million BDT
EBIT	6 million BDT

Note: For the third year sales growth will be projected as (sales of second year + 2x GDP x sales of second year).

### 3.10 Implementation and Control

This marketing plan has projected sales for second year and expects to be significant holder of market share by next three years. Though in the first year it has not projected any profit margin, it expects highly penetration in the market.

#### **Implementation of Project Management:**

As the first year is very crucial for the future market penetration, it will arrange review of its activities in each month in order to see the progress and trend in the market penetration. This review will also review the budget for each action program and any additional budget requirements will be also discussed here. The team leader will provide report to the meeting. This review will ensure the control of the action program. From the second year, when ES will be working in the projects, the review meeting will be held quarterly basis.

Any deviations from the action plans will be immediately addressed for corrective actions by the concern personnel. Also the environmental and other macro factors of changes will be discussed here.

## Recommendations for Siemens Bangladesh:

- They should increase their promotional activities so that people will get to know about their business in our country.
- They should give their electrical products to trial purpose once as their products are very expensive. Clients would be glad to use it first as a trial basis before buying it with a huge amount of money.
- They should take feedback from the clients

## **Conclusion:-**

Siemens Limited has a great potential in the world as a leading global brand. To achieve the desired position in the market, improvement in many sectors is essential. As the necessity and awareness of medical healthcare and energy sector is increasing day by day, more hospitals, clinics and diagnostic centers and different type of energy field are growing rapidly. These results in Siemens Medical and energy share in the market, which means the duties and responsibilities of Siemens Medical Solutions and energy Division to the customers and society, are also increasing. Besides as per this project Energy efficient Industrial motors could be very profitable business in Bangladesh. It can boost up the industrialization in Bangladesh and helps to increase the scale of economies with lower energy consumption. This system will increase not only the productivity but also increase the quality and operational efficiency. Hence will industrial looking for extension of their manufacturing plant with this technology in the very competitive market. As there are only few numbers of companies who are working in this system project, there is a lot of scope to penetrate the market. Siemens Bangladesh Ltd believes that it will have a good business here with its all the strengths and utilizing the opportunities. The marketing described above will give a good impression in this regard to the management and they are confident that they will achieve the plan.

## Appendix

### PAINT SHOP: Reduced energy consumption through innovative drives

**Energy-efficient motors from Siemens**

with high efficiency (EFF1 class) due to compact design with up to 40% less power loss compared to standard motors

**SINAMICS frequency converters**

Frequency converters capable of energy recovery with innovative infeed technology where the braking energy is fed back into the line supply

Motor rating (kW)	0.9	1.1	1.5
Purchase price	0.9	1.1	1.5
Installation and maintenance costs	0.1	0.2	0.3
Energy costs	99.0	98.7	98.2

Division into 3 efficiency classes acc. to agreement between EU and CEMEP

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### Reduced energy consumption through innovative drives

Assumptions

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Motors used for ventilation and exhaust air

Plant capacity: max 300.000 cars/year  
 Plant uptime: 6 x 24 h / 310 days per year  
 Plant life cycle: 10 years  
 Motor utilization: 100 %  
 Energy costs: Rs. 6.00/kwh

Motor type (in KW)	Amount
15	20
18,5	4
22	2
30 (4-pole)	2
30 (6-pole)	7
37	3
45 (4-pole)	3
45 (6-pole)	1
55	22
75	1
90	4
110	8
132 (4-pole)	4
132 (6-pole)	15
160	7

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**Figure:** The efficiency of Siemens energy efficient motors

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