



AN OVERVIEW OF CUSTOMER RELATIONSHIP MANAMGMT (CRM)
OF
ACI LOGISTIC LIMITED
SHWAPNO

Submitted To

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To

Dr. Mohammad Tareque Aziz

Associate professor

BRAC Business School

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Subject: Submission of Internship Report

Dear Sir,

It gives me immense pleasure to present the internship report, which was assigned to me as an essential part of the requirement for the completion of my Degree of Bachelor of Business Administration (BBA) from BRAC University. I have tried my level best to fulfill all the requirements of this report.

The topic of this internship report is Consumer relationship Management system of SHWAPNO. It was really providential for me to get an opportunity to prepare this internship report under your guidance. This internship project has been proved to be an extremely valuable experience for me.

I would like to mention that I am grateful for your valuable guidance, constant effort and kind attention which helped me to a great extent to complete this internship report. I hope you would be kind enough to evaluate my performance and enlighten me with your valuable judgment.

Sincerely yours,

Alisha Rahmatullah

Student ID: 13104011

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Acknowledgement

First, I would like to express my gratitude to the Almighty Allah who aided me with the strength and patience needed to complete this report within the planned time. The internship program with ACI logistics limited was a great opportunity for me to learn about the professional or corporate culture.

I express my warmest gratitude to my internal supervisor Dr. Mohammad Tareque Aziz for his whole-hearted supervision throughout the practical orientation period. Her valuable insights and directions were a great source of inspiration to make this report a successful one.

I would like to thank the generous contribution of my external supervisors at ACI Logistics Limited, Shahed Ul Islam (Assistant Manager) and the team from the Lifestyle Department, for continuously supporting me with all the necessities.

I am deeply indebted to Md. Imrul Kaiser, (Manager, CRM) for providing me the necessary information and guidance for the making informative report. I am also using their opportunity to thank all the people with whom I worked with.

Executive Summary

ACI Logistics is a sister concern of ACI Limited and ACI Logistics' main concern is the leading retail brand SHWAPNO. SHWAPNO LIFE is an integrated part of SHWAPNO. The ultimate objective of SHWAPNO is to reach a broader range of people of Bangladesh with their offerings. SHWAPNO gives special focus on serving people from different income group with convenient, affordable and reliable services.

This report analyses on the activities of Customer Relationship Management in ACI Logistics Limited, SHWAPNO. The report intends to get an idea about the satisfaction level of the customers with the products / service and after-sales service of the organization. All the way through the report, I have tried to provide information about the sales, marketing strategy for the company according to my observation. At the end of the report I suggest some ideas which will be helpful in bring the overall effectiveness of the company. The Customer Relationship Management system in SHWAPNO is good. But there are always areas for improvements. Customer relationship management is crucial for every super-shop out there because the customer pool is increasing rapidly. The more delighted the consumers are, the more succeeded the organization will be.



কষ্টের টাকায় শ্রেষ্ঠ বাজার

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Introduction

Bangladesh has always been an agro-based country where the lion's share of its people depended on agriculture, either directly or indirectly, for their livelihood. Today, millions of farmers are still carrying on the agriculture of Bangladesh toiling different hardships. However, the dreadful uncertainty and untold misery are often leading them away from agriculture and thus, dragging down our agro-based economy and making us more depended on other countries. This is sad but true that it is not only the unheard story of the farmers, but also it's true for fishermen, meat producers and other staple growers of Bangladesh. These people hardly get the fair price for their hard-toiled goods. Lots of vegetables decay in rural area because the vegetable growers could not find enough buyers there, whereas city dwellers pay double, triple, sometimes even much more to meet their vegetable needs. Moreover, poor transportation infrastructure and transportation system lead to unsmooth flow of agriculture goods from rural area to urban.

Shopping in untidy environment such as muddy floor, insufficient space to move, lack of hygiene, a shopper in urban area lose his or her interest to shop in market and. Customers are always in distress over the fact that whether they are getting deceived by the shopkeeper or not. Being deceives by the shopkeeper is not a rare experience of a customer at all. To add to this stress, customers also have to come in term with the overpricing of the commodities. On one hand, the farmers do not get the fair price for their goods but the final consumers are often extorted to pay thrice or even more for the same goods. In the whole situation, the ultimate losers are the ones who are at the extreme ends of the value chain.

Understanding the gap in the value chain, ACI has taken attempt to establish a new Strategic Business Unit namely ACI Logistics in order to eliminate this gap by establishing the retail brand. SHWAPNO aims to ensure reasonable price for both farmers and consumers. Later on, SHWAPNO LIFE was introduces as an extended wing of SHWAPNO which deals with clothing and accessories.

Origin of the report

One of the requirements of the Bachelor of Business Administration was to complete the 3 months of internship program in ACI Logistics limited. It had been a wonderful opportunity for me to work in the corporate world.

In accordance with the terms and conditions, I have completed the three months period of internship program at ACI Logistics Limited in Lifestyle department as per guidelines given by the academic supervisor, Dr Mohammad Tareque Aziz, BRAC Business School

Objective of the report

- To gather real life work experience
- To get an overview of SHWAPNO
- To get an overview of the Consumers Relationship Management System of the SHWAPNO
- To analyze the shortcoming of their services
- To recommend some ways for the betterment of the organization.

Methodology

Methodology describes the manner in which data is collected, analyzed and interpreted. The discussion of this chapter includes a detailed review of Data collection approach, sampling process and research limitation.

◆ **Primary Data Source:**

- Face to face conversation with the Officers and staffs
- Exposure to Different Deskwork
- Field work in the outlet

◆ **Secondary Data Source:**

- Different publication of SHWAPNO
- Sales report of SHWAPNO
- Analysis of previous report on different perspectives

Limitations of the Study

While conducting the study, I have faced some obstacles, which proved to be a barrier to reach the details of the study. However I have tried to give my best effort to overcome all the limitation. Such limitation of the study has given below:

- Due to time limitations many aspect may not be discussed properly in the report.
- Some information, that could have bring more clarity in the in-depth report however I was unable to get either access to or got denied to disclose those information due to company's confidentiality.
- Some secondary data have been collected from the managers and officials of the respective fields. They were busy with work or might be outside Dhaka city for official purpose. Therefore, it was difficult to collect information from them.

THE ORGANIZATION PART

Overview of Company

ACI logistics Limited is a Strategic Business Unit of the ACI Limited, one of the leading conglomerates of Bangladesh. Operated by ACI Logistics Limited, SHWAPNO is the top retail brand in Bangladesh. As the largest retail chain in the country, SHWAPNO touches the lives of over 35,000 households each day. ACI Logistics made its entry into retail in 2008 as “Fresh and Near” in order to fulfill the company’s “Seed to Shelf” vision of connecting farmers directly with consumers. Before going into detail about operations and the history of SHWAPNO, a brief overview of ACI is necessary.

Advanced Chemical Industries (ACI) Ltd, former ICI PlcUk, began its journey in 1992 with the mission of enriching the quality of life through responsible application of knowledge, skills and technology, and has successfully established itself as one of the biggest conglomerates in Bangladesh. ACI began its journey to ensure better life to the Bangladeshi people with the name of ICI (Imperial Chemical Industries) in 1968 in Bangladesh by offering a wide range of such products as pharmaceutical, Consumer product, and so forth. However, ICI transformed itself into ACI (Advanced Chemical Industries) by selling its share to local management, and named by ACI in 1992. By far, the life saving drugs and home care products have met the need from the people to some extent as the persistent existence and acceptance from local community since 1968 has proven and acknowledged its endeavor and uncompromising quality. Home care products encompass ACI Aerosol, ACI Mosquito Coil, Angelic Air Freshener, Savlon Liquid Antiseptic, Savlon Antiseptic Cream, Savlon Liquid Soap, and so on. All endeavors, deemed by ACI, undertaken so far are for enriching the quality of life of Bangladeshi people.

Mission, Vision & Values of ACI

- **Mission of ACI:** ACI's Mission is to enrich the quality of life of the people through responsible application of knowledge, technology and skills. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees, to provide the highest level of satisfaction to our customers.

- **Vision of ACI:** To realize the Mission, ACI will
 - Provide products and services of high and consistent quality, ensuring value for money to our customers.
 - Endeavour to attain a position of leadership in each category of our business.
 - Develop our employees by encouraging empowerment and rewarding innovation.
 - Promote an environment for learning and personal growth.
 - Attain a high level of productivity in all our operations through affective utilization of resources and adoption of appropriate technology.
 - Promote inclusive growth by encouraging and assisting our distributors and suppliers in improving efficiency.
 - Ensure superior return in investment through effective utilization of resources and adoption of appropriate technology.

- **Values of ACI**
 - Quality
 - Customer focus
 - Innovation
 - Fairness
 - Transparency
 - Continuous improvement

- ACI Limited has 4 major strategic business units, 12 subsidiaries and 3 joint ventures.

Strategic Business Units

- Pharmaceuticals
- Consumer Brands & Commodity Products
- Retail Chain
- Agribusiness:
 - ✓ Crop Care Public Health
 - ✓ Animal Health
 - ✓ Fertilizer
 - ✓ Motors
 - ✓ Cropex
 - ✓ Seeds

Subsidiaries

- ACI Formulations Limited
- ACI Logistics Limited
- ACI Pure Flour Limited
- ACI Foods Limited
- ACI Salt Limited
- ACI Motors Limited
- Creative Communication Limited
- Premiaflex Plastics Limited
- ACI Agrochemicals Limited
- ACI Edible Oils Limited
- ACI Healthcare Limited
- ACI Chemicals Limited

Joint Ventures

- ACI Godrej Agrovvet Private Limited
- Tetley ACI (Bangladesh) Limited
- Asian Consumer Care (PVT) Limited

Management Committee

Name	Designation
Dr. Arif Dowla	Managing Director
Dr. F H Ansarey	Executive director, Agribusiness
Mr. Syed Alamgir	Executive Director, Consumer Brands
Mr. M. Mohibuz Zaman	Chief Operating Officer, Pharmaceutical
Mr. Pradip Kar Chowdhury	Executive director, Finance and Planning
Mr. Sabbir Hasan Nasir	Executive Director, Logistics
Mr. Priyash Datta	Director, Quality Assurance, Pharmaceutical
Mr. Abdus Sadeque	Director, Marketing, Pharma
Ms. Sheema Abed Rahman	Director, Corporate Affairs
Mr. Md. Monir Hossian Khan	Financial Controller
Mr. Imam Ahmed Istiak	Director, Operations, Pharmaceutical

Board of Directors

Name	Designation
Mr. M Anis Ud Dowla	Chairman
Dr. Arif Dowla	Managing Director
Mr. Waliur RAhman Bhuiyan	Director
Mr. Golam Mainuddin	Director
Mr. Md Fayekuzzaman	Director
Mrs. Najma Dowla	Director
Mr. Abdul- Mueyed Chowdhury	Director
Mr. Juned Ahmed Choudhury	Director
Ms. Sheema Abed Rahman	Director

Inception of SHWAPNO

People in Bangladesh were eagerly waiting for a solution that would give them with fair price and quality products. The concept of SHWAPNO came in existence from here. A business plan came into view consists of opening 70 SHWAPNO outlets across the country. In 2008, the business plan came in reality and 70 SHWAPNO retail outlets were launched. However, fortune was not in favor and everything went downhill immediately. It turned out that launching 70 outlets all at once was too much of an ambitious plan to start with as ACI did not have any prior experience in retail business.

Earlier, ACI also did not have the proper management information system to harmonize the activities properly. So, for the first year, SHWAPNO carried out its operations in an unplanned manner. Supply chain, the important element in the value chain was underdeveloped causing products required by outlets to often come weeks after requests were made. Millions of dollars' worth of merchandise were wasted and lost over mismanagement by the distribution staff. In addition, the stock of basic or most brought product was not enough in the outlets.

Management at SHWAPNO went to the drawing board. After intensive brain storming session the result lead to close down almost half of the retail outlets and international consultants were recruited from India to initiate SAP enterprise resource planning software. The enterprise resource planning software was an outstanding improvement over the previous system. Stock information, sales transfer order, sales information, purchase order, goods received note etc. were now all handled with this single software. SAP completely changed the operations of the company. The immediate boost in the company's bottom line was measurably noticeable. The company's performance began to take a turn for the better from then onwards.

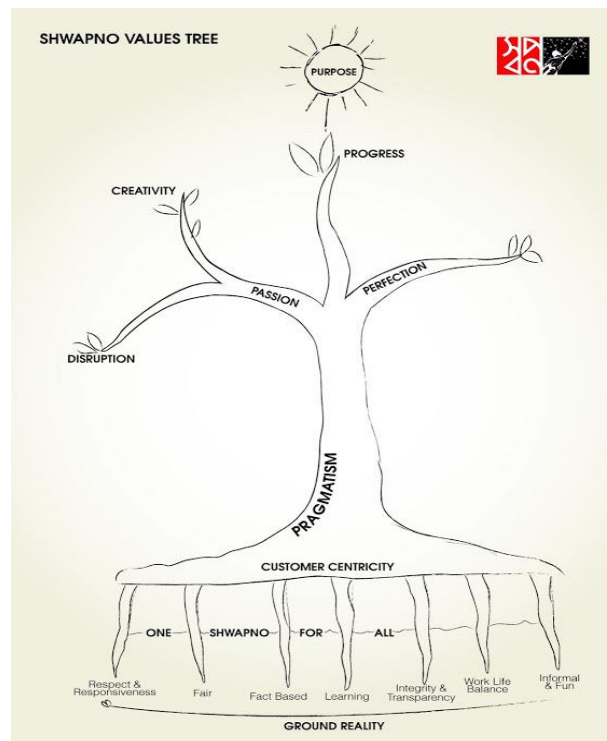
In addition, new vision and values were set for SHWAPNO apart from ACI's for further successful operation.

SHWAPNO's Vision & Values

❖ **Vision of SHWAPNO:** SHWAPNO has a “Seed to Shelf” vision which means connecting farmers directly with consumers.

❖ **Values of SHWAPNO:**

- Impeccable integrity – We are honest, transparent and ethical in all our dealings.
- Passion to win – We deliver what we promise by bringing the best in all of us.
- Delightful experience – We win the hearts and minds of our employees and consumers by offering relevant quality, value and service.
- Living an enterprise culture – We believe in trust, truth and teamwork.
- Making a better world – We compassionately contribute to the community we live in.
- Continuous improvement – We constantly learn and innovate to create new paradigm.
- Count every paisa – We treat every taka spent as our own for creating value for our consumers.



THE JOB PART

Job Responsibilities

My internship program with ACI logistics limited started on 26th April, 2017 under the direct supervision of Shahed-Ul-Islam, Assistant Manager, Lifestyle Department, NFD category, ACI logistics Limited. Apart from the assigned work, I had to assist with my supervisor's work from time to time.

- Maintain a track of every day sales and stock data: I was assigned to record all the sales information of the previous day and the stock data of the present day
- Outlet Visit & find out the difference and problem: I was asked to visit SHWAPNO outlets near my residence areas to find out the problem. We were also asked to work with the display of products shelf.
- Show room visit to get an idea about the price of shoes: Our supervisor gives us assignment to note down the price of sandals, shoes, moccasins from the showroom of Apex, Bata, Lotto and Bay.
- Master file Update: Master file has all the information about the category, sub-category and type. As soon as new inventory for new products arrived in the distribution center. We need to update the master file from the SAP software.
- Trend Analysis: From the EPS software we can download the up to minute information about the sales. From the raw data; we need to analysis the sales of different item (i.e. Kurti, Sharee, Vest, Accessories) on a monthly basis. It helps to forecast the amount to be sold for specific month on the upcoming year.
- Article Create: SHWAPNO need to have information about every product. Every product has unique Article numbers. Based on the article numbers, bar code is given to the products.
- Margin Determination: I was assigned to determine margin rate for the Eid-ul-fitr collection by recording their sales status. Consumer will get 50% discount on the dresses those have higher stock.
- Design Selection: Before final selection of the dress, Sales persons from 20 outlets have been asked to come in the office to evaluate the design of the dress and share a price range in accordance with the design. My assignment was to analysis the result of the evaluation of outlet sales persons.

THE PROJECT PART

SHWAPNO is the largest retail company in Bangladesh currently holding a share of 45% of the retail industry. Being the largest retail chain in the country, SHWAPNO provide for the lives of over 35,000 households each day and have a workforce of over 2500. Inaugurated in 2008, SHWAPNO now has over 63 outlets across Dhaka, Sylhet, Comilla and Chittagong. SHWAPNO is awarded the best retail brand in 2016 by Bangladesh brand forum. SHWAPNO enjoys a competitive advantage over its rivals because of directly sourcing vegetables, meats, fruits and grains. Other participants in the market rely on vendors for fresh produce requirements, which make quality control extremely difficult. SHWAPNO's brief history is filled with challenges, lots of ups and down. SHWAPNO Products are separated into four master categories; Commodities, protein & perishable, General Merchandising & Lifestyle

Consumer Relationship Management

A well-rounded Customer Relation management system is a crucial element in doing business in the retail marketing industry. Customer relationship management is not only a marketing strategy but also it is a great medium in which the retails companies can maintain their relationship with their Customers. Without providing good Customers' service, no retail business can lead to a higher level of success. At Present, retail marketing views are changing and retail industry organizations are putting great effort to create or maintain good communication with existing consumers as well as potential customers. The CRM system improves the overall effectiveness of marketing campaigns since it allows retail companies to specifically target the right group of consumers. The right message, at the right time to the right people will deliver more success to the company

The main focus of CRM System is on The Consumers. As marketers, organization need to listen to your customers, organization need to identify their service or product related issue and need to understand your customers, fulfill the needs of their customers with the company's products and services. A retail business sells goods or services and strives to attract more consumers by marketing and advertising and seeks customer feedback. Overall, this system provides a clear picture of the consumer segments, allowing retail companies to develop suitable business strategies, prepare appropriate marketing plans for their products or services, and gain an idea about market trend.

Significance of Customer Relationship Management

Keeping information about Customers: CRM manages a customer profile with information about their last purchase, phone numbers, membership card number and Date of Birth. This assists in keeping all the information about the customers' purchased items, shopping frequency and average basket size. It also helps them to identify about the loyal customers' shopping frequency. CRM system helps in recording all the customers individually. This helps to categorize the customers into high value customers and medium value customers. And which customers have not been purchasing in the store for a while. So, overall CRM system contributes in providing a better shopping experience to their customers.

Customer Segmentation: Having all information about a customer it helps to categorized them into different segment. This way a store manager can segment their market according the basket size, shopping frequency. There might be new customers, high value customers, below average basket-size customers etc. These kinds of segmentation help to formulate different strategy to communicate with their customers.

Promotions: Promotions help the organization to boost their sales. Customers will often check what types of discount the company is giving. The customers will evaluate the offer and eventually they will buy the offer. Every organization has different programs for their loyalty customers. So, sales promotion and other promotion program will be appreciated by the loyal customers. So, it gives an opportunity to retain their relationship their loyal customers

Purchase Information: CRM allows you to have information about the products those are purchased frequently. This way it will give an idea about the demand about the most purchased product and which product don't have any sales. It will also provide information about the purchase of give/free items. How are the free gifts offering working on market?

Customer Relationship Management system in SHWAPNO

In SHWAPNO, they use software named EPS Mirror. In this software, they have all the information about the total footfall, loyal footfall, total basket size, loyal basket size and loyal sales contribution.

- **Conversion:** Conversion usually provides data about the new loyal customers. Conversion means conversion from new customers to the loyal customers.

- **Total Footfall:** Total footfall means the number of customers in a particular day has brought from the Super shop in a particular outlet.
- **Loyal Footfall:** Loyal footfall means the ratio between the total number of customer and the number of loyal customers. How many customers have used their membership card for the transaction?
- **Total basket size:** The amount of sales, they are getting from the customers
- **Loyal Basket Size:** The amount of sales, SHWAPNO is getting from their loyal customers. According the collected information, the sales from the loyal customers are always high.

Key functions of CRM in SHWAPNO

Reactivation of Lapsed Customer: The customers those have purchased before but due to some reasons they are not purchasing for one month. In SHWAPNO, they categorized these types of customers as Lapsed Customers. For reactivating lapsed customers, they communicate with the customers, listen to their problems and try to solve their problems.

Minimization of Churn rate: Churn rate means the amount of customer those have discontinued their purchase from SHWAPNO. SHWAPNO has arranged different programs for acquiring their old customers.

- ✓ **Customer Family Meet Program:** Priority-based customers are invited in the outlet. SHWAPNO arrange a quiz game for their customers and give rewards to the winners. After the celebration, customers are asked about the reasons of shopping infrequency. Some of the customers complain about VAT, Quality & freshness. The store manager answered those questions and tried to convince the customers with logical explanation.
- ✓ **Home Visit:** They sometimes visit to the house of their valued customers on special occasions. They bring basket of flower to their customers and inform them about the ongoing offers.
- ✓ **Phone-call:** Most of the times, customers are contacted through phone-call. Phone-call is the fastest way to communicate with the customers.

Managing goodwill of the company: Effective handling of complain is an important element to provide quality service to the customers. SHWAPNO has a user-friendly system for accepting their faults and they undertake measure to identify the issues and provide clarification.

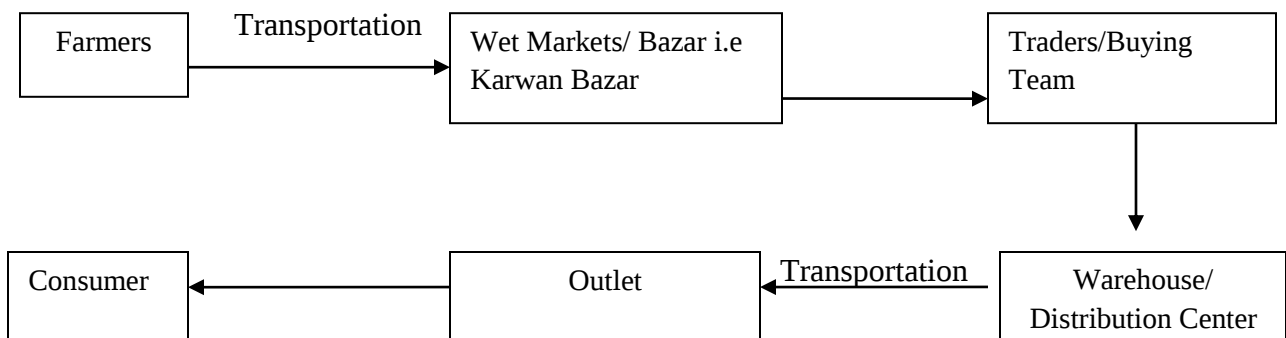
Supply Chain Management of SHWAPNO

To save time, people of all spheres of life tend to get many in a one super shop which supplies fresh meat, fruits and vegetables, frozen food, dairy products, canned and packaged goods, as well as various non-food items, such as household cleaners, pharmacy products, stationery, utensils, pets' supplies_ pretty much everything we need in our day-to-day life is available under one roof in a super shop.

The supply chain management of SHWAPNO mainly has two types of sourcing which are described below.

Indirect Sourcing

Land Lease



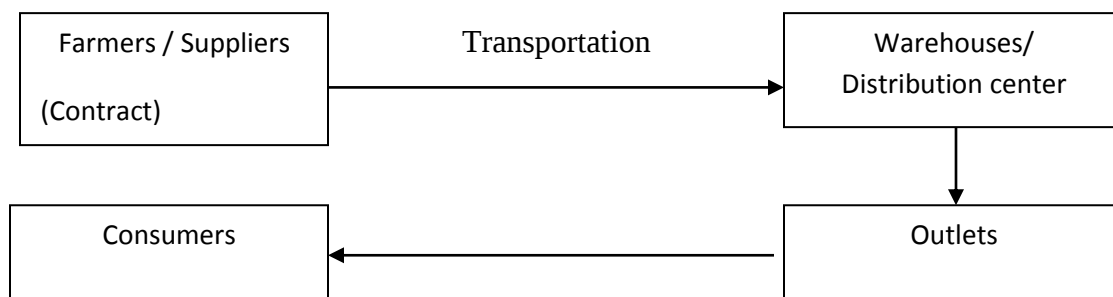
Sometimes before weekends there is more demand for the protein & perishable goods in the outlets. Then the buying teams of SHWAPNO buy goods from the Karwan bazaar at a bargained price. They gather all the products at the Distribution center and the labeling of products is done. After all the procedures, the products are sent to the outlets. In this sourcing model, several intermediaries are involved in the whole process. The farmers usually get a very low return for their produces. A large margin has been taken away by the intermediaries. Typically, a 30 percent margin exists between the original producers and the end consumers. SHWAPNO with this model command about 10 to 12 percent of the margin. And the farmers get 4 to 5 percent

margins and the rest of the margin is taken by the intermediaries. Sometimes rise in storage cost, rents and utilities also result in increasing the price of the goods.

Direct Sourcing

SHWAPNO also does direct sourcing model, in this model, the protein & perishable products are collected directly from the farmers & fisherman. In case of cosumers goods, SHWAPNO has contract with some of the organizations. Moreover, SHWAPNO also collected imported goods from different agency. SHWAPNO does not imported directly as it is too expensive. Some brand name with whom SHWAPNO has contracts. Agriculture products (Protein & perishables): Regan, Relish, Bengal meat, Deshi meat, Tatka, Trusty, Shotej, Goldenvalley, Sea fresh, Precious. Commodity: Saffola, Runchanda, Royal, Aarong, Teer, IFAD, Sajeeb, Benison, Borges, Fortune, Dawaat, king's Fisher, Kissan, india gate, fresh & Pran.

In case of direct sourcing model, the number of actors in the value chain decreases by 2. This enables the supermarkets to get a higher profit margin, usually in the range of 12 to 18 percent. Naturally, it also results in higher return for the farmers (3 to 6 percent). The rest goes on to provide competitive prices to the consumers. SHWAPNO regularly surveys wet markets so that it can match their prices.



At SHWAPNO, perishables and commodities are charged at the market rate, or lower. But, proteins (fishes and meats) are still charged higher than the conventional wet markets. In the direct sourcing model, the supermarkets have to contract farming or co-operative models, transportation risks. Additionally, they also have to deal with post-harvest loss.

Sales

“SHWAPNO” is aiming to provide high quality retail experience to their customers. ‘SHWAPNO’ started with the same philosophy as Wal-Mart, the giant retail store. SHWAPNO intended to provide a wide range of good-quality product at the lowest possible prices with a complete shopping experience. In Bangladesh, the farmers are paid very poorly for the same harvests that are sold at extremely high prices in the towns and cities. A big portion of the profit is taken by the middleman and the use of middleman adds little value to the overall system. ACI logistic has noticed this value chain gap and introduce SHWAPNO.

A retail store needs to get enough sales so that it can generate a specific amount of profit. In SHWAPNO, there are two types of sales.

- i. Outlet Sales: Outlet sales mean purchasing from the outlet.
- ii. Corporate Sales: Corporate sales mean selling between businesses to businesses. In SHWAPNO, they provide raw materials & food ingredients in a garments or factory for preparing lunch for the workers.
- iii. Online Retailing: SHWAPNO recently introduce online websites (www.SHWAPNO.martjack.com) where customers can place their orders and get the products at their preferable time.

Sales Technique

- ✓ **Customer of the day:** In a particular day, the customer with high sales contribution will get rewarded.
- ✓ **Home delivery for Unavailable product:** Sometimes customers don’t find the product as per their needs; Customer relationship manager need to ensure that the products will be available within 1 or 2 days. In case of emergency, there will be home delivery service for the customers.
- ✓ **Personal care product:** SHWAPNO gives discount & buy 1 get 1 offer for their accessories, dress and shoes item. When customers are getting two t-shirt at price of one t-shirt, customers grab the offers. This technique is proved to be a most beneficial to boost the sales.

- ✓ **Discount on related product:** In SHWAPNO, there is a discount offer on the related product. For example: Fish & Fruit, Noodles & Sauce.
- ✓ **Discount on the basket size:** Customers will get discount on the amount of purchased items. Consumers with higher basket size will get more discount offers.
- ✓ **Offering membership card:** Customers are offered membership card on their first visit so there is no requirements for getting the loyalty cards.

Online Retailing

SHWAPNO recently has introduced online retailing options for their customers though the site is not fully developed. SHWAPNO is still working on the product assortment and efficient delivery system. The website of SHWAPNO is www.SHWAPNO.martjack.com.



In the online buying process, the customer need to log on the websites by providing their name, address, contact number and email-address. And customers can order the product that is available on the websites and they can also select their preferable time of delivery. Then the customers will get call form the call center of SHWAPNO. Customers will be asked to provide more information (i.e. Landmark) about the delivery location. After taking the order, the call center personnel will share the list of order to the specific outlet manager through WhatsApp.

After confirming about availability of the product, the call center personnel gives confirmation to the customers.

Competitors Analysis

Opposite to the popular thought, the main competitors of SHWAPNO are not only Meena bazaar, Agora, but also the wet markets situated besides every neighborhood. Nowadays, Chaldal.com has become also very popular for their online delivery of grocery items.

Meena Bazar: Meena Bazar is a well-known retail chain superstore in Bangladesh maintaining all International standards. It began its journey in 2002. Meena bazar is a concern of larger Gemcon Group, which is one of the largest conglomerates in the country. Gemcon group's most famous business ventures include Kazi & Kazi Tea & ULAB. Meena Bazaar has 18 outlets spread across Dhaka, Chittagong and Khulna. (bdproducts24,2015). Meena Bazaar's target market is mostly the upper middle class, middle class and affluent segments of Bangladeshi society. Meena Bazaar has concentrated on providing their consumers with high quality organic products and sourced perishable products. Meena Bazaar has also determined to provide consumers with greater convenience. Meena Bazar is the first retail superstore in Bangladesh that has a website to shop online. Meena Bazar is providing free home delivery service for ordering tk. 1000/- and above.

Agora: Agora is a concern of the popular Rahimafrooz group that first brought the concept of super retail marketing into light in 2001. Agora has around 13 outlets spread across Dhaka and Chittagong. In 2015, Agora won the best retail brand award by Bangladesh Brand Forum.. Moreover, the long-established reputation for integrity and trust Rahimafrooz group in the mind of society, people get motivated to shop at Agora. In terms of in-store environment and product displays, Agora is better than that of their rivals. In the retail industry, proper display of products and proper space between shelves are important to attract the customers.

Other competitors: Wet markets, online service (i.e. Chaldal.com), Nandan Mega shop & Dhali Superstore are also competitors of SHWAPNO. SHWAPNO is also trying to use their expertise hand in the clothing & furniture section.

Marketing

Marketing Strategy

Best Cost Provider Strategy: Although Bangladesh has experienced growth in such industries as garments & RMG, it cannot deny the role of agriculture to the economy as it is providing tons of food every year to meet the local demand. Agriculture remains the most important sector in the economy of Bangladesh. In Bangladesh there are lots of potentiality to grow more foods with advanced technology & proper use of land. There are lots of farmers scattered across the country that are underprivileged and fighting for having least amount of social rights to make the livelihood through farming. On the contrary, there is another part of the story, ‘The Consumers’ who are deceived by the shopkeepers by providing inferior quality product. If the products are sold to the markets through the middlemen, a huge scale of profits is taken away by the middlemen. As a result, farmers do not get proper value for their products. Understanding the gap in the value chain, ACI has taken initiative to set up new businesses namely ACI Agribusiness and ACI Logistics to remove this gap, to provide benefits for both the producers and end users. This initiative of ACI also helps to ensure reasonable price for the producers and customers. SHWAPNO usually collect their products directly from whole seller eliminating the need of middlemen so they can provide the products at a lower price. Low price of the products than regular markets is one of the competitive advantages for SHWAPNO.

Providing healthy foods has always been one of SHWAPNO’s core values. SHWAPNO collected the raw foods from their sources and buying team. About two-third of raw food items in the store are collected from direct source. In addition, SHWAPNO has effective buying team those have responsibilities to buy protein & perishable items from the wet markets. SHWAPNO has establishes their own quality assurance systems including vendor selection, freshness check etc. SHWAPNO has been able to adopt HACCP standard that shows their long time efforts to provide quality assurance.

Diversification strategy: Back in 2011, SHWAPNO was struggling with payment of interest on their debt to their creditors. The company was not able to get a good amount of Profits with low margin and gross profit from the selling of raw food items. The management at SHWAPNO came up with a strategy to introduce NFD (Non Food Department) category. The goal of the

NFD category was to not only give complete shopping experience to their customers but also increase sales and improve the brand image of SHWAPNO. The Chief of Operation of the company, Mr. Abu Naser launched the NFD category in late 2012

SHWAPNO follow a win-win strategy for their NFD category. Rather than investing company's money on NFD category, Vendors and suppliers are motivated encouraged to invest in this new category. In this new business policy, vendors would provide products at their own cost and SHWAPNO would provide space for displaying and selling this products. After the sale of the product, SHWAPNO will receive a portion of the sales amount. Vendors and Suppliers will take the liabilities of the unsold products.

SHWAPNO's new brand in the lifestyle category, which is known as SHWAPNO Life. SHWAPNO Life includes products for women, male and children. 58% of the sales in the Non-Food master category are composed of the Lifestyle category. It can be said that Lifestyle is the most important category in the Non Food divergence master category and constitutes the largest segment of revenue. SHWAPNO life brand has served to develop the brand image of SHWAPNO massively.

Mr Sabbir Hasan Nasir who was previously the CEO of Otobi has wide-ranging experience in the furniture industry. He used his experience to form a new furniture brand, SHWAPNO Home to enhance the shopping experience and convenience of consumers shopping at SHWAPNO. Furniture is a high involvement and high priced product category .SHWAPNO's furniture are moderately priced which appeals to its target market Furniture category has huge potential to increase the revenues o f SHWAPNO. SHWAPNO is trying to increase convenience of its consumers by increasing the variety of products available at SHWAPNO outlets.

Marketing Program

Advertising: SHWAPNO advertisement policy actually provides ideas about the new collections of the commodities. The advertisement informs the consumer about features and price of Products and these influence customers buying decisions. With regular advertising, the products can get maximum exposure. Another reasons for advertising is to attract consumers by the quality of the products that are promised. If the consumers find the quality is good, they continue purchasing. SHWAPNO lifestyle always concern about latest design and quality, they have their

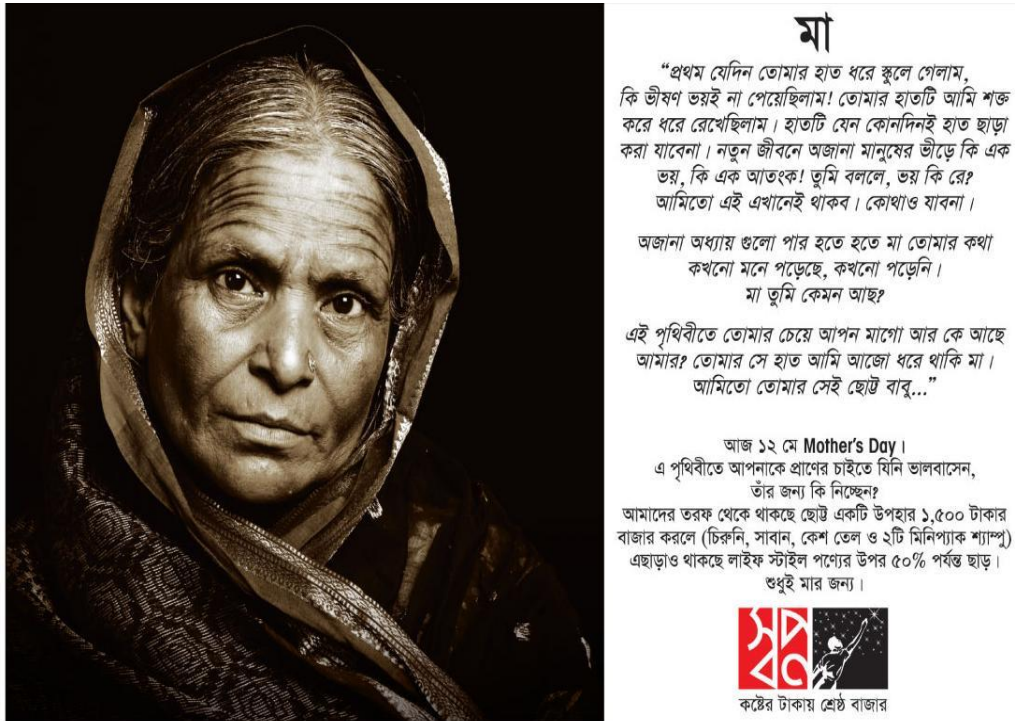
own investment. SHWAPNO provide advertisement in Billboard and newspaper helps the consumer to save time. SHWAPNO has started advertising for their own lifestyle products from Pahela boishak Of 2014. The photoshoot was done at Savar for Pahela boisakh and at Bandarban for Eid Ul Fitre in very beautiful location. At that time, SHWAPNO got huge response from the customers because of using bill board. At the time, billboard actually played image building role. The sales of the lifestyle products almost got double because of using Billboard.



Only billboard for advertising was not enough so later on they went for catalog for their lifestyle too. From Eid Ul Fitre of 2014, SHWAPNO started catalog promotion. Catalog was introduced mainly for the in house advertising. Advertisements is the most influential and powerful tool for reaching out the consumers. The TVC of social experiment with Chanchal Chowdhury has received positive response, where Chachal Chowdhury disguises himself as a vegetable-Fish seller and sell vegetable and fish to the consumers. TVC of SHWAPNO (Shwapner Daame Valobashar Ponna, Fisherman, Farmers) also shows that they maintain their quality by collecting product directly from the farmers.

Sales Promotion: Sales promotion is a marketing technique to boost up the sales. Example of sales promotion may include coupons, discounts. Sometimes, SHWAPNO lifestyle arranges a clearance sale for own designs. Between the time of end of April and the beginning of MAY, 2017 SHWAPNO arrange stock clearance for their Pahela boishak products as they need to clear out the old stock for the new stock for Eid-ul Fitr and also to consumer to repeat their purchase. These types of sales promotion increase in-store traffic and boost the sales especially by value-

based customers. SHWAPNO also provide discount or gift offerings on their protein & perishable and grocery item. They also arrange banners and leaflets for their outlet featuring ongoing discount offer. Then they make some dangler to hang in the outlet. They made a plan to provide colorful t-shirts to their sales persons showing the discount rate. Therefore, it will get customers attraction. SHWAPNO also provides different sales offerings on different occasion.



Campaign Program: SHWAPNO along with ACI held a different campaign program for the farmers Manikgonj. There presents the folk queen Momtaz and the famous Aynabazi actor Chonchal Chowdhury. They went to the farmers and collect paddy vegetables from the farmers. They also visited the whole area at this time. According to the folk queen Momtaz, village farmers are the backbone of our nation and they are helping us to build healthy nation.

Direct Marketing: Direct marketing means communicating directly with your existing and potentials customers. SHWAPNO also provide SMS alert to their customers to keep them up-to-dated about the ongoing offers and facilities. SHWAPNO gives a track of the sales of the

customers. The consumers with higher sales amount get a call from the SHWAPNO for ongoing offers.

Internet marketing: SHWAPNO has a facebook page where every update about the ongoing Promotional offers, discounts, and new collection of design are given. The photograph form photo shoots, catalogs with price are given on the facebook. People can see dresses from the facebook page and decided to buy the products that fall within their budget.

Consumer Feedback

Feedback about a product or service coming directly from customers is an important source for better serving the needs and wants of the consumers. The information can be collected through survey, written survey, online forms, and phone calls. In SHWAPNO, the research team collects the information in two ways: a) Over the phone call, b) On the outlet.

- a) Over the phone call: Business research team keeps track of purchase of customers. From the list, they select the customers with higher purchasing frequency. They collect information from 10 consumers from every outlet.
- b) On the outlet: In this process, the consumers are chosen randomly on the outlets. In addition, they asked to give their opinions on some specific topics. In SHWAPNO, they call it field-survey.

The feedback of the consumers regarding every variable is given by analyzing the review of the consumers given on the Social networking site of SHWAPNO and my observation during outlet visit.

The variables are:

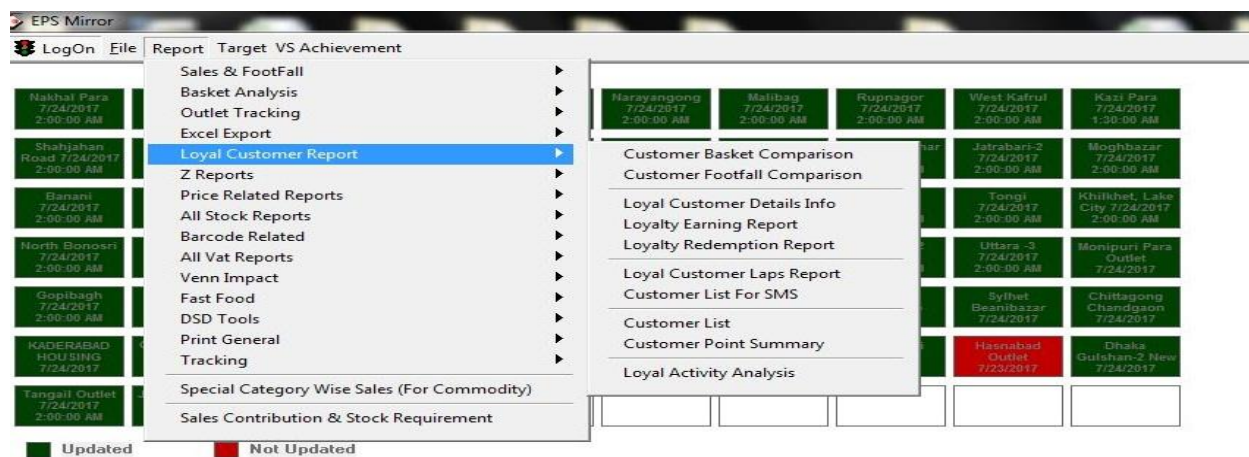
- ✓ **Quality of the Salespersons:** During my visit in Green Road outlet, I have seen that the salespersons are not welcoming & co-operatives. On the contrary, the experience in Kazipara-2 outlet (SHWAPNO Life) was totally opposite of that. In Kazipara-2, salespersons are assisting the consumers in selecting the products and influencing the consumers to buy accessories items. SHWAPNO arranges training program from time to time for their Salespersons to improve their efficiency.

- ✓ **Efficiency of POS:** When traffic increase in the store, the consumers need to wait in Queue. Sometimes, POS operator does wrong billing of the product because of lot of pressure. The CRM department of the organization always monitors the efficiency of the POS officer. The consumers will have mixed feelings at this point.
- ✓ **Freshness and Quality of Protein & Perishable Products:** In the social networking site, consumers have shared their views about the quality of the vegetables. They have said that they shop in SHWAPNO because they can get vegetables at a lower price. On the contrary, Most of the consumers argue that the price of the vegetable is higher than wet markets. In addition, it is hard to find out fresh vegetable at the time of evening. Moreover, the vegetable get rotten. Some of the consumers have complained that the taste and smell of the protein products is not good after cooking.
- ✓ **Product availability:** SHWAPNO often get complaint about the product unavailability. Moreover, there is not enough variation of the products. In some areas, there is demand of foreign products. Sometimes, the consumers do not find the product in the outlets. for solving this issue, SHWAPNO has free delivery service. Consumers will get the desired products delivered to their house as soon as possible.
- ✓ **Lifestyle:** Consumers argue over the price of clothing items. The price of lifestyle products is very high comparing to the quality & design they provide.
- ✓ **In-store environments:** The in-store environment of SHWAPNO is okay. However, they need to improve their products allocation. It will be helpful for consumers if they can find different brands of similar products in a row.
- ✓ **Call-centers services:** Recently, SHWAPNO launched their online selling system. Consumers can order products on their websites or over the phone. Call-centers service of SHWAPNO is good though they need more work forces.
- ✓ **Loyalty points & reward:** Undoubtedly SHWAPNO has good loyalty program but there is always a chance of improvement.. As a general member, consumers will get **1 point** for purchasing product worth 100/- tk. The point will be added to his/her membership cards. For each point, the consumer will get **75 paisa** or **.75 tk** adjusted to their next shopping. This process requires long time to get a good amount of discount.
- ✓ **Body price & Billing price:** In the outlets, consumers often complain about the mismatched of the body price and the billing price. Some of the products do not have

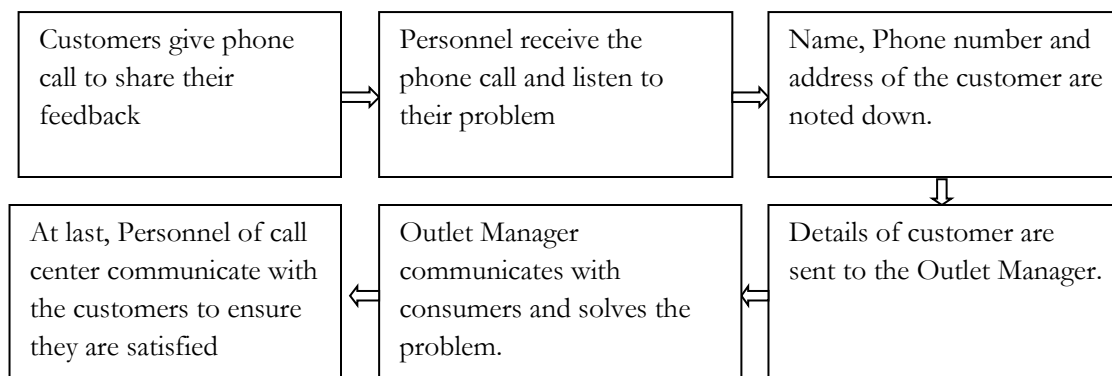
price tag. Recently, one consumer complained about the billing issues. The consumer argued that POS officer made a bill of full price of the product during discount periods. Later on, the Special team of SHWAPNO communicates with the consumers and provides solutions.

Support

MIS (Management Information System) department of ACI came up with software named EPS, which was capable of providing up-to the minute sales information from each outlet. The software also provides sales information and basket size of loyal customers.



Handling Customers complaint: Dealing effectively with the customer’s complaint is one of the crucial elements in getting consumers satisfaction. Now a day, people judge a superstore based on the experience they get. Good service and positive Word-of-Mouth (WOM) play a important role in shaping brand image in front of potential customers. In SHWAPNO, they welcome any kind of criticism because it gives a chance to improve their service. They usually handle their customer’s complaint in better manners and they try to solve their problem as soon as possible. Their customer’s complaint handling process is given below:



RECOMMENDATION & CONCLUSION PART

Recommendation

- ✓ **Recruit employees for the current vacancy:** In SHWAPNO, interview session for new candidates has been a common scenario. The CRM, E-Commerce and buying team should recruit more people for effective working. For example: The company needs more people in their lifestyle departments. Because in this sector most of the employees need to do field working, planning on the order placement and product assortment. The lifestyle department is the small department in the organization. 3 employees and two designers are working on this department. There is always extra pressure for work on the shoulder of the employees.
- ✓ **Re-evaluate their pricing strategy for Lifestyle products:** SHWAPNO is aiming to provide to the best product with the best price. This garments sector is competitive because the consumers can buy from the others boutiques shop. Yellow, Infinity, Ecstasy, Kay Kraft & Aarong are well known brand for their exclusive design and consumers will not mind to pay a little high for the fashionable outfits. If SHWAPNO want to be more competitive in this field then they need to lower their price a little bit.
- ✓ **Advanced security system in the outlet:** SHWAPNO often provides different type of free gift items to their customers. The record of the free gift items is not properly maintained because it does not cost any value to the profit of the company. Free gift item often get stolen from the outlet. Management of SHWAPNO needs to invest more on the security system.
- ✓ **Software Updated:** Software need to be updated and should be more efficient. Sometimes it takes too long to get information from the servers. SHWAPNO uses EPS software for recording information about their loyal customers, up-to-minutes sales data. When employees have logged on from different station and gives instruction for different data. The servers could not handle the load and it shows error in downloading the files. During the internship programs, I need to work with the EPS software. We have used the software for getting information about the sales-amount of specific suppliers' products. Sometimes it took 1 to 2 hours for downloading the information about one supplier. As a result, the suppliers need to wait longer to get sales information about their products. If the software is updated, operation will be executed faster.

- ✓ **More marketing:** SHWAPNO recently launched online delivery service. Some people may have no knowledge of it. SHWAPNO need to advertise their brand with more popular actors and actresses. In their EID Collection photo-shoot, they endorse new faces rather than featuring well known actors and actresses. ACI logistics limited has no separate website for their company. SHWAPNO provide their information through Social networking site (facebook).
- ✓ **Focused on working:** Employees create article, barcode for every products. At the time of new product collection, unique articles are needed to be created for the new products. For example: T-shirts with Four different sizes will have four different articles for the product. Trader price value, MRP value and supplier name are also needed to be recorded. Sometimes, change in TP value, MRP value and Vendor can really make a huge loss for the organization. During our internship, when we have given to different article to created, the employee had misplaced the supplier names. It could make a huge difference in the sales amount for the supplier if remain unnoticed. So, the employees need to do their work sincerely to avoid this kind of mistakes.

Conclusion

During its inception, SHWAPNO had a unsteady start. Only inspiring leadership of the current Executive Director Sabbir Hasan Nasir has been helping SHWAPNO to become the market leader.

The company entered the industry later than its main rivals however, they have been able to capture by far the largest market share (45%) because of their exceptional value, quality, convenience and service. SHWAPNO needs to invest more on improving their service to secure its present dominance in the market into the future. However, SHWAPNO will face many challenges in the near future. Especially, they have plan about increasing their outlets. As they have outlet on rented places, it is weakness for them.

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