Internship Report

Submitted to

Dr. Md. Tareque Aziz

Associate Professor and EMBA Coordinator

BRAC Business School

Submitted by

Asraful Alam   11104013

Date of Submission: 18thApril, 2015

Internship Report on Kaymu Bangladesh

Letter of Transmittal

18th April, 2015

Dr. Md. Tareque Aziz

Associate Professor and EMBA Coordinator

BRAC Business School

BRAC University

Subject: Submission of the internship report.

Dear Sir,

With due respect, I would like to inform you that I have completed the internship report. The internship report mainly focuses on how Kaymu Bangladesh works as a service organization and as an online marketplace in Bangladesh. I have recently completed my internship at Kaymu Bangladesh from 9th January, 2015 to 9th April, 2015. I joined there as a sales intern and I am very fortunate that I have done my internship from an organization which is the largest online marketplace in Bangladesh. I hope that this report will satisfy your requirements and expectations. I have really tried my best to make this report as informative and reliable as possible.

In this circumstances stated above, I hope that this report will provide the readers with a complete idea of how Kaymu Bangladesh works as an online marketplace in Bangladesh. However, I will be glad to clarify any discrepancy that may arise.

Sincerely Yours,

AsrafulAlam

ID: 11104013

BRAC Business School

BRAC University

Acknowledgement

It was a challenging work to complete the internship report. First of all, I would like to present my dew regards to the Almighty. I would like to give my deepest thanks to my honorable sir, Dr. Md. Tareque Aziz, for his continuous support and valuable time to complete my internship report on Kaymu Bangladesh. Without his proper help and support it would have been impossible for me to complete my internship report in due time.

At the end, I would also like to thank my colleagues and senior executives who also helped me in many ways to complete the internship report.

Executive Summary

In this internship report I have tried to explain how Kaymu Bangladesh actually works as service organization and as an online marketplace in Bangladesh. Kaymu Bangladesh is a venture of worldly renowned organization, Rocket Internet. But, still Kaymu Bangladesh has not been able to provide the customers with the service that is expected by the customers as there is a service gap. One of the reason behind this is Kaymu is relatively new in Bangladesh. The report also contains information of a research on Kaymu Bangladesh where the positive and negative service features of Kaymu Bangladesh have been found out. The relational marketing steps taken by Kaymu Bangladesh are also mentioned in the report. A recent example of Kaymu's relationship build up activities is the "Borshoboron" festival celebration with the top sellers and customers. Kaymu Bangladesh like other organization faces some service failure and they also take service recovery steps which are also mentioned in the report. The whole service delivery process and the blueprint of service delivery process are also depicted in the report. Kaymu's integrated service marketing communicationsystem is described in the report where it's identified that the lack of TV commercials and billboards, adds to the trust deficit of customers on Kaymu. Finally, I have come up with some recommendation which i think will help Kaymu Bangladesh in their way forward in delivering best quality of services.

Contents

Introduction

Kaymu's parent company Rocket Internet is the world's largest Internet incubator. It was founded in Berlin, Germany in 2007 by the Samwer Brothers (it is headquartered in Berlin). The Rocket team has been building online companies since 1999 and has created over 100 market leading companies in more than 50 countries. The founders gained visibility through successful investments in Groupon, eBay, Facebook, Linkedin, Zynga, etc. (either through early direct investment or through taken over target companies). Rocket Internet launched 4 companies in Bangladesh last year- Carmudi, Lamudi, Foodpanda and Kaymu. Recently, they have also launched another company named Daraz. Kaymu as mentioned before that it replicates the eBay model in emerging markets and since Bangladesh is an emerging market where eBay has not been introduced yet, Kaymu decided to come in. Kaymu is basically an E-commerce site. The buying and selling of products and services over electronics system through internet or other computer networks is referred to as E-commerce. Kaymu Bangladesh has already become the largest online marketplace in Bangladesh and it has become third among the other 36 countries that Kaymu is presently operating. Online shopping is attractive to both sellers and customers because it can effectively save a lot of time and money. The market of Bangladesh has still not matured as many customers and sellers are still ignorant and somewhat unwilling to accept it. Kaymu's direct and indirect competitors are Ekhanei.com, Click BD, bdstall, biponee.com, Rokomari etc. The buyers and the sellers are the main focus of Kaymu Bangladesh. The sellers are Kaymu's clients. Kaymu is an online marketplace where the sellers and customers meet. The sellers sell their products on Kaymu and provide Kaymu with a percentage commission on each sale. Both the sellers and the customers have to open an account in Kaymu first by providing some information of them. As a result Kaymu have information of both the sellers and the customers. The website of Kaymu is very categorized (Image 1) so that customers can find exactly the product that they are looking for. Kaymu Basically follows cash on delivery which means customer will pay the price of the product at the time of receiving the product. Seller can use their own delivery system or they can use Kaymu Shipping. Kaymu puts extra emphasis on the photography of the products as they believe the better the photography of the product the better the sale of the products. So they use professional photographers and they have an in-house studio in their office. At the very beginning Kaymu Bangladesh was looking for just sellers who

can provide cheap products now they are looking for better quality sellers with better quality products. They are trying to improve their delivery system on a continuous basis. These steps indicate that Kaymu is looking for providing the customers and the sellers with best quality services.

The GAPS Model of Service Quality

The gaps model of Service quality was first developed by a group of authors Parasuraman , Zeithaml ,Berry in 1985.It Highlights the main requirements for delivering a high level of service quality by identifying four 'Gaps' that can lead to unsuccessful delivery of services. Customers generally have a tendency to compare the service they "Perceive" with the service they "Expect" to receive. Thus, when experience does not match with the expectations, a gap arises. So customer gap is the difference between customer expectations and perceptions. Customer expectations are standards or reference points that customer bring into the service experience and customer perceptions are subjective assessments of actual service experiences.

Now, I will talk about the gap model of Kaymu Bangladesh. Kaymu Bangladesh is the largest online market place. The customers should expect a lot form the largest online market place in Bangladesh. But as the customers in Bangladesh do not have much experience about online shopping; their expectations on Kaymu are not that high as it should be. I have collected information from 30 respondents. My findings are provided and discussed below:

Expectation:

Service Name	Very poor (1)	Poor (2)	Fair (3)	Good (4)	Very good (5)	Total	Weighted Average
Website services and delivery services		2	8	15	5	30	3.77
Service recovery or corrective measures		6	2	18	4	30	3.67
Advertisement and promotional activities		1	2	22	5	30	4.03
Relationship Marketing like, Providing gift and Greetings on occasions		9	6	15		30	3.20

Weighted average of website service and delivery service:

(5*5)+ (15*4) + (8*3) + (2*2) + (0*1)/30= 3.77

Weighted average of recovery and corrective:

(4*5)+ (18*4) + (2*3) + (6*2)) $+$ $($0*1)/30= 3.67

Weighted average of advertisement and promotional activities:

$(5*5)+ (22*4) + (2*3) + (1*2) + (0*1)/30 = 4.03$

Weighted average of relationship marketing like providing gift and greetings on occasions:

$(0*5)+ (15*4) + (6*3) + (9*2) + (0*1)/30 = 3.20$

Experience:

Service Name	Very poor (1)	Poor (2)	Fair (3)	Good (4)	Very good (5)	Total	Weighted Average
Website services and delivery services	5	10	7	8	0	30	2.60
Service recovery or corrective measures	2	18	4	6	0	30	2.47
Advertisement and promotional activities	7	12	8	3	0	30	2.23
Relationship Marketing like, Providing gift and Greetings on occasions	0	17	10	3	0	30	2.53

Weighted average of website service and delivery service:

$(0*5)+(8*4) +(7*3) +(10*2) +(5*1)/30 = 2.60$

Weighted average of Service recovery or corrective measures:

$(0*5)+(6*4) +(4*3) +(18*2) +(2*1)/30 = 2.47$

Weighted average of Advertisement and promotional:

$$(0*5)+(3*4)+(8*3)+(12*2)+(7*1)/30=2.23$$

Weighted average of relationship marketing like providing gift and greetings on occasions:

$$(0*5)+(3*4)+(10*3)+(17*2)+(0*1)/30=2.53$$

Service Gap:

Service Name	Gap
Website service and delivery service	1.17
Service recovery or corrective measures	1.20
Advertisement and promotional activities	1.80
Relationship Marketing like providing gift and greetings on occasions	0.67

Gap in website services and delivery services:

The customers of Kaymu have positive expectation for their website and delivery service because it's the largest online marketplace in Bangladesh. But they are not getting the services according to their expectation as Kaymu's website is an internationally standard website which the customers in Bangladesh find quite difficult to understand. The delivery service of Kaymu has not been that good in the recent past. That's why there is a service gap of 1.17 in website and delivery services.

Gap in service recovery and corrective measures:

The customers of Kaymu expect to have good service recovery as it's a venture of a renowned organization, Rocket Internet. But the customers are not experiencing adequate service recovery measures from Kaymu. Many customers have complained that the website of Kaymu being very difficult to understand. But Kaymu has not taken proper steps for that. Though it's a lengthy

process to bring changes in their website, the customers expect them to do it quickly. Some of the sellers and the customers haven't got the proper solution of their problems from the customer service and quality control department quickly enough. That's why there is a gap of 1.20 in service recovery or corrective measures.

Gap in advertisement and promotional activities:

In Bangladesh there is a huge trust deficit on the E-Commerce sites from the customers. So the customers expect that Kaymu should have more advertisement and promotional activities but in reality they are experiencing very less amount of advertisement and promotional activities. Kaymu does not have any TV commercials or any billboards which is very important way of advertisement to gain trust in Bangladesh. This is the reason why there is a huge gap of 1.80 in advertisement and promotional activities.

Gap in relationship marketing like providing gifts and greeting in occasions:

The customer has a positive expectation for Kaymu's relationship marketing. Kaymu take some relationship marketing steps as well like recently it celebrated "Borshoboron" festival with 60 of its top sellers and some of its customers. The seller management team also communicates with the sellers properly and treats them as members of Kaymu family. The sales executive also builds up good relationship with the sellers. That's why the gap is the smallest here. But there is still a gap of 0.67 as the customers expect more from Kaymu.

Consumer Behavior in Services

To discuss the consumer behavior, first we have to understand the service properties. Basically, there are three service properties. These are discussed below:
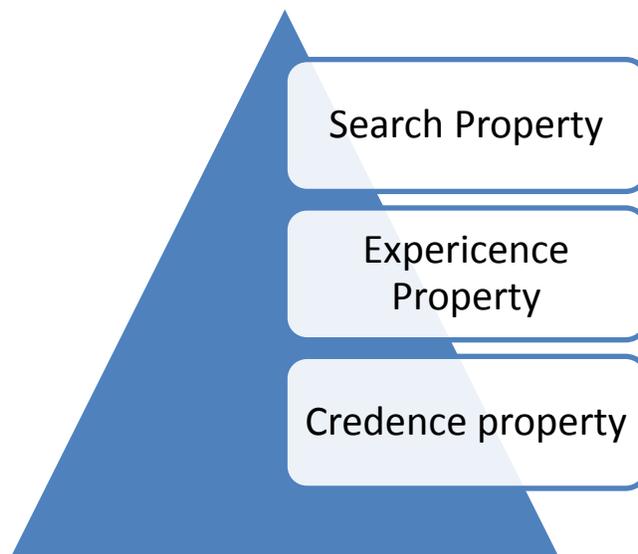
Figure: Properties of services

Search properties are attributes that can be determined by the consumers before purchasing a product or service. In case of Kaymu which is an online market place, it's highly related with search properties such as the ease of using the website, the look of the website, the product assortment in the website, the details of the products available in the website, the photography of the products, the ease of using the Kaymu application, the availability of good and trustworthy seller on the website, the price of the products available on the website etc. Experience properties are attributes that can be determined only after purchasing or during the consumption of the product or service. Experience properties are also associated with the online market place (Kaymu), such as, the ease of ordering on the website, the timely and efficient response by the seller, the timely delivery of the products, the delivery of the actual product that was ordered, the

post purchase commutation by the seller etc. Credence properties are characteristics that the consumers may find impossible to evaluate even after purchasing and consumption of the product. Credence properties are not as strongly associated with Kaymu's services as search and experience properties.

Consumer Experience:

Now, I will discuss the elements of consumer behavior that are relevant to understanding service experiences and the way consumers evaluate them.

Service as process: Services are actions and performances which are done for and with customers. They involve a sequence of steps, actions and activities. If we consider Kaymu's service as a process, the consumer's experience is not that good. The main reason is the service process of Kaymu is very sophisticated and consumers face quite a few difficulties from choosing a product to place an order and ultimately receiving the product. The internet illiteracy of the people in Bangladesh also plays a role here.

Service provision as drama: The service organization aim to create and maintain a desirable impression before the consumers and recognize the way to accomplish this is by managing the actors and physical setting of the behavior. Kaymu does a very good job in this case. Though mainly it's an online market place where the points of contact with the consumers are less, when there is a point of contact with the consumers they does a fairly good job such as at the time of delivering the products. As the sellers are Kaymu's clients. They do a very good job when they sign up the sellers by well-trained sales executive and the photographers, the welcome call by the ESM, the reminder call to the sellers when there is an order placed.

Service roles and script: Roles are combination of social cues that guide and direct behavior in a specified setting. Kaymu's employees play their roles according to script almost perfectly. Each and every employee of Kaymu knows their roles and they know how and when to perform it. Like, the sales executive knows how to convince the seller to sign up as a seller of Kaymu, the photographer knows how to take pictures of the product, the QC knows how to upload the products in the Kaymu website and the employee who is responsible for the ESM calls knows his job and almost all of them does it perfectly.

The compatibility of service customers: Compatibility of service customers refers the role of other customers receiving service at the same time. As this is an online market place the market is bigger and there are a lot of customers and many types of customers. There are some good customers and as well as some customers who place fake orders which make the sellers lose faith on online market place. So it affects the overall market place and indirectly other consumers are affected in a bad way as well.

Consumer coproduction: Service consumers also play a coproduction role that can have profound influence on the service experience. In case of Kaymu consumer coproduction role is very important because as it's an online market place, the consumers have to perform many tasks for online shopping like browsing the website, choosing the product, placing the order, effectively communicate with the seller etc.

Emotion and mood: Emotions and mood are feeling that influence consumer's perceptions and evaluations of their experiences. In case of Kaymu it's also as critical as it is for other organizations. For Kaymu this point is very critical at the time of receiving the delivery of the products.

Post experience Evaluation:

There are few elements related with the post experience evaluation and these are described below:

Word-of-mouth communication: Post experience evaluation significantly impacts what customers tell others about the service. For Kaymu there is both positive word-of-mouth and negative word-of mouth. Basically, it depends of the sellers. The consumers who have ordered a product from a good seller and received the product in time as a result there will a positive word-of-mouth. On the other hand, the consumers who have ordered a product from a seller who is not that active or ignorant about the online market place, thus not receiving the product in time, there will be a negative word-of-mouth.

Attribution of dissatisfaction: There are few factors about Kaymu for which the consumers become dissatisfied like the difficulty of placing an order, the untimely communication of the seller, the untimely delivery, the delivery of wrong products etc.

Positive or negative biases: People who are doing business for a long time and the comparatively older businessman have negative bias on online market place as they believe in tradition market place. On the other hand, people who are active users of internet and comparatively younger people have a positive bias on online market place.

Brand loyalty: As Kaymu is a venture of Rocket internet, people who are brand conscious are likely to buy or sell on Kaymu. For existing sellers, the key sellers whose account is maintained by the key account managers are loyal clients of Kaymu. The consumers, who have successfully received more than few deliveries of the products ordered from Kaymu, are loyal consumers of Kaymu.

Customer Expectations of Services

People have some expectations on every service they consume as a consumer. People hold different levels of expectations according to different sectors or organizations. There are reasons for the difference in expectation level. Measuring the consumer expectation level is very important because exceeding consumer expectation level regarding any particular service is the key to become successful on that particular sector. We can evaluate customer expectations by asking some questions:

☐ What types of expectation standards do customers hold about services?

☐ What factors most influence the formation of these expectations?

☐ What role do these factors play in changing expectation?

☐ How can a service company meet or exceed customer expectations?

Now, I will discuss Kaymu's customer expectation based on these four questions.

What types of expectation standards do customers hold about services?

As Kaymu is the largest online market place of Bangladesh, customers do have some expectations on its services. Some of these expectations standards are given below:

- Large amount of product assortment in the website

- Good quality products

- Lower price of the products than the traditional market

- Adequate details of the products available in the website

- Trustworthy seller of the products in the website

- Delivery of the right products

- Fast delivery of the products

- Easy to access and browse the website

- Easy to place an order

- Good communication by the seller of the products

- having good number of choices of a product in the website which means there should be a number of sellers selling a certain type of product with different designs and different price range

- Good customer service center to answer all the queries of the customers and solve all the problems of the customers

- Safe and fun online shopping experience

- Good and professional behavior from the customer service department and delivery persons etc.

What factors most influence the formation of these expectations?

The customers have a lot of expectations on Kaymu's services but the market of Bangladesh is still not a mature market for an online market place. The customers in Bangladesh have not got enough experiences on online shopping and that's why their expectation standard is still not that high. Their type of expectation is Acceptable Expectations as they expect Kaymu will serve them in an adequate manner. So the main factor that influences the formation of customer expectations

of Kaymu is sources of adequate service expectations. For example, the delivery service of Kaymu is still not good enough. The sellers are still not communicating with and supporting Kaymu well. As a result the customers sometimes are not getting the delivery of the products at the right time. But, still the percentage of returning customer is above 50%. This is an example which supports my point that the customers of Kaymu have acceptable expectations.

What role do these factors play in changing expectation?

I have mentioned earlier the customers of Kaymu have acceptable expectations which mean they expect Kaymu to serve them in an adequate manner. As the market will mature the expectations will change. Then they will demand higher quality services, faster delivery service, and larger number of sellers with internet literacy.

How can a service company meet or exceed customer expectations?

It is the key to success that a service company meets or exceeds consumer expectation. To meet consumers' expectation, companies have to listen to consumers first. Service providers need to put on consumers shoe and find out what customers are looking for? To identify and understand customers' needs is very important because that will set up a service provider's service package.

For example, the customers of Kaymu wants the sellers of the products to communicate with them effectively and efficiently, here Kaymu can educate the sellers on such communications. But, when it comes to meeting and exceeding customer expectations, an organization should keep in mind that it doesn't overpromise. In this case, Kaymu doesn't overpromise as they accept that they have a lot to improve on.

Customer Perceptions of Services

Customer perception is defined as the way that customers usually view or feel about certain services and products. It can also be related to customer satisfaction which is the expectation of the customer towards the services. As Customer satisfaction is the key to success for any services provider, to know the customer perception of the particular service is important to measure customer satisfaction. And, the customer satisfaction derives from service quality itself. The customer perception is the reality of service provider. Customers perceive service in a dimensional way. Rather, they judge quality based on multiple factors relevant to the context.

There are two specific sections of quality which are the service quality itself and the E-Service quality. These two sections will be discussed below:

Service quality dimension:

It is suggested by the research that customers don't perceive the quality in a unidimensional way rather they judge quality based on multiple factors relevant to the context. The service quality dimensions are described below:

Reliability: Reliability of services means the ability to perform promised service dependably and accurately. If we consider Kaymu, I would say it's a very reliable organization. As, Kaymu is currently operating in 36 other countries, it has a reputation to maintain. The employees of Kaymu know their job well and they perform it with utmost honesty. The sales executives are very careful to choose the seller while signing them up. They also verify the sellers and the orders of the customers. They try their best to make sure that the right product is delivered to the right customer and the right time.

Responsiveness: Responsiveness means the willingness to help customers and provide prompt service. As per as Kaymu is concerned, it is very active in helping and providing prompt services to the customers. It has a hotline number and live chat system (Image 2) which is under the customer service department, for providing help to the customers and providing answers for the customers query. It also communicates with the customers and the sellers effectively and

efficiently so that they don't face any problems regarding using their services. It also has a dedicated seller management team who are actively helping out the sellers who are considered as their clients.

Assurance: It means employee's knowledge and courtesy and their ability to inspire trust and confidence. As I have mentioned earlier, all the employees knows their job very well and they perform it as effectively and efficiently as possible. They are very trustworthy. The sales executive team very carefully selects the trustworthy seller to sign up, the seller management team is always dedicated to help out the sellers and the customer service department is relentlessly working to help out the customers by answering their questions and solving the problems.

Empathy: It means caring, individualized attention given to the customers. Kaymu is also very good at that. Because it assigns specific seller manager to specific sellers and specific Key Account Manager to specific sellers to make sure they get the individualized attention. It also have dedicated customer service department which try to give as individualized attention to customers as possible. Kaymu understands in Bangladesh, the lot of customers is not adequately knowledgeable about online shopping. So it tries to look into the matter from the customer's point of view, to find out the problems and solve it. For example, it introduced the Kaymu Application, which is easy to use, to place order and for sellers easy to add listing and check orders on the go.

Tangibles: It means appearance of physical facilities, equipment, personnel and written materials. In case of Kaymu, as it is a venture of Rocket Internet and it is also operating in other 36 countries, it has adequate physical facilities, equipment, personnel and written materials. Like, it has a well-furnished office, a laptop assigned to each employee; tablet pcs are also provided to the sales executive who are assigned to perform offline sign up activity etc.

E-Service quality:

E-Service or Electronic Service is related with IT. Specifically for Kaymu, it is the most important factor as it is basically an online market place.

E-Service quality dimensions:

There are four core dimensions that customers use to judge websites at which they experience no questions or no problems and these are discussed below:

Efficiency: It means the ease and speed of accessing and using the site. The website of Kaymu.com.bd is very easy to access and browse. The website is very easy to understand and as categorized as possible so customers can find the products that they need to buy easily.

Fulfillment: It means the extent to which the site's promises about product delivery and item availability are fulfilled. Kaymu is very effective and efficient in that sense. Kaymu uses the delivery system which is called the Kaymu shipping, which is a very professional department of Kaymu. It tries to deliver the products as quickly as possible. The products assortment in the website is also very good as the sales executives and seller management team tries their best to take as much listing as possible from the sellers. They also make sure that the sellers have the stocks of the products.

System availability: It means the correct technical functioning of the site. The website of Kaymu is very technically sound. The technical issues are handled by the technicians who are in Portugal who are very efficient in that. As Kaymu is operating in other 36 countries and it has a website of each of the countries, it knows all the technical issues and tries to make sure that the website is technically sound.

Privacy: It means the degree to which the site is safe and protects customer's information. It is very conscious about the privacy of the information of the sellers and the customers. Kaymu has a policy that when an order is placed the customers will not be able to call the sellers directly because they won't have their numbers. When an order will be placed the seller will have the customer's number. The reason behind this is as the sellers are Kaymu's clients, it tries to make sure the customers don't give fake orders or try to disturb the sellers. Kaymu is also very conscious about the privacy of the customers as the sellers are told by Kaymu that they don't call the customers at wrong time and don't give unnecessary calls to the customers.

There are three other dimensions that customers use to judge recovery service when they have problems and questions and these are described below:

Responsiveness: It means handling of problems and return through the site. Kaymu is very responsive to customer's problems. In the website there is a live chat option where the sellers and the customers both can directly chat with the customer service department about their problems and issues and can have immediate solutions of their problems.

Compensation: It means the degree to which the site compensates customers for problems. As I have mentioned earlier, Kaymu's website has a hotline number and a live chat option. If Kaymu receives a problem from the customers they try to immediately solve the problem. In extreme cases they provide the customers with apology mails.

Contact: It means the availability of assistance through telephone and online representatives. It is mentioned earlier that the website has a hotline number and a live chat option.

Listening to Customers through Research

Internet litteracy of the respondents

3

13

■ Basic internet knowledge

9

■ Basic internet knowledge and FB knowledge

■ Regular use of internet

5

■ Internet expert

■ Expectation weighted average, Website service and delivery service, 3.77

■ Expectation weighted average, Service recovery and corrective, 3.67

■ Expectation weighted average, Advertise ment and promotional activities, 4.03

■ Expectation weighted average, Relationsh ip marketing like providing gift and greetings on occasions, 3.2

Perception weighted average, Website service and delivery service, 2.6

Perception weighted average, Service recovery and corrective, 2.47

Perception weighted average, Advertisement and promotional activities, 2.23

Perception weighted average, Relationship marketing like providing gift and greetings on occasions, 2.53

Gap, Relationship Marketing like providing gift and greetings on occasions, 0.67

Gap, Advertisement and promotional activities, 1.8

Gap, Service recovery or corrective measures, 1.2

Gap, Website service and delivery service, 1.17

Service Gap

![kaymu.com.bd]

Positive service features

Percentage, Others, 16%,
Percentage, Availability of cheaper products, 30%
Percentage, Well categorized website, 25%
Percentage, Good amount of product assortment, 29%

- Availability of cheaper products
- Good amount of product assortment
- Well categorized website
- Others

Negative service features

Percentage, Others, 15%
Percentage, lack of timely delivery of the products, 39%
Percentage, lack of proper communication by the sellers, 19%
Percentage, Lack of high quality products, 27%

- lack of timely delivery of the products
- Lack of high quality products
- lack of proper communication by the sellers
- Others

Building Customer Relationships

Building relation with customers is becoming a common feature for each organization who wants success. Customers want more priority from organizations and they also want that organizations will hear their words and care about them. This why, more and more organizations are moving toward relationship marketing from transactional marketing. The ultimate objective for relationship marketing is to create customers loyal.

Organizations can do relationship marketing through making them (customers) partners, making long term commitments and maintaining relationship with quality, service and innovation. Kaymu is doing exactly the same. They are taking necessary steps like celebrating "Borshoboron" with 60 its top sellers and some of the customers so that customers become their partners. Kaymu also makes long term commitments to both the sellers and the customers like Kaymu shares its long term plans with sellers and ask the sellers to help them make those plans possible. It also ask the sellers to communicate in an effective and well behaved way with the customers, to sell the products at a lower price than the traditional market so that customers feel attractive to order their products online. These steps show Kaymu is thinking big and its plans are long term. These steps also show long term commitments to the customers. Kaymu also maintain relationship with quality, service, and innovation as it is always trying to bring consistent quality products at comparatively lower price, always trying to improve their delivery service like using AIGX and always coming up with new innovations like Kaymu application.

Now, I will discuss Kaymu's relationship marketing in term of goals of relationship marketing. There are basically four goals of relationship marketing and these are discussed below:

Acquiring customers:

Kaymu is always trying to acquire new customers and sellers through relationship marketing. Like, Kaymu's Social Media department always tries to come up with different online contest to engage for and more people online thus letting them now about Kaymu and turning them into customers of Kaymu. It also came up with a partnership with ABC radio and through which it was able to have an exposure to a larger customer base.

Satisfying customers:

Kaymu considers satisfying their customers very important. It takes a lot of steps in order to do so. Like, recently it celebrated "Borshoboron" festival with 60 of its top sellers and some of its regular customers. The seller management and customer service department relentlessly work to satisfy their existing customers.

Retaining customers:

For retaining customers Kaymu puts an extra effort. It always tries to make sure if a customer orders for a product once in their website, he or she does it again. The same thing happens for the sellers as well. It always tries to make sure if a seller dispatches a product through Kaymu, he or she does it again. Kaymu tries to do that by improving on their delivery system, increasing the product assortment, coming up with best deals on products etc. The percentage of their retaining customer is more than 50%.

Enhancing customers:

Enhancing customers means reducing the gap between customer expectations and perceptions. It also means increasing the satisfactory level of customers. Kaymu takes that as a continuous process. It always tries to improve its services, website, quality of the products to enhance the satisfactory level of the customers and as well as the sellers. Like the introduction of Kaymu application is an example of that. By the introduction of Kaymu application, it was able to enhance the satisfactory level of the customers and as well as the sellers because the numbers of order increased substantially as a result of that.

To discuss further about the relationship marketing of Kaymu, I will have to discuss about the benefits for customers of Kaymu in long term relationships. There are basically three benefits for customers in long term relationships and these are described below:

Confidence benefits:

When a customer enjoys continuous relationship build up measure by the organization, as a customer of that organization one become confident. As per as the customers of Kaymu are concerned, they feel relatively confident. Kaymu is always active in their relationship build up

activities and as I have mentioned earlier, Kaymu takes it as a continuous process. By improving on their delivery system, Kaymu always tries to make sure that the customers gets exactly the right product at the right time so that customers feels confident to order on their website again.

Social benefits:

The customers develop a sense of familiarity and even a social relationship with the service provider over time. These ties make a switching cost of the customers like even if they learn about a competitor that might have better quality service or lower price, they are less likely to switch. Though, Kaymu is a relatively new organization in Bangladesh, it has been able to create social benefits to some of its top sellers and regular customers. As they are taken good care of by the seller management and customer service departments on a continuous basis. The recently celebrated "Borshoboron" festival is a good example of that as most of the sellers and customers attended the program mentioned that they feel like they are the members of Kaymu family as a whole.

Special treatment benefits:

Special treatment means tangible and intangible benefits like getting benefit of the doubt, being given a discount card etc. Kaymu also provide their customers and clients or sellers with some special treatment benefits. Like, the Key Account Managers help the key sellers to manage their account by helping them in managing their E-Store, sharing market information with them, helping them out with the pricing of the products. They are also provided with the photography service for their new products as the photographers are sent to the key sellers' shops for their convenience.

From the above discussion, it's quite clear that Kaymu is doing very well in their relationship marketing though they are a relatively new online market place in Bangladesh. They are continuously trying to provide their customers and sellers with best quality services and trying to build up long term business relationship with them. Even, in the "Borshoboron" festival it arranged a workshop for their top sellers and customers where the long term plans were shared with them. Kaymu did that to make the sellers and customers understand that Kaymu considers them as the part of their long term plans and as their partners.

Service Recovery

A Service Failure is generally described as service performance that falls below a customer expectation in such a way that leads to customer dissatisfaction. Service Recovery refers to the action taken by an organization in response to a service failure and both of them give big impact on customer satisfaction, loyalty, word of mouth communication and bottom line performance. Moreover, it provides opportunities for an organization to let customer know that the organization is hearing customers' complaints and taking steps on the basis of their words. It is very common to make mistakes but recovering from it is really important and if organization can recover it properly, it will surely make customers happy.

Kaymu is relatively a new online market place in Bangladesh. So there were instances where Kaymu failed to provide the customers with their expected services. Now, i will look into the Kaymu's customer's response to service failures.

```
                    ┌──────────────────┐
                    │ Service Failure  │
                    └──────────────────┘
                             │
                    ┌─────────────────────────┐
                    │ Dissatisfaction: Negative│
                    └─────────────────────────┘
              ┌──────────────┴──────────────────┐
     ┌──────────────────┐              ┌──────────────┐
     │ Complaint Action │              │ No Complaint │
     └──────────────────┘              └──────────────┘
   ┌────────┬─────────┬─────────┐        ┌──────────┬────────┐
┌─────────┐┌────────┐┌─────────┐   ┌───────────┐┌──────┐
│Complain ││Negative││Third-   │   │Exit/Switch││ Stay │
│to       ││Wrod-of-││Party    │   └───────────┘└──────┘
│provider ││Mouth   ││Action   │
└─────────┘└────────┘└─────────┘
     └──────────┬──────────┘
  ┌────────────┐      ┌──────┐
  │Exit/Switch │      │ Stay │
  └────────────┘      └──────┘
```
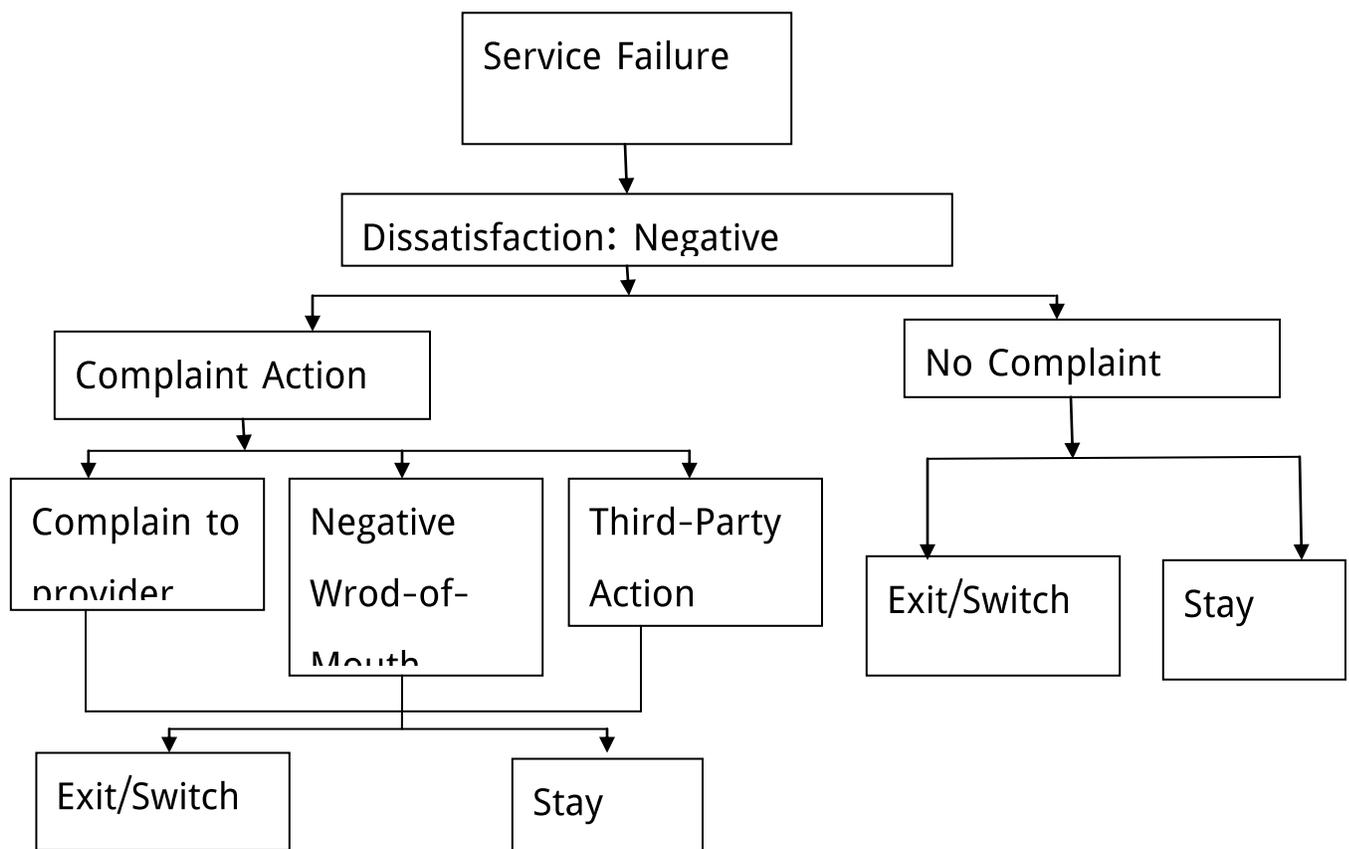
Figure: Customer complaint actions following service failure

When Kaymu fails to provide their customers with their expected services, customers become dissatisfied. Some of the dissatisfied customers take complaint actions. Some of them complain directly to Kaymu through the website, through the hotline number or through the sales executive. Again, some of the dissatisfied customers choose not to complain directly to Kaymu rather they spread negative word of mouth about Kaymu. For example, they tell others customers not to order any products through Kaymu's website and the dissatisfied sellers tell other sellers not to open an account in Kaymu's website. In Kaymu's case dissatisfied customers have not taken any third party actions yet. Some of these dissatisfied customers decide to exit Kaymu or switch to other E-Commerce site Like Bikreta.com, Click BD.com, Bikroy.com etc. But some of these customers decide to stay with Kaymu.

On the other hand some of the dissatisfied customers of Kaymu don't take any complaint actions. Thus Kaymu doesn't get to know the reasons of their dissatisfactions and as a result of that can't take any recovery measures. Either they decide not to take Kaymu's service any longer or switch to the competitors of Kaymu. Again some of these dissatisfied customers decide to stay and take the services of Kaymu.

The dissatisfied customers, who take complaint actions, give Kaymu the chance to take recovery measures. Now, I will discuss the recovery strategies of Kaymu.

I will describe the steps involved in a typical service recovery of Kaymu Bangladesh.

Step 1: Kaymu always tries to make the service fail safe which means it tries to provide the service in the right way the first time.

Step 2: When Kaymu fails to provide the right service at first time, it tries to collect customer's complaints through their hot line number, live chat option, customer service department and sales executive.

Step 3: When they collect the complaints, according to the complaints, they try to solve the problems as soon as possible and they apologize to the customers. For example, if a customer registers a complaint that he or she has not received the delivery of the product yet, the logistics department takes care of the problem immediately.

Step 4: In case of problems which take longer times to solve our problems which need higher management attention, the customers are asked to have patience till the problem is solved. For example, when there is a technical problem of website is pointed out by the customers, it's a lengthy process as all the technical issues are transferred to Portugal for solution. In extreme cases, Kaymu send the customers formal apology mails.

Step 5: Management allocate budget and accumulate similar kinds to problems to solve them at once which reduce cost. For example, at the very beginning of their journey, they faced a lot of complaints about their delivery service. After accumulating lot of problems regarding the delivery service, they have decided to use AIGx which is expected to solve all the delivery problems of Kaymu Bangladesh.

From the above discussion, it's clear that like all the other organizations, Kaymu also make mistakes and fails to provide the customers with right services at the first time. But they do take service recovery measures. There are still some lacking in their service recovery but as a venture of Rocket Internet which is presently operating in other 36 countries, it's expected that Kaymu will do a much better job at their service recovery strategies in the near future.

Service Development and Design

Enhancing and facilitating the collection of info through communication strategy, website and special offers

Collecting and gathering information through internet

Collecting and gathering information through customer service

Collecting and gathering information over phone

Collecting and gathering information through relatives

opening an account or registration

Customers gets a call from customer service agent when thay fail to validate the purchase

Browse through the website

Chosing the desired product

Placing the order

Validation of purchase

paying the price of the product + Delivery charge

Receiving the delivery of the products

Getting answers for the necessary quiries from the seller

Getting a call from the seller

Providing ratings and feedback to the seller

Providing feedback to Kaymu through Customer Service

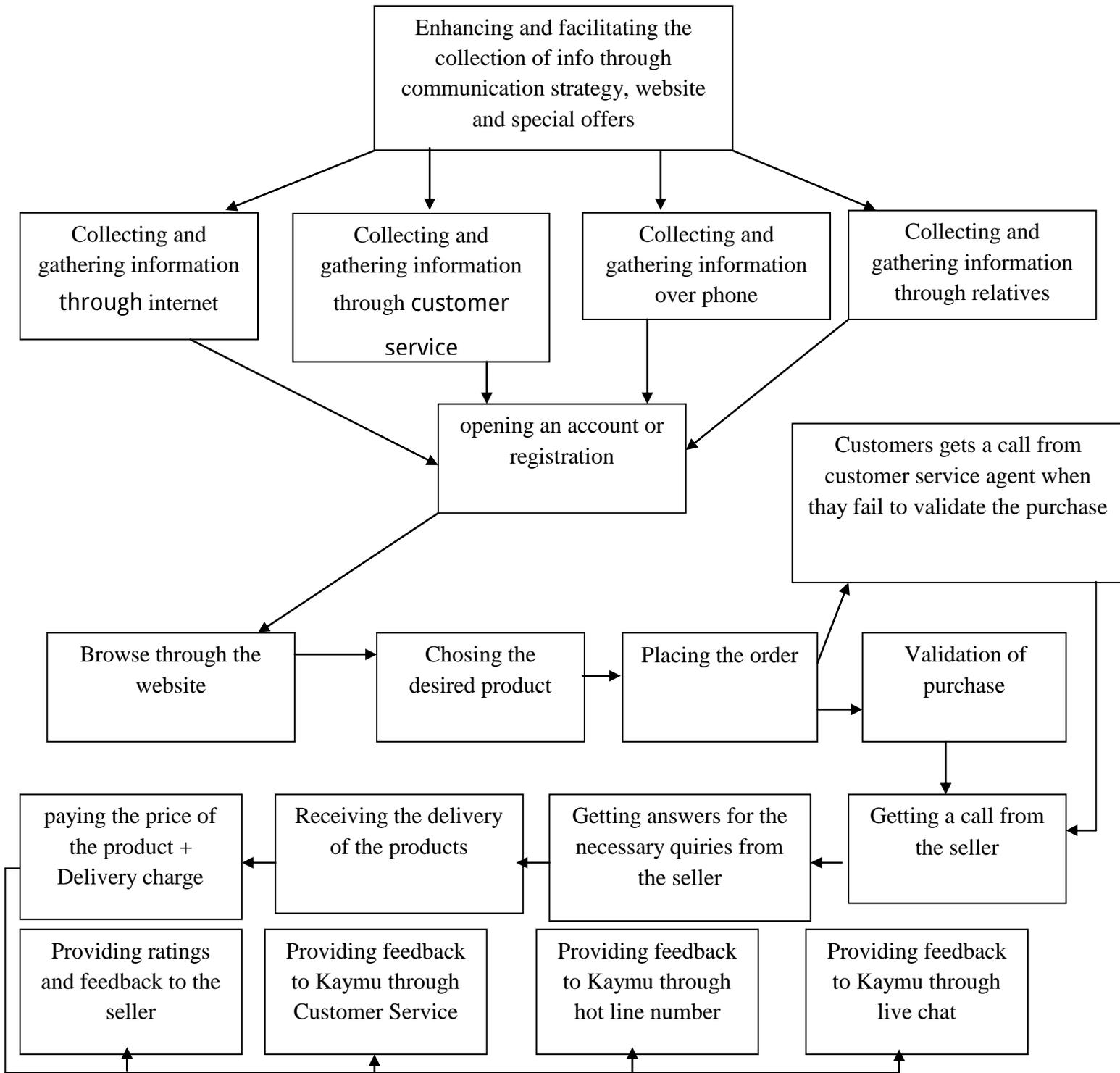Providing feedback to Kaymu through hot line number

Providing feedback to Kaymu through live chat

Figure: Service delivery process from the buyer perspective

```
┌─────────────────────┐   ┌─────────────────────┐   ┌─────────────────────┐
│ Signed up by the    │   │ Signed up by the    │   │ Registration or     │
│ sales executive     │   │ sales executive     │   │ opening account by  │
│ offline             │   │ online              │   │ the seller himself  │
└─────────────────────┘   └─────────────────────┘   └─────────────────────┘
```

Having an E-Store in Kaymu

Uploading products by the seller himself

Uploading products in the E-store of the sellers by QC

Checking his accounts for orders

Contact the buyer when an order is placed

Answering any quiries of the buyer by the seller

Confirm the order

Delivery of the products by the seller

Contacting the delivery help number of Kaymu

Receving commissions by Kaymu (usually twice in a month)

Dropping the products to Kaymu's Office

Dispatching the product to the delivery person

Packaging of the product by Kaymu

Delivery to the customers

Payment made to the seller after 10 days

Receiving the commissions by Kaymu from seller

Providing feedback by seller through customer service

Providing feedback by seller through hotline number

Providing feedback by seller through live chat

Providing feedback by seller through seller manager

Figure: Service delivery process from the seller perspective

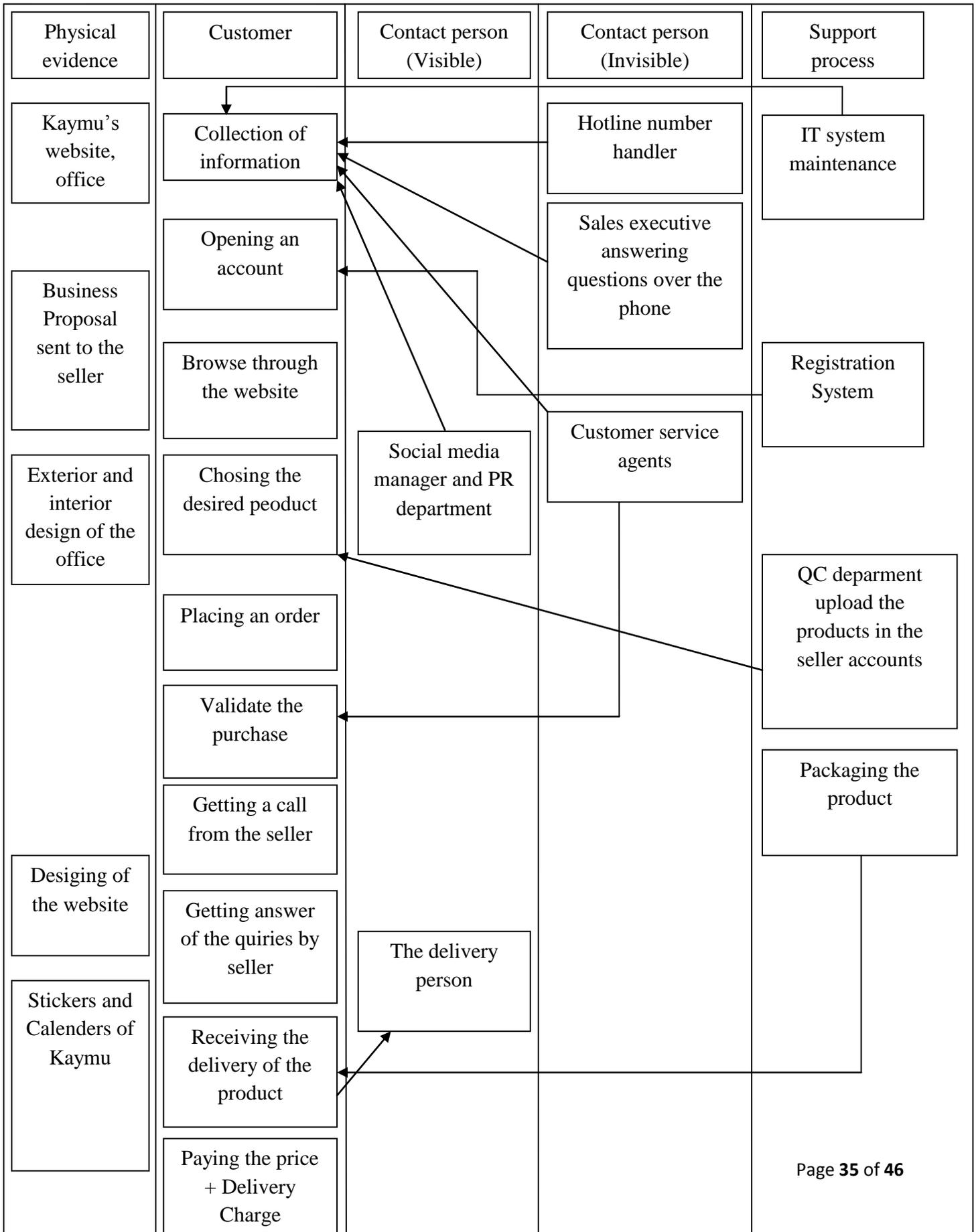![kaymu.com.bd]

Physical evidence	Customer	Contact person (Visible)	Contact person (Invisible)	Support process
Kaymu's website, office	Collection of information		Hotline number handler	IT system maintenance
Business Proposal sent to the seller	Opening an account		Sales executive answering questions over the phone	
	Browse through the website			Registration System
Exterior and interior design of the office	Chosing the desired peoduct	Social media manager and PR department	Customer service agents	
	Placing an order			QC deparment upload the products in the seller accounts
	Validate the purchase			
	Getting a call from the seller			Packaging the product
Desiging of the website	Getting answer of the quiries by seller	The delivery person		
Stickers and Calenders of Kaymu	Receiving the delivery of the product			
	Paying the price + Delivery Charge			

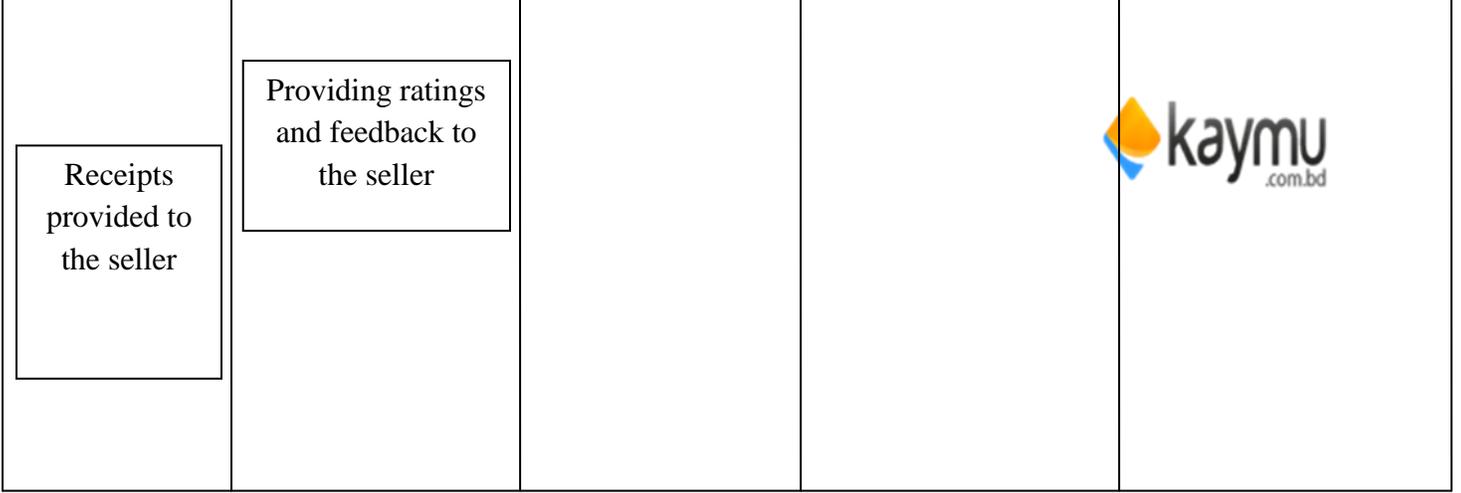| Receipts provided to the seller	Providing ratings and feedback to the seller			kaymu .com.bd

Figure: Blueprint of service delivery process of Kaymu Bangladesh

Integrated Service Marketing Communication

Integrated Service Marketing Communication is the process of developing marketing strategies and creative campaigns that together deliver a common message to all through paid advertisements, public relations, promotions, and social media and so on. If an organization can send similar message to its customers with using all of its components without changing the meaning of the message then that considered as an integrated marketing communication. If, any components of the channel hamper or make little change on the message which makes the meaning of the message vague, then that considered as a non-integrated communication.

Now, I will discuss the Integrated Service Marketing Communication of Kaymu through communication and services marketing triangle.
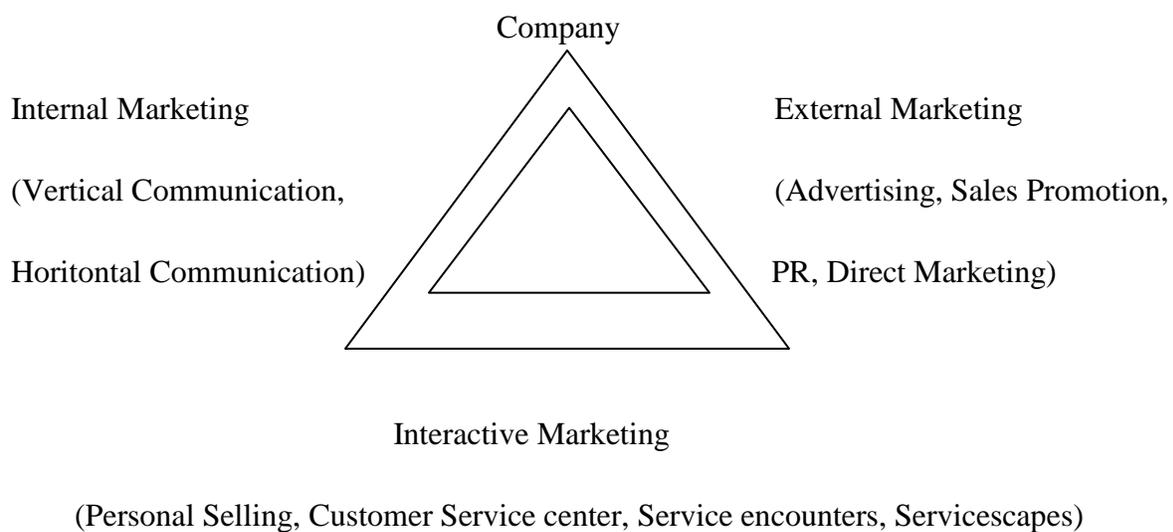
Company

Internal Marketing

(Vertical Communication,

Horitontal Communication)

External Marketing

(Advertising, Sales Promotion,

PR, Direct Marketing)

Interactive Marketing

(Personal Selling, Customer Service center, Service encounters, Servicescapes)

Figure: Communications and Services Marketing Triangle

Internal marketing:

A service company must make sure that the internal messages are known and consistent among all the employees both vertically and horizontally. Kaymu is an organization where each employees of each department knows their role, they know what advertisement and promotional activities are going on at what time as they have daily and weekly departmental meetings. The

same thing happens for the organization as a whole as announcements are made when there are any changes and additions are made in their marketing communication system. Mails are also forwarded to all the employees across the departments by the higher management as well. These things are done in order to make sure that all the employees' knowledge on Kaymu's marketing communication system is accurate, complete and consistent.

Interactive marketing:

Interactive marketing consists of personal selling; customers service center, service encounters, servicescapes etc. For Kaymu's interactive marketing the role of customer service center is very important. When customers register their inquiries about Kaymu, customer service center provides them with information in consistent both among themselves and with those sent through external communications. Service encounter is another important part of Kaymu's interactive marketing communications. When the product is delivered to the customers, if the customer needs any information form the delivery person, he is able to provide the customer with the accurate, complete and consistent information.

External marketing:

External marketing consists of advertising, sales promotion, public relations, direct marketing etc. Kaymu is a relatively new organization in Bangladesh so the importance of advertisements is beyond explanations. In case of advertisement, Kaymu doesn't use any TV commercials or billboard. They believe in mass acquisition. When the sales executive go to market to sign up sellers, after signing up the sellers, they put stickers and table calendars in the shop of the sellers which work as a source advertisement. When the customers come of the shop of those sellers, they come to know that the products of these sellers are available on Kaymu's website. Kaymu mainly use online media as their source of advertisement. In almost every social media sites Kaymu's advertisements are available like Facebook, Twitter, and YouTube etc. Kaymu also arranges many online competitions and give the winners prizes by inviting them to the office, which also works as a way of advertisement. Kaymu also offers the sellers with a promotional offer which is a free month trial period. The sellers then feel interested to open an account in Kaymu as they won't have to give any commissions to Kaymu for their sales for the first month. This also works as an indirect sales promotion for the customers. As the sellers don't have to

give any commissions to Kaymu for the first month, the sellers can cut the price of the products to attract more number of customers. As a result of that the customers can get products at a lower price than the traditional market. Another important part of Kaymu's external marketing is public relations. Kaymu's public relation department works really hard to share the good news of Kaymu with the outside world. Recently, Kaymu's PR department had a partnership with ABC radio, where they shared the good news of Kaymu with the listeners. They also shared some of the top seller's story with the listeners in order to promote their top sellers. Kaymu also arranged a Student Partnership Program in BRAC University. Where the students were given a challenge to sign up a specified number of the sellers and they announced the winner of the challenge will be awarded with a chance to do internship at Kaymu. This also worked as a source of advertisement. Kaymu is still a very new organization in Bangladesh and they are looking for mass acquisition. But at which rate the Kaymu is moving forward in Bangladesh soon they will be taking direct marketing under consideration.

Way forward for the Company in Delivering Best Quality of Services

Kaymu is the largest online market place in Bangladesh but it's still in an early stage. Though it's a venture of Rocket Internet and also operating in 36 countries, it has some drawbacks and a lot to improve on. I have come with up few recommendations that I think will help Kaymu in its way forward in delivering best quality services. These recommendations are given below:

•   At the very beginning of its journey, Kaymu focused on mass acquisition. They signed up a large amount of sellers regardless of their internet literacy or knowledge on online market. Which resulted in a lot of cancelled orders as the sellers didn't know how to dispatch the products. The customers were also dissatisfied. Though Kaymu is now starting to focus on quality sellers, the previous sellers who were signed up at the time of mass acquisition have started to deactivate the account. Kaymu can and should try to do something to stop them to deactivate their account and that something is, Kaymu can have a team like the sales executive who will visit markets and try to identify the sellers who were signed up at the time of acquisition and try to educate them about issues like how to add more listings, how to communicate with the customers when an order is placed, how to dispatch products etc. As a result, they will stop deactivating their account and start selling on Kaymu.

•   Most of the sellers in Kaymu are retailers and they have a little option of reducing their price. They provide products with prices which are almost similar to the prices in the traditional market. The number of wholesalers in Kaymu is very low. So, Kaymu should sign up more wholesalers as they can cut the price of the products and they can provide products with prices much lower than the prices in the traditional marketplace. The number of orders in Kaymu will increase when the customers will get their desired products at cheaper prices.

•   Kaymu's website has an international standard. But they need to understand most of the people in Bangladesh haven't got internet literacy. So they find the website of Kaymu really difficult. In case of the sellers, they find it specifically difficult to add more listings and for customers they find it difficult to open an account in Kaymu. The whole website is based on English language which makes it more difficult of the people of Bangladesh to understand. So,

Kaymu should show some cultural literacy and they should make the whole website in Bangla which will help the people of Bangladesh to understand the website and it will be easier for them to browse through the website as a result the number of orders will increase. Moreover, the sellers will be able to add more listings and then the customers will have more products to choose from.

• Kaymu has got many sellers but few of them have adequate knowledge about the whole process of Kaymu. That's why most of the sellers face a lot of problem to add products in their E-Stores, to communicate with the customers, to dispatch products. So Kaymu can have a follow up team who will follow up the sellers who are signed up by the sales executive. The sales executives have a target and in order to meet the target they cannot give proper time to the new sellers to make them understand the whole process. The use of follow up team will solve this problem as they will give proper time to the new sellers and will make them understand how Kaymu actually works and what they need to do to attract more sellers and dispatch more products.

• Most of the sellers and customers in Bangladesh have trust deficit on E-Commerce sites. As there are many frauds in Bangladesh. Many of them are even cheated by other E-Commerce sites. Most of the sellers and customers ask common questions does Kaymu have any TV commercials. In Bangladesh TV commercials and billboards create trust in the minds of the people. So, in order to solve the trust deficit problem, Kaymu can have their own TV commercials and billboards. Most of the time, when the sales executives go to the market for signing up the sellers or at the time of signing them up over phone, most of the sellers ask "what is Kaymu?". So they don't even hear of Kaymu. As a result it becomes very difficult for the sales executives to sign them up. The idea of having TV commercials and billboards will solve these problems.

If, Kaymu considers all these recommendations and turns them into actions, it will do very well in Bangladesh. Kaymu is operating in other 36 countries and among these countries; Kaymu Bangladesh is already in third position. If they follow these recommendations, i think, in no time Kaymu Bangladesh will be the number 1 among these countries.

Conclusion

Kaymu is relatively new in the market of Bangladesh but it has already become third among the other 36 countries where Kaymu is operating. There have been some mistakes by Kaymu and there have been some problems with operations in Bangladesh. The market of Bangladesh for online shopping has not yet been reached its peak so Kaymu Bangladesh has a chance to prepare itself and even make the market reach its ultimate potential. It can do so by increasing the internet literacy among the people of Bangladesh. It can also make it website easy to browse by the people of Bangladesh by translating the whole website into Bangla. The Introduction of Kaymu application was an indication that Kaymu is putting its foot in the right direction. Kaymu has policy to rank their sellers based of their numbers of products dispatched. So they have also introduced seller dashboard (Image 3) which will show the seller their sales status. It will also help the sellers know how many sales they will need to becomes a higher level seller like from silver seller to bronze seller, to bronze seller to gold seller and to gold seller to diamond seller. The Introduction of Kaymu application and all these above mentioned steps is an indication that Kaymu is putting its foot in the right direction.

Bibliography

Amin, M. R. (2014, September 27). *dspace.bracu.ac.bd.* Retrieved April 2, 2015, from As an Online Market Place the Sales Activities of Kaymu Bangladesh: http://dspace.bracu.ac.bd/bitstream/handle/10361/3740/10104157.pdf?sequence=1

Ghag, P. (2013, July 18). *Customer behaviour in services.* Retrieved April 3, 2015, from Slideshare: http://www.slideshare.net/prithvighag/consumer-behaviour-in-services-1

Imtiaz, N. (2014, March 6). *Customer expectations of service.* Retrieved April 2, 2015, from Slideshare: http://www.slideshare.net/imtiaz2578/customer-expectations-of-service-32007310

Kaymu.com.bd. (n.d.). Retrieved April 1, 2015, from Kaymu.com.bd: http://www.kaymu.com.bd/

Khan, S. A. (2015, February 13). *Internship report on Kaymu Bangladesh.* Retrieved April 2, 2015, from dspace.bracu.ac.bd: http://dspace.bracu.ac.bd/bitstream/handle/10361/4019/09204049.pdf?sequence=1

Rocket Internet. (n.d.). Retrieved April 2, 2015, from Rocket Internet.com: https://www.rocket-internet.com/companies

Zeithaml. (2013). Services marketing. In Zeithaml, *Services marketing* (p. 747).

Image 1:

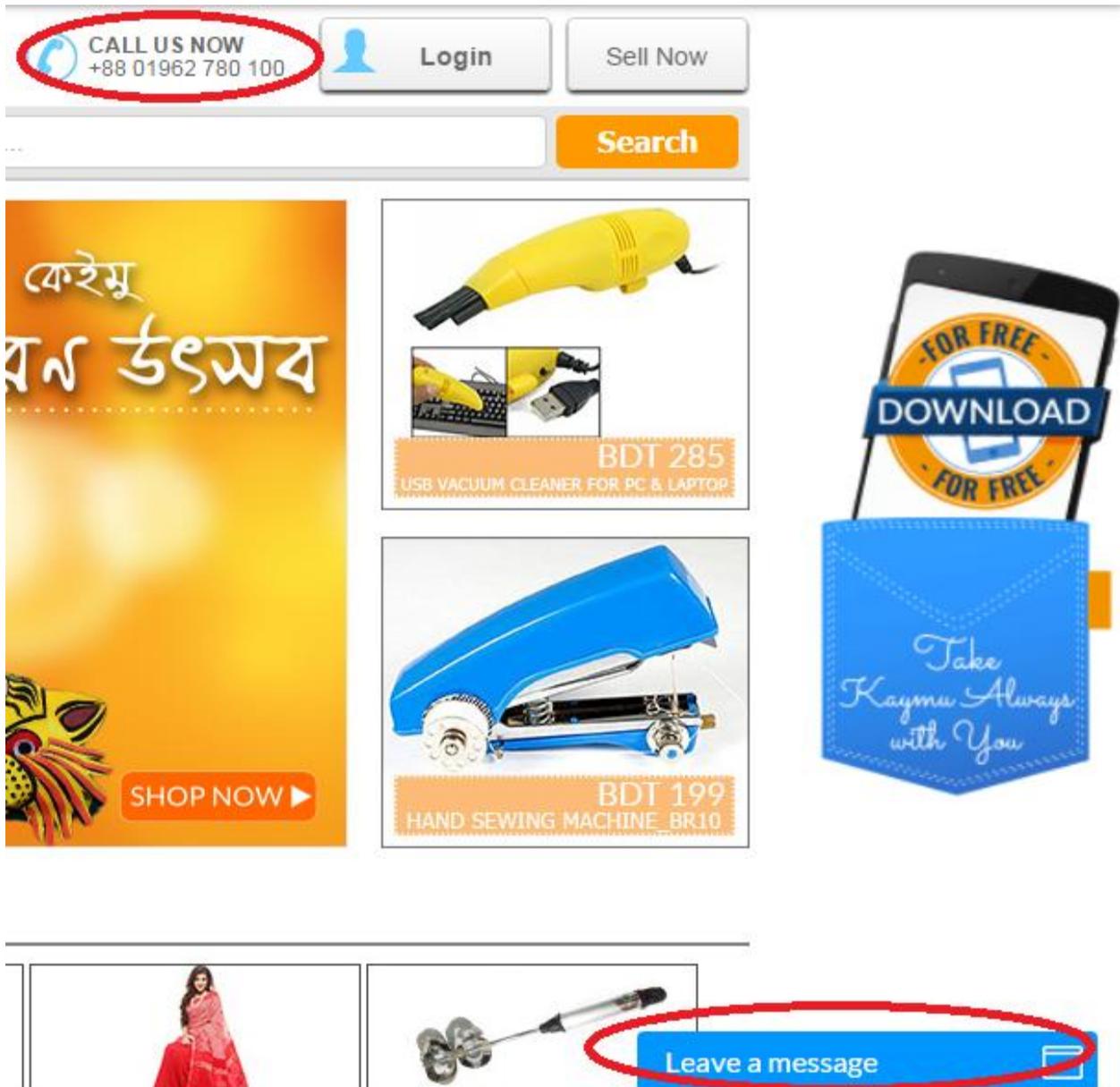Image: Categories of product available at Kaymu.com.bd

Image 2:

Image: Hotline number and live chat option at Kaymu.com.bd

Image 3:

PAYMENTS SUMMARY

৳ 0

PAYMENTS TODAY (AS SELLER)

As buyer	
Today	0
Yesterday	0
Older	0

As seller	
Today	0
Yesterday	0
Older	0

All orders	
Today	0
Yesterday	0
Older	0

Image: Seller and Buyer dasboard at Kaymu.com.bd