

Report On
Integration of digital loyalty program for hospitality industry

By

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An internship report submitted to the Brac Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

Brac Business School
Brac University
January, 2024

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Nazmus Sakib
18204012

Supervisor's Full Name & Signature:

Dr. Najmul Hasan
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Brac University

Letter of Transmittal

Dr.Najmul Hasan
Assistant Professor,
Brac Business School
Brac University
66 Mohakhali, Dhaka-1212

Subject: Internship report submission on completion of the course BUS400 in Fall 2023

Dear Sir ,

I am writing to submit my report on “Paragon Ceramics Industries Ltd” which I have completed as a requirement of BUS400. The report testaments my activities and responsibilities along with practical life experience implemented with conceptual knowledge from the internship.

All the necessary data and information that are relevant to make inference with the facts presented have been incorporated in the report upon your recommendation.

I would like to express my appreciation towards you and my co-supervisor for the constant mentorship and guidance during the internship.

Sincerely yours,

Nazmus Sakib

18204012

Brac Business School

Brac University

Date: January 24, 2024

Non-Disclosure Agreement

This agreement is made and entered into by and between Paragon Ceramic Industries with its subsidiary Paragon Hospitality Management and the undersigned student at Brac University named Nazmus Sakib for the commitment of protecting unapproved and sensitive data of organization . The data and information used here for the purpose of research will be stored in the institutional repository of Brac University for further assistance towards future research.

Mohammad Zikiria Sagor

Assistant General Manager, Digital Marketing
Paragon Ceramic Industries Ltd.

Nazmus Sakib

18204012

Brac University

Acknowledgement

I would like to thank the almighty, who orchestrates all events, for granting me the opportunity to complete the internship in excellent health and spirits.

Furthermore, I wish to extend my deepest appreciation to my parents for their unwavering patience throughout this protracted voyage. In addition, I would like to express my gratitude to Mohammad Zikiria Sagor (AGM, Paragon Ceramics Industries Ltd) for affording me the opportunity to work on tangible challenges and for employing me in the company. Finally, in addition to my advisor, Dr. Najmul Hasan, I would like to extend my gratitude to Saif Hossain Sir, who saved the day at the eleventh hour and made it possible for me to complete my internship this semester.

Executive Summary

The report describes the on-site employment experience that I obtained while working as an intern with Paragon Ceramic Industries Ltd for its sister concern Paragon Hospitality Management in the Digital Marketing department. This experience was valuable to me since it allowed me to get practical insights about the hospitality management. I have explained the obligations that were given to me and carried out by me under the guidance of the supervisor who was stationed on-site throughout the length of this report. In addition, the report offers a condensed overview of the organization's brands, in addition to a discussion of the major activities and strategic approaches that are utilized by other brands in the industry that are comparable to the organization's brands. In conclusion, the goal of the research project with the working title "Integration of digital loyalty program for hospitality industry " is to improve the quality of the interactions and services that are provided to the subscribers of the digital ecosystem in an effort to improve the overall customer experience in the digital ecosystem which will be used as the value added service for the customers of PCIL's brands. The implications of the study have made an attempt to come up with vital elements associated to the usability and effectiveness of the platform in terms of providing a priority-based one-stop solution to the consumers.

Keywords: digital ecosystem; customers experience; hospitality management; customer relationship management; restaurants; marketing; ceramic

Table of Contents

Declaration.....	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	iv
Acknowledgement	v
Executive Summary	vi
Table of Contents	vii
List of Tables	xi
List of Figures.....	xii
Chapter 1 Overview of Internship.....	1
1.1 Student Information	1
1.2 Internship Information	1
1.2.1 Department's Information.....	1
1.2.2 Job Scope	1
1.3 Internship Outcome.....	2
1.3.1 My contribution to the company.....	2
1.3.2 Benefits to the student.....	3
1.3.3 Problems faced during Internship	4
1.3.4 Recommendations.....	4
Chapter 2 Organization Part	5
2.1 Introduction.....	5

2.2 Overview of the company	5
2.2.1 Company Profile	5
2.2.2 Vision & Mission.....	6
2.2.3 Products of PCIL.....	7
2.2.4 Other Subsidiaries	7
2.3 Management Practices.....	8
2.3.1 Leadership Style.....	8
2.3.2 Human Resource Planning Process	9
2.3.3 Recruitment and Selection Process	9
2.4.4 Training & Development initiatives	10
2.4.5 Performance Appraisal System.....	10
2.4 Marketing Practices.....	11
2.4.1 Marketing Strategy.....	11
2.4.2 Target Customers, Targeting and Positioning Strategy	12
2.4.3 Marketing Channels	13
2.4.4 Product Development.....	14
2.5 Financial Performance & Accounting Practices	15
2.5.1 Financial Performance	15
2.5.2 Accounting Practices	17
2.6 Operations management & Information System Practices	17
2.7 Industry and Competitive Analysis	18

2.7.1 Porter’s five forces analysis of tableware industry	18
2.7.2 SWOT analysis	20
2.8 Summary and Conclusions.....	22
2.8 Recommendations.....	22
Chapter 3 Project Part	24
3.1 Introduction.....	24
3.1.1 Background Information.....	25
3.1.2 Objectives of the study.....	26
3.1.3 Significance of the study.....	26
3.2 Literature Review	27
3.2.1 Loyalty programs lifecycle	29
3.2.2 Digital ecosystems effectiveness in loyalty programs	32
3.2.3 Expected benefits from Digital Loyalty Programs	33
3.3 Research Methodology	34
3.3.1 Population & Sample	34
3.3.2 Data Collection & Analysis	34
3.3 Findings & Analysis.....	34
3.3.1 Current Service Quality	34
3.3.2 Challenges faced by users.....	37
3.3.3 Industry practices	38
3.4 Summary and Conclusions.....	39

3.5 Implications	40
References.....	41

List of Tables

Table 1-1. Annual Finance Report.....	15
Table1-2. Definition of Key Constructs.....	27
Table 1-3 System Usability.....	35

List of Figures

Figure1-1.LP Lifecycle	29
Figure 1-2.Data Blueprint	30
Figure 1-3 Customers aversion to use the system.....	36
Figure 1-4 Response regarding complexity	36

Chapter 1

Overview of Internship

1.1 Student Information

Student Name: Nazmus Sakib

ID: 18204012

Program: Bachelor of Business Administration

Major : Computer Information Management

Minor : Marketing

1.2 Internship Information

1.2.1 Department's Information

Period: 7th October 2023- 7th January,2024

Company Name: Paragon Hospitality Management (sister concern of Paragon Ceramics Industries Ltd)

Department: Digital Marketing

Address : House no:43/B, Road no:123,Gulshan-1,Dhaka.

Company Supervisor's Information:

Name: Mohammad Zikiria Sagor

Position: Assistant General Manager, Digital Marketing

1.2.2 Job Scope

During my tenure as the Digital Marketing Intern at Paragon Hospitality Management, my primary role involved supporting my supervisor in devising strategic marketing initiatives for the organization's four restaurant brands, namely Aylanto, Galouti, Grillers, and Krispy Krust.

The primary duties entailed overseeing the handling of inquiries on the company's social media platforms and assessing the effectiveness of brand communication components. In order to provide an illustration, it should be noted that the communication agency assumed the major responsibility for content planning. In this capacity, both my supervisor and I were tasked with evaluating the efficacy of social media material in terms of generating brand recognition and acquiring customers. Additionally, I was responsible for conceptualizing and creating the visual elements of various menus and social media materials for the aforementioned brands. In addition, I had the privilege of attending meetings with several stakeholders, including FoodPanda, a Communication Agency, SSL commerce, and web developers, in which I actively engaged. In addition to my focus on marketing, as a major in Management Information Systems (MIS), I also engaged in the analysis of the current system of LoyalBee, a digital ecosystem platform. Furthermore, I provided recommendations for significant modifications to enhance the platform. Furthermore, I was tasked with developing databases to manage client information for the restaurant, as well as influencers, in order to maintain records of their visits and track the impact of their content on overall sales. One of the primary objectives of my internship has been to revamp the digital platform LoyalBee by utilizing my comprehensive skill set, with the aim of establishing a financially advantageous business model for the company. Throughout my tenure as an intern, I have endeavored to initiate potentially effective strategies to reinvigorate the platform.

1.3 Internship Outcome

1.3.1 My contribution to the company

To remain competitive in the marketplace, the strategies of the four distinct restaurant brands owned by Paragon Hospitality Management must be routinely adjusted. The target audience could potentially be offended by even the most innocuous error in the copy, and there was also the risk of a data exposure occurring from the database. Through my proactive engagement in overseeing the communication materials, I have tried to capture the interest of the intended audience. Additionally, through my research, I tried to establish communication with the

prospective influencers who were subsequently incorporated into the database and played a crucial role in the brands' influencer marketing strategies. Finally, I actively participated in the implementation of a user-centric system for the LoyalBee, an initiative that is presently undergoing development.

1.3.2 Benefits to the student

The internship experience has helped developing my cognitive skills related to business studies. The skills related to inbound and outbound marketing and their implementation in line with the concepts learnt from Consumer Behavior, Service Marketing, Principles of Marketing, System Analysis & Design, Business Research & Methodologies, Business Communication have been equivocal during this internship at Paragon Hospitality Management. As during my academic journey as part of the course requirements I had to complete different assessments, case studies, presentation based on those I came out with definitive strategies and thus experienced real life implications in the hospitality industry. Moreover, while doing my regular responsibilities as a digital marketing intern I had the scope to know hospitality company's management and operational policies. To illustrate, prior joining in the internship I was unaware of the back stage and front stage actions related to run a restaurant. But, now the holistic view of operational activities of restaurants are viable to me since I have worked hand-in-hand with top management to the field level stuffs. Thus, I know how strategies are being initiated and executed for the growth. Furthermore, being a CIM major, as a part of coursework I learnt about designing value added service for any company. The organization I have been working, I have found a similar kind of service "LoyalBee" which is going to be redesigned based on my suggested implications that are going to be chalked out through my report. In fact, the platform is currently at dormant status and in need of immediate continuation as the

organization plans to retain the customers to its brands. Consequently, my theory blended with dealing of organizational marketing practices has helped me to delve into identify possible solutions and prepare an effective value added service .

1.3.3 Problems faced during Internship

While working as a digital marketing intern , for the first few days I was struggling to cope with a 9 hours long office schedule but my quick adapting mechanism helped me to adept with the office environment within a week. Since the political situation is not in favor , I had the concern of reaching office on time which somehow affected my courage to work more sincerely. Also, the insufficiency of secondary data for Paragon Hospitality Management has caused me disruption to get a proper insight of the financial scenario of hospitality industry.

1.3.4 Recommendations

The company can target prospective candidates through becoming an employee brand in this industry since there is an opportunity to attract the fresh talents from universities who can share their knowledge for the hospitality management in line with the generation's perspective. As the hospitality industry requires undertaking marketing activities in this competitive market ,so allocation of fixed amount of budget is necessary for Paragon Hospitality to get the impact . Lastly, the ethical and moral values among that the company hold have to be communicated to the field level employees i.e. restaurant stuffs and the management has to consider the consumer centric approach and perspective while making strategic moves.

Chapter 2

Organization Part

2.1 Introduction

Founded in 2008 and the first commercial production on 2010 Paragon Ceramic Industries Ltd (PCIL) is country's one of the leading porcelain tableware manufacturer and exporter. The factory of PCIL is located in Mirzapur area of Gazipur facilitated with latest machinery from SKK, TAKASAGO-JAPAN, TCK, Modena and COTO . The company uses top -of the line testing in its own Quality control laboratory and captive gas based power generation .The factory being one of the most environment friendly tableware plant covers area larger than 20000 sqm. However, the company is currently exporting porcelain tableware to Italy, Turkey, Sweden, Brazil, India .The company has been able to achieve a turnover of USD 15 million per year and the only ceramic factory which has achieved ISO 14001 in Bangladesh.

In the production facility 65000 pieces tableware can be produced daily which includes body formulation, forming, glazing ,firing ,decal painting ,decoration and packaging. In the packaging plant , monthly 160,000 pieces cartoons of white-brown color both combined color or single color is being produced.

2.2 Overview of the company

2.2.1 Company Profile

PCIL's head office and show room is located in capital city Dhaka. The company has following kilns and machineries at its manufacturing facility:

- Ball mills
- Double Head rollers

- Auto cup making machine
- Biscuit Kiln
- Glost Kiln
- Shuttle Kiln
- Decoration Kiln
- Decal Printing Machines
- High pressure casting machines

Apart from these, the company maintains some environmental control points such as Effluent Treatment Plant (ETP), using raw materials which are free from cadmium , lead and barium. Additionally, to reduce gas consumption nationally , the company leverages combination of heat and power generated energy. ("About us," n.d.)

2.2.2 Vision & Mission

The vision of PCIL is to create trendy and premium quality tableware products for the industry.

The mission of the organization is firstly to attain customers satisfaction by producing quality products. Secondly, the organization emphasizes on friendly working environment which can be built up through mutual respect and communication. Ultimately this friendly working environment will be teeming the quality input from its employees. Thirdly, considering workers welfares as well as rights the company leverages on efficient working. Fourthly, the company emphasizes on innovation while ensuring cleaner and greener environment at the production to delivery facility.

2.2.3 Products of PCIL

Hospitality collections: Since , Paragon is a business to business porcelain manufacturers , a huge amounts of tableware orders are produced for hospitality industries. Renowned hotels and restaurants such as Sheraton purchase their tableware from Paragon Ceramic. As per the buyers requirements sets of table ware are produced with maintaining shape and providing backstamp , hit print wherever necessary.

Coupe Collections: These collections include color dinner and dessert plate, color footed bowl, color coffee mug, dinner & dessert , bowl with hand painted glaze .

Emboss Collections: These collections are made by raising a pattern above the background of the surface where cone 10 clay of high quality are used.

Mug Collections: Most of the mugs of this collection are produced with Ivory Silk and universal porcelain ensuring the final output is free of cadmium. The products are safe from microwave, freezer and dishwasher.

Accessories Collections: Apart from dining tableware , Paragon also produces quality accessories such as ash tray, flower vases , kitchen utensils .

2.2.4 Other Subsidiaries

Paragon Hospitality Management: Under the roof of paragon hospitality there are convention halls, catering services , event management service , restaurants . Some of the prominent names are mentioned below:

- Paragon Convention Hall
- Fortune Square
- Shooting Club
- Paragon Catering Service

- Paragon Momo
- Ajwah Events
- Restaurants : Aylanto, Galouti, Grillers, Krispy Krust, Absolute Thai, Absolute Korea, TasteBud, Tem the Dragon

2.3 Management Practices

As the business environment continues to evolve the management has to deal with the environment addressing market uncertainties. Since the pandemic the economic condition worldwide have been disrupted where Russia-Ukraine war has also exacerbated the cancellation of order. Pursuing this PCIL's management has revised its strategy frequently in order to adept with the current market as it exports to foreign country as well. Also, due to recent political disruption, PCIL's subsidiaries such as – catering houses, restaurants and convention halls are not generating revenues as regular session. This is where the management's role is crucial in terms of sustaining in the competitive landscape.

2.3.1 Leadership Style

Participative leadership is being practiced in PCIL including all of its subsidiaries. Here the decision taking top-management involves team -members while making decision and ask for their input in the decision making process. That is when any strategy is needed to develop along with initiating standard operating procedure the employees from different departments provide suggestions which have to be strategically aligned with the vision of the top management. Upon discussion and supervision from the top level management final decision on what action is going to be taken. To illustrate, Paragon Hospitality Management which is responsible for managing quality hospitality service for its brands such as Aylanto, Galouti, Grillers, Krispy Krust while taking any particular marketing strategy needs to get approved by the Managing Director of the organization. Even, the communication tools of the aforementioned restaurants are often checked by the MD in order to maintain consistency and quality. Consequently, the

employee working for respective departments get the clear perception of the top-management's objectives and goal for particular projects.

2.3.2 Human Resource Planning Process

To recruit and retain employees Paragon Ceramics undertakes resource requirements from particular departments .The requirements for particular departments are evaluated by Chief Executive Officer and Managing Director once they receive any proposal from departments Managerial body. Once ,the requirement is approved from the top management then the Job requirements & specifications is forwarded to the manager of Human Resource for further actions. While preparing job specifications and job requirements employee's knowledge and relevant skills are taken into account.

2.3.3 Recruitment and Selection Process

Recruitment :

- I. Needs Assessment: PCIL first chalk's out where the current gap is in its existing team. This particular task which is definitive and comprehensive is performed by the mid-level managers of the departments. The managers are responsible for carrying out a thorough analysis of the output from the recruitment for the positions to be opened.
- II. Preparing Job description: Based on the analysis from assessment , a job description is prepared which contains job responsibilities to be performed by the appointed employee and the required skill sets and qualifications.
- III. Talent Search : PCIL uses internal and external sources to hire employees. Especially for the entry level jobs PCIL and its subsidiaries Paragon Hospitality ,Clockwork 360 post job circular in job portal bdjobs and in their facebook page. On the contrary, for higher level positions and managerial positions vacant posts are filled by promotion from the internal employees or from the internal network.
- IV. Screening & Shortlisting: Since, the recruitment requirement is initiated by an employee from managerial body , he is primarily responsible for shortlisting candidates by screening CV .Afterwards, shortlisted candidates are contacted for an interview session which takes place in -person at the head office.

- V. Interview: A preliminary interview is conducted by the recruiting officer who is generally in the designation of Assistant General Manager together with the Senior Manager of HR. Candidates are evaluated in the preliminary interview on the basis of their subject knowledge, soft skills and experience in the relevant field.
- VI. Final Interview: Shortlisted 2-3 candidates are called for final interview with CEO/MD of Paragon Ceramics where the candidates are evaluated.
- VII. Selection: After a six steps recruitment process, the most suitable candidate is selected based on the final call from top management and recommendation from the recruiting officer. The selected candidates are offered employment for probational period of six months.

2.4.4 Training & Development initiatives

Paragon Ceramics undertakes informal training and development facilities for its field level employees. To introduce the employees with technology such as biometric attendance it has taken training session. In addition, Paragon Hospitality Management has outlined training programs for the waiters of the restaurant brands where they have learnt to input data of customers in the customer relationship management tools and databases. Also, to extend the use of LoyalBee – the digital ecosystem, the company is currently taking initiatives to train the support staffs of restaurants, convention halls, event management agency who will be the facilitator of the service to communicate to the customers.

2.4.5 Performance Appraisal System

Employee's performance is assessed and evaluated by the sub-ordinate managers to whom the employee has to report. Hence, there is no formal appraisal sessions rather employees receive regular feedback during the performance period. However, the senior managers receive feedback from the top level management based on quantitative factors such as sales target. Apart from these, for the restaurant brands, customers feedback in social media plays a key factor to evaluate the performance of the chefs and waiters of the restaurants operated by Paragon Hospitality. This review from customers are moderated by the Managing Director who recommends further appraisal for the chefs.

2.4 Marketing Practices

Regarding its marketing strategy, PCIL considers SEO, sales functions, and other elements. The executives comprising this division bear the responsibility for the operations and results pertaining to publications, advertising, interviews, events, and more.

PCIL, being an export-oriented company, prioritizes the collection and analysis of requirements and needs prior to commencing production. In addition to this, the internal capacity of companies in terms of resources is thoroughly considered. PCIL implements a product diversity approach to position itself in the local market and attract buyers.

In order to achieve a competitive edge over industry rivals, PCIL's dinnerware items are manufactured using raw materials that are completely devoid of Lead, Cadmium, and Barium. The goods are made from universal, alumax, and ivory silk porcelain. Generally, the overarching positioning strategy centers around a strategy of offering the same price with the same benefits.

2.4.1 Marketing Strategy

Paragon Ceramic utilizes both local and segmented marketing strategies. PCIL implements Search Engine Optimization and Email marketing strategies to cater to the specific location-based needs of customers in the field of porcelain buying. The intended purchasers are contacted via email, providing them with a URL that may be easily shared, granting access to PCIL's catalogue. This approach differs depending on the preferences of both domestic and international purchasers. When targeting local markets like Porcelaina, Aarong, RFL, Toijoshpotro PCIL focuses on promoting table products that align with Bangladeshi cultural

norms. On the other hand, while working with international buyers like Otto, El Corte Ingles, Home & Horecas, Siemex PCIL takes into account the preferences of consumers in the USA and Europe. PCIL employs segmented marketing strategies by taking into account geographic and demographic data, specifically targeting affluent consumers in the United States, United Kingdom, and India.

2.4.2 Target Customers, Targeting and Positioning Strategy

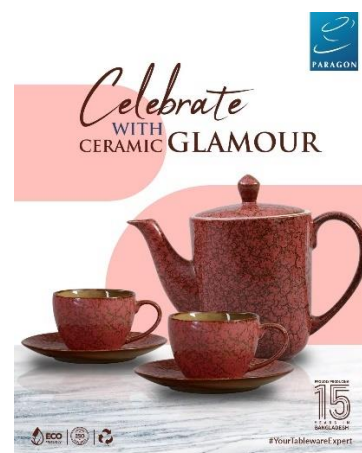
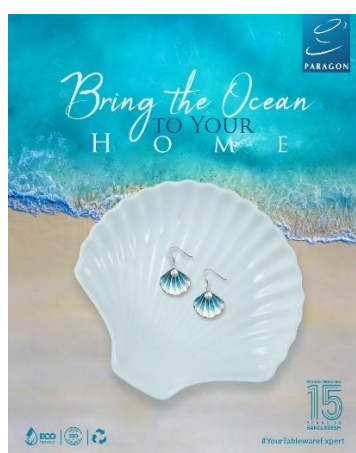
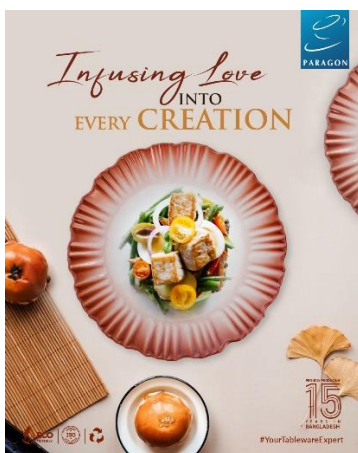
PCIL implements the 4 p's of marketing practices in the following way:

- **Product:** PCIL's products are of good quality and elegant design. In its portfolio it has different types of products such as Amaryllis, Grace, Illution, Evelyn, Eudora, Octavia. For maintaining quality standard is set as per the buyers requirement and TQM approach. Quality is ensured through quality assurance lab at the production facility.
- **Pricing:** (Forkan & Ahmed, 2011) states that export oriented ceramics industry sets dynamic price for different country's market. Likewise, while setting the price Paragon considers costs, competitors price, forecasted demand and market nature. In addition, PCIL undertakes a penetration and product line pricing strategy with combination. Generally, a pack of dinner set which consists of 24 pcs of dinner set is marketed at a price of 3500 BDT.
- **Place:** PCIL has only one display center at Gulshan-2, which is also used as the sales center for distribution of products to buyers. To ensure the products availability for the local market they have established connections with super markets. However, for mass sales to grow it has the chance to expand its network. In addition, e-commerce sites such as Daraz, Alibaba are also taking table ware products from PCIL to market the products.

- **Promotion:** To circulate product related information PCIL maintains an e-catalog in its website where products are featured . Additionally, products are promoted through attending fairs, exhibitions such as Ambiente Fair, Ceramic Expo and Frankfurt Fair . Moreover, along with Social media promotion which comparatively lower in terms of presence, to highlight products to the potential local buyers products are portrayed in different magazines and directories.

2.4.3 Marketing Channels

- **Email Marketing:** To maintain close connectivity with potential business clients PCIL utilizes email marketing . This strategy focuses on providing information regarding the products offerings and core benefits with the materials used.
- **Events :** By attending the fairs held nationally and internationally PCIL utilizes its marketing strategy of the products to reach mass people. Stalls and pavilions are being set up with the communication tools such as banner , poster to highlight the products .
- **Social Media Marketing :** As today’s world is concentrated on enforcing social media platforms , therefore PCIL leverages this by creating brand awareness post in the Facebook .



2.4.4 Product Development

According to (Promee, 2022) thorough analysis to develop superior and visually appealing products are in place at PCIL. Initially, the idea is conceived and evaluated from the buyers. Following the generation and screening of the idea, the subsequent step involves concept development, followed by a market test. Subsequently, the marketing plan is devised and subsequently a novel product is created. (Nahian et al., 2021) claims that the product development includes following steps:

- I. Idea Generation: From customer and market wants, PCIL first comes up with an idea for a new product.
- II. Product Definition: PCIL allocates additional resources to the process of researching and formulating strategies about that product.
- III. Initial Design: PCIL finalizes the design of the prototype based on customers requirement and approval from the CEO.
- IV. Testing: According to ("Manufacturing,") PCIL tests the quality in every step of the production . Lean manufacturing technique is applied to improve internal processes loss. Reference samples are used to verify the quality of the finished goods. The PCIL's quality check team inspect the factory weekly to meet buyers specific acceptance quality level (AQL) .
- V. Commercialization: PCIL launches their product to the commercial buyers through attending exhibitions, fairs worldwide.

2.5 Financial Performance & Accounting Practices

2.5.1 Financial Performance

Current ratio: PCIL's current ratio as of the last financial year 2023 is 89% which indicates a positive trend leading to improved short term liability.

Quick ratio: In 2022 the quick ratio of the company was 20% which significantly rose to 28% in 2023 which delineates the ability of PCIL to cover short term obligations regardless of the inventories.

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Table 1-1. Annual Finance Report

Particulars	2020-2021	2021-2022	2022-2023
Turnover	1205	1394	1723
Gross profit	186	227	289
Operating profit	93	136	181
Financial Expenses	81	79	76
Profit after Tax	32	46	58
Total Asset	6,416	6,557	6,364
Total Debt	1213	1265	1214
Total Liabilities	4421	4627	4229
Total Equity	4,275	4,502	4, 633
Reserves	-30	-13	8
Cash and Cash Equivalents	8	26	24
Profitability			
Gross Profit Margin	15.40%	16.30%	16.80%
Operating Profit Margin	7.70%	9.80%	10.50%
Pretax Profit Margin	0.90%	3.90%	5.80%
NPAT Margin	2.60%	3.30%	3.40%
Return On Assets (ROA)	0.50%	0.70%	0.90%

Return on Equity (ROE)	0.70%	1.00%	1.30%
Growth(%)			
Turnover	-21.40%	15.64%	23.62%
Gross Profit	-59.72%	46.33%	33.27%
Operating Profit	-45.40%	22.20%	27.39%
Profit after Tax	-49.62%	46.80%	25.01%
Liquidity Ratio			
Current Ratio	76.00%	76.00%	89.00%
Quick ratio	20.00%	23.00%	28.00%
Cash Ratio	0.00%	2.00%	2.00%

Debt to Equity Ratio: Since the debt to equity ratio remain at 0.28 for the consecutive three years the company was able to maintain financial stability.

Turnover growth: Recently , the turnover growth rate of PCIL has been on a positive remark which is 23.62% for the last financial year. Hence, it can be predicted that company has developed the ability to increase its sales.

Profitability Margins: PCIL has significantly improved operational efficiency which led to higher profitability and return on margins for the recent financial year.

The gross profit margin of increased from 15.60% to 16.80% as at the production facility production costs have been significantly optimized. The operating profit margin reached 10.50% which means operational efficiency have been achieved. In addition, the ROA and ROE have been seen to be positive .

To sum up , PCIL's table ware exports amounted USD 18.23 million which is 40% of the country's yearly ceramic export. This export revenue comprised a significant 56% of the company's total revenue. Although , due to pandemic the sales downturned in 2020-2021, but with a revenue growth of 16% in 2021-2022 the company rebounded it. Also, the gross profit

and net profit after tax with 27% and 25% in the 2022-2023 financial year. That is, the company's strong strategic position and export based dominance underscore its resilience for continued success in the ceramic industry.

2.5.2 Accounting Practices

PCIL's accounts department Lead by Mr. Abu Obaida , Head of Finance & Accounts extensively follows FIFO, LIFO, Average Cost method , Perpetual and Periodic inventory accounting. Under the average inventory costing method , from beginning inventory and total purchases throughout the cycle the average cost of goods is calculated. However, for the ending inventory calculation the average costs of goods purchased is valued . This system is automated since the inventory system calculates it by average cost method .

2.6 Operations management & Information System Practices

Like the other manufacturing industries , PCIL being ceramic tableware manufacturer maintains an ERP software internally. This tool is used to record the entry of raw materials procurement from the vendors to deliver the finished good to the destination country. The ERP used in the operations management of PCIL serves the following functions:

- I. Procurement: The ERP provides real time update about the inventory levels , internal lead times at the production facility , automating the purchase order process and fixing price as per the market demands.
- II. Planning: Production plan can be scheduled in the existing ERP which is also an automated process works based on inventory levels and orders being confirmed.

- III. Execution: Since, the system provides a real time outlook of the facility layout thus the supervisors get it convenient to outline the bottle neck activities during production and get system generated report.
- IV. Quality control: While observing the entire production, the system can detect the defects in the product quality during the quality checking.
- V. Logistics: The recorded entry of total orders received ,pending shipments and completed shipments effectively manage the logistics .

2.7 Industry and Competitive Analysis

2.7.1 Porter's five forces analysis of tableware industry

(Jalal, 2022) claims that this industry currently fulfils 85% of the nation's demand and has the potential to outperform all other sectors in terms of exports due to increasing urbanization and continuous economic growth. The sector is poised for future expansion due to consistent yearly growth rates of 20% in domestic sales, 26% in export sales, and over 200% in total production capacity during the past five years.

- I. Threat of new entrants: For this industry when any company choses to invest and chose greenfield strategy , huge amount of capital is required. That is, for the new entrants in this industry, the barrier of entry is high resulting in a high score for threat of new entrants. Similarly, to avail an economies of scale the new entrants will have to incur additional production costs whereas the established cost structure of the existing businesses is much lower. Moreover, till now, there is hardly any gap found in the

product offerings of the companies producing tableware products. Therefore, the threat of new entrants is low.

- II. Rivalry among existing companies: Shinepukur ceramics being the highest market share is the market leader. Also, Akij Ceramics, Far Ceramics and DBL ceramics are competing in this industry leading to an uneven balance in the market share. Due to the high market growth competitors generally don't target each other's market share. Since the scope of product differentiation is moderately low, this industry faces a high rivalry as companies of this industry has to compete with the prices and brand equity simultaneously. Thus, rivalry is medium in this case.

- III. Threat of substitutes: There is high chance that utilizing technology, innovation new trends can disrupt this industry . As , tableware products are of sensitive , there is high possibility that consumers can be attracted to tableware goods made of wooden .To add , since brand loyalty is barely seen in this industry as well as the switching cost is zero the market gets more flexible than any other industries to accept the substitute goods of tableware. Hence, the threat is high.

- IV. Bargaining power of suppliers: Switching cost of suppliers is relatively low which makes it easier for suppliers to bargain. However, after the outbreak of COVID-19 , most companies have managed to stay less reliable on major suppliers since they have already established porcelain plants facility. Companies have now developed strong network of raw materials suppliers worldwide suppliers resulting in a "low" bargaining power of suppliers.

- V. Bargaining power of buyers: Due to fact that there are many existing companies supplying tableware products in the market and consumers nowadays have accessibility to knowledge regarding product makes the bargaining power of buyers high. As mentioned earlier , lack of product differentiation and brand loyalty, companies have very little to do in terms of fixing price or applying price penetration. Thus, the bargaining power of buyers are high as the switching cost of brand is nearly zero here.

2.7.2 SWOT analysis

Strength:

- I. Environment concern: (Nahian et al., 2021) claims that products of PCIL are produced considering the environmental effects. At the production facility rainwater conservation is used to manage the waste of water from underground. The kiln transfers waste heat to the dryers, resulting in significant natural gas savings and promoting environmental cleanliness. PCIL has achieved “ISO 14001” for its concern to environmental sustainability practices in production.
- II. Exclusive products: The quality and design of products match with the requirements received from the buyers extensively while minimizing the lead time as short as possible. PCIL’s catalog consists of exclusive collection of mugs, dessert set, tea set, coffee set, flower vase and hotel wares (Nahian et al., 2021).

Weakness:

- I. Brand awareness: PCIL being export oriented company , focus less on creating brand awareness in the market. It leverages on sales rather than marketing. This is why the mass market has yet to recognize this brand.

- II. Delay in shipment: (Nahian et al., 2021) points out that due to absence of explosive license PCIL faces trouble in releasing the shipment of decal chemicals from the customs. Additionally, the imposed tax of 30% causes the import of best quality raw materials to incur additional production cost.

Opportunities:

- I. International expansion: Since, PCIL participates in fairs and exhibitions that take place worldwide , company can consider expanding business worldwide. There is a growing demand of tableware products in the international market. PCIL can utilize this opportunity by considering a creation of brand awareness in the international arena as well as following localization strategy extensively since Bangladesh ceramic industry is facing duty free access to EU market.
- II. Product line extension: PCIL can emphasis on product development due to the rise in demand of ceramic products as decorative materials for home, hospitality. This product line can ultimately give the company exposure to local market.

Threats:

- I. High competition: The disruptive strategy being undertaken by Akij ceramics has recently imposed a threat on PCIL. It is predicted that , since the competitive rivalry is high in this industry, PCIL will encounter many challenges to stay competitive in the market.
- II. External factors: The impact of Russia-Ukraine war has compelled many international buyers to hold their order . Due to this, PCIL faces trouble in managing raw materials whereas the payment has been on hold and the factory is being run taking subsidiaries.

2.8 Summary and Conclusions

From the discussion of PCIL's profile, management practices , marketing strategy, industry analysis it can be said that it has emerged as a prominent manufacturer and exporter of porcelain tableware products from Bangladesh. It demonstrates its dedication to quality through quality control laboratory located at Gazipur where state of the art gears is utilized efficiently. Consequently, it has been able to achieve ISO accreditation.

PCIL offers a wide range of products specifically designed for hospitality industry, including collections such as Coupe, Emboss and mug. Apart from this, company has diversified its operations to include hospitality management which involves overseeing convention facilities, catering services , event management and a range of restaurants under the brand Paragon Hospitality.

However, PCIL has been able to maintain a good financial portfolio till the financial year of 2022-2023. This has been possible due to company's strategic positioning, dominant presence in export. Although, the brand's familiarity in the mass market is missing since it is concentrated on sales than marketing of the brand. The local market as well as the end users know a little about this brand's presence in the market.

2.8 Recommendations

After a thorough analysis of the marketing practices being undertaken by PCIL and the competitive landscape being studied PCIL can initiate following measures to stay relevant in the competitive market:

- I. Creating brand awareness: It is imperative that to make balance and to stay relevant in the market while external factors like war , pandemic hit , PCIL should take initiatives

to operate broadly in the Bangladeshi local market. It is necessary to create brand image and thus, PCIL's marketing communication tools have to be developed. This may require a robust distribution channel which can easily be designed as the company has already established networks with logistics companies.

- II. Research collaborations: I have found out the lacking of dedicated research and development team in the company . As such , company can consider research collaborations with Glass & Ceramic Engineering departments of various universities. Also, to take a strategic vision and to make it reality , business faculties of renowned universities can be communicated.
- III. Management practices: The company lacks the intention to develop the employees contribution to the company. Most of the employees here working is lacking motivation as they are not paid timely. Additionally, the top management perceives a high performance from the employee whereas sufficient steps have not been taken to encourage the employees to work with their highest potential. So, company should consider taking steps to motivate their employees by offering an extensive compensation package based on their performance.

Chapter 3

Project Part

3.1 Introduction

This project titled “Integration of digital loyalty program for hospitality industry” intends to initiate strategies by redesigning Paragon Hospitality Management’s value added service platform “Loyalbee” . Since its inception in 2021 , the platform worked till 2022 and due to operational inefficiency, it has been in dormant status for nearly one year. However, pursuing the growing importance of customers motivation and attitude towards brands which offer extensive loyalty program as well as value added service , the top management of the organization is keen to relaunch the Loyalbee by redesigning the platform which will involve customer centric approach. For the purpose of the project as the main objective is to ensure seamless service from the enlisted business which are some restaurants, event management companies , convention halls to its subscribers where Loyalbee platform will act as the bridge between enlisted beneficiaries and customers. To redesign the service effectively the gaps in current service have been analyzed and how these gaps are affecting the engagement of customers with the enlisted business have been portrayed. Afterwards, the key drivers to increase the engagement of the restaurant’s customers in the related ecosystem products such as Buy Here Now, Onnow.io, Tri State Eatery, Pathao, FoodPanda, Amazon being studied through related case studies, recommendations for LoyalBee have been provided. In addition , to provide a future roadmap for Loyalbee to operate in a competitive landscape , loyalty programs of Starbucks, Mcdonalds are also studied.

3.1.1 Background Information

Understanding the need for a platform where businesses coexist, and customers reap the best benefits, LoyalBee came into existence in 2021. With its core belief set on “Empowering Consumers”, the LoyalBee members will be able to avail exciting gifts, vouchers and tailored offers at the business stores registered with the platform along with priority services. It is the one loyalty program that keeps tabs on all services and products in the markets and ensures that consumers always receive special benefits. However, it is not for consumers only, it is also a service-based digital ecosystem working toward the benefit of consumers and businesses. This digital ecosystem includes social media maintenance, seasonal campaign and event management for sales growth, collaboration with MFS, Logistic, Food & Beverage parties, print media promotions, voice over call support, BPO services for market activation etc. which can benefit the enterprises to sustain this modern competitive world.

LoyalBee since its inception in 2021 has been in partnership with restaurants like Aylanto, Galouti, Grillers, KrispyKrust, TasteBud, Absolute Thai, Absolute Korean, Mithailwala. LoyalBee has been in a contract with these entities where the key clause is that if any customers being LoyalBee subscriber visit these restaurants or order food online are bound to get a fixed amount of discount. One can be a LoyalBee member just by filling out a registration form which is currently available in the “register now” button of the website. In addition, through the printing materials like table talker, brochure, x-box a link in the form of barcode scanner takes the interested consumers to the registration form. Currently, the platform has 2095 subscribers who are eligible to enjoy discounts in the mentioned restaurants. Although, there is lack of operational resources, LoyalBee team is determined to launch the service again. For which, the requirement for an interactive and informative website which is the tangible product is

essential. Regardless of the tangibility, it is also ardently needed to address customers concern likewise other digital ecosystem platforms in Bangladesh are providing

3.1.2 Objectives of the study

Research Problem : The research problem of this study particularly deals with the existing challenges faced by customers while using the loyalbee platform whereas it is also vital to ensure a seamless recording of loyalty points or discounts being offered for the customers.

Broad Objective : The objective of this report is to identify suitable strategies to integrate a loyalty program for the customers of restaurants through digital ecosystem platform Loyalbee.

Short Objectives: The study aims to achieve following short objectives :

- Evaluation of current service quality
- Identification of user experience challenges
- Exploration of industry practices

3.1.3 Significance of the study

The digital ecosystem concept in Bangladesh is not new since consumers of generation X,Y,Z are already habituated using those. However, while coming to assess the digital platforms that are being in market businesses willing to start digital ecosystem platform often lacks data and hence, face the challenges of analyzing consumers perception. As this research aims at integrating a loyalty programs for the restaurant consumers by using a digital ecosystem, so it is expected that through this research we can find some insights about existing service quality which are initiating loss of potential customers from a particular brand. Moreover, when current service quality will be analyzed it will be easier to sort out effective planning on which customer can be retained as this study will provide user experience challenges and key drivers to attract consumers towards a platform. Furthermore, as this study will present industry

practices that can be implemented or modified in light of Bangladesh's perspective that is to say this study can be a guideline for future startups.

3.2 Literature Review

(Meyer-Waarden, 2007) claims loyalty program as the effort to offer economic, psychological and sociological benefits to customers.

(Uncles et al., 2003) pointed out three main drivers to adopt Loyalty Program by companies :

- I. Maintaining customer loyalty or brand share
- II. Improving levels of accessibility
- III. Me -too pressure

A loyalty program can thus have impact on various consumer related factors including customer loyalty ("Sunny" Hu et al., 2010) , cross buying behavior (Liu, 2007), brand equity (Voorhees et al., 2015) , word of mouth (So et al., 2015) , store engagement (Ramly & Omar, 2016) which is discussed by (Purohit & Thakar, 2019) in his study. They further claimed that participants of Cornell Loyalty Program Management Roundtable held in 2014 emphasized on including surprising rewards, implementing new ways to predictive loyalty and using random personalization (McCall, 2015)

A loyalty program can include some psychological elements, design elements and operational elements which is described in the following table

Table1-2. Definition of Key Constructs

Term	Conceptualizations	Aliases	Representative Paper
Perceived Value	Customers evaluation of their net utility, calculated as their benefits relative to the costs	Customer Value	(Zeithaml, 1988)

Partnership	Partnering with other companies and offering a joint program in which customers can earn and redeem rewards at different companies	Coalition loyalty programs	(Lemon & Wangenheim, 2008)
Tiers	Customers are distinguished into a hierarchy/tier depending on their input/purchase levels.	Status	(Drèze & Nunes, 2009)
Rule clarity	Extent to which the company explicitly communicates the reasons for delivering a reward	Prioritization transparency	(Steinhoff, et al., 2019)
Target vs. bystander	Target customers receive rewards; bystander customers observe or witness the target customers receive rewards	Loyalty program customer portfolio	(Steinhoff & Palmatier, 2014)

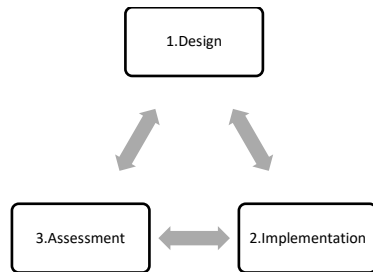
Note. Reprinted from “An emerging theory of loyalty program dynamics” by Kim, J. J.,

Steinhoff, L., & Palmatier, R. W., 2020, *Journal of the Academy of Marketing Science*, 49(1), 71-95.

3.2.1 Loyalty programs lifecycle

LP lifecycle

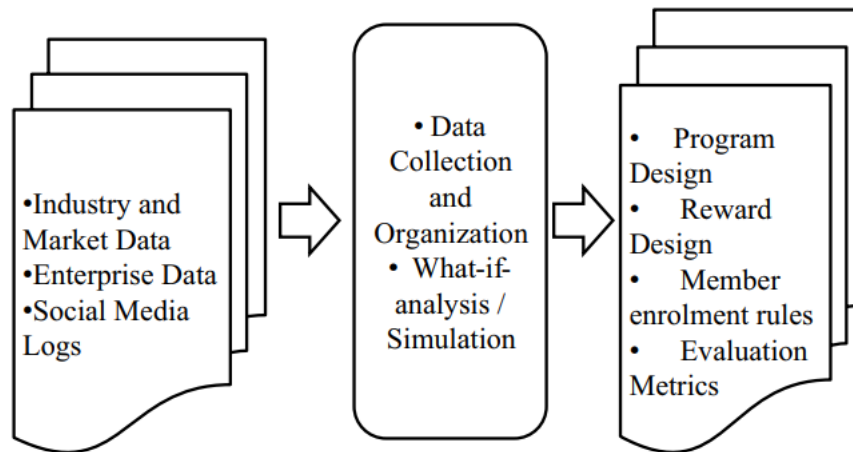
Figure1-1.LP Lifecycle



Note. Stages of Loyalty Program Lifecycle. From “Role of information and communication technology in improving loyalty program effectiveness: a comprehensive approach and future research agenda,” by A.Purohit & U.Thakar,2019, Information Technology & Tourism, 21,p.265. Copyright 2019 by Springer.

- **Design :** During the design process the members requirements, loyalty program structure, point structure, reward structure need to be fixed . (Breugelmans et al., 2014) emphasizes that people who might not be interested in enrolling into loyalty programs , their benefits can be reached through open enrollment programs that are free to everyone. Moreover, (Purohit & Thakar, 2019) assert that during the design process, decisions are made on the incentive structure, including factors such as the ratio at which points are issued, the criteria for point expiry, the number of tiers, the positioning of each tier relative to one another, the benefits associated with each tier, and the rules for transitioning between tiers. Consequently , this phase requires storing and processing of vast amount of unstructured data. Data from social media and web-logs can be employed to inform appropriate design choices. Therefore, the main function of information systems during the LP design stage appears to be the retrieval, transformation, storage, and processing of a large quantity of diverse data .

Figure 1-2.Data Blueprint



Note. Outcome of design process of a Loyalty Program. From “Role of information and communication technology in improving loyalty program effectiveness: a comprehensive approach and future research agenda,” by A.Purohit & U.Thakar,2019, Information Technology & Tourism, 21,p.268. Copyright 2019 by Springer.

(Purohit and Thakar,2019) propose that in order to handle the increasing amount of unstructured data from social media platforms, such as user feedback and comments, firms should consider using Big Data systems like Hadoop. Unlike Relational Database Management Systems (RDBMS), which store data in predefined tables and use Structured Query Language (SQL) for processing, Big Data systems offer the ability to store and process large volumes of unstructured data with high throughput and scalability.

- **Implementation:** After completing the design phase, organizations proceed to manage the loyalty program. This involves tasks such as enrolling members, tracking and distributing rewards, processing tier transitions, and implementing the program

according to its rules and parameters. Companies can utilize specialized software tools to effectively oversee and handle linear programming operations and data (Purohit and Thakar 2019). (Liljander et al., 2009; Son et al., 2016; Raab et al., 2015) claim that to enhance consumer positive attitude towards the loyalty program social media and website are main medium . Although there is still possibility that customer's issue will occur frequently and that is why (Stauss et al., 2005) focuses on integrating the LP with customer support systems as it will enable to address these issues more effectively by assigning the issue an appropriate priority, taking into account the member's tier and profile. Additionally, they suggest to circulate compensation points to restore member confidence and loyalty. Despite all these, since the program will be a digital product there remains the risk of breaking confidentiality of the customer's sensitive data . To address this security concern (Purohit and Thakar 2019) suggest to use enhanced authentication procedure such as Captcha codes where member interaction takes place. Lastly , as the success of loyalty program mainly depends on how much engagement customers are creating with the brand hence, it is imperative that companies look for developing strategies to increase engagement. Thus, (Burke, 2016) recommends technologies like gamification platforms where members can score points or scores , compete with others as well as abiding by rules to encourage participation.

- **Assessment :** Once the design and implementation of the program is done , the calculation of return on equity is essential leading to justify whether the strategy being adopted are going on the right track. According to (Breugelmans et al., 2014 ; McCall et al., 2010) enrolment and consumer traffic, purchase frequency and share of wallet, extended relationship lengths and word-of-mouth, and decreased price sensitivity are some of the key performance indicators for a loyalty program. For assessing the program , research by (Pauwels et al., 2009) suggest an approach which include

identification of related KPI's during the design process , collecting the related datapoints during the implementation process and finally analyzing the data by extracting , transforming and loading the data into Data Warehouse. In addition , pre-defined performance metrics can be measured using Business Intelligence tool . (Frisou & Yildiz, 2011) also emphasizes on the consumer learning as one of the criteria to measure the effectiveness of a loyalty program which can be assessed through direct approaches like quizzes, survey as well as some indirect approaches such as measuring how much time a consumer is taking to perform a certain task over a period of time. However, according to (Pearson, 2016) to overcome substantial liabilities added in any company's balance sheet due to the delayed redemption of loyalty points by consumers it is imperative that companies follow Financial Accounting Standards Board's regulations and tax laws that are in practice for the particular home country.

3.2.2 Digital ecosystems effectiveness in loyalty programs

Restaurant's being in the service industry require digital adaptation at large scale especially in cases where political turmoil is creating uncertainty for consumers and the business . Also, it has been not that long we have been bound to be in locked down. As (Dorotic, 2019) claims if the digital ecosystems can integrate digital payment systems can get the attraction of customers. (Vatsa et al., 2023) found that digital wallets are significantly capable of acquiring customers satisfaction while implemented in a loyalty programs.

Trends to achieve meaningful transformation of a digital ecosystem based loyalty programs:

- I. Use of mobile based features : (Rahman & Goswami, 2021) state why mobile apps can drive omni channel retailing . Mobile apps when installed and being used in consumers phone are vital tools for building loyalty as. In such instances , consumers when receive coupons and offers they can utilize the wish list features especially if the choices and preferences are targeted accordingly . In fact, mobile apps play a significant role in attaining customers attention since

it provokes them to earn reward faster. Moreover, in order to make informed decision making regarding purchase the app is a vital tool in a loyalty program . Similarly , the click to action button or an integrated chatbot works as a help desk providing prompt response as well as enabling better customer interaction.

- II. Use of mobile based payment : According to ,(Rahman & Goswami, 2021) Firstly, consumers like the ease and convenience of being able to digitally save their gift cards in their mobile wallets through which they can pay quickly via proximity mobile payments simply bringing their phone near the scanner. Secondly, when any retail shop promotes paying through digital wallet it gets convenient for the retailer to reduce the use of cash transaction.
- III. Personalization and Location based marketing: (Rahman & Goswami, 2021) suggest to leverage click and collect to cross -sell and up -sell as they talked about Monsoon which found out it's 30% from 60% consumers who visited to pick up the products ordered through online also made additional purchase from the outlet. Furthermore, they suggested Beacon (Low energy Bluetooth enabled devices) in order that consumers when arrive within the 50 meters radius of the outlet can receive personalized pull messaging in their app which can eventually result in to provoke the customers to visit the particular app.

3.2.3 Expected benefits from Digital Loyalty Programs

In general, according to (Roymon Panjaitan, 2021) customers expect points store, e-coupons , flash sales which can work effectively for the enhancement of customer's experience for the particular business. That is these offers in the form of points or coupons are such information which need to be communicated. As (ALBERT MILIANO, VIANY UTAMI TJHIN, 2021) factors such as information quality , system quality , variation in reward and value of the reward are the determining factors influencing customer's satisfaction in a properly executed loyalty programs although which he discussed for the e-commerce set up. According to (Hoch & Brad, 2020) networks of interdependent organizations that work together to generate value are the building blocks of digital business ecosystems.

3.3 Research Methodology

3.3.1 Population & Sample

For the secondary data the population of interest is defined as the subscribers of Loyalbee who subscribed between the period September 2023-October 2023. The Data was collected from 35 samples by means of questionnaires. A survey was conducted in order to determine challenges faced by subscribers while using Loyalbee platform to avail any discount from the enlisted businesses. Data collection was conducted from the beginning of November to end of December.

3.3.2 Data Collection & Analysis

As this study aims to analyze the people's hidden interpretations, understandings, motivations therefore, qualitative research methodology has been followed in this study which can ultimately give the management vivid idea about how loyalty program can be implemented in digital ecosystem. This approach includes collecting primary data from case studies by studying related literature and secondary data from non-behavioral observation (current record analysis) and self-administered survey.

The exploratory data analysis technique is used for the content analysis of the literature being studied.

3.3 Findings & Analysis

3.3.1 Current Service Quality

The service quality of the Loyalbee has been assessed based on "SUS Usability Score". This SUS score is based on the response collected from 35 subscribers of Loyalbee platform through

a self-administered survey. The average SUS score found from the responds are 45.10 which denotes that the usability of the system is not acceptable.

Table 1-3 System Usability

Participants ID	q1	q2	q3	q4	q5	q6	q7	q8	q9	q10	SUS Score
1	4	2	2	2	1	4	4	3	4	2	66.25
2	4	4	4	4	2	4	3	3	4	2	50
3	4	3	4	3	4	3	2	1	2	2	60
4	4	4	3	3	4	4	2	5	4	3	45
5	4	2	2	2	3	4	4	4	5	3	57.5
6	5	4	3	2	1	2	3	4	5	5	50
7	1	2	3	4	5	4	3	2	1	1	50
8	5	4	3	2	1	2	3	4	5	5	50
9	4	4	4	4	4	4	4	4	4	4	50
10	5	5	5	5	5	2	2	2	2	3	55
11	4	2	4	2	4	2	4	2	5	1	80
12	2	2	2	4	4	3	2	4	1	4	35
13	4	5	3	1	5	1	4	4	2	5	55
14	4	5	4	2	1	5	1	5	4	2	37.5
15	4	4	4	4	2	4	4	2	2	1	52.5
16	4	4	4	4	1	5	2	5	2	3	30
17	5	4	4	4	1	5	2	5	2	2	35
18	2	2	4	2	1	5	4	2	2	1	52.5
19	2	4	2	2	1	5	2	4	2	3	27.5
20	2	5	1	2	1	5	4	3	2	2	32.5
21	2	4	4	2	1	5	4	4	2	2	40
22	1	5	2	2	2	5	2	5	2	4	20
23	1	5	2	3	2	5	2	4	2	4	20
24	1	5	2	2	1	5	3	5	2	2	25
25	2	4	3	3	1	5	2	5	3	2	30
26	2	4	2	2	1	4	3	4	3	2	37.5
27	2	4	2	1	1	5	3	5	1	1	32.5
28	2	4	2	2	2	4	3	4	2	1	40
29	4	3	4	5	2	1	2	1	5	4	57.5
30	3	4	2	1	5	4	3	2	5	4	57.5
31	5	4	3	2	1	5	4	3	2	1	50
32	1	2	3	4	5	5	4	3	2	1	50
33	2	2	2	2	2	5	3	4	4	2	45
34	2	4	2	2	2	4	2	2	3	2	42.5
35	3	1	4	1	4	1	2	4	2	4	60
Average											45.10714286

This survey particularly addresses its acceptance among the users of Loyalbee. Firstly, when they were asked whether they are comfortable to frequently use this system 34% opined negative feedback and 14% strongly disagreed to use it frequently. Secondly, nearly half of the respondents believe the system is unnecessarily complex .

Figure 1-3 Customers aversion to use the system

1. I think that I would like to use this system frequently.

[More Details](#)

Strongly Agree	5
Agree	11
Neutral	2
Disagree	12
Strongly Disagree	5



Figure 1-4 Response regarding complexity

2. I found the system unnecessarily complex

[More Details](#)

Strongly Agree	7
Agree	17
Neutral	2
Disagree	8
Strongly Disagree	1



This is probably due to the fact that as from my record analysis , while doing registration for loyalbee , users are not able to record their actual location since not all the areas of Dhaka city is not added in the system . Hence, it gets difficult for the business as well to set any location based targeted campaign. Thirdly , 43% respondents reported the inconsistent integration of various functions into the system leading to unawareness about the system and loyalty campaigns designed for them . The inconsistency can be further specified since, the system is currently providing a limited offerings with inaccessibility of converting those potential

consumers into leads. Due to not having integrated chatbot and query management with the system, the system is not able to attract the consumers for long term and make them purchase.

3.3.2 Challenges faced by users

As per the record analysis of the system following are the challenges that have been faced by users of loyalbee:

- I. Irresponsive query management: Currently , the system doesn't have any dedicated query management team to reply to the query which can occur from the enlisted restaurants and from the consumers visiting the restaurants. In fact, it has been reported by several users after being registered they have not received any confirmation regarding whether they can avail the discounts which is circulated in the website or social medias of the platform or not.
- II. Ambiguity of the services : The services ads which are published in the websites generate ambiguity among the users since they are not getting the clear guideline to avail the offers . The following image gives a brief idea about the communication strategy being used in the loyalty program platform.



For instance , once any interested loyalbee member seeking for what One stop service he is going to avail if he hovers his mouse on the button the button will not take him to any specific page to provide him one stop service.

3.3.3 Industry practices

From the content analysis the existing loyalty programs that are being practiced worldwide are mentioned below:

- I. Uber : The loyalty program used by Uber is basically a multitier program which is completely free of cost to register and it has the flexibility for members to enjoy growing benefits through points-based platform.
- II. The Body Shop: The loyalty program run by this company rewards the members through special gifts on their occasions, sending invitations to exclusive events and referral program .
- III. Sephora : Sephora signifies the adaptation of personalized rewarding as per consumer's needs . In general , it prioritizes emotional aspects of a loyalty program rather than the economical.
- IV. Netflix : This platform conducts its loyalty program where the main objective concentrates on building habit of using Netflix where personalized contents are being offered as catered to individual accounts.
- V. Nike: When it comes to find the best omnichannel strategy being used for loyalty program , example of Nike can be asserted.
- VI. McDonald: McDonald utilizes cashback for the loyalty program subscribers by enabling cart abandonment along with incentives for the members who can complete game segments.

3.4 Summary and Conclusions

In summary, considering that the primary objective of Loyalbee's management is to ensure subscribers receive uninterrupted service from enlisted businesses (e.g., event management companies, convention halls), and that the Loyalbee platform serves as an intermediary between these businesses and customers, it is advisable to redesign a digital loyalty programme that effectively addresses the deficiencies in the existing service and comprehends the impact that these deficiencies have on customer engagement with the respective businesses. The primary issue at hand is the lack of a responsive and educational website, which functions as the primary interface between the listed companies and their customers. The primary aim was to develop a customer loyalty initiative utilizing a digital infrastructure. In light of the fundamental issue at hand, the overarching objective of the research is to identify suitable resolutions for the integration of a customer loyalty programme for restaurants through the use of Loyalbee. The literature examined in this research offers a comprehensive synopsis of the stages comprising the life cycle of a loyalty programme. Moreover, research indicates that in order to optimize the effectiveness of a digital environment, it is advisable to incorporate strategies such as gamification elements, personalized location-based marketing, and the integration of a digital wallet. Additionally, research has revealed that consumers expect diversification in communication tools, points, and coupons as a means of fostering customer engagement. Nonetheless, the outcomes of the self-administered survey performed on the 35 sample members offer valuable insights into the perspectives of current users regarding Loyalbee. These insights are elaborated upon in the section of the study devoted to findings and analysis. In order to effectively assess the usability of the system, a SUS score of 45.1 was acquired, which signifies a subpar level of platform usability. In conclusion, this study examines the strategic ramifications of integrating the loyalty programme in Loyalbee.

Drawing on the findings of the record analysis, literature review, and survey data, these implications can serve as a roadmap for management to promptly execute an action plan.

3.5 Implications

- **Develop value Propositions :** It is necessary for Paragon Hospitality Management to create a mission statement which will reflect on the aim Loyalbee is targeting to achieve. Therefore, when the value propositions are at place , development of respective touchpoints will be convenient.
- **Redesign the web platform :** Individuals belonging to generation Z make up the majority of loyalbee's subscriber base. Therefore, it is necessary to incorporate a point-based loyalty programme that also includes a gamification component into the system. As a result of the fact that the loyalty programme will be conducted digitally, it is essential to create a customer portal and a client portal within the system. These portals should include redeem possibilities for both the customers and the clients, which will result in comparable advantages being provided to both parties.
- **Determine the KPI's:** For evaluating whether the aims targeted for the program have been met following are the metrics to consider :
 - I. Customer retention rate: Assessing the churn level in terms of low or high .
 - II. Consumption rate : By measuring the repurchase rate the increase of consumption per restaurant/business entity can be estimated.
 - III. Engagement rate: To see how much engagement customers are making with the client using the platform
 - IV. Distribution functionalities : App rate and website rate can give a clear idea about customer's satisfaction towards the platform.

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