

An Overview of Digital Marketing Practices at Nestlé Bangladesh





Inspiring Excellence

Spring 2017

Internship Report on:

*An Overview of Digital Marketing Practices
at Nestlé Bangladesh*



Submitted to:

Md. Tamzidul Islam

Assistant Professor

BRAC University

Submitted by:

Kh Mussharat Tasnim Ishrar

ID: 13304077

BRAC Business School

Date of Submission: May 11, 2017

Approval Page

This undergraduate internship report entitled “*An Overview of Digital Marketing Practices at Nestlé Bangladesh*” has been prepared as an essential and mandatory part of the completion of the Bachelors in Business Administration degree.

Student’s Name : Kh Mussharat Tasnim Ishrar
Student ID : 13304077
Department : BRAC Business School
Program : BBA
Semester : Spring 2017

Approved by:

Advisor: Md. Tamzidul Islam

Assistant Professor

BRAC Business School

Signature and Date of Acceptance

by Faculty

Letter of Transmittal

Dear Sir,

I am pleased to submit the report on my internship, of Spring 2017, which is an essential part for the completion of my BBD degree at BRAC University. My report is based on the three-month long internship program which I have completed at Nestlé Bangladesh, one of the globally leading FMCG multinationals. Since I was working as an intern under the digital marketing department of the company, my report mostly talks about the major digital activities of the company. I tried our best to work on it carefully and sincerely to make the report informative.

The study I conducted enhanced our knowledge to make an thorough report. This internship opportunity has given us an exceptional experience that might have immense uses in the future endeavors and I sincerely hope that it is properly reflected through this report.

I have tried to give this report a presentable shape and make it as informative and precise as possible. Thank you for providing me this unique opportunity of drafting this comprehensive document.

Sincerely yours,

Kh Mussharat Tasnim Ishrar

ID: 13304077

Table of Contents

| | |
|---|----|
| Executive Summary | 7 |
| Chapter 01: Introduction | 8 |
| 1.1. Background | 8 |
| 1.2. Objectives | 8 |
| 1.3. Scope of the Report..... | 9 |
| 1.4. Methodology | 10 |
| 1.5. Limitations | 10 |
| Chapter 2: Company Overview | 12 |
| 2.1. About Nestlé | 12 |
| 2.2. Organizational Strategies | 12 |
| 2.3. Organization Structure | 15 |
| Organization Chart | 16 |
| Corporate Shared Values..... | 17 |
| 2.4. Products..... | 18 |
| Organization Size and Life Cycle | 19 |
| Organizational Culture | 19 |
| Organizational Decentralization, Differentiation and Localization | 20 |
| Decision Making Processes..... | 20 |
| Corporate Social Responsibilities | 21 |
| Chapter 03: Project Part | 23 |
| 3.1. Marketing at Nestlé..... | 23 |
| 3.2. Digital Marketing in Light of Nestlé | 24 |
| Social Media Marketing | 24 |
| 3.3. Social Media Platforms..... | 25 |
| 3.4. Social Media Marketing & Its Objectives | 26 |
| 3.5. Brand Specific Digital Activities | 28 |
| BRAND IDENTITY & TARGETING | 29 |
| MAGGI DIGITAL CAMPAIGN ACTIVITIES..... | 31 |
| CAMPAIGN RELATED ACTIVITIES | 32 |
| 4. Findings and Analysis..... | 33 |
| 4.1. Digital Performance – Qualitative Analysis | 34 |
| COMPETITOR ANALYSIS: | 35 |

| | |
|---|----|
| OTHER MARKET ANALYSIS | 36 |
| 3.6. Tracking & Measuring Digital Activity – Quantitative Analysis..... | 39 |
| MAGGI’S FACEBOOK PAGE STATISTICS..... | 40 |
| 5. Conclusion | 46 |
| 6. Recommendations..... | 46 |
| 7. References..... | 49 |
| | |
| Table 1: Nestlé Road Map | 14 |
| Table 2: Nestlé Products in Bangladesh | 18 |
| Table 3: Nestlé’s Globally Used Social Media Platforms..... | 26 |
| Table 4: Brands’ Communication Strategies and Targeting..... | 30 |
| Table 5: Different forms of MAGGI Facebook Contents..... | 31 |
| Table 6: MAGGI and Knorr Comparison..... | 35 |
| | |
| Figure 1: Nestlé Operational Pillars..... | 13 |
| Figure 2: Organizational Chart | 16 |
| Figure 3: CSV and Core Values of Nestlé..... | 17 |
| Figure 4: Nestlé Brand Essence Model..... | 23 |
| Figure 5: Nestlé’s Facebook Page Likes, Reach and Engagement | 40 |
| Figure 6: MAGGI Facebook Page Like Statistics | 41 |
| Figure 7: MAGGI Facebook Page Engagement Statistics..... | 42 |
| Figure 8: MAGGI Facebook Page Activity Time of Fans..... | 43 |
| Figure 9: MAGGI Facebook Post Analysis - Reach & Engagement..... | 44 |
| Figure 10: MAGGI Best Performing Posts of April..... | 45 |

Executive Summary

This report aims to discuss briefly about the digital marketing techniques of the Nestlé Bangladesh team. The digital marketing department of Nestlé Bangladesh, however new, is expanding rapidly and contributing more to add value to the company's visions with every passing day. Nestlé understands that the importance of connecting with consumers more effectively, which is where digital marketing plays a great part. The inception of the department was on October, 2014. Ever since, the digital team is thriving to maintain a smooth and consistent functionality to generate and publish quality contents on a regular basis. The department consists of the digital team itself, e-commerce department and the Consumer Engagement Center.

This report attempts to discuss how the digital activities are adding value to the brand's essence and purpose. The report also elaborates on the digital activities carried out by different brands, their targeting strategies and the basic objectives by the digital promotions and investments. Nestlé being one of the leading companies of the world, is also trying to be the market leader in terms of its digital activities. The social media marketing contents are developed according to the instructions and guidelines mapped out by the brand team. The brand team personally runs the ATL and BTL activities while the digital activities are carried out separately but of course with the consent of the brand. In fact, there are a number of stakeholders for the digital activities. Everything which is published online must be in accordance with the legal, regulatory and wellness department of the company.

The digital activities work together with the consumer engagement activities to communicate effectively and in regularly. The report discusses how the digital contents are used to create brand lift, sales lift and market share lift. The effectiveness of the digital communication is measured by both qualitative and quantitative measures. Reach and engagement are calculated to measure the performance of the digital activities. At the same time, a view of what the competitors are doing and what works best for Nestlé in other markets also helps determine what strategies should be adopted and implemented by the digital team of Nestlé Bangladesh.

Chapter 01: Introduction

1.1. Background

This report is on the digital marketing practices of Nestlé Bangladesh, one of the globally leading FMCG companies. Nestlé Bangladesh Limited started its first commercial production in Bangladesh in 1994. In 1998, Nestlé Bangladesh became a fully owned subsidiary of Nestlé S.A. Nestlé Bangladesh's vision is to be recognized as the leading Nutrition Health & Wellness (NHW) Company in Bangladesh, generating sustainable, profitable growth and continuously improving results. The digital marketing team in Bangladesh is a relatively new part of the company which began from October, 2014.

Nestlé covers nearly every field of nutrition: infant formula, milk products, chocolate and confectionery, instant coffee, ice-cream, culinary products, frozen ready-made meals, mineral water etc. We are also a major producer of pet food. Nestlé is present in all countries of this planet, with over 330,000 people working in more than 150 countries with 442 factories in 86 countries. Factory of Nestlé Bangladesh is situated at Sreepur, 55 km north of Dhaka that produces instant noodles, seasoning and infant cereals. It also repacks milk, soups, and powdered beverages. Today Nestlé Bangladesh Ltd. is a strongly positioned organization that continues to grow. To further enhance its position and growth, the company is emphasizing on the digital activities since most of the consumers can be very easily reached online.

1.2. Objectives

The objective of this report is to observe, analyze and evaluate the ongoing digital marketing activities of Nestlé Bangladesh. The digital marketing department is a relatively new wing of Nestlé Bangladesh, being only around two years old. It is constantly changing its methods to understand what works best for the Bangladeshi market and what does not. Many of the digital marketing activities are carried through on a trial and error basis since the company's digital activities in Bangladesh is very novel with no prior trend to compare to. However, the other mature markets of Nestlé have many online marketing activities ongoing and that is from where the Bangladeshi team takes notes.

The purpose of this report is to highlight the major digital activities of Nestlé Bangladesh and analyze which practices have worked best for the company. Finally, the report also suggests which strategies are needed to be applied by the company to make its digital marketing techniques even more influential from the perspective of the Bangladeshi market.

1.3. Scope of the Report

This report provides a general overview on Nestlé's digital marketing activities, the overall social media activities and the success measuring criteria and techniques. The report provides modules on the following:

- Digital and social media imperatives, i.e. the insights of Nestlé's digital and social media attempts of the evolution of digital strategies implemented by the company.
- The policies and compliance issues the company needs to abide by while applying the marketing and digital marketing strategies.
- The targeting strategies vary depending on the type of the campaign, the time and duration of the campaign, the purpose of the campaign and the target audience.

This report provides in-depth analysis of Nestlé's social media strategy with a focus on overall digital goals. This report provides insights on the following 6 modules:

- Digital and Social Media Strategic Imperatives: This module provides insights into Nestlé's digital and social media strategic imperatives and a snapshot of the evolution of digital and social media strategies implemented by the company.
- Strategic Insights into Implementing and Executing Digital and Social Media Imperatives: This module provides in-depth analysis on Nestlé's digital and social media implementation strategy. It highlights the impact of digital and social media on Nestlé from an organizational, cultural, and functional perspective.
- Marketing Budget Allocation: This module provides insights into Nestlé's budget allocation strategy towards digital and social media marketing. It provides budget allocation snapshot for

Nestlé's top 10 geographic markets and top 5 brands. In addition, it also provides breakdown of advertising budget by desktop and mobile.

- **Advertising & Targeting Strategies:** This module provides detailed analysis on key aspects of Nestlé's digital and social media strategy. It analyzes how Nestlé implements its social commerce and social network initiatives, and how the company utilizes digital formats and digital channels to achieve its strategic goals.
- **Analysis of Nestlé's Social Media Strategy by Key Nestlé Brands:** This module analyzes Nestlé's engagement strategies and content on leading social media networks for the company's key brands – Kit Kat, Nescafe, Purina, Maggi, Haagen Dazs.

1.4. Methodology

The type of research that will be used in this study is qualitative in nature. Qualitative researchers aim to gather an in-depth understanding of certain behaviors and the reasons that govern such behavior. The discipline investigates the “why” and “how” of decision making. Besides this, the researcher also examines the phenomenon through observations in numerical representations and through statistical analysis. The nature of the research is thus a descriptive one. As the name implies, descriptive research methods are used to describe specific behavior that occurred in the company's environment. Traditionally, descriptive research involves three main categories: observation, case studies, and surveys.

Most of the data collection has been performed through the help of secondary sources and first hand observation. Observational research involves observing. And learning more about how a particular culture operates. After completion all of the observations, the inferences about the activities and performances were noted and is being presenting in the form of this report.

1.5. Limitations

Self-reported data – Most of the information used in the report was based on observation since most of the information of Nestlé dealt with on a daily basis are only to be disclosed internally. . Therefore, self-reported data can contain several potential sources of bias. These biases become

apparent if they are incongruent with data from other sources. These are: (1) selective memory [remembering or not remembering experiences or events that occurred at some point in the past]; (2) telescoping [recalling events that occurred at one time as if they occurred at another time]; (3) attribution [the act of attributing positive events and outcomes to one's own agency but attributing negative events and outcomes to external forces]; and, (4) exaggeration [the act of representing outcomes or embellishing events as more significant than is actually suggested from other data].

Lack of prior research studies on the topic – Since the digital marketing department of Nestlé is very new, there is not too much information on the department from secondary sources. Therefore, the prior research studies forms the basis of the literature review and helps lay a foundation for understanding the research is very limited. This serves as an important opportunity to identify new gaps in the literature and to describe the need for further research.

Access – As an external employee of the company, there are a lot of the information which could not be accessed since much of it is only usable to the permanent employees.

Chapter 2: Company Overview

2.1. About Nestlé

Nestlé S.A., headquartered in Vevey, Switzerland, is the largest global food and beverage company in the world. It is well recognized for its efforts in becoming a world leader in Nutrition, Health and Wellness.

Founded in 1866 by Henri Nestlé, the company developed significantly during the First and Second World Wars, and expanded its offerings beyond its early condensed milk and infant formula products. In order to enlarge its product portfolio and business scope, the company has made a number of corporate acquisitions through the years of 1950 to 2007.

Nestlé owns a wide range of brands and manufactures abundant products in a number of markets, including coffee, bottled water, milkshakes and other beverages, breakfast cereals, infant foods, performance and healthcare nutrition, seasonings, soups and sauces, frozen and refrigerated foods, and petcare. Among these products, Nestlé's best-known brands, for instance Nespresso, Nescafé, Kit Kat, Smarties, Nesquik, Stouffer's, Vittel, and Maggi, generate annual sales of over 1 billion Swiss francs (about \$1.1 billion). Each year, the company invests around CHF 1.5 billion in Research and Development, aiming to continuously provide better quality products to shrewd customers in global markets.

As the world's largest food and beverage company, Nestlé has 465 factories operating in over 150 countries, and employs around 339,000 people worldwide. Based on the statistics of *Financial Times*, Nestlé was listed No. 1 in the Fortune Global 500 as the most profitable corporation in the world in 2011. And with a market capitalization of \$233 billion, Nestlé ranked No. 9 in the FT Global 500 2013.

2.2. Organizational Strategies

Nestlé believes in serving different markets by understanding the varying needs of the society and continuously adapting themselves to seize the opportunities. The fast-evolving needs and expectations of society today reconfirm the validity of our Nutrition, Health and Wellness strategy. The world is at an inflection point. The speed, intensity and the breadth of change is unprecedented. Digital disruption is reshaping the industry, relationships with suppliers and retailers, and with the people who buy the brands. Advances in science and technology are opening up new opportunities.

In a world where hundreds of millions of people are under-nourished, malnourished or over-weight Nestlé is positioned to help contribute solutions.

The internal alignment of Nestlé is driven by its purpose, values and culture. The roadmap says what Nestlé wants to be as a company, what it wants to leverage as competitive advantages to fuel growth, where it wants to grow and how it will do that efficiently, effectively and responsibly.



Figure 1: Nestlé Operational Pillars

Vision

Since its inception, Nestlé has been increasingly aware that food and beverage choices can impact quality of life, so they are committed to make their products tastier and healthier and to provide more options for global consumers. The backbone of a diverse product portfolio is

Nestlé’s unmatched R&D capability, nutrition science and innovation, as well as high standard of food quality. With this in mind, we can see that Nestlé employs a team of scientists, engineers, nutritionists, designers, regulatory specialists and consumer care representatives. This group of talented individuals makes every effort to earn consumers’ trust by creating and delivering safe products of the highest quality. Thus, thanks to the corporate financial health and solid trust from all its stakeholders, Nestlé can reach its goals of becoming the world leader in Nutrition, Health and Wellness.

Mission – Good Food, Good Life

Clearly, the objective of Nestlé is to become a leading Nutrition, Health and Wellness company in the world, while promoting a common value in nutrition and protecting the environment in which their businesses operate. Nestlé believes that size and behavior contribute to leadership in the industry. They acknowledged that trust is built over time through continuous promises. The company’s mission and conduct are embedded in the term "Good Food, Good Life", which summarizes the corporate ambitions. In order to support these goals, Nestlé is committed to encourage their people to deliver a high level of performance, and to build the far-reaching and short-term entrepreneurial action by constant inspiration.

| Competitive Advantage | Growth Drivers | Operational Pillars |
|---|--|--|
| <ul style="list-style-type: none"> • Unparalleled product and brand portfolio. • Leading R&D facilities. • Global exposure and market penetration. • Loyal customer base and trustable brand image. | <ul style="list-style-type: none"> • Nutrition, Health and Wellness. • Existence in emerging markets and effective product positioning. • Premiumization • Product variety to serve varying needs. | <ul style="list-style-type: none"> • Innovation and Renovation. • Easy availability. • Consumer engagement. • Operational Efficiency. • Years of practitioner experience. |

Table 1: Nestlé Road Map

The above chart derived from Nestlé’s official website is the company’s Road Map, which has clearly shown the driving forces of Nestlé’s growth and development. Nestlé firmly believes that it takes decades to build real competitive advantage. This largely comes from a blend of irreplaceable strengths throughout the product value chain, strong R&D, the broadest geographic

coverage and entrepreneurship, great people and strong corporate values. In alignment of the mission of Good Food, Good Life, Nestlé aims to provide consumers with the best nutritional product categories, to guarantee the sustainable development of their financial and environmental operations and behaviors.

2.3. Organization Structure

“In today’s global business environment, many international firms apply a global hybrid or mixed structure, in which two or more different structures or elements of different structures are used” (Daft, 2009, p180). Generally, Nestlé presents distinct characteristics of a global matrix structure. As the largest branded food company in the world, Nestlé rejects the idea of a single market and uses a geographic structure to focus on the local needs and competition in each country. Nestlé puts great emphasis on the autonomy of regional managers who know the local culture. Local managers have the authority to decide a product’s flavoring, packaging, portion size, or other elements. Many of the company’s 8000 brands are registered in only one country.

As a result of the company’s well-established product lines and advanced technologies, Nestlé uses global geographic structure to divide the world into geographic markets, wherein they can seek low-cost manufacturing within diverse countries, and meet different needs across regions for marketing and sales. With a full control of functional activities, each regional division is accountable for reporting to the CEO.

Typically, the headquarters in Switzerland work together with each geographic division, and sets an overall strategy that directs Zone Management and the Strategic Business Units (SBUs). Geographically, Nestlé’s three Zones work closely with the local markets and the SBUs. Their primary role as business enablers is the liaison between the market and the business centers. With a shared vision, Nestlé’s global employees understand the direction, and how to fulfill the collaboration with common tools, strategies and values. In addition, the SBUs who specialize in a particular category, for example Coffee and Beverages, PetCare, or Chocolate, work with Research and Development (R&D) so that every food or beverage produced by the company meet consumer expectations and latest innovation. They also help the markets to achieve the business and brand objectives.

Based on the above facts, Nestlé’s global matrix/hybrid organizational structure allows the company to work effectively and efficiently. This is best exhibited when product standardization

and geographic localization are balanced and when effective coordination of resource allocation is achieved.

Organization Chart

Similar to most global companies, Nestlé's management is the Annual General Meeting of Shareholders (AGM). According to the official website of Nestlé, the company's executives are the Board of Directors. The Chairman of the Board and Chief Executive Officer lead the company's operations. There are four committees that support the Board of Directors in corporate governance, including Chairman's and Corporate Governance Committee, Compensation and Nomination Committee, Audit Committee, and Finance Committee. Led by Chairman Peter Brabeck-Letmathe, the Board has 14 members to handle different parts of the global business. Nestlé's Executive Board consists of company executives and department heads that manage the company's business operations and implement strategies and policies initiated by the Board of Directors. Below, the chart gives an overview of Nestlé's management structure.

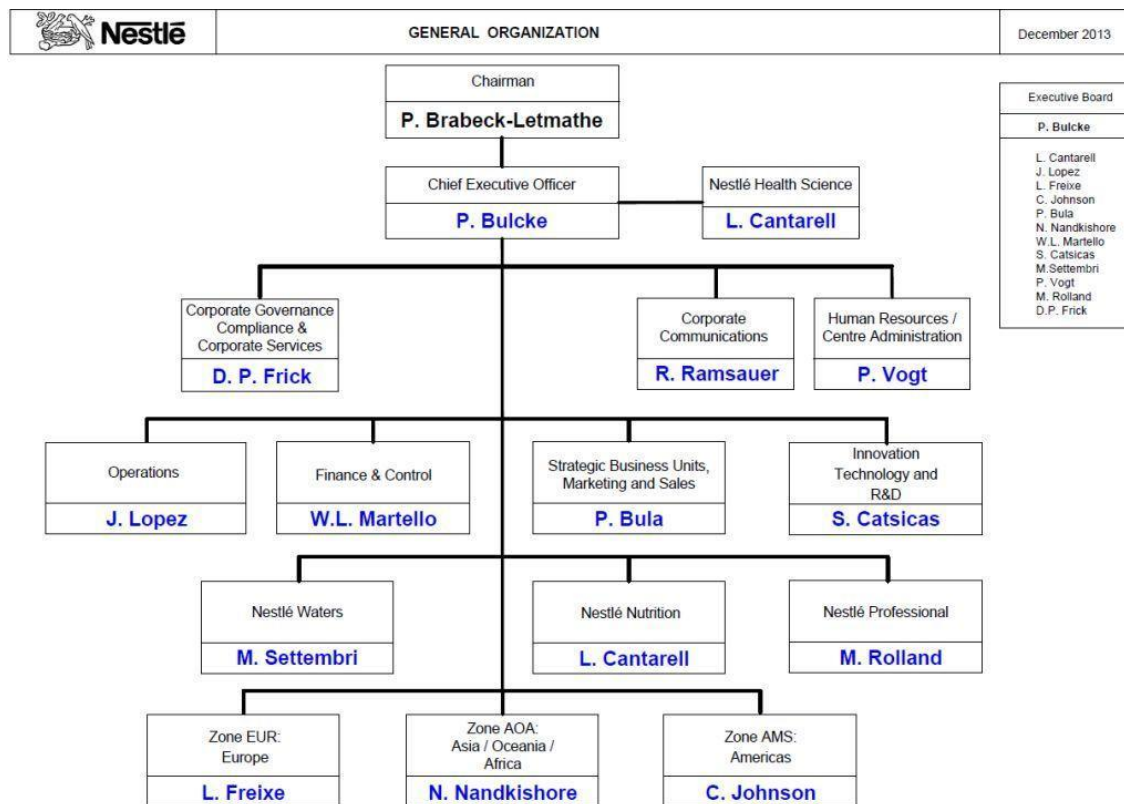


Figure 2: Organizational Chart

Large investment in R&D and innovation

It is estimated that approximately 98% of Nestlé sales come from international markets. All these achievements are derived from continuous innovation in new product lines, R&D development and marketing strategies. As a result, Nestlé gains tremendous competitive advantages. The company claims that carefully planned brands will allow the company to stay competitive in the market. For instance, Nestlé invented the manufacturing method of instant coffee in the year of 1938. This unprecedented innovation made coffee open a broader market in the world. Product innovation and diversification equip Nestlé to capture as much of the market share as possible.

Corporate Shared Values

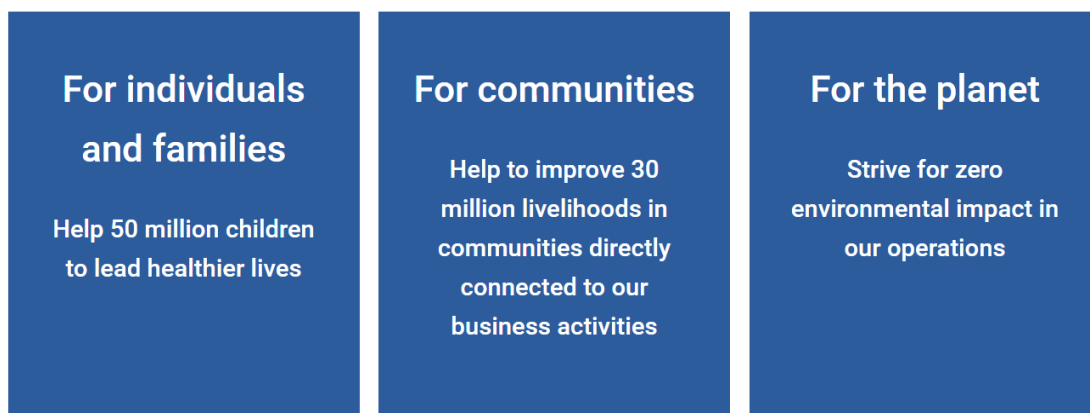


Figure 3: CSV and Core Values of Nestlé

Nestlé is conscious of the fact that corporation success is a reflection of the professionalism, the ethical conduct and the responsible attitude of its management and employees. Nestlé's objective is to become the industry leader in health, nutrition and wellness by competitively and innovatively manufacturing and marketing its products in global markets. The corporate values ensure that Nestlé employees around the world know how to act, and have a very strong sense of values and a clear framework for fast decision-making.

In regards to ethical values, Nestlé continues to maintain its commitment to follow and respect all applicable local laws in each of its markets. While ensuring the highest standards are met throughout the organization, Nestlé is also an active advocate for environmental sustainability. They firmly believe that organizations have heavy responsibilities for the environment and

ecosystem protection, and that modern development should not sacrifice the resources and environment for future generations.

2.4. Products

As a key driving force, continuous innovation has helped Nestlé achieve outstanding performance in the past 150 years. In today’s fiercely competitive market, consumers’ living standards have been greatly improved; they are also easily exposed to a wider selection for daily consumption. In this sense, it is necessary for Nestlé to maintain its competitive advantages by providing a wide range of diverse products with different unmatched utilities. This competency can be achieved by Nestlé’s constant investment in the development and innovation of healthy and nutritious products. While retaining the current product lines with a stable market share and lower price, such as water, coffee and dairy products, Nestlé has to develop new product lines to enlarge its customer base and enter into unoccupied markets by cross-industry alliance or acquisition.

Clearly, Nestlé’s objective is to produce high-quality products with innovation and first-class technology. The company’s propaganda does not exaggerate that Nestlé’s products win a high reputation with its consumers. Nestlé’s portfolio covers almost every food and beverage category that gives consumers tastier and healthier products. As stated earlier, Nestlé owns nearly 8,000 brands in its target markets and sells over a billion products every day. Especially, among lower and middle class in many developing countries and emerging markets, Nestlé is promoting a wide range of products at reasonable and affordable prices. Although Nestlé tries to keep cost low, they provide a balanced diet by compensating for local dietary deficiencies, and combine good taste with convenience and nutrition. Here is a brief overview of Nestlé’s product and beverage categories and brands.

| Nestlé Products in Different Categories | |
|---|--|
| Culinary | MAGGI Noodles, MAGGI Soup, MAGGI Shaad-e-Magic |
| Beverage | Nescafe, Coffee Mate, Nestea, Fruita Vitals |
| Breakfast Cereal | Koko Krunch, Milo, Corn Flakes |
| Dairy | Nido Fortified, Nido FortiChoco, Everyday |

Table 2: Nestlé Products in Bangladesh

Organization Size and Life Cycle

Size

Obviously, Nestlé is a mega-sized organization. By the end of 2013, there are approximately 465 factories in 150 countries, with about 339,000 employees in the company. As Mark Hurd, former CEO of Hewlett-Packard put it,

“If you don’t have scale and you don’t have leverage, you won’t be able to give the customers what the customer wants”.

Through over a hundred years of development, Nestlé has grown into the world’s largest food and beverage company, bringing tremendous influence in the industry. Therefore, huge resources and economies of scale are required for the company to compete globally. Similar to other large organizations, Nestlé has hundreds of functional specialties within the organization to perform multifaceted tasks and to produce varied and diverse products. In addition, the company’s extensive scope makes Nestlé attract and retain talented employees. When the workforce increases, Nestlé will be more capable of seizing opportunities for development and advancement.

Life Cycle

Life cycle is a useful way to think about organizational growth and change. Organizational structure, leadership style, and administrative systems follow a fairly predictable pattern through each stage in the life cycle. There are four major stages to describe an organization movement. Nestlé is now in the elaboration stage of the life cycle. The company is attempting to develop a team orientation within the company, while focusing on innovation, R&D and corporate reputation.

In Nestlé, power centralization and hierarchy are limited throughout the organization. Managers are encouraged to develop their skills of problem-solving and cooperation. Nestlé’s common values and conduct code reduce the need for additional formal controls. In order to achieve extensive collaboration and to maintain the autonomy and independent decision-making of regional executives and managers, Nestlé’s teams are built and organized across functions or divisions of the company.

Organizational Culture

We found a very strong organizational culture in Nestlé. The same as other European companies,

Nestlé typically adopts a decentralized organization approach in which international divisions have a high level of independence and decision-making autonomy. Each division focuses on its local markets to meet diverse needs. Nestlé also relies on a strong mission, shared values, and informal personal relationships.

Nestlé runs their businesses with strong characteristics of effectiveness, reliability, diligence and innovation. In compliance with the headquarters' guidelines and budget control, regional managers are completely independent in making respective plans and strategies that fit to local markets. Through systematically organizing its intellectual properties, Nestlé makes great efforts to foster a corporate culture of continuous learning and knowledge sharing. For example, every year Nestlé provides employees with various training programs, and R&D and innovation programs.

Making human capital a high priority, Nestlé cares about their employees and focuses on team work. As the Director of Human Resource and Training Department for Greater China Yunque Chen says that,

“Employees are the most important assets, the soul and carrier of Nestlé’s spirit and the most precious wealth of Nestlé” (Staffers, 2011).

In Nestlé, there is an open and close working atmosphere existing among top management and factory-floor employees. People are encouraged for upward communication and effective coordination and cooperation. Nestlé also addresses the importance of employee safety and work-life balance.

Organizational Decentralization, Differentiation and Localization

Nestlé’s decentralized structure makes it possible for each business unit to become decision-makers for their specific business operations. The fact that Nestlé’s products are diverse and can satisfy customers’ need will prevent competitors from entering the unoccupied markets. Nestlé perseveres in learning about local customers through market research. This enables the company to develop new product lines with local adaptation and distinct features. Business units are also able to evaluate any possible market opportunities and to try to make successful long-term projects in local contexts.

Decision Making Processes

According to Daft (2009) theories, today’s dynamic changing environment has increased the number and complexity of decisions and created a need for new decision-making processes to

large international organizations. The reason why Nestlé can keep a leading market position is that the company makes decisions based on the following principles: knowing customers, a long-term vision, product extension and innovation, production efficiency, quality control, multi-brands, and the autonomy of regional managers. These principles help Nestlé constitute a programmed decision-making system.

Nestlé uses management science, for example established rules, procedures and prior experience, as an excellent device for organizational decision-making when problems are analyzable to be identified and measured. Programmed decisions can be made generally based on clear criteria of performance, good information about current environment, specific alternatives, and relative certainty of a successful alternative (Daft, 2009). As a food and beverage company, Nestlé is taking advantage of mathematical formulas to precisely study customer data and make decisions about which new products to develop and how to market them.

When it comes to non-programmed decisions, a number of factors can affect the processes by which decisions are made in the organization, especially the organization's internal structures and the external environment. Because non-programmed decisions are specific and poorly defined, and requires bargaining and conflict resolution. As far as Nestlé is concerned, the company uses a combination of the incremental and Carnegie Models for decision-making when identifying problems is uncertain or solving problems is difficult. To overcome individual biases, Nestlé tracks its organizational information on a daily basis to develop a deep and intuitive understanding of the business operations and seek advice from experienced and senior employees during a major decision. In order to integrate the overall strategic direction of the organization, Nestlé usually brings multiple alternatives that involve everyone in the decision-making process to reach a consensus.

Corporate Social Responsibilities

Today, water scarcity, food safety and trust issues are some of the big challenges for the food industry, especially in developing countries. Many multinational corporations are involved in issues of food safety challenges. In view of this phenomenon, Nestlé should implement tactical strategies to maximize resource utilization. For example, the company is suggested to offer small recycled packaging of its products, and try to ensure quality control and upgrade internal censorship system by strengthening effective coordination and cooperation of functional

departments. To build customer's trust and loyalty, Nestlé could take advantage of customer relationship management (CRM) systems. "It will help large companies track customers' interactions with the firm and allow employees to review a customer's past sales and service records, outstanding orders, or unresolved problems" (Daft, 2009). In this way, a long-term solid relationship will be established between the organization and its customers. And Nestlé can eventually realize the corporate social responsibilities as it has been promising to the public.

Based on the above discussion, we can easily draw a conclusion that opportunities and challenges exit simultaneously to Nestlé. On the one hand, Nestlé could use its advantages of unmatched product and brand portfolio, extensive geographic presence, strong R&D and innovation capability to retain the existed markets. With a mindset of thinking globally and acting locally, Nestlé should penetrate into the existing markets and develop new markets by offering customized healthy and nutritious products and launching attractive marketing campaigns to increase the customers' awareness and brand loyalty. On the other hand, Nestlé has been challenged by its inability to provide consistent quality in food products in some countries, and the weak implementation of the corporate CSR. In other words, only through ethical business activities will Nestlé increase its market share and leverage the brand value in the long run. To put it simple, how to maintain the capacity of constant innovation and the company's performance in new emerging markets will be the decisive factors for Nestlé to hold a leading position in the prospective markets.

Chapter 03: Project Part

3.1. Marketing at Nestlé

The marketing of Nestlé Bangladesh consists of the Brand team, Sales team and a dedicated Digital Marketing Team. The Digital Marketing operations concerns itself with brands such as Nescafé, Maggi, Nido, Everyday, Corporate, Nestlé’s Digital Marketing Strategies

In addition to the advancement of organizational structure and investment in product innovation to cope with international market demand, Nestlé should also break through the traditional ways or modes of marketing and explore the synergies between its brands to reduce marketing risks, while streamlining and optimizing distribution channels that facilitate targeted customers. For example, Nestlé can vigorously market its branded products by introducing the nutritious and health food packages to aging people or home care patients in developed regions. The company can also build cooperation and partnership with local Food and Drug Administration, Ministry of Agriculture, Ministry of Health, Administration for Industry and Commerce to promote the brand image of food quality and safety, as well as a healthy diet and lifestyle.

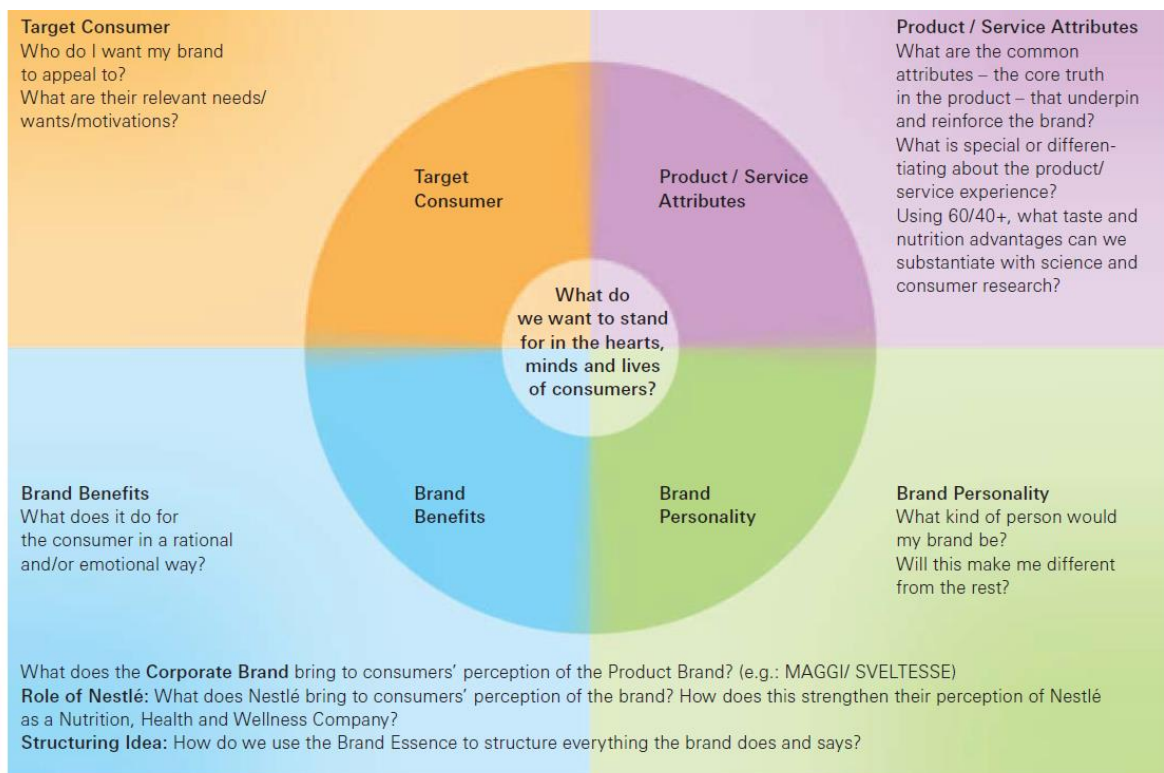


Figure 4: Nestlé Brand Essence Model

3.2. Digital Marketing in Light of Nestlé

Social Media Marketing

The social media marketing activities of Nestlé are mainly on Facebook, YouTube and Google. There are dedicated brand wise Facebook pages for five different Nestlé brands. The contents vary as per the brand image, purpose and message. Creatives or digital contents are delivered by the creative agencies based on the brand's brief provided by the Nestlé brand teams. There is a monthly allocation for the number of contents which needs to be provided by the agencies which is previously agreed upon by both parties.

E-Commerce

The e-commerce sector of Nestlé is slightly slower than the other parts of the digital marketing department. This is a drawback for the company since e-commerce is a booming market which most large companies are trying to take benefits from. With growing internet connectivity, proliferation of cheaper varieties of smartphones, rapid rise in social networking (10 million + Facebook users) and e-commerce firms in Bangladesh, the consumers are getting more and more digitally attuned which eventually ends up having a profound impact on their consumption pattern.

The consumer class is young, technologically adaptable and exhibits high engagement through the mobile internet. As an emerging economy, Bangladesh has embraced technology at a rapid pace. The penetration of the telecom sector, mobile commerce and advent of internet based applications designed by businesses and supported by the tech friendly government validates the growth story that is going to unfold in the e-space of Bangladesh. Bangladesh's telecom penetration has been impressive compared to regional peers and is growing with increasing per capita income.

- 42%+ of all Nestlé web traffic comes via mobile

Website

Nestlé corporate website is under construction currently. The outline is set as per the global site. The site references are drawn from the Nestlé global website and a structure is formed as the skeleton of the Bangladeshi site but certain things like the brands, media, ads etc. will be changed as per the country specific details and other things like company history etc. will remain the same as the global site.

Consumer Engagement Center

Nestlé also has a dedicated community engagement team which provides 24/7 service to the customers. Social media management and customer engagement has become an enormous part of Nestlé's success recipe. In order to measure the success of the social media activities, Nestlé built its Consumer Engagement Center in 2011. Over the accumulative pages of Nestlé the company produces 1500 unique contents over all social media platforms and across 2000 brand pages, the company has over 210 million Facebook fans.

Quick Facts

- 1.2 Billion products sold every day with a growing percentage being sourced from social media
- 210 Million+ Fans of Nestlé brands on Facebook
- 1,500+ pieces of content published on social media daily
- 200,000+ Nestlé employees on their internal social media platform

3.3. Social Media Platforms

The primary social media platforms which Nestlé uses are Facebook, YouTube and Google and other digital contents are designed for the Nestlé website. The Facebook contents are both static and dynamic, which include flixel videos, carousel ads, static contents, loop videos etc. The Google contents include YouTube videos and GDNs.

The website contents are currently being developed as the company is soon to launch a separate Nestlé Bangladesh site. In many countries there are websites dedicated to a particular brand which is yet to be created for the Bangladeshi digital team.

Globally Nestlé utilizes the following platforms for digital marketing. However, in Bangladesh most of these are unused. The majority of Nestlé’s consumers in Bangladesh are not active in all these sites so here the company only makes full utilization of Facebook, YouTube and Google.










| Channel | Description | Characteristics | Relevance Launches |
|---|---|--|---|
|  | World’s largest social network, used for connecting with friends and shared interests | Huge levels of penetration across geography and demographic, increasingly the main home for consumer engagement with brands | High – potential to speak directly to fans |
|  | Micro-blogging platform of short status updates and sharing of content | Popular among stakeholders, journalists and influencers | Medium – can be used to spread awareness |
|  | World’s biggest video sharing site | Video is an increasingly influential medium online and brands compelling content (both positive and negative) can be quickly shared | High – a successful video will be shared rapidly |
|  | Photo sharing site | Tagged images posted on this site come high in search results, making it influential | Medium – important channel for promoting owned imagery |
|  | Online thesaurus where content is created by users | The most influential reference resource in the world, whose content is nearly always at the top of search results | High – initial impressions are often shaped by what a Wikipedia entry |
|  | Google-owned social network very popular in Brazil and India | Significant penetration in key growth markets where it is used in a similar way to Facebook and is key method of engagement between brands and consumers | Medium – high potential to speak directly to fans, in countries where the site is big |
| Social features on mainstream news sites | The comments and forums stemming from content posted to news sites | Often a key shaper of debate on news stories where users can have their feedback displayed very publically | High – instant reaction and tone of debate can be shaped here |
|  | Social network for professionals | People connect with those they know in their professional lives and use the site as a discussion forum | Low – not usually relevant |
|  | Location-based network, offering content and offers based on where people are | Huge potential in the retail sector to reach and target offers at people as they enter a store | High – can reward “first customers” |
|  | Social network for sharing interests with friends and contacts | Although brand profiles are currently banned, this may change in the future. Google+ is an | Low – but with potential to become high |

Table 3: Nestlé’s Globally Used Social Media Platforms

3.4. Social Media Marketing & Its Objectives

The importance of social media cannot be underestimated. Information about Nestlé can be gained and shared quickly across international markets through the use of social media. Conversations are occurring constantly online, offering immense opportunities and challenges for Nestlé and its

brands. The key challenge is to create effective channels by which we can engage constructively with the world via social media.

It is important to appreciate the different methods that can be used to listen to consumers via social media, but also to understand guidelines for engagement, ensuring Nestlé's voice is consistent, respectful and strong. By creating a constructive conversation online, Nestlé tries to improve its services and products, offer fast and effective customer service and engage with a world-wide audience.

Social media offers different challenges and opportunities for Nestlé. Without aiming to be comprehensive or prescriptive, this guidance offers advice that can help define an approach to social media for Nestlé.

Social Media Activity Guidelines:

- Social media is always on. Everyone working in this space should have a clear plan for how to handle the 24/7 nature of the work.
- Social media should be used proactively and create engagement with Nestlé and humanize the corporate brand and products.
- Wherever appropriate, social media should be used to connect consumers with the corporate brand and stakeholders with the consumer brands behind Nestlé.
- Content is key. It must be informative and should demonstrate the breadth of Nestlé's expertise, particularly in NHW and CSV.
- Activity should demonstrate that Nestlé understands how to both listen and engage online.

All Nestlé social media activity should be based on delivering the following objectives:

- Along with the rest of the marketing and corporate communication community at Nestlé, social media must bring to life the Nestlé "Brand Essence" of enhancing the quality of life with good food and beverages.
- To engage with stakeholders and consumers with an interest in Nestlé, ranging from fans to those more focused on particular issues.
- To cause purchase intent among consumers.

- To enhance brand lift, sales lift and market share lift.

Social Media Productivity Tools

The digital marketing department is one of the newest departments at Nestlé Bangladesh. Besides the daily digital marketing activities, the team also constantly measures and tracks its success and determines most suitable strategies for the next quarter or so.

Nestlé and Socialbakers

Socialbaker is a social media assisting tool which helps track real time data, compare and analyze the information and eventually take decisions. The use of such a tool makes it much easier for companies to measure and track KPIs in both short and long term. Socialbaker and Nestlé paired up to form three real time dynamic screens which display analytics essential for media presence. The monitors show the track of the best performing content, user engagement and the change in in the number of fans or followers on Twitter, Facebook and YouTube. The social media tool works hand in hand with DAT. Social media management and customer engagement has become an enormous part of Nestlé's success recipe. The statistics give the company a competitive edge since the market is constantly growing and it is crucial to keep record of the day to day changes in the company's brand image as whole.

Socialbaker is helpful for the following causes:

- Provides competitive data to track company's daily performance.
- Provides an overview of the local business and the local competitors.
- Provides real-time data regarding the company's digital contents.
- Displays the overall fans and followers which helps judge the effectiveness of individual social media contents.

3.5. Brand Specific Digital Activities

The digital activities of each brand is designed individually depending on which methods will work best for the brand or product identity. The brand communication strategies depend on the brand's purpose, the target group, the brand properties and the brand's strategic objectives.

BRAND IDENTITY & TARGETING

The major digital activities take part in the following brands: MAGGI, Nescafé and Everyday. The three approaches taken by the three different brands differ vastly from one another. Below are some of the brand wise digital marketing strategies and techniques:

| BRAND | DIGITAL COMMUNICATION MESSAGE | TARGETING |
|-------|---|--|
| MAGGI | <p>MAGGI is a well-known, established brand, which has faced both good and bad days. The main communication purpose of this brand is to retain the great consumer base they have already created and keep the current consumers satisfied. MAGGI, not unlike most established brands has experienced certain tides throughout its existence and has fought back every time to revert back to its original standing. Even now it keeps working to keep its brand loyalty intact by reinstating the consumers' faith in the brand.</p> <p>In every possible place, the brand talks about health, wellness and betterment of the consumers. It takes regulatory and legal matters very seriously in all its digital communications. Each digital content has to undergo the approval of brand, wellness, regulatory, legal, consumer communications and the head of marketing.</p> | <p>Demographic: Communication is targeting the mothers since Nestlé's compliance issues prevents MAGGI from communicating to the children.</p> <p>Even in all the contents must have the presence of a guardian if we are showing the presence of a child in the ads. And using models under the age of 10 is restricted altogether.</p> |

| | | |
|-----------------|--|---|
| <p>NESCAFÉ</p> | <p>Nestlé is a brand for the youth and the millennials, which constitute of the majority coffee drinkers of Bangladesh. The brand makes its digital contents very dynamic and upbeat to keep up with the energy of the youth. It keeps the messages very short and to the point since young people, who are always on the go find little interest in lethargic communications.</p> <p>Nescafé’s motive is to enhance its customer base and attract more people to the brand since the number of coffee drinkers in Bangladesh is still lower than what the company aims to achieve. Thus, the communications are designed to attract the young consumer group.</p> | <p>Psychographic: Targeted towards more of the youngsters who are heavy coffee drinkers.</p> <p>The brand tries to relate more with the people who do not just drink coffee to stay up during exams or prevent sleep in any cases. It rather reaches out to the people who enjoy the coffee moments with friends and colleagues.</p> <p>This is the essence of the brand which needs to be kept in mind while designing the communication materials for it.</p> |
| <p>EVERYDAY</p> | <p>Everyday is one of the newest products of Nestlé introduced in the Bangladeshi market, while it is already established in some other markets. The brand’s communication strategy is to establish the product as a perfect companion to tea.</p> <p>Everyday portrays the brand as one for passionate tea drinkers and in most of its communication materials, it displays pleasant tea drinking moments of couples.</p> | <p>Demographic: The brand specifically targets families and people above the age of 24.</p> |

Table 4: Brands’ Communication Strategies and Targeting

MAGGI DIGITAL CAMPAIGN ACTIVITIES

Following are some of the different types of contents which have already been published on the official Facebook page of MAGGI Bangladesh.




| | |
|---|---|
|  <p style="text-align: center;">RTM – Women’s Day</p> |  <p style="text-align: center;">RECIPE</p> |
|  <p style="text-align: center;">LOOP VIDEO</p> |  <p style="text-align: center;">CAROUSEL AD</p> |

Table 5: Different forms of MAGGI Facebook Contents

RTM: Real time management contents are those which are designed for a specific event or occasion. The content below is one for mother’s day. The RTM contents are different from the rest since they need to be managed and maintained in real time otherwise the content is impracticable.

Carousel: Carousel ads consist of a number of slides which lead to a final call-to-action slide prompting consumers to take a decision, for example, linking the content to a link redirecting to a chaldal page. There are both static and animated carousel ads.

Videos: Different forms of videos include loop video and flixel videos. Currently all brands are focusing much more on the dynamic visuals over the conventional static contents. Even though the video contents take slightly longer to create and publish, they have proved to be much more effective in engaging and creating recall among customers.

CAMPAIGN RELATED ACTIVITIES

Campaign Brief

The digital marketing activities are designed to drive results. The brand uses the digital media to communicate with the consumers more effectively. The general purpose of the activities is to create awareness among consumers by delivering brand messages appropriately, create brand recall and generate consideration and purchase intent.

The digital marketing activities are designed to drive results. The brand uses the digital media to communicate with the consumers more effectively. Each individual campaign has different criteria depending on the purpose of the campaign. Each individual campaign has different criteria depending on the purpose of the campaign.

The general objectives of a campaign is as given below:

The digital briefs cover the following points:

- 1) The brand issue or opportunity that the Ramadan communications must address.
- 2) The communication objective
- 3) The target audience or consumers
- 4) The current consumer behavior, attitude and mind-set?
- 5) What the communication is required to drive (the desired consumer behavior, attitude and mind-set after seeing the communication)
- 6) Key aspects about your company/brand/business that is required to be highlighted through the communication
- 7) The contents deliverable by the agencies
- 8) The company/brand mandatories to be used (brand ownables – personality, specifications, logo etc. relevant documents)
- 9) Any specific media which is to be used
- 10) Budget for the digital campaign or promotions

11) Timeline of the campaigns

12) Other special considerations as per the brand's requirements

Draft Plan: A draft version of the plan is first designed and submitted based on the initially laid out brand objectives for the campaign.

Gantt Chart: The Gantt chart contains a list of all the individual contents which will be published, along with the tentative publish dates.

Contents: Ideally, the contents are to be prepared and approved before the campaign begins. Some of the major types of contents include static and dynamic contents, like loop videos, animations etc.

4. Findings and Analysis

In order to track, measure and improve the performance of the digital activities, Nestlé keeps trace of both qualitative and quantitative data to observe what works for the digital contents and in what ways the performance can be improved. Through these social media activities, the company tries to measure the following:

Engagement & Reach – Communicate with consumers by encouraging two way interaction. Digital platforms are the fastest and most convenient ways to reach out to the consumers to deliver a message and also to listen to consumer complaints, suggestions, feedback and any form of communication on the part of target groups. Reach represents the number of people exposed to the communication materials and engagement demonstrates an overview of likes, comments and shares.

Brand Uplift – Through the use of polling, a Facebook brand lift study can help advertisers understand how well their brand campaign resonated with people. A Facebook brand lift study helps you understand how your ads are impacting the metrics that matter, such as ad recall, brand awareness and message association. Such studies can also be done independently by the company by surveying its consumers or most active page fans.

Sales and Market Share Uplift – This is the amount of increase in sales which happens during the promotional campaign.

Competitive and Other Market Study– Other Nestlé markets have ongoing digital activities for much longer than Bangladesh. What has worked for them and what has failed is a good learning for the still maturing Bangladeshi digital market of Nestlé. Closely studying the activities of competitors is also a good practice which can help the brand design effective digital marketing strategies.

4.1. Digital Performance – Qualitative Analysis

Qualitative Analysis – The quantitative analysis is often not enough to get an overall view of the effectiveness of the digital marketing strategies. The quality of the digital contents also need to be analyzed since the engagement alone cannot generate the relevance of the communication materials. Therefore, other factors like the contents’ relevance and its ability to depict the brand’s message clearly are also taken under consideration while measuring their effectiveness.

COMPETITOR ANALYSIS: MAGGI vs KNORR

| | |
|--|---|
|  |  |
| <ul style="list-style-type: none"> - Brand/product color: Green - Focuses on Professional Chef Quality Cooking | <ul style="list-style-type: none"> - Brand/product color: Red and Yellow (avoids green) - Focuses on Homemade Cooking |

Table 6: MAGGI and Knorr Comparison

The table above shows the differences in the digital marketing properties of the two brands MAGGI and Knorr. Keeping track of these differences helps differentiate the brand from other similar ones. These differences also help keep a clear distinction among the brands and help consumers avoid mix-ups and clearly identify which brand to choose by identifying their differentiated offerings clearly. The USP of MAGGI is the 2-minute noodles, which is not copied by other brands. At the same time, MAGGI also avoids taglines used by other brands like in their new chicken noodles flavor, they will avoid using “real taste of chicken” on any of the communications, since it is a slogan used by Knorr.

Other competitor studies are done to find out what has worked for them and if MAGGI can apply such practices to improve their own market position. For instance, one of the best performing digital content of Chopstick noodles uses Bangladeshi celebrity Bopasha Hayath which may be one of the reasons why it has worked so well. This can be a learning and MAGGI can gain from using celebrity endorsers as done by MAGGI India. Madhuri Dixit has become the

face of MAGGI and using such celebrities helps consumers associate more with the brand ad can also

OTHER MARKET ANALYSIS

A market trend analysis helps keep track of what other markets are doing for the same products. Keeping a streamline among all the markets helps have a single and unified product identity for each brand. For example, MAGGI is a product consumed in various markets. Studies are done to figure out what kinds of contents are being used in markets similar to Bangladesh and how effectively they are settling in. Success Stories to Reciprocate

MAGGI Kochstudio: German Market



Goal: Maggi wanted to promote a new recipe mix for chicken and vegetables, expand its consumer base to include young families and mothers, and position Maggi fix as a convenient product for fresh home cooking.

Solution: Maggi's overall aim was to emphasise the brand's products as convenient and versatile cooking ingredients, especially for families with children. The creative execution included videos featuring cooking demonstrations and children cooking together in the Maggi Kochstudio. The brand ran a cross-media campaign including TV, print and Facebook, where it used Pages publishing to distribute campaign content.

On Facebook, Maggi also created a Page tab "Willkommen in der Maggi Gemüseküche" devoted to the topic of cooking together as a family, where it offered recipes, tips and tricks for fresh cooking. During the 7-week campaign, it ran several broad bursts of Facebook Ads that coincided with the TV and print campaigns.

Targeting on Facebook was mainly to people aged 21–49, with a focus on heads of household. An additional sustained campaign targeted people on Facebook who were parents or who were interested in cooking. To make sure the ads with the greatest impact were being promoted most effectively, Maggi and its agencies Razorfish and Optimedia held daily ad optimisation meetings. Effectiveness: Maggi partnered with research company GfK to understand the impact of adding Facebook to its television and print campaign by analysing reach, sales uplift and return on investment. The survey proved that the Facebook campaign was a success.

19% of campaign-driven sales came from Facebook, from only 8% of the total campaign spend

1.9 million people who saw the Facebook Ads were not reached by TV or print

2.5X greater return on investment with Facebook versus TV

23% of media-induced sales were generated after the campaign had ended

30% of German online users (about 13 million) were reached by Facebook Ads

MAGGI Video Cinematography: Poland Market



Goal: Although Maggi is Poland’s favourite liquid seasoning, it remains disproportionately popular amongst people over 50, who are responsible for over 50% of Maggi sales. Maggi’s marketing team wanted to broaden the product’s appeal, and introduce it to younger generations.

Solution: To attract younger consumers and entrench itself as the market leader, Maggi opted to increase its Facebook presence alongside TV, dedicating 85% of its digital budget to the platform. It focussed on one of the fastest growing parts of News Feed: video.

Working with Facebook’s Creative Shop, the team employed an innovative creative approach during the campaign. Under the slogan ‘Maggi Is Ready for Everything’, Maggi became the first

culinary brand in Poland to use cinemagraphs—photographs that incorporate small and repeated movements—to show Maggi being added to foods not normally associated with the condiment.

These cinemagraphs supported a series of short films shot on a GoPro camera, showing the cooking process from the perspective of a chef. These videos not only showcased the versatility of the liquid seasoning, but were also recipes for quick, easy meals that could include Maggi.

Each video was targeted at younger urban consumers as Maggi tapped into Facebook’s unparalleled ability to reach key demographics with a high degree of precision. Whereas Maggi’s TV reach was broadly uniform amongst younger and older groups, the brand’s Facebook campaign achieved 4X higher reach amongst young people.

Effectiveness: The combined Facebook and TV campaign was an enormous success, and digital was particularly important in reaching younger consumers. While overall sales increased by 20% during the campaign, sales amongst the target demographic of 30- to 49-year-olds increased by an incredible 37%. This amounted to an increase in market share of almost 5 points.

The campaign ran from November 3, 2014 to January 15, 2015 and resulted in:

5.1 million people reached

20% uplift in sales during the campaign

37% uplift in sales among target audience

4.7-point uplift in market share

Nestlé Everyday – Theatre in a Cup Campaign: Indian Market



Goal: NESTLÉ wanted to strengthen the equity of EVERYDAY by positioning the brand as the perfect partner to tea. The goal was to increase message association and purchase intent among the target audience—women aged 21 and over.

Success: Northeast India has a high penetration of mobile phones. Facebook emerged as the medium of choice due to its ability to reach people across devices, both feature phones and smartphones.

Developing the right creative was key to convincing the target audience that EVERYDAY is the superior choice to low-cost dairy whiteners. By partnering with Facebook’s Creative Shop as part of the Creative Accelerator program, Everyday created a set of enchanting moving images under the campaign umbrella ‘Theatre In A Cup’. The moving images were featured on smartphones, while still images were used for feature phones.

Facebook targeting was used to effectively serve the right creative to the right audience based on device ownership.

Effectiveness: Facebook partnered with NESTLÉ to produce creative that resonated with the target audience on both smartphones and feature phones.

The 4-week campaign achieved excellent results:

14-point lift in ad recall (Nielsen Brand Effect)

9-point lift in brand awareness (Nielsen Brand Effect)

7-point lift in message association (Nielsen Brand Effect)

5-point lift in purchase intent and brand recommendation (Nielsen Brand Effect)

3.6. Tracking & Measuring Digital Activity – Quantitative Analysis

Social Media activity performance statistics are tracked and evaluated to measure their effectiveness. The analysis helps determine what strategies need to be applied to boost future digital activity performance. The following are some of the objectives of such analysis:

- What to measure – from engagement to reach, scroll depth and clicks
- Techniques and best practice for measuring the impact of your content
- Setting benchmarks for success
- Managing and optimizing performance within content marketing
- Maximizing the impact and reach of your digital content
- Analyzing key metrics and matching it to the audience






| Pages | | Q Search Pages | Last 7 days ▾ | |
|-------|--|--|--|--|
| > |  MAGGI (BD) Page ID: 370425793141745 | 2,545 ↓35% Page Likes | 1,802,272 ↑73% People Reached | 94,579 ↑145% Post Engagements |
| > |  Nestlé Bangladesh Page ID: 1402053410113118 | 368 ↓92% Page Likes | 23,053 ↓98% People Reached | 4,445 ↓83% Post Engagements |
| > |  NESCAFÉ (BD) Page ID: 832656136785142 | 1,073 ↓95% Page Likes | 48,345 ↓98% People Reached | 11,358 ↓77% Post Engagements |
| > |  NESTLÉ BABY & ME BANGLADESH Page ID: 659615514074868 | 161 ↓34% Page Likes | 161 ↑25% People Reached | 768 ↑200% Post Engagements |
| > |  Nestlé Everyday Bangladesh Page ID: 204564286682558 | 112 ↓96% Page Likes | 4,694 ↓99% People Reached | 1,252 ↓95% Post Engagements |

Figure 5: Nestlé's Facebook Page Likes, Reach and Engagement

The table above shows the engagement, reach and likes on the Nestlé pages in Bangladesh. Currently, there are five official Nestlé Facebook pages in Bangladesh. The data represents the analytics of the first week of May, 2017. The greatest amount of increase or decrease in page likes, post reach and post engagements can be observed through this overview of the pages which is demonstrated through Facebook Business Manager.

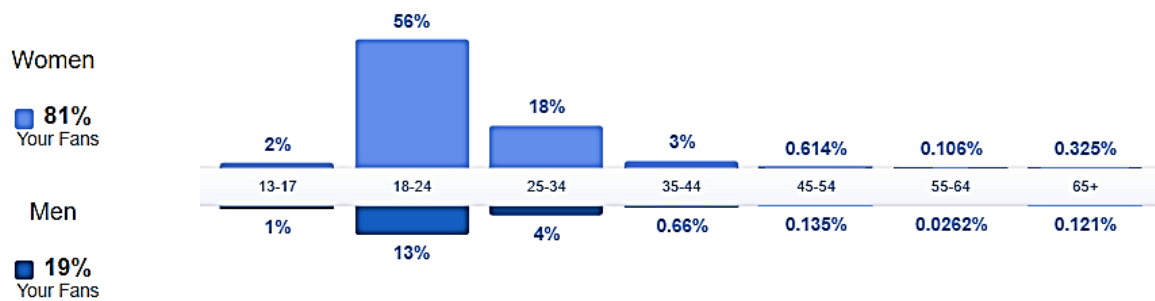
The percentage in the reach and engagement is measured by comparing the weekly data and it reflects how the posts have been performing. MAGGI, for instance, shows an increase in reach and engagement whereas, the other pages are demonstrating a decrease in both. This quick overview helps display a summary of digital performance of each individual page and the company can take necessary measures to improve performance accordingly.

MAGGI'S FACEBOOK PAGE STATISTICS

Nestlé works with a number of creative agencies for preparation of the social media contents. For every brand there is a number of allocated regular contents for each month. Along with regular monthly contents, there are RTM (real time management) contents and specific campaign related contents. Brands' briefs are given to the agencies and they include the instructions for constructing the contents. For instance, MAGGI has the following briefs which draws the strategies and purpose of their digital communication:

- Focus on moments between families.
- MAGGI transition: the brand thrives to be more globally aligned and talks about fresh and good food.
- The brand wants to talk more about cooking practices and recipes.
- The brand is moving towards making cooking a bonding moment, for example, children and fathers helping moms out in cooking.
- MAGGI is moving towards becoming a progressive brand which is why the communication is modernizing.

The people who like your Page



| Country | Your Fans | City | Your Fans | Language | Your Fans |
|--------------------------|-----------|------------------------------|-----------|---------------------|-----------|
| Bangladesh | 563,933 | Dhaka, Dhaka Division,... | 452,740 | English (US) | 366,207 |
| India | 66 | Chittagong, Chittagong ... | 68,879 | English (UK) | 176,570 |
| Saudi Arabia | 53 | Sylhet, Sylhet Division, ... | 3,212 | Bengali | 17,575 |
| Malaysia | 29 | Khulna, Khulna Division... | 2,904 | Spanish | 1,674 |
| United States of America | 29 | Narayanganj, Dhaka Di... | 2,305 | as_IN | 1,501 |
| Pakistan | 19 | Rajshahi, Rajshahi Divi... | 1,839 | Portuguese (Brazil) | 1,036 |

Figure 6: MAGGI Facebook Page Like Statistics

The table above shows the demography of the people who have liked the Facebook page of Nestlé. The majority of the page fans are women, i.e. 81% and only a small percentage (19%) of the total fans are men. Over half the fans of the page range from age 18 years to 24 years, which means most of the target audiences are young adults. This works well for the company since the brand MAGGI is not allowed do promotional activities directed towards the people of minority age. The age group with the majority crowd constitutes of 56% female and 13% male demography.

The data also gives a geographical overview to represent which regions the fans are coming from. Since this is the MAGGI Bangladesh page, majority of the fans, i.e. 99.9% of the fans are from Bangladesh. The data shows a representation of the regions of Bangladesh and the concentration of fans in each region. Dhaka is where 85% of the fans are coming from. Chittagong has the second highest portion of the population with 13% of the total fans. The other 2% of the fans come from Sylhet, Khulna, Naryanganj and Rajshahi regions of Bangladesh. The figure also shows the language preference of the fans, which is English for the most people.

The people who have liked, commented on, or shared your posts or engaged with your Page in the past 28 days.

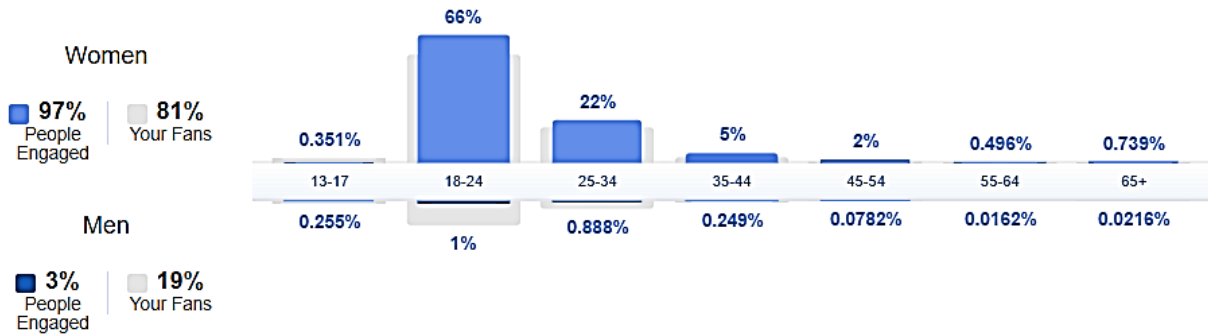


Figure 7: MAGGI Facebook Page Engagement Statistics

The figure above shows the monthly demographic data of engagement on the MAGGI Facebook page. This figure shows that most people engaging with like, comments and shares on the Facebook page are between the age of 18 years to 24 years and almost all of them are women.

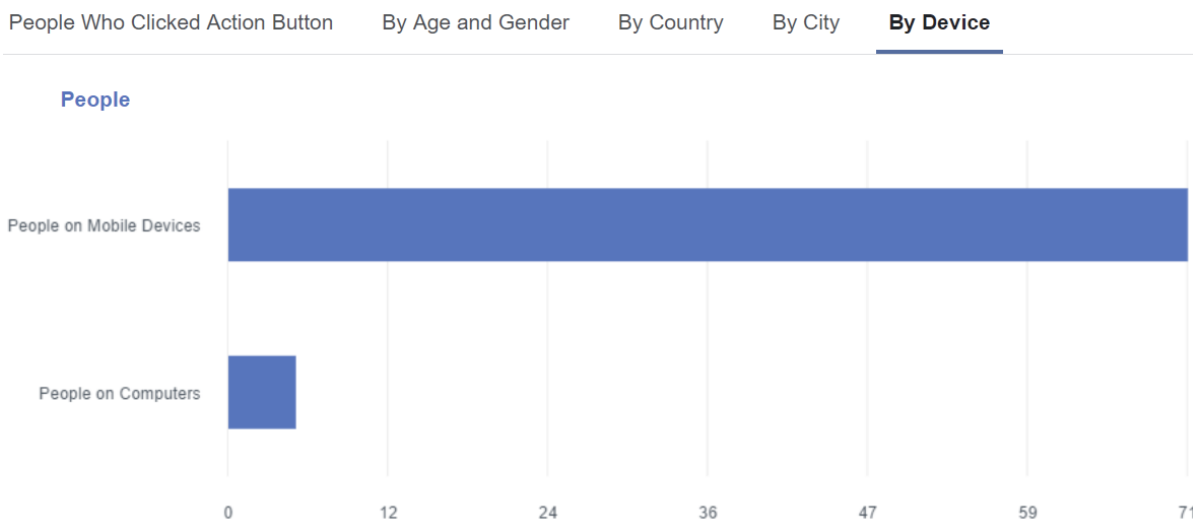


Figure 7: Devices Used By MAGGI Fans

The figure above shows what devices are being used by the MAGGI page fans. Majority of the fans use mobile devices whereas a very few of them use computers to view this page. Such data encourages the company to design more and more mobile friendly contents.

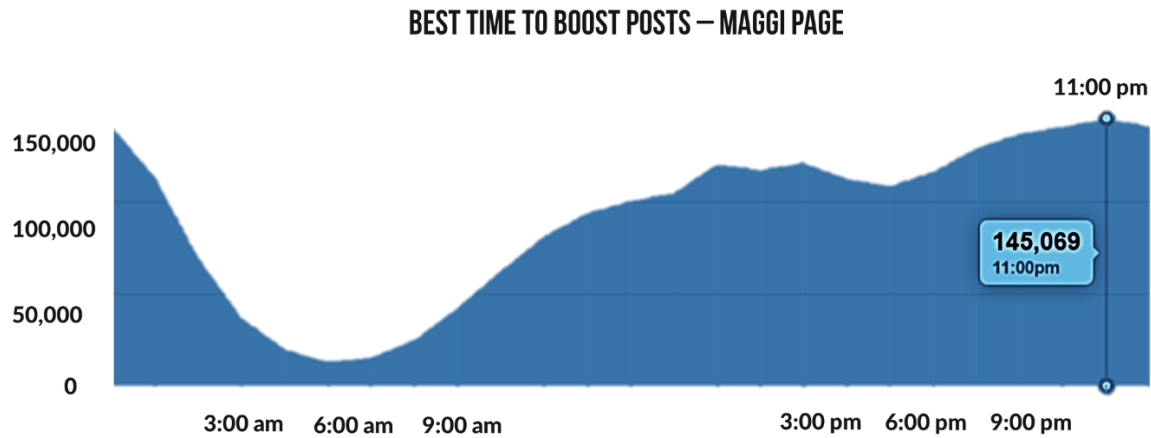


Figure 8: MAGGI Facebook Page Activity Time of Fans

The above graph depicts that the time when the fans are mostly active on the MAGGI Facebook page is during the night. One of the reason could be that at this time the fans, who are mostly the female population are more free and done with their daily work. The lowest page activity s between 3am to 9am which is likely since that is when people are asleep. There is also a lift in digital activeness 6pm onwards and that is when most of the contents are boosted depending on the digital marketing budget of the brand.

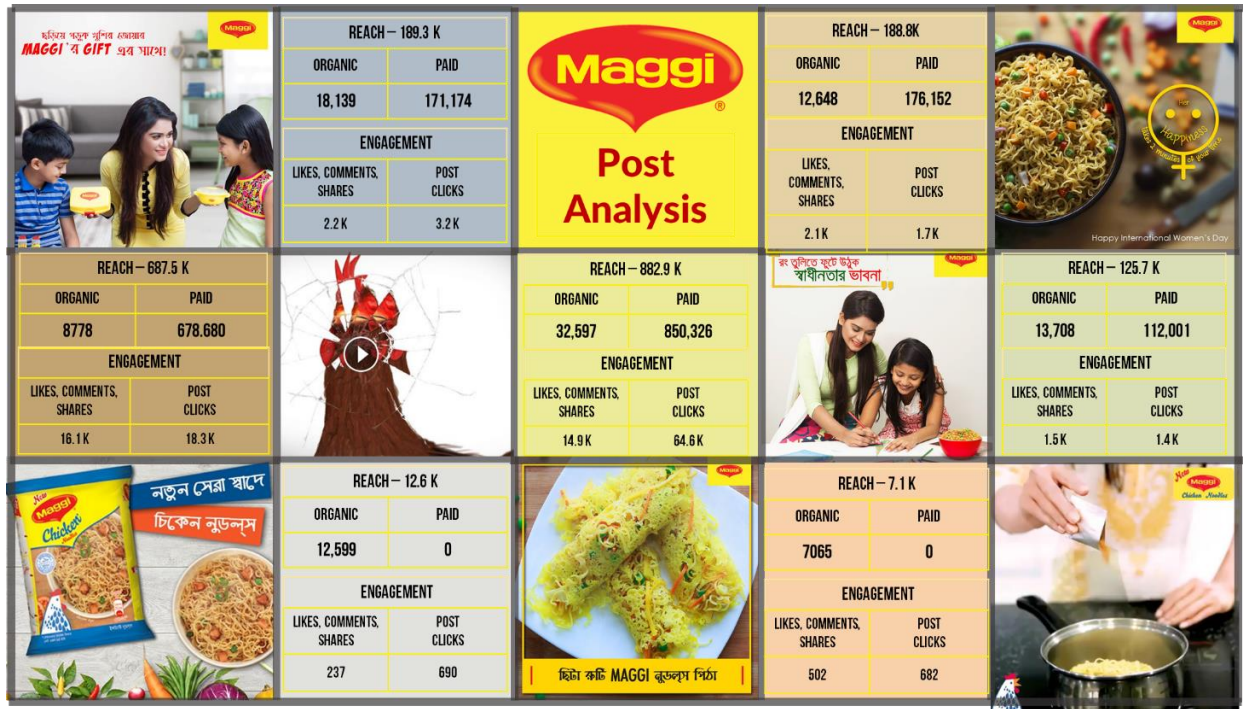


Figure 9: MAGGI Facebook Post Analysis - Reach & Engagement

The figure above displays the digital content performances of both static and dynamic MAGGI Facebook posts. These are some of the best performing posts on the page in the most recent time. Reach— This is a quantitative analysis which represents the number of people exposed to the digital marketing content. Organic reach is the exposure the content got without the company having to spend on its promotion. The greatest organic reach among these contents is 32,597 which is a recipe content where a recipe prepares with MAGGI was created and page audiences were asked to share their own MAGGI recipes in the comments. Such contents with call to action works better than other posts. Moreover, MAGGI recipe contents with attractive photo shots work well according to the brand which is why they emphasize on the photoshoots and videoshoots and mostly hold in-house recordings.

Engagement – Likes, Comments, Shares and Post Clicks: This demonstrates the reach of contents and the fact that it resonates with audience. The likes, comments and shares are generated by Facebook and the repost is reviewed by the agency team, the brand team and the digital team on a monthly basis. This is a purely quantitative analysis which gives an image on how the brand's contents are doing.

Comments: It takes more effort for a reader to post a comment than it does for them to like it, so this is often a strong gauge of how engaged your community is.

The greatest number of likes, shares and comments is 16.1 thousand on the MAGGI chicken noodles teaser video content. Dynamic contents usually tend to do well, at the same time, since it was a teaser, the post encouraged audiences to guess what MAGGI was coming up with. The content with most clicks is the recipe post which is something people could have clicked on as many times they may have needed to read the recipe. Engagement is a better measure of post’s performance since audiences are obviously putting more effort into it, especially in case of shares and comments. Below are two of the best performing MAGGI posts during the month of April:



| | |
|---------------|-----------|
| ORGANIC REACH | 17,958 |
| PAID REACH | 1,324,986 |
| LIKES | 11 K |
| SHARES | 48 |
| COMMENTS | 106 |
| POST CLICKS | 12.1 K |



| | |
|---------------|---------|
| ORGANIC REACH | 17,816 |
| PAID REACH | 504,999 |
| LIKES | 5.7 K |
| SHARES | 121 |
| COMMENTS | 39 |
| POST CLICKS | 13.5 K |

Figure 10: MAGGI Best Performing Posts of April

Two of the best performing posts of MAGGI includes one consumer promotion content and one recipe content. The one on the left is a promotional post for a free gift with MAGGI soup. This content was one of the first announcement posts for this offer and the audiences seemed excited to

express their thoughts about this offer. Some of them who purchased the offer left feedback on the gift items in the comments section of the post.

The second post is the a Pohela Boishakh specific post; it shows a food item with a recipe of how to recreate the item. It is a helpful post since on this day most Bangladeshis follow the tradition of cooking delicious Ilish and other Noboborsho food items. Therefore, most of these helpful recipe posts and offer posts usually perform well on the brand pages.

5. Conclusion

While working on the digital marketing team of Nestlé's MAGGI brand, we had the rare opportunity to understand how the digital part of the brand contributes to its success altogether. The digital brand in itself is a novice portion of the Nestlé Bangladesh team. The digital department is constantly trying to prove its merits and establish its level of contribution to the brand's success altogether. It was interesting to observe how the digital activities are carried out by the dedicated digital marketing department. The whole department consists of both consumer engagement and digital marketing. The different forces working together to make this a success are: CEC (Consumer Engagement Center), Ecommerce and Digital Marketing itself. These different, but correlated parts work side by side to bring growth to the flourishing digital sector of Nestlé. The country is digitalizing and Nestlé is working its way towards this advancement to keep up with the market's requirements. Therefore, the digital department is constantly trying to make a bridge the communication gap between the brands and its audiences on digital platforms.

6. Recommendations

Nestlé is a globally recognized company which mostly has standardized process for most of its activities. However, there are some issues that arise when you have to maintain and comply with extensive rules and regulations before any process can be carried out. Following are some of the recommendations for Nestlé which could be useful as the department matures.

- Clear communication purpose: Synchronization between brand and digital team is important to bring smooth and clear communication. In many cases the brand and the digital team are seen to work separately without keeping each other in the loop about certain decisions. This results in a form of communication gap which often hampers the final output of some of the major activities. Therefore, the brand and digital team's combined efforts could result in more

effective results. The best working posts are the ones which brands have approved and actively taken an interest in to improve the communication. This helps deliver the message intended to be delivered by the brand through the digital activities and the communication has a clear purpose.

- ATL, BTL and digital collaboration: The digital marketing contents sometimes suffer from the lack of similarity with the other branding contents since the digital department is a secluded one and the agencies working for the ATL and BTL and that working for the digital contents are two different ones. Thus, bringing a good communication flow among the agencies could help generate much more integrated marketing plans. It is also easier to create such digital contents, like the teaser video of MAGGI Chicken Noodles was easy to make, cost effective and took very little time to construct since it was just a shorter version of the TVC used as a teaser. This can be done for most of the other contents since it saves effort and allows scope for more creativity in the digital contents.
- Takeaways from other markets: Nestlé digital department is new in the Bangladeshi market, however, in the other, more mature markets it is more established and the team here can take a number of learnings from these markets. The other markets have experimented extensively and taking away from what worked for them and what failed helps the digital team here save a lot of time and energy and at the same time come up with the most effective solutions. It is a challenge to decide what would work best for the Bangladeshi market but with sufficient research study, it is possible to minimize efforts and enhance results.
- Helpful engaging posts with call-to-action: Usually, engagement is low on contents where no call to action is encouraged. Game posts, contests, slice of life contents perform better and generate more hype among people rather than mundane posts which are mostly used by every other Facebook marketer. It is a misconception that such posts may cost more to create. Some study on the consumers and the market mixed with sufficient creativity can result in well received digital materials for the company.
- Leverage from Facebook studies: The Facebook Business Manager provides a well demonstrated comprehensive study of the demography and geographic data of the audiences. Posting time is determined by looking at the times when the consumers are mostly active which helps utilize the budget to the maximum extent. Besides, almost all of the page fans are made up of women between 18 to 34 years of age. Emotional contents are therefore likely to appeal

more to these fans and also recipe posts and other helpful home making tips can work well too. The majority of the fans are also on their mobile devices so mobile friendly contents are essential.

- Surveys for specific targeting: Instead of blindly promoting contents, it is essential to narrow down who are the top and loyal MAGGI fans. One way to find out the most loyal fans are to check engagements. Since writing comments means they put in sufficient effort to share their thoughts with the brand and sharing the contents means they found the content helpful or likable enough to display it on their own profiles, these are the people the brand can target to survey first. Location specific targeting can be done as well while carrying out regional campaigns. For example, MAGGI can do a poll to find out how any of the female fans on the page are mothers and design the future promotional materials accordingly. In this way, the interests of the loyal page fans can be figured out and the information can be used to make the communication stronger and more impactful for the audiences. For example, if the research finds that most of the women on the page are young moms who like healthy eating and a good work life balance, MAGGI posts can be designed to provide such tips by featuring a successful young mother of the country, who is also a MAGGI consumer, which would be both relatable and helpful for the page fans and such a content can be promoted on Women's Day in the coming year.
- Competitor studies and learnings: On Facebook, if you select your competitors' Facebook pages, they give an overview of the posts which worked best for them. An analysis of these posts gives an idea of how the company can improve its own performance, based on these learnings. MAGGI's two biggest competitors, for instance, are Knorr and Chopstick and their best performing contents are two dynamic contents. One is a GIF by Chopstick where the audiences can play and win and this causes more engagement on their part. The other best working content brought by Knorr has celebrity endorser Bipsha Hayath. The other content is a recipe video. This suggests that that dynamic contents, recipe videos and celebrity endorsers have worked well for other brands and MAGGI can follow similar strategies to improve its consumer engagements.

7. References

- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Castelar Articles, 2005. Nestlé LC1- Nestlé Competitive Strategy, retrieved from http://articles.castelarhost.com/Nestlé_competitive_strategy.html.
- Derek S. Dieringer. "ERP Implementation at Nestlé," June 24, 2004. Euro Monitor International, 2012. Switzerland Statistics, retrieved from <http://euromonitor.com/factfile.aspx?country=CH>.
- Nestlé 2004 Management Report, www.Nestlé.com, accessed April 12, 2005. Nestlé 2013 Annual Report, retrieved from http://storage.nestle.com/Interactive_AR_2013/index.html#II/z Nestlé Code of Conduct.
- Nestlé in society. Creating Shared Value and meeting our commitments 2012 Full report.
- Steve Konicki, "Nestlé Taps SAP for E-Business," *InformationWeek*, June 26, 2000. The Nestlé Corporate Business Principles, June 2010, retrieved from <http://www.Nestlé.com>.
- The Nestlé Management and Leadership Principles, April 2003.
- The Nestlé Sustainability Review, May 2002, retrieved from <http://www.Nestlé.com>.
- The World of Nestlé, 2006, retrieved from <http://www.Nestlé.com>.
- William Echikson, "Nestlé: An Elephant Dances," *Business Week Online*, December 11, 2000, retrieved from <http://www.businessweek.com>.