

# Internship Report

Promotional Mix of Rahimafrooz Superstores Limited

**Internship Report  
on  
Promotional Mix of Rahimafrooz Superstores  
Limited**



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# Letter of Transmittal

7<sup>th</sup> September 2016

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Subject: Submission of Internship Report on Promotional Mix of Rahimafrooz Superstores Limited

Dear Miss,

This is to inform you that with great pleasure that I have prepared the internship report on **“Promotional Mix of Rahimafrooz Superstores Limited”** to fulfill the requirements of the bachelor degree under your supervision. It has been a worthwhile experience for me and I have tried my level best to prepare an effective report. The report contains detail study of the promotional activities of Agora and the competitors analysis.

I would like to thank you for your support and encouragement which inspired me to work enthusiastically. However, any sort of inconsistency may arise, I will be pleased to clarify the answer of the questions.

Your sincerely,

Sorbojoya Chakma

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## ACKNOWLEDGEMENT

I wish to extend my gratitude to all the people who helped me accomplish my report title, “Promotional Mix of Rahimafrooz Superstores Limited” at Agora. At the very beginning, I want to thank my faculty advisor and internship supervisor in BRAC University, Miss Ummul Wara Adrita, who has given me precious guidance from her busy schedule. I am very grateful for all her advice in order to make my report more effective.

Secondly, I am grateful to Miss Nushrat Jahan, Senior Officer of Agora in Marketing department for being my internship supervisor. She has shown me how to get things done easily and helped me a lot.

I am thankful to Mr. Samir Muhammad Saleh, Department Head of Agora for granting my internship in his department. I want to express my sincere gratitude to Mr. Abdul Hamid, Executive of Marketing department for his cordial cooperation and encouragement.

## EXECUTIVE SUMMARY

Rahimafrooz is one of the largest trading businesses in Bangladesh which was founded by Mr. Abdur Rahim in 1954. Agora is one the main domain of Rahimafrooz which is also the first retail store in Bangladesh. Currently it is holding 22% share of the retail industry. It has in total 15 outlets in Dhaka and Chittagong.

Agora entered in this industry as a pioneer with great leadership, innovative strategies. Meena bazaar and Shwapno followed the same path and entered into the industry in 2002 and 2007. Even though they were late comer but Shwapno successfully own 35% market share in this industry.

One of the advantages Agora has over other competitors is the category department which is basically does the supply chain works and also all the non-food works. They maintain the quality control extremely.

The report includes the Agora's marketing strategies to capture the market share and growth. Moreover, it also focuses on Agora and its rival's promotional mix to judge its marketing strategies. After comparing I have came up with findings and recommendation which discloses the area of improvement in promotional activity of Agora.

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**Chapter 1**  
**Introduction Part**



## 1.1 Origin of the report

This report is the reflection of three month internship program which is mandatory to get graduated in Bachelor in Business Administration program from BRAC University. I needed to complete 4 credits which is actually a course under the name of BUS400. I am lucky that I got the chance to work for Rahimafrooz Superstore Limited for the internship where I gathered knowledge about the marketing activities in retail store. This report is based on my three months internship experience that I gathered from serving RSL to meet the requirements of BRAC University.

## 1.2 Objective of the Report

The main objective of the report was to fulfill the requirements of BUS400 course by preparing and submitting report on “The Promotional Mix activities of Rahimafrooz Superstore Limited”. But there were some other objectives too which will be highlighted below:

### **Objectives:**

- To know about Rahimafrooz Superstore Limited business unit.
- To know about Rahimafrooz Superstore Limited business unit.
- To know about promotional mix.
- To know what are the promotional tools.
- To know how the tools are being used.
- To learn strengths, weakness, opportunities and threats of the company.
- To get a better understanding about the advantage and disadvantage of promotional mix.
- To know about the competitors.
- To know about the SWOT analysis of Agora.

### 1.3 Methodology

Methodology describes the way of collecting data, analyzing and interpreting them. The required data were achieved in two ways:

#### **Primary Data collection:**

- **Qualitative Analysis:** These data source are the raw data which can be obtained through practical involvement and job responsibilities. The primary data were collected from the employees working over there under management level, observation, interview, seniors.
- **Observational Analysis:** I spent several hours every day throughout the internship period to collect data by observing the whole process.

#### **Secondary Data collection:**

- These data source includes reviewing articles, internet, newspaper, interview etc. The secondary data were collected from different publication, report, journals, websites, and brochures. There are some internal information about the company which I have promised to keep it confidential

### 1.4 Scope

This study will help the students, individuals, researchers in future if they want to know about the practical issues, strategies, overall promotional process of Rahimafrooz Superstore Limited. It will also help the RSL authority to solve the internal problems and factors they need to develop. It will help them to adopt suitable policies and take initiatives.

## 1.5 Limitation

There are some limitations which affected to conclude the final analysis and conclusion of my report. Some notable limitations are given below:

- **Time limitation:** Due to time limitation many aspects could not be discussed properly.
- **Confidentiality:** The authority has put restriction to use some confidential data in this report. It was an important barrier that I had faced during the report.
- **Unavailability of respective person:** Some secondary data were collected from the officials who were busy with their regular work load. It was hard for me to collect from them.
- **Stress factors:** Stress factor was one of the limitations because after doing full time office, it was tough to do report. It hindered the speed of work.
- **Lack of professional knowledge:** As a student we are not professional enough to do an internship report. Though we all are used to assignments and final reports in each course but doing this report was a bit challenging.

**Chapter 2**  
**Industry Analysis**

## 2.1 Industry Analysis

The history of retail Industry of Bangladesh is not very long. The consumption from the retail stores are basically city based. Like other industries, it has competition but less. Developing countries like Bangladesh has future for this business but initial investment is huge. The idea of retail marketing came in the period of industrial revolution, about 1940.

In Bangladesh supermarkets have successfully made a breakthrough in the urban lifestyle. The very first superstore in Bangladesh was founded in 2001, which is Rahimafrooz Superstore limited under the name of Agora. However many consider Aarong as the first retail store which was founded in 1978. But now there are so many superstores in the affluent areas like Uttara, Gulshan, Dhanmondi, and Banani.

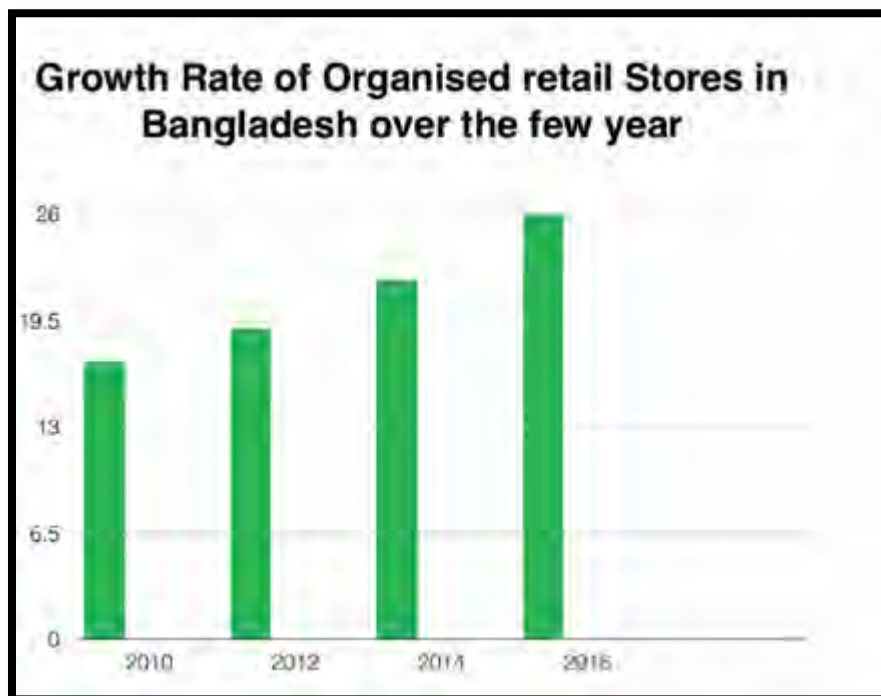


Figure 1: Growth rate of retail store in Bangladesh.

## **2.2 The main players in this industry**

- Agora
- Shwapno
- Meena Bazar
- Chaldal.com
- Unimart
- Lavender
- Priyo
- Nandan
- Others

## **2.3 The main suppliers in this industry**

- Local suppliers
- Importers
- FMCG manufacturer companies
- Companies themselves

## 2.4 SWOT Analysis

SWOT analysis is a framework which allows determining company's strength, weakness, opportunity, threat. With a little thought, it can help to uncover opportunities and understanding the weakness it can help to eliminate threats. Thomson (2001) tried to relate and made a conclusion:

- 1) How the company's strategy can be matched to both its resource capabilities and it's market opportunities
- 2) How urgent it is for the company to correct which particular resources weaknesses and guard against which particular external threats.



Figure 2: SWOT analysis

## Strengths

- **Strong management:** Agora has skilled human resource which allows running the business properly. It will have a long-term impact on the business by eliminating weaknesses. It is a defendable qualitative factor.
- **Technology:** Technology has significant impact which can lead to increase profit easily. It can help to defeat the competitors easily. For example: Agora is one of the companies in Bangladesh which is allowed to use ERP software.
- **Supply chain:** Strong supply chain helps to collect the products and deliver the products to the customers timely. Agora collects its products from the best supplier in the country and before the product runs out, Agora renews it.
- **Economics of scale:** It is the cost advantage that Agora gets from the supplier. The greater the volume the greater the advantage.
- **Financial leverage:** It allows using their balance sheet for more profit.
- **Unique products:** It helps to distinguish between the competitors. Agora can also charge a higher price for its unique and best quality product.

## Weaknesses

- **Cost structure:** It means Agora charges a bit higher price than the competitors. Some customers who might look for lower price, they will not buy from Agora. It has a long-term negative impact on customer's mind.
- **High loan rates are possible:** It is a possible weakness that Agora took a high loan from bank or other resources.
- **Lack of scale:** It means cost per unit is very high. Only increasing volume can balance the higher price. Besides the quality should be on top of everything.

## Opportunities

- **Growing economy:** It is easy to grow fast and expand when the economy is suitable. The more exchange of money, the more invest. And investment leads to more profit.
- **Fragmented market:** It offers a great opportunity expand and increase market share. It has many small competitive who lack the cost advantages of larger companies.



- **Growing demand:** In our country the demand of retail store is increasing. Agora targets the high income customers but lower income people also visit here in the sale season.
- **New service:** People are more into new things. So presenting a new and better service can help Agora to gain the trust of the non-loyal customers.
- 

## Threats

- **Political risk:** Bangladesh's political situation is very unstable, which can act like a threat. Sometimes changing government can have an impact, if new government puts new regulation. And if government puts new rules against Agora, it can affect in long-term.
- **Volatile currencies:** It makes Agora's investment difficult, because cost and revenue changes rapidly.
- **Increase labor cost:** Lower labor cost is a factor of higher profit. If people divert into different jobs, Agora might face higher labor cost
- **Increase rate of interest:** If economy downfalls, bank and the investors might increase the rate of interest, which will be a threat for them.

**Chapter 3**  
**Company Analysis**

### **3.1 Introduction**

In 2001 one of the biggest retail shops in Bangladesh was established by Rahimafrooz under the name of Agora. It was the first to break into modern retail store as a pioneer in Bangladesh who puts the customers as its guest. Agora has 15 years thrived to bring the best to its customers: quality, freshness, choice, price and service. This has been the most dramatic shift in Rahimafrooz's interest as it represented a diversification from its main competencies power and industrial sector.

Rahimafrooz group itself is one of the renowned business entities in our country which was founded by a man gifted with entrepreneurial sense, Late A.C Abdur Rahim. Originally Mr. Rahim's family used to live in India and they settle down in Chittagong in 1973. It was named after Mr. Abdur Rahim's eldest son.

The first store was opened on August 24, 2001 at Rifles Square, Road 2 Dhanmondi. The second store was opened in Gulshan in April 2002 and the 13<sup>th</sup> number store has opened in 30<sup>th</sup> June at Uttara this year. It has consistently delivered the highest standards of quality on its products so that the health, safety and well-being of its stake holders, customers, suppliers and staff have consistently been enhanced. "Agora" is a Greek word which means marketplace. The initial plan was provide an environment where people will not shop only but also stay and meet other people. The logo is different and the name is written in green color which means the color of freshness.

#### **Background of Rahimafrooz**

Rahimafrooz was incorporated as a trading company in 1954; from then on it has grown rapidly by collaborating with Lucas, Dunlop. The journey of Rahimafrooz started with a single product which has become a giant company having 9 different SBU's at different location of Dhaka which includes diverse products. Today this group operates in a diverse sector of power and energy, solar power, vehicle units, electronics and retail industry. Mr. Rahim always believed in ethics, honesty, integrity, dedication and the hardworking people who walked always side by side with him. Not only business but this group also established the rural service foundation which works in the rural parts of the country to bring power to communities by solar and electricity where it needs the most. It also helps to continue the studies of the poor and meritorious students who cannot pay their school fees.

### **Mission:**

- Offer better range of quality product.
- Establish rational prices.
- Offering a clean, healthy and a friendly environment to customers for shopping.

### **Vision:**

“To give customer confidence and establish an environment of trust”

### **Core Values:**

- Integrity in all our dealings
- Excellence in everything we do
- Total commitment to customer satisfaction
- Thinking ahead and taking new initiatives
- Valuing and inspiring people

### **Objectives:**

- To provide the guests with best quality product, service and better price.
- To ensure consistency of variety and supplies of products.
- To improve product packaging, presentation and environment.
- To give customers confidence and establish an environment of trust by providing the best.
- To offer clean, healthy and friendly environment for shopping.
- Contribute to the well being of the people in the process.

### 3.2 Organogram:

The hierarchy of Agora will give an overview of responsible entities for any decision making and planning progress.

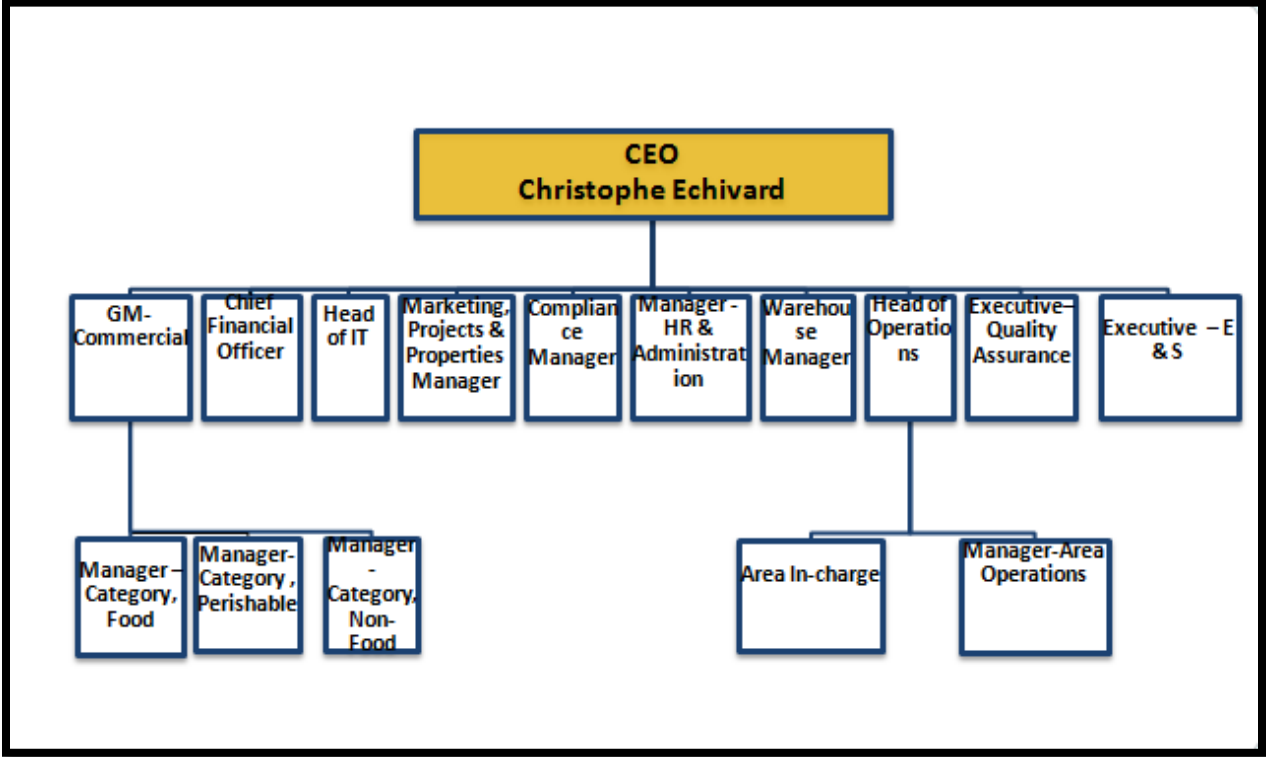


Figure 3: Organogram

### **3.3 Products and services:**

Agora\_ both has perishable and non-perishable items with different varieties of meat, vegetables, fruits, bakery, dairy, grocery, personal care, miscellaneous products. There are around 100 different products in every outlet. Agora believes in commitment and tries to provide the best quality food and non-food items with the most trusted, loved retail chain. They try hard and soul to maintain the best quality of the products by ensuring again and again by different tests. They basically target the customers with higher income than Tk 40,000 per month. They are also targeting the mass people for convenient shopping. Their service is also fast enough to satisfy the busy customers who come to shop in their tight schedule. They are concerned about the fact that they have to provide everything you need under one roof. People are very concerned about the products they are buying. And agora puts quality in its top priority. Products do not contain harmful chemicals though there are many controversies in newspaper. Even they start selling mango little late in the season after having huge loss, because they want to serve the guests with chemical free fruits. However, products are expensive compared to other local markets.

#### **Perishable products:**

- Meat/ beef
- Vegetables
- Fruits
- Fishes
- Dairy and eggs
- Fast foods

#### **Non-perishable products:**

- Household items
- Cosmetics
- Personal care
- Kids wear and toys

### 3.4 Interior of Agora

Agora's interior is similar to most of the supermarkets design due to trends in marketing. Each and every product is located in a manner so that customer can easily find the products. Milk, bread and other daily products are rear place or other out of the ways. It has done purposely to ensure customer spend maximum time, strolling pass other items and capitalize on impulse buying. Sales machine or cash register is placed in the front of the store. Agora has plan to set self-checkout device like Walmart and other foreign retail stores which will reduce labor cost and they will feel satisfied.



Figure 4: Interior of Agora

**Chapter 4**  
**Project Part**



## 4.1 Porter's Five Forces Model

Industry attractiveness: It is (relative) future profit potential of a market. It can be determined by using Michael Porter's Five-Forces Framework.

- A) Number of Competitors
- B) Number of Substitutes
- C) Bargaining power of the Buyer
- D) Bargaining power of the Supplier
- E) Entry barrier

A) **Number of Competitors:** Established brands has less barrier than others. The rivalry continues on depending on the industry. There are two factors:

Industry of complete structure – Fragmented (Restaurants)

Consolidated- (Automobiles)

In this industry the number of competitors is huge but the potential customers are few. Some competitor's names are given below:

- Shwapno
- Meena Bazar
- Chaldal.com
- Unimart
- Lavender
- Priyo
- Others

B) **Number of Substitutes:** All business firms fight with the competitors and try to offer better product and service. Lower price and higher quality substitutes are always two important criteria for the customers. Rapidly available products and lower switching cost can be the factors of stronger substitutes. With a 20-30 percent sales growth there are more than 30 companies with 200 outlets.

The competition is mainly Dhaka based for this industry because the potential customer who earns more than 40 thousands monthly resides in Dhaka or Chittagong. That is why maximum retail stores are situated in two big cities. Non-perishable are available in every stores but the best perishable products are available in Agora. The competitors are the substitute super shops.

**C) Bargaining power of the Buyer:** When there are few buyers and they buy large amount of products, they can control the bargain. Again if there are so many suppliers, buyer can have the power.

Most of the Agora owns the power of bargaining but sometime it varies. Seasonal perishable products like vegetables, fruits can be bought in a comparatively lower price. Besides, Agora has contract with some fixed suppliers who supply products in a large amount with an affordable price.

**D) Bargaining power of the Supplier:** When there are fewer substitutes' products or suppliers, the bargaining power is higher. If the supplier does not feel to sell the products to a particular customer or if the product is very unique, the power is on supplier's hand. In this case suppliers can threat to change another buyer for a higher price.

Sometimes for the unavailability of the product or the imported product, supplier can charge a huge amount. Agora tactfully deals with them so that competitors cannot have the unique products.

**E) Entry barrier:** Companies those are not entering in the industry that does not ensure they will not forever. There are some factors those perform as a entry barrier: brand loyalty of the customers, cost advantage by buying large amount, economies of scale by producing large amount so that per unit cost decrease, government regulation, switching cost. In this industry entry barrier is huge because it requires huge amount of investment.

## 4.2 Strategy of Agora

### SCM Strategy:

Here we will shortly discuss about the distribution, marketing strategy of Agora. Agora usually does not produce any product but they collect from the best supplier and then refine those for the end users. Supply Chain Management (SCM) is managing the information, material, finances as they move in a process from supplier >manufacturer> wholesaler>retailer> consumer. It involves coordination, integration among the supplier and the buyer.

The SCM of Agora is ware-house based and it is very flexible in a sense that there is no intermediary process in between warehouse of Agora and the manufacturing company. At first Agora collect the products from the company; transportation cost is taken care of the manufacturing company. After storing all the products Agora distribute those in 14 outlets. Agora has contract with some agricultural firms like poultry, vegetables, mushroom, hatchery, dairy firms and they supply to Agora time to time.



Figure 5: SCM of Agricultural products.

Agora has contracted with manufacturing company like Unilever, Square, Reckit Benkizer, Kohinur, Keya etc for the consumer goods. They directly deliver the items to Agora.



**Figure 6: SCM of consumer products.**

Sometimes Agora directly imports products from abroad. In this case there is no intermediary, Agora contacts with the foreign manufacturer and imports directly from abroad. There are also some companies who imports products and they supply those products t the distributors or retail stores like Agora, Janata foods, Sorwor and Brothers etc.

Agora usually do not produces any products but they have plants for producing herbal products. They manufacture tea, mehendi, uptan, chandan etc.

### 4.3 Competitors Analysis:

Competitor's analysis includes determining the competitors, their strategies, their strength and weakness. Agora is dealing with some potential competitors.

**Meena Bazar:** Meena Bazar is a well reputed retail super market which is a subsidiary of the larger Gemcom which is one of the largest conglomerates in the country. Gemcom company is popular for Bellissimo ice-cream and Kazi tea. It was established in 2002. It has 13 outlets in Dhaka, Chittagong and Khulna division. They offer around 6000-8000 items and a friendly environment for shopping. They also produce organic products like dairy items, prepared foods and herbal products. Though Agora was the pioneer of retail shop in Bangladesh but they are the first to open a website in 2012 where customer can shop online. So they are already one step ahead. Customer can order and get free delivery service. They are using the absolute advantage of ecommerce in every possible way.

Meena Bazar emphasizes on the visual presentation in the outlets with placards, banners. Investment management is their expertise which allows them to keep system running with enough inventories. Their strengths and weaknesses are given below:

#### **Strengths:**

- a) Good inventory management
- b) Free home delivery system
- c) Online order
- d) Focus on organic food
- e) Outlets are not rented, but they own it

#### **Weaknesses:**

- a) Not all the outlets are making profits
- b) High operating cost

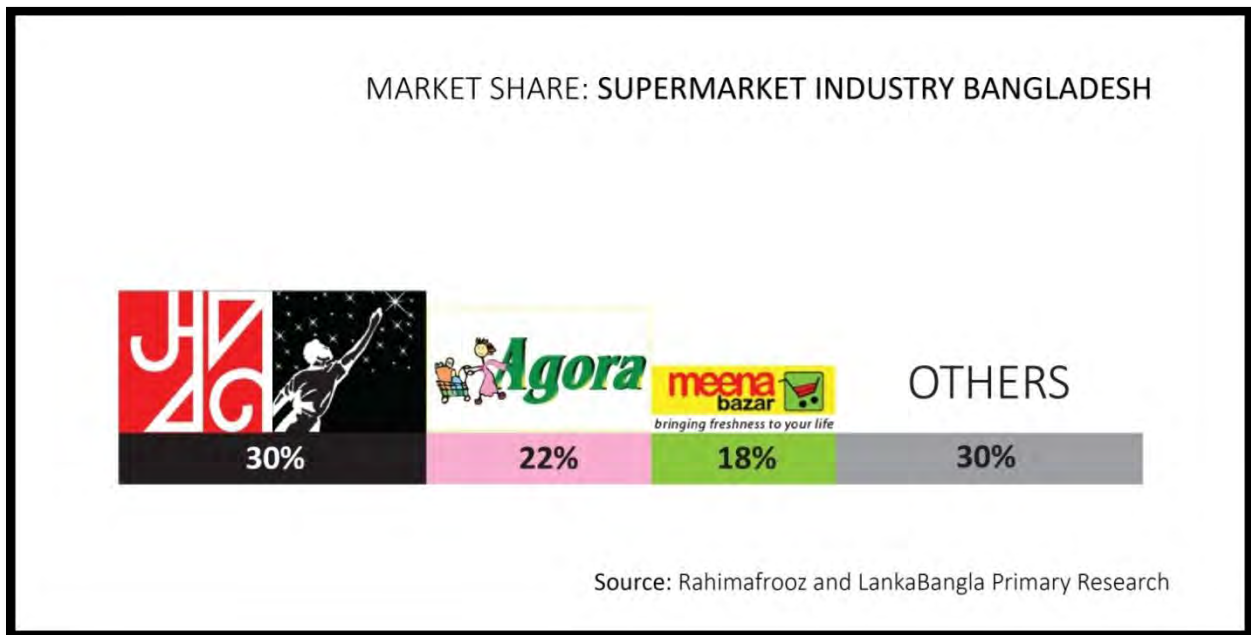
**Shwapno:**

Shwapno is a concern of ACI group which was founded in 2008. It tries to keep the commitment of ACI, for a better Bangladesh and involves millions of individuals with it. It has 46 outlets all over the country and by this it became the largest retail chain Bangladesh with over 30% market share in retail industry. Shwapno target the upper middle class, middle class and the affluent segment of Bangladesh.

Their advantage is they have a unique segment, lifestyle segment. They have their own designers who are in-charge of the segment. New designers were hired for prominent design house that focuses on women, men and children clothing. They achieved huge popularity from the recent TVC by actor Chonchol Chowdhury.

**Others:**

Other than these two potential rivals Lavender, Dhali. Unimart, Dedar are some small players in the retail market. But in total market share, together they own a huge part.



**Figure 7: Market share in retail industry.**

## 4.4 Marketing Strategy

Marketing strategy is the combination of all market goals into one comprehensive plan. For maximum profit every company do a market and industry research. In order to sustain in the business and gain profit out of it, company needs to follow different marketing strategy and update their products or service. Nothing can be gained if the end offering is not enough for the users; it will be all in vein with excellent marketing policies.

**Packaging strategy:** Packaging should be different to attract the customers. An effective packaging can contribute to the firm competitive advantages. Packaging should fulfill six functions: functionality, safe, unique, easy to remove, promote product benefits, and reinforce the brand.

At first Agora collects the groceries from the suppliers, purifies, grades according to size, example: fish, potato, fruits. They display the perishable items like meat and fish in an ice rapping packaging. And for the FMGC products, Agora does not spend for extra packaging. They also sell their own products like black tea, herbal mehendi, uptan; they do their own packaging in the manufacturing plant. Agora sells imported products also, for those they keep the exact packaging they get from the importer. Agricultural products like rice, grains, wheat'; they sell it without any packaging.

**Branding strategy:** Brand strategy is a long-term plan for development of a successful in order to achieve specific goals. It's much more than just the product, logo, and name of the company or website. Agora always tries to maintain to maintain its brand image with a motto "Right price and right quality". They are adding new local and foreign products as per as demand as per as customer demand. They are always aware about the product quality, price, suppliers, employees, customers. Loyalty is a critical part of brand strategy, now Agora has around 43,000 loyal customers.

**Marketing strategy:** Marketing strategy has the primary goal that is to increase sales and achieving competitive advantages. It includes basic, short-term, long-term activities. There are four objectives those needs to be fulfilled to achieve goals.

1. Clarifying business objectives
2. Using innovation Teams to identify, evaluate and activate emerging opportunities
3. Separating strategy and innovation
4. Building open asset in the market place.

Depending on the availability of the product Agora collect it from suppliers. They believe in “Pile it high, sell it cheap” which was approached by the founder of Rahimafrooz. Since 2001 it has gained enough popularity and trust, they can easily beat the competitors. They do their advertisement in a very unique way and try to keep up with the product demand. Their main target is to offer an extensive selection of brands and materials.



## 4.5 Promotional Mix

Promotional mix is a special combination of promotional method that is basically used for specific product or a group of product. Its elements are: Advertising, Sales promotion, Public relation, Direct marketing, Internet marketing, Personal selling, merchandising. Marketing team uses this to achieve company goals and objectives. Agora mainly uses Advertising, Sales promotion and Internet marketing.

### **1) Advertising:**

Advertising is the action of calling public attention and informs the consumers about product, quality, price and it makes purchasing easy for the customer. It is paid and not limited to print media, television, internet, or any other specific medium.

### **Comparison between Agora, Meena Bazar and Shwapno:**

**Agora** at first hired a private advertising agency called ADCOM for the design and produce ads that it requires but now all the designs are done by the internal graphic designer. Agora mainly uses newspaper, outdoor billboard as their advertising tool. Now the designing is done by the internal graphic designer and total budget allotted for advertising is roughly 30% of net sales. If customer feels that the product that has been advertised is exactly same as the original, they keep on buying. This also eliminates the middlemen charges by directly connecting to the end customer. Agora is always concerned about the product quality and tries to keep promise. So when they buy from the local vendors or import products they try to pick the best one for the customers.

The first outlet was in Dhanmondi and a survey was done which newspapers' were mostly circulated in Dhanmondi area. The result was ProthomAlo, the Daily Star. At the beginning, Agora published its news ad only in these two. However, there are now 14 outlets in Dhaka and Chittagong.

- Media: 1) Newspaper- ProthomAlo, The daily Star, Daily Jugantor, Ittefaq.  
 2) Magazine –Anondolok, Retail Bd and they have their own magazine too.  
 3) Radio – FM Radio Today, ABC, FOORTI



Figure 8: Newspaper advertisement of Agora

**Shwapno** spends around 70lac per month for advertising cost. Their advertisement policy basically provides knowledge about the new products and their lifestyle segments. They use newspaper, local cyber advertisements, billboards, catalog, magazine etc. They usually hire new faces for their photo shoot with a huge budget on photography, location and others. Sales increased after using billboards which has played an image creator role. Shwapno did around 14 TVC for their lifestyle segment and products. The recent TVC was done by famous actor Chanchol Chowdhury, who disguised as a local vegetable seller. He revealed himself after 2days and explained everyone why he buys from Shwapno Media:

- 1) Newspaper- Prothom Alo, The daily Star, Dhaka Tribune
- 2) Magazine – Retail BD
- 3) Television – Channel i telecasted program about Shwapno, TVC
- 4) Radio – FM Radio Today

**Meena Bazar** spends the least in case of advertisements. Their monthly cost for advertisement is around 10lac. External advertising agencies work for their designs, dangler, and internal billboards. They do not use newspaper as they are now using internet and online newspaper as their advertising field. They did two TVC advertisements, some documentary on Meena Bazar which was posted on Facebook. They were fined because they publicly advertised for a cigarette company on their outlet.



Figure 9: Advertisement of Meena Bazar.

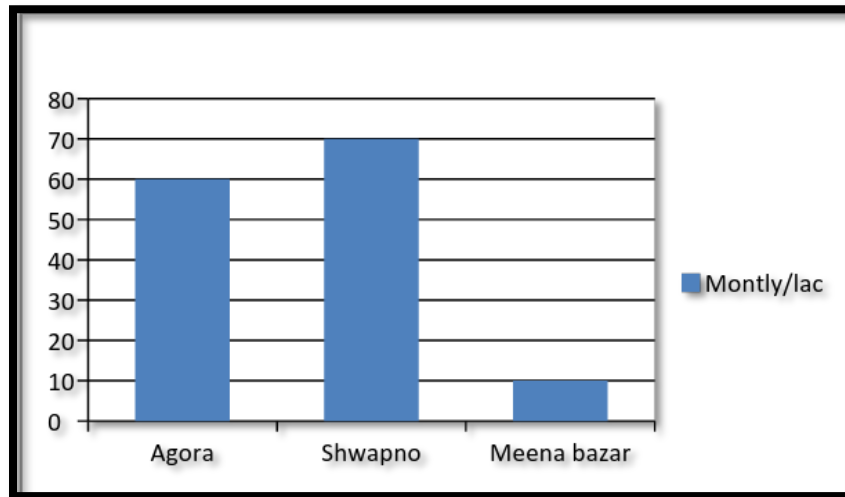


Figure 10: Monthly expense for advertisements.

## **2) Sales Promotion:**

Sales promotion is the set of marketing activities undertaken to attract customers and boost sales of the products or service. It is a short-term initiative to encourage the trader and customers. There are two types of sales promotion: trade and consumer sales promotion.

### **Comparison between Agora, Meena Bazar and Shwapno:**

**Agora** employs a wide range of sales-promotion methods:

- 1) Discounts (example: sells potato for 17Tk where market price is 22Tk)
- 2) Raffle draws
- 3) Associations with other companies

Agora does its promotional activity not for huge sales but for promotion. Recently Bkash (15% discount), Banglar Mela, Cream & Fudge, Comic Café, Diamond World, NovoAir are the associated companies. Standard Chartered bank provided a “Pride Customer” for the Agora

Aponjon Card holder. Agora has already arranged a sales event for the upcoming Eid for more than 500 products. As a promotional activity, Agora hangs banners and danglers in the outlet. It helps to enhance the decoration and give a bit excitement among customer regarding the sale. They also give a special promotional offer to the seller time to time.

**Shwapno** is using clearance sales for the upcoming Eid for all the outlets. They are also giving up to 50% discounts for the Lifestyle segment. They also do in-house promotional activities like banners, festoon, dangler and also colorful t-shirts for the sales person. Sometimes they use leaflets to let the people know about the discounts. Currently they are associated with UCB bank.

As a promotional activity **Meena Bazar** has sponsored an art competition for the children. They charge a special rent by the perspective company if they want to promote their products, Meena Bazar place the product at the forefront so that it can be easily viewed. They are associated with DBBL, master card, Visa card. Agora and Shwapno has loyalty card but Meena Bazar still did not introduce any card. Sales promotion has its disadvantage too. If they arrange regular sale event, customer might think the products are low quality or outdated. So it should not be arranged more than twice in a year.

### **3) Internet Promotion:**

Online branding and marketing strategies are mandatory for the exposure and success. Internet marketing has significant role because it aligns with the way customers make purchase decision. It enables a customer to build a relationship with the customer, mass marketing, low-cost personalized communication, prospects etc. it is very easy because we don't have to worry about opening or closing the store.

#### **Comparison between Agora, Meena Bazar and Shwapno:**

**Agora** does Internet promotion mainly by social networking site Facebook. They regularly post pictures of the weekly promotional or a new promotional offer, answer the question of the customer and even try to solve the customer complain. They have a website where they post about their recent updates, discounts, most demanded products etc.

Shwapno has a website which is still under maintenance. They also use Facebook as an online advertising tool. They upload pictures, packages, catalogs in the Facebook page. Meena Bazar not also uses Facebook but also very active in their Website. Their website is very furnished and well decorated with proper placement of the products. They are also connected in tweeter and Google+ with the customers. This app is also available on App store and Google play to make it user friendly on mobile.



Figure 11: Facebook advertisement of Agora





Figure 12: Facebook advertisement of Shwapno



Figure 13: Facebook advertisement of Meena Bazar.

#### **4) Public Relation:**

Public relation can reach the maximum target market. In the time of Internet, customers are very cautious about spending their hard earned money. Advertising and PR are two different ideas. PR can gain trust through press, celebrity endorsement, sponsoring. Statistics shows that PR has 7 times more power over advertisement. People feel more credible than the paper ads or billboards.

#### **Comparison between Agora, Meena Bazar and Shwapno:**

**Agora** is ignorant about PR; they rarely get involved with the customers. The CEO of Agora, Christophe Echiverd once went to a talk show about marketing strategy where to talk about many aspects. Agora has a plan to sponsor a football match with SGS Company. They did a selfie contest where people had to share the post, which has created buzz among the customers.

**Shwapno** knows how to involve public and they are taking Facebook into a new level. They did public relation marketing for their Malibag outlet where they spread their space for only lifestyle segment. They always keep posting about the grand opening of their outlets; they try to engage people through celebrity endorsement, they have also did three years back on Channel I about their lifestyle segment opening.





Figure 14: Public relation of Shwapno

**Meena Bazar** knows very well how to utilize PR; they time to sponsor events and TV programs. They do not only make the customers involved with their activities but also the stakeholders, suppliers too. In 2015, they sponsored a program to promote the female entrepreneurs in our country.



**Figure 15: Public relation of Meena Bazar.**

### **5) Direct Marketing:**

Direct marketing is connecting to the potential individual customers directly for promoting the product or service. It is cost effective and can generate sales. Companies use this method to target the customers who does not spend money as frequently with a little budget.

#### **Comparison between Agora, Meena Bazar and Shwapno:**

**Agora** sends promotional message to its valued customers via email, leaflet, SMS or direct mail. Some customers become annoyed and disturbed too if they feel texts are not relevant enough. In that case Agora takes quick initiatives and stop sending promotional text to that particular customer. It has a negative impact on customers mind if they feel they are not properly taken care of. Agora prints around 80,000 pieces of leaflets for monthly promotional sale.

**Shwapno** does not mail to its customers but they sometimes send SMS to the customers about their promotional activities. They are currently giving Eid clearance for all the outlets and they arranged leaflet for the customers which will enable them to get the personalized message.

**Meena Bazar** only sends SMS to its customers about the promotional activities.

#### **4.6 Findings:**

This is the era of digitalization whereas the leading retail stores in Bangladesh do not emphasize on e-commerce. All they understand about e-commerce is Facebook marketing. E-commerce is a vast area where social media marketing is a small segment. Among all the retail stores, only Chaldal.com is utilizing Google Ad. Now they are already one step ahead and they are also available on Google play store.

From Bangladesh's perspective, the use of direct marketing is not very effective. Generally, most people do not have an email address; even regular updates via SMS is not very popular or favoured among customers. That is why, Agora, Shwapno, Meena Bazar do not usually send SMS or email on a regular basis.

Public relation is very important element which is usually done by third party. Compared to Shwapno and Meena Bazar, Agora does less PR activities. They should involve and communicate with the customers through press releases and corporate anniversary parties. It can stimulate the interest among the customers; that is why magazine articles, TVs, charitable contribution, speeches, and seminars are significantly important for public engagement.

It is very clear that from Bangladesh's perspective, advertisements and sales promotion are the two most effective promotional elements. So retail stores also put first priority to these two elements for large sales, promotion and customer involvement.

The superstore concept is not traditional so the superstore biggies have failed to grow accordingly due to insufficient supply chain management.

**Chapter 5**  
**Work Experience**

## 5.1 Timeline

The timeline for the whole internship project is given below:

Week	Activity
Week 1	Got introduced with co-workers
Week 2	Studying previous works, outlet visits, daily desk work
Week 3	Made a Powerpoint presentation before Eid, analyzed some data, collected information
Week 4-7	Eid planning, meeting with several companies, daily desk work, idea sharing about promotion
Week 8	Started working for a new project
Week 9	Worked with category department, daily desk work
Week 10	New site visiting, daily desk work
Week 11	Daily work, outlet visits, , meeting with several companies
Week 12	Eid planning, got the result of my study

## 5.2 Major responsibilities:

The internship program started on 19<sup>th</sup> may, 2016 and ended on 18<sup>th</sup> august, 2016. I worked under the direct supervision of my supervisor senior marketing Officer, Miss Nushrat Jahan apart of my assigned works I had to visit for outdoor activities with other employees. I also worked in category department and worked with vendors. There were some special projects given by the head of the Marketing department Mr. Samir Mohammad Saleh and executive Mr. Abdul Hamid.

- **Outlet visiting:** I had to visit the outlets time to time. I had visited Gulshan, Uttara, Dhanmondi, Indira road outlet to find the problems.  
**Gulshan:** The most affluent people shop here and it always a busy place. But after the 2<sup>nd</sup> July ISIS attack sales fell down tremendously.

**Uttara sector 4, 14:** In these two area there are no retail outlets of the competitors, so there is no major competition.

**Uttara sector 6:** This is the latest outlet that was opened in June. Competition is huge because there are outlets already Meena Bazar and Shwapno. And Agora had to make different promotional plan for the new outlet.

**Dhanmondi:** Rifles Square branch is a busy branch, most of the Dhanmondi duelers shop from here.

**Indira road:** After the controversy of outdated products, sales fell little. But now everything is as like as before, less competition as there is a local bazaar in Farmgate

**Contribution:** I had to suggest possible solution for the problems. I had to suggest different promotional ideas that might help to boost their sales.

- **Making wobblers:** I had to make the list of food and non-food item list every week which were selected for weekly promotion.

**Contribution:** The list I had made was used to identify the products in the outlets. Weekly product list was different.

- **Product description:** I had to write the product description of the imported products. The description which was given by the supplier was not clear and I had to re-write it. And had to write in both Bangla and English.

**Contribution:** Product description was used in the website of the company that has been launched in this June.

- **Assist in loyalty department:** I had to look after the “Loyalty department” under the supervisor example: new card issue, lost card issue, internal card/ external card issue, information editing.

**Contribution:** Around 30 people’s Aponjon card I had to issue daily, if I had missed somehow customer start to complain. So I tried to complete it daily or else it will affect badly in customer’s mind.

- **Brand promoters:** I had to ready the brand promoter’s joining paper. Around 7 new brand promoters come to work in Agora outlet.

**Contribution:** This work is mainly done by the category department, but in my internship period I assisted them.

- **Determining weekly/monthly sales:** I had to determine the weekly/monthly sales and estimate next month's by Business Intelligence. It also allows determining the average basket value.

**Contribution:** After determining the values I made a sub-part of monthly "Loyalty Presentation" which was presented by the executives in front of the CEO.

- **Sending Email:** I had to send business to some important personnel email when Agora organized event, example: 15<sup>th</sup> July Agora arranged an event of Marketing.

**Contribution:** Employees were too busy in that time, sending email timely and without fault made their task easy.

- **Idea sharing:** I had to share promotional and communication ideas for the recent outlet that was opened in 30<sup>th</sup> June.

**Contribution:** The idea I shared for banners, dangler's placement was used by the company.

- **Online Promotional Activities:** I had provided the idea of recipe contest and selfie contest.



Figure 16: Online promotional activity.

**Contribution:** It helped to boost Facebook page and helped to create customer engagements.

### 5.3 Learning:

- **Relation building:** I have built a good relationship with all the employees in the marketing department including our department head and CFO. It is the first and foremost job in the corporate life.
- **Knowledge of the field:** Internship period gives us the opportunity to see the real-life perspective which we cannot get elsewhere.
- **Work as a team:** In between my internship period, we had several projects to do work with. We worked as a team to achieve the goal along with the executives, senior officers.
- **How to take criticism after making mistakes:** At the very first day, I made mistakes but my supervisor was very helpful, she taught me with care. But then I did again, so she made some criticism which actually helped to act positive and find the best out from everything.
- **Time management skill:** I treated the internship as a permanent job which helped to be punctual more and I built myself for 9-5 job in future, did my job on time, and sometimes worked under time pressure also.
- **New skills for resume:** The internship was only our course (BUS400) but also first real life job experience which we can add in our resume. It helped me to build my new skills and furnish my other skills as well.
- **Understanding future career goal:** Though I worked under the marketing department but sometimes I had to work with other departments too, which let me understand which is right for me. Besides, marketing department has different sections; my working experience helped me a lot to choose my future career in the business field.



**Chapter 6**  
**Literature Review**

## 6.1 Literature Review

Compared to South Asian counterparts, the retailing industry is fragmented and undeveloped. However, the structure is changing due to consumer's shopping behavior, economy, globalization, government's liberal attitude towards foreign imported products (Hussain & Ara 2004). Siddiqui Hasan and Ahmed (2006) explored five types of retail stores in Bangladesh. They are: 1) Roadside shops (traditional and unstructured), 2) Convenient stores (traditional and unstructured), 3) Municipal Corporation Market (traditional and unstructured), 4) Supermarkets (Organized and structured), 5) Superstores (Organized and structured).

Withing the healthcare industry, promotion is used in many different ways. Most of the superstores offer more than 20,000 products which include variety of fish, meat, vegetables, fruits, bakery, grocery, dairy, non-perishable items, household items, personal care, miscellaneous products etc (Siddiqui Hasan, Ahmed and Munni 2010). According to Brassington and Pettitt (2000), promotion strategy is the direct way in which an organization communicates the product or service to its target audiences. He also categorized the promotional tools into five elements: Advertising, Personal selling, Public relation, Internet marketing, Direct marketing.

There are more than 30 companies has invested in more than 200 outlets. However, Agora is the first retail store in Bangladesh which initiative was taken by Rahimafrooz in 2001 (Munni 2010). Now the total annual turnover of the superstores stands around Tk 17 billion (Tk. 1700 crore). The prominent retail store in Bangladesh, Agora has total 14 outlets in Dhaka and Chittagong (Khan 2015). Some other stores like Meena Bazar has 15 outlets, Shwapno has 34 outlets around Bangladesh, Nandan has 8 outlets, Prince has 5 outlets.

The author said the customers expect the rise of superstores will diversify the choices of consumers and boost their spending. They also expect the wet market (traditional and unstructured) which is mostly known as Kacha Bazar by the local people, needs to improve the quality and service. Because the maximum people in our country are poor and they shop from this wet markets.

The growth of the superstores in Bangladesh is enormous but in terms of contribution, it is very small. It is because their target market is niche according to Bangladesh's perspective. According

to Bachmann (2008), a researcher from Michigan University, “Bangladesh is part of a fourth wave that just barely has emerged in the last few years. The diffusion of supermarkets will be quite slow for the fourth wave, compared to the first three waves. The reason is that the key socioeconomic changes necessary for a change in the retail environment are happening in Bangladesh at a pace much slower than, for example in India”. Despite of its massive growth for past 15 years, the retailing sector has not expanded structurally due to lack of attention of the government (Datta 2010).

## 6.2 Recommendation

At the beginning Agora could only rely on their reputation and less on advertisements. But total scenario has changed after other competitors entered into the market. They invested massively which is a cause of current lower market share.

- High price of most perishable items causes dissatisfaction among the customers. Sometimes customers ask about the reason of higher price. Manager should be patient and explain why they charge more than the traditional wet market and why they should purchase from them.
- The shoppers are mostly the working women; they have less time than the regular housewives. No one can guarantee the expiry date of perishable products, but they should always maintain the quality of the product, specially meat and fish.
- The number of employees in the outlet should be increased enough so that the customer can feel they are getting the actual value exchange of higher price.
- It has been noticed that when there is a sale, the staffs cannot tell the list of the discounted products. Though company always arranges banners or danglers, but it is must to let all the staffs know about the availability of the product list and the discounted product list.
- They have to find out new promotional ideas to beat the rivals.
- They have to strengthen existing resource, add complementary resource and develop new resources.

**Chapter 7**  
**Conclusion**

The future of retail stores in Bangladesh is bright. They offer more variety, convenience and hygienic commodities.

Agora Ltd. had a concept to build a society where the working wife can make a time to purchases of daily needs under single roof. In a highly competitive business environment the quest for excellence does not end easily. Agora has been able to challenge all the competitors and has earned the present position. It always tries to maintain the struggling spirit and quality efforts to the top most priority which assures customer satisfaction. They have signed up with the all types of quality products manufacturer which made them one of the biggest clients. It has faced many cost problems in the mid of 2000s, but now it has become the top retail store in Bangladesh with a splendid future.

Agora can win the biggest share in this industry if they can overcome the difficulties. New threat can come if foreign retailers try to enter into the industry. They should come up with new promotional idea that competitors are not aware of and they need to be very unique and effective.

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