

Report On
A Study on Factors Affecting the Distribution of Square
Pharmaceuticals Products in Bangladesh: A Case Study of
Square Pharmaceuticals PLC

By

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

Brac Business School
Brac University
October 2023

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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:

Student Full Name

Student ID

Supervisor's Full Name & Signature:

Supervisor Full Name

Designation, Department

Institution

Non-Disclosure Agreement

This agreement is formed and signed by the signatory student at BRAC University and Square Pharmaceuticals PLC. By signing this statement, I, Kazi Tasmia Mahmud Turna, guarantee that this report won't include any sensitive information that might harm Square Pharmaceuticals PLC. This report, which is focused on my daily actions at the office, will be written with the help of the workplace supervisor. As a result, as part of the requirements of my internship program, my report won't be published online and will instead be preserved at BRAC University to protect the information's privacy. Both parties in this situation agreed to keep the material used in this report a secret.

Letter of Transmittal

Ummul Wara Adrita
Senior Lecturer
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “Factors affecting the distribution of Square Pharmaceuticals products in Bangladesh.”

Dear Madam,

As a significant aspect of completing my Bachelor of Business Administration (BBA), it’s an honour to present to you my internship report on, “Factors affecting the distribution of Square Pharmaceuticals products in Bangladesh.”

The report focuses on the factors affecting the distribution of Square Pharmaceuticals PLC. in the Bangladeshi market. The study aims to provide an insight about the company, its distribution system and the factors affecting the distribution system.

To maximise the study's credibility, uniqueness, and instructional value, I made every effort to gather all relevant data while putting this research together.

I also want to thank you for your insightful comments and helpful recommendations regarding how to draft my internship report. As a result, I hope that this report meets your needs.

Sincerely yours,

Kazi Tasmia Mahmud Turna
Student ID: 21104128
BRAC Business School
BRAC University
Date:30/09/2023

Acknowledgement

I want to express my gratitude for the help and direction I received from my university professors and my internship supervisor, Ms. Ummul Wara Adrita, Senior Lecturer at BRAC Business School, BRAC University. Her guidance was crucial to me finishing my report ahead of schedule. In addition, I appreciate for giving me the chance to work for their organisation. I want to express my gratitude to my on-site boss, Mr. Md. Abu Bakar Siddique, for giving me responsibility, introducing me to the company culture, and sharing his professional expertise. I now understand a variety of global marketing tactics, including export, promotions, campaigns, product law and safety, etc. Finally, I want to thank my coworkers and employees for helping me despite their busy schedules. I am appreciative of the senior staff members and top management that volunteered their time to respond to my inquiries and offer me counsel, support, and suggestions. They provided me with essential support, and I am indebted to them for their kind assistance.

Executive Summary

This executive summary provides a detailed exploration of the factors influencing the distribution of SQUARE Pharmaceuticals products within the dynamic market of Bangladesh. The report is structured into three integral chapters, each contributing distinct perspectives. In the first chapter, the author recounts a comprehensive narrative of their internship experience at Square Pharmaceuticals PLC, offering unique insights into the company's organisational culture, processes, and day-to-day operations. The second chapter serves as a foundational knowledge base, presenting an expansive background on SQUARE Pharmaceuticals. It outlines the company's historical trajectory, overarching vision, mission, core departments, and extensive product line. This chapter further incorporates a SWOT analysis, critically evaluating the present market circumstances and identifying the organisation's internal strengths and weaknesses, as well as external opportunities and threats. Shifting focus to the third chapter, the report rigorously analyses the multifaceted factors significantly influencing the distribution strategies of SQUARE products within Bangladesh. Drawing from market research, logistical assessments, and consumer behaviours, this chapter provides invaluable insights. The culmination of the report rests in the third chapter, where strategic recommendations are synthesised based on survey findings and a competitive analysis. These recommendations are finely tailored to enhance the efficiency and effectiveness of SQUARE Pharmaceuticals' distribution strategies, propelling the company towards sustained growth and improved market performance.

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List of Acronym

SPL	Square Pharmaceuticals PLC
CPT	Carriage Paid To
CFR	Cost and Freight
FOB	Free on Board
CIP	Carriage and insurance paid to
Exp form	Export Form
INCOTERMS	International Commercial Terms
LC	Letter of Credit
IMD	International Marketing Department

Chapter 1

Overview of Internship

1.1 Student Information

Name: Kazi Tasmia Mahmud Turna

ID: 21104128

Program: Bachelors in Business Administration

Major: Marketing

Minor: Human Resource Management.

1.2 Internship Information

Period: 21st May to 20th August 2023 (3 months)

Company Name: SQUARE Pharmaceuticals PLC.

Department: International Marketing Department.

Address: 50, Bay Tower, Mohakhali, C/A, Dhaka 1212.

Working Hours: Sunday to Thursday, 8:30 AM-5:30 PM

1.2.1 Internship company Supervisor's Information

Name: Md. Abu Bakar Siddique

Position: Senior Manager, International Marketing Department

1.2.2 Job Scope

During the course of my internship at Square Pharmaceuticals PLC. which lasted for a total of three months, I had the opportunity to serve as a member of the Cash Incentive on export collecting team in the International Marketing Department. A policy that offers a 10% financial incentive on the export of pharmaceutical products has been put into effect by the government of Bangladesh as part of an effort to stimulate growth in the pharmaceutical industry. Working with the team not only gave me the chance to gather useful knowledge about the inner workings of the business world, but it also gave me the chance to learn about the whole process of worldwide marketing. Both of these things would not have been possible without the experience of working with the team. During my time as an intern at Square Pharmaceuticals PLC., I was responsible for a variety of duties that were connected to the company's process for collecting export payment incentives. These tasks included preparing verification certificates for previous shipments, examining necessary files required for cash incentive applications, working with observation files and making necessary adjustments based on the feedback of the audit team, filing and arranging documents for cash incentive applications, correcting errors in observation files, and determining the mode of shipment (air, sea, or road) and delivery terms (INCOTERMS) for particular shipments. In addition, I assisted with any and all actions that were required for specific assignments as they were assigned to me.

1.3 Internship Outcomes

Students get a significant advantage in the job market after graduation by means of the internships they do, as these experiences give them essential practical training relevant to their chosen fields of study. Additionally, they provide an opportunity to create professional networks and get insights into both the industry as a whole as well as the day-to-day operations of a company. It is because employers value candidates who already have work experience over those who do not, internships are a great way to boost resumes and differentiate candidates from one another. Furthermore, internships can develop crucial skills such as problem-solving and communication that may not be gained in the classroom, so making graduates more employable. This can be a significant advantage for graduates seeking employment.

1.3.1 Contribution to the Organization

It was a great opportunity for me to work at Square Pharmaceuticals PLC., a well-known pharmaceutical business in Bangladesh. While I was there, both my managers and my coworkers were excellent sources of information and helped me learn a lot. As a member of the department that handles international marketing, I have acquired an extensive understanding of the various export procedures and activities that are significant to international marketing. My primary responsibility is to assist my team in submitting applications for Export Cash Incentives. The precise responsibilities that have been given to me are listed below. The key responsibility that was given to me was to generate physical verification certificates for previous shipments in order to qualify for monetary incentives. In addition to this, I worked on observation files that had to reapply for monetary incentives in the past since there was not enough money to cover them and they had previously been denied. Over the duration of 2019, 2020, and 2021, I am in charge of producing and submitting 75 observation files and 375 certificates. Various means, including land, sea, and air, were used to transport these files. I learned about a range of significant export-related documents as I prepared the verification certificates, and I gathered a variety of data from these papers. The documents are listed below:

Pro Forma Invoice: A pro forma invoice is a statement given to clients before the pickup or shipping of goods. This charge could be viewed as a rough estimate of the overall charge. A breakdown of the things that were bought, the sum of money invested in shipping, and the total weight of the cargo are all included in this document.

Invoice: An exhaustive document that lists all the goods and services provided to the customer, the total amount due, and the method of compensation that was decided upon is an invoice. Depending on the customer's option, the invoice can be delivered to them either electronically or on paper.

Export Declaration Form (Exp Form): At the port of entry of exportation, the exporter of the goods must complete an export declaration form for shipping the goods. Each product being exported requires its own separate form, which must be completed. The form has sections where data on the number, kind, and price of the products being carried can be collected. To increase the effectiveness with which Immigration can control exports and gather data on global trade, this information is being gathered.

Bill of Entry: When items are imported into a nation from another nation, it is the supplier of those commodities or the customs clearing agency's job to prepare an important legal document called a bill of entry. This document is an essential part of the customs clearance process and must be delivered to the appropriate Immigration unit to allow for the procedures to be completed.

Packing List: In international trade, a list of packing materials is a document that lists important details about the cargo, including information about the packaging, the size and weight of every packaging, as well as any obvious marks and numbers on the containers. A packing list is a document of this kind. A packing list is the name given to this kind of list. The supplier, the worldwide cargo forwarder, and the consignee—all parties involved in the shipment's delivery—are informed of this information.

House Air Waybill: The House Airway Bill is a contract that is legally enforceable and is made between the shipper and the airline. This contract explains the terms and conditions of transportation from the standpoint of the forwarder. It acts as proof that what's being transported is actually that cargo.

Master Air Waybill: A Master Airway Bill is created once the carrier has received the shipment from the shipper, has transported it in compliance with the shipping terms, and has delivered it to the location that has been specified. The Master Airway Bill is given to the freight forwarder by the carrier as the first step in the shipment process.

The verification certificate encompasses the following information:



Figure 1

a) Documents Checking

My second duty was to investigate over 300 shipments dating back to the years 2021 and 2022 in order to make certain that all necessary documentation was included in each package. In order to submit an application for a financial incentive, it is required to compile and verify a number of different documents. The process of collecting the monetary incentive can be made more difficult if these documents are not provided. Every shipment is required to have a number of the necessary documents, including the Bill of Export, the Freight Bill, the Insurance Certificate, the House Air WayBill, the Master Air WayBill, and the Bill of Lading. I tracked all of the necessary documentation and kept it organised in an Excel spreadsheet that I maintained for these 280 shipments. In addition to this, while I was working, I was able to obtain expertise in the practical application of Incoterms. For example, when the delivery terms are CPT or CFR, the insurance certificate is not required because it is not the obligation of the buyer to ensure that the coverage is in place. When compared to this, delivery terms such as CIP, CIF, and DAP necessitate that both insurance and freight be paid for. In the case of FOB, neither freight nor insurance is necessary because it is not the obligation of the seller to assure that it will be provided.

b) Preparing files for Cash Incentives

After putting together the verification certificate and making sure that all of the relevant paperwork was present, my final responsibility was to put together files for each individual shipment. In addition to the verification certificate, I was required to compile all of the essential documents that were connected to the shipment and created a comprehensive file. Commercial invoice, The Automated System for Customs Data (ASYCUDA), PFI, Packing List, Bill of Lading, Exp form, and Bill of Entry (provided by Customs) are the other documents. This document, together with the verification certificate, is printed off, put into a folder, and handed into the bank. The bank then hands the file over to the audit team for verification. If the above-mentioned documents are determined to be authentic, then the government will allow for monetary incentives.

1.3.2 Benefits to the student

During the period of my work experience, I had the chance to learn new skills, get to know the company's culture, and gain substantial knowledge into the healthcare industry.

a) Detailed education on LC: One of our upper management recently attended a workshop on specialised themes connected to letters of credit. There, I was given the chance to understand LC in great detail. We talked about an array of topics related to

the LC, including its many incarnations, how to properly understand an LC, the multiple LC participants, and its rules. For me, this was a really important learning experience that finally resulted in substantial growth.

b) My visit to Square Pharmaceuticals ‘Dhaka Unit’: When I had the privilege of witnessing a whole afternoon at the Square Pharmaceuticals Dhaka Unit Factory while employed as an apprentice in global marketing for Square Pharmaceuticals PLC, my journey into the pharmaceutical industry took a significant detour. I observed the company's manufacturing process at that time. I was able to gain a thorough understanding of the manufacturing of pharmaceuticals as a result of this extensive experience, and I was able to see directly Square Pharmaceuticals' unwavering commitment to quality, which is one of the reasons the firm is a market leader. In this report, I will convey my observations and express my speculations on the invaluable knowledge I learned on this amazing journey. The Square Pharmaceuticals employees gave me a warm welcome when I arrived at the manufacturing facility and guided me through the large building. It was instantly clear that the factory had been built and kept up-to-date with the utmost care to every aspect in order to meet the strictest standards in the sector. The excellent degree of organisation and care shown will remain etched in my memory forever.

- **Production Process:** The chance to see the pharmaceutical manufacturing procedure in action was one of the most educational aspects of the trip. I had a strong grasp of the commitment to accuracy that drives pharmaceutical manufacture, from the initial design of medications through the exact manufacturing processes. The complicated interplay between science and technology in achieving the goal of pharmaceutical excellence was made clear by this experience.
- **Quality Control:** There was unmistakable evidence of Square Pharmaceuticals' persistent attention to quality control at each and every one of the production phases. Having the opportunity to observe the severe quality assurance methods that were being utilised was a privilege for me. These steps involved rigorous testing, validation, and documentation of the results. This emphasis on quality confirmed the company's desire to guarantee that each and every pharmaceutical product that was manufactured by their facility satisfied the most stringent requirements that are currently common in the industry.

- **Regulatory Compliance:** During the time that I spent working as an intern in this company's international marketing department, one of the most common topics of conversation was the relevance of functioning in line with any applicable legislation. I was given the opportunity to get an awareness of Square Pharmaceuticals' dedication to international pharmaceutical standards, as well as the complicated documentation that is essential to maintain compliance with these regulations. This enabled me to comprehend both the commitment that Square Pharmaceuticals has to maintaining compliance with international pharmaceutical standards. Because of this awareness of regulatory issues, the company was able to demonstrate its commitment to transparency as well as conformity with worldwide pharmaceutical standards. My visit to the Square Pharmaceuticals Dhaka Unit Factory was a defining moment in my life since it broadened my understanding of the complexities of the pharmaceutical industry as well as its unyielding dedication to the achievement of the highest possible standards. Because I took part in every stage of the manufacturing process, including the establishment of stringent quality control methods and regulatory compliance standards, I had the chance to gain vital insight into the core concepts that are the basis for Square Pharmaceuticals.
- c) Other Learnings:** In addition to direct learning, I have also experienced various indirect learning opportunities, which have assisted me in maturing and gaining a better understanding of the business world. These include things like professionalism, punctuality, corporate etiquette, communication skills, interpersonal skills, and group work, among other things. All of these things helped me become better prepared to succeed in the future and grew my level of confidence.

1.3.3 Problems/Difficulties (faced during the internship period)

Throughout the course of the internship program, I had some very small obstacles. Finding a point of equilibrium while juggling a number of different responsibilities at once was one of the challenges. In the beginning, during the first week, it was somewhat difficult, but as time went on, I learned how to successfully synchronise and manage the duties. I had to exercise extreme caution because even the smallest mistake in the entry of data or the preparation of export documents could result in more serious complications. In addition, given that I had never gone through the export procedure before, I had to begin from scratch in order to become proficient in my work.

1.3.4 Recommendations (to the organisation on future internships)

- a)** SQUARE may provide sheets or PDFs that define intern responsibilities and learning materials relevant to the Export process and its associated documentation. These sheets and PDFs can be downloaded from the SQUARE website. Interns would benefit from this opportunity to increase their productivity.
- b)** The division may make greater use of interns for activities relating to marketing, such as doing market research, designing packaging, and establishing marketing strategy
- c)** The proposal might include some additional incentives as a way to encourage interns even more than it already does.

Chapter 2
Organisational Profile

2.1 Introduction

In this report, we embark on a comprehensive exploration into the dynamic market of Bangladesh, with a specific focus on SQUARE Pharmaceuticals and the various factors that influence the distribution of its products within this rapidly evolving landscape. In order to achieve this goal, an analysis of Square Pharmaceuticals' marketing strategy and the formulation of recommendations to identify and overcome obstacles will need to take place. For the purpose of the study, both primary and secondary data were gathered, with the primary data consisting of material gained from the SQUARE Pharmaceuticals roadmap and interviews with practitioners. Secondary data was collected from a variety of sources, including company websites, news stories, and older reports on SQUARE Pharmaceuticals. Nevertheless, during the course of the three-month placement, there was a restriction placed on the quantity of information that could be gathered due to the limited amount of time and possibilities available. This chapter offers a summary of SQUARE Pharmaceuticals, including an analysis of the firm, the function of its international marketing department, and its position in the market, as well as its strengths and weaknesses. The analysis of competitors is presented as well. This chapter ought to be helpful in a variety of different ways.

2.2 Company overview

2.2.1 Company profile

Square Pharmaceuticals PLC. is representative of one of the most successful and widely acknowledged domestic industries in Bangladesh. It began as a modest enterprise and has since expanded to become the sector of the market that holds the most market share. In 1985, Square Pharmaceuticals PLC. ascended to the position of leading company in the domestic market, and it has since maintained its position as the most successful multinational enterprise in Bangladesh. Through effective utilisation of its resources and services, the organisation has achieved remarkable progress in its global expansion efforts. Since its founding in 1987, Square Pharmaceuticals PLC. has consistently occupied a leadership position in the pharmaceutical industry. In 1991, Square underwent a transformation and became a public limited business. In 1991, Square went through a number of transitions before finally becoming a public limited corporation. To begin, it was initially traded on the Dhaka Stock Exchange as well as the Chittagong Stock Exchange in the year 1966. However, the company currently exports antibiotics and other medicine items to 36 nations across the world. The success of a company is decided by the strategic exploitation of its resources, technology, and services. Because of

this, it has become one of its most valuable assets, earning respect and recognition throughout the business.

Objective, Mission, Vision

Mission

Our Mission is to produce and provide quality & innovative healthcare relief for people, maintain stringently ethical standard in business operation also ensuring benefit to the shareholders, stakeholders and the society at large.

Vision

We view business as a means to the material and social wellbeing of the investors, employees and the society at large, leading to accretion of wealth through financial and moral gains as a part of the process of the human civilization.

Objective

Our objectives are to conduct transparent business operation based on market mechanism within the legal & social framework with aims to attain the mission reflected by our vision.

SQUARE's History & Growth

SQUARE Pharmaceutical Ltd. has triumphed over a number of obstacles to become the industry leader in its immediate vicinity. The following is a list of noteworthy events that occurred over its history:

1958-1987:

- 1958: The company was founded as a cooperative farming operation.
- 1964: The cooperative was converted into a limited liability company.
- 1974: Entered into a joint venture with Janssen Pharmaceuticals, a subsidiary of Johnson & Johnson International.
- 1982: Signed a license agreement with F. Hoffmann Roche AG.
- 1985: Achieved market leadership in the pharmaceutical industry of Bangladesh.
- 1987: Began exporting pharmaceutical products from Bangladesh.

1991-2019:

- 1991: Conversion to a limited liability company.
- 1994: Beginning of listing on the stock market.
- 1995: Production of active pharmaceutical ingredients (API) begins.
- 1997: The large export volume of pharmaceutical products won the national export award.
- 1998: Beginning of production of agro-synthetics and veterinary products.

- 2002: Selected as a global supplier by UNICEF.
- 2004: Became a global supplier to UNICEF and launched TELSTAR S.A. under the leadership.
- 2007: SQUARE Cefalospori Ltd. was granted approval by the UK MHRA.
- 2009: Started producing insulin, hormone, and steroid medicines compliant with the regulations of the UK FDA and the UK MHRA.

2012-2021:

- 2012: Received approval from the Australian Therapeutic Goods Administration.
- 2015: Successfully completed the pre-approval inspection required by the United States Food and Drug Administration (FDA) and received approval from the FDA.
- 2016: Received approval from the MCC, South Africa, and PIC/S, as well as the HSBC Export Excellence Award and the ICMAB Best Corporation Award.
- 2017: Obtained the GMP certificate of the Ministry of Health of Azerbaijan and won the National Environmental Protection Award.
- 2018: Received National Export Award and ICMAB Best Company Award, ANDA approval for Valsartan US market, Malaysia NPRA approval for GMP, National Efficiency Award.
- 2019: Won "President's Award for Industrial Development", Labor Protection and Safety Award, National Export Trophy Award.
- 2021: Received National Export Trophy Award, Sheikh Mujib Industry Award, Sheikh Mujib Award, National Bureau of Revenue (NBR), Special Recognition for Large Taxpayers (LTU) as one of the most exemplary taxpayers in the nation.

Departments of Square Pharmaceuticals PLC.

- Product Management Department (PMD)
- Medical Services Department (MSD)
- Quality Assurance Department
- Technical Service Department (TSD)
- Engineering Department
- Sales Department
- Quality Control Department
- Information Technology (IT) Department
- Human Resources Department
- Supply Chain Management
- International Marketing Department (IMD)

- Accounts & Finance Department
- General Service Department (GSD)
- Share & Corporate Affairs
- Market Research & Planning Cell
- Quality Management & Audit
- Material Management and Inventory Control
- Project Management Department
- Production Planning
- Distribution Department
- Production Department
- Internal Audit
- Product Development & Validation

2.2.2 Export Market of Square Pharmaceuticals PLC.

Category	Products
Capsule	• Climysin 300, Cef-3, Cef-3 DS, Diliner 60 DR etc., Climycin 150, Ceftibin.
Eye Drop	• Oculant, Lubgel, SQ Mycetin, Alarid, Iventi, Ocubrom.
Suppositories	• Glysup 1.15, Clofena-50, Sonap 500, Erian, Ace Suppository, Glysup 2.30.
Tablet	• Ace Plus, Amodis, Almex, Ace, Alatrol, Ceprocin.
Injection	• Ansulín N 40, Iventi, Anadol, Lactoring, Ceftron 1g, Bonizol.
Cream	• Togent, Topicort, Penrif 30, Pevitin, Scabex, Ticas etc
Powders	• Ciprocín, Cef-3 forte, Moxacil Forte, Cef-3, Moxaclav etc
Inhalers	• Ticamet, Beclomin 250, Sultolin, Sulprex, Beclomin 100.
Liquids	• Bicozin Syrup, Ambrox Syrup, B-50 Forte, Ace Syrup, Adryl Syrup, Antista Syrup.

- **Europe:** UK (Contract Manufacturing)
- **Oceania:** Fiji, Palau, Papua New Guinea.
- **Central & South America:** Belize, Panama, Nicaragua, Suriname, Jamaica, Costa Rica.
- **North America:** USA
- **Asia:** Iraq, Myanmar, Georgia, Yemen, Macau, Bhutan, Tajikistan, Afghanistan, Hong Kong, Malaysia, Nepal, Laos, Sri Lanka, Azerbaijan, Cambodia, Philippines, Singapore, Maldives, Vietnam.
- **Africa:** Nigeria, Uganda, Mauritania, Mozambique, Kenya, Somalia, Cameroon, Mauritius, Ivory Coast, Tanzania, Sudan, Libya, Eritrea.

2.2.3 Products of SQUARE Pharmaceuticals

There are a total of 859 goods in Square Pharmaceuticals' product range. This includes 637 pharmaceuticals, 134 agrovet products, 36 pesticides, 14 pellets, 30 herbal products, and 8 basic synthetics. 35 of the company's original items have successfully been exported as well.

2.3 Marketing Practices

In order to market its medications, Square Pharmaceutical Ltd., an established pharmaceutical firm in Bangladesh, employs a number of marketing strategies, including marketing, advertising, and personal selling. These marketing tactics are intended to raise sales and product recognition. Square Pharma focuses the majority of its advertising efforts on newspaper promotion for its goods. The company offers free samples, rebates, and sponsors various medical events as part of its advertising campaigns. Additionally, SPL's health care sales representatives have developed relationships with important opinion leaders and healthcare experts. Square Pharmaceutical Ltd. has started to use digital marketing strategies in addition to more conventional ones by creating a website that provides details about the company's goods and services as well as its brand. In addition, SPL makes investments in research & development in order to broaden its product offering and enhance the quality of its offerings. The corporation has opened a research and development facility with the goals of discovering novel compounds and enhancing the quality of existing products. In addition, SPL works in conjunction with a wide variety of research institutes located all around the world to produce cutting-edge goods. In summary, Square Pharma is committed to preserving its status as the most successful pharmaceutical firm in Bangladesh by utilising a variety of different marketing strategies. Because of the company's marketing approach, which consists of personal selling, traditional and digital marketing, as well as research and development, the business is

able to provide high-quality goods at affordable rates, thereby expanding its market share both locally and internationally.

2.4 Management Practices

2.4.1 Varieties of Staff Members

- Management
- Non-Management

Management Hierarchy

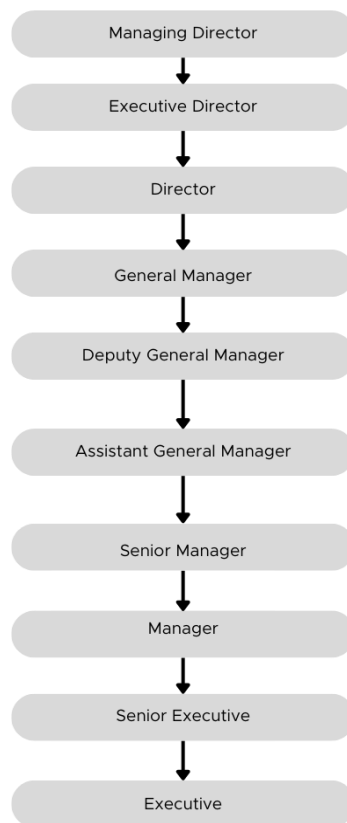


Figure 2

2.4.2 Human Resource Management

The management discipline known as human resource management (HRM) encompasses a variety of administrative tasks and procedures, including manpower planning, recruiting and selection, as well as training and development. One of the most important aspects of human resource management is making sure that employees are placed in the appropriate jobs at the appropriate times. The Human Resource Management department is in charge of determining

and arranging a suitable progression of personnel, as well as meeting labor supply demands based on supply and demand. In human resource management (HRM), two of the most important responsibilities are recruitment and selection, which include finding suitable applicants to fill important roles. SPL's HR professionals dedicate a significant amount of their effort to ensuring that the company's manpower planning and hiring procedures are efficient. Training and development are absolutely crucial for improving the capabilities and performance of employees, and it is the job of HR to make sure that employees have the necessary skills to accomplish the goals of their respective departments. It is essential to coordinate training programs in order to assure the productivity and value of employees. There is a possibility that a skills gap exists among the workforce in some circumstances; therefore, it is vital to create training programs in order to improve their performance. The implementation of efficient HRM management techniques is essential to the upkeep of a healthy work environment as well as the accomplishment of organisational goals.

2.5 Financial Performance and Accounting Practices

Because of the company's robust financial results, it has been able to make investments in research and development, with the goals of enhancing product quality and growing market share. SPL has also kept strong accounting systems, which are crucial for maintaining openness, accountability, and compliance with the requirements of the law. The organisation has put in place efficient processes for financial reporting and monitoring, which enable tracking of financial performance, the identification of areas for development, and the making of choices based on accurate information. In addition, SPL has put in place a robust system of internal controls with the goals of ensuring the accuracy, completeness, and validity of financial information, safeguarding the company's assets, and reducing the likelihood of both fraud and error. Because of the firm's dedication to its financial performance and accounting processes, it has been able to keep its position as the leading pharmaceutical company in Bangladesh, while also achieving sustainable growth and maintaining a profitable bottom line.

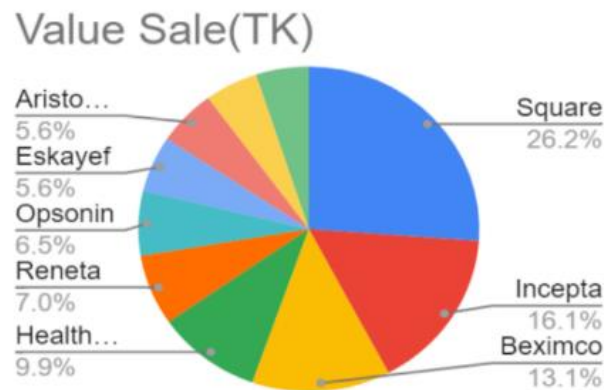


Figure 3

2.6 Operations Management Practices

The management of operations is an essential component of every business because it entails the supervision of the entirety of the process by which raw materials and labour are transformed into finished products and services that are ready to be sold. In the instance of Square Pharmaceutical Ltd. (SPL), operations management plays a crucial part in directing and leading the supply chain management, product design, and quality control departments to achieve maximum efficiency. This is done to ensure that the company achieves its business goals. SPL has been able to keep its competitive edge in the pharmaceutical business by placing a significant amount of attention on the requirement to convert raw materials and labour into

high-quality products in a timely and efficient manner. In general, the ability of SPL to manufacture high-quality goods while simultaneously retaining its efficiency and cost effectiveness demonstrates the company's dedication to achieving excellence in its business operations.

2.7 Porter's Five Forces Analysis

The following is a breakdown of the competitive landscape that SQUARE Pharmaceuticals has identified:

- **Low entry barriers for new participants:** The entry of new companies into the pharmaceutical business is made significantly more difficult by the requirement of making a considerable financial commitment as well as obtaining regulatory approval. Furthermore, acquiring client loyalty for established brands and accessing distribution channels are both difficult for new entrants, which results in a significantly lower possibility of new players joining the market.
- **High risk of substitute products:** When purchasing medication from a store, customers frequently buy products from a variety of various brands, and a number of these other brands can serve as suitable alternatives. Consumers are able to readily switch to a different brand in the event that their preferred brand is temporarily unavailable. As a result, there is a significant possibility of products being substituted.
- **Low buying power of customers:** The purchasing power of customers in the pharmaceutical Industry is low since consumers often have few options to select from when it comes to purchasing medicine. Buyers typically acquire the medication that their physicians have recommended for them, and in most instances, they are forced to seek treatment with other medicines. Because of this, the buyers don't have much of a voice in the negotiation process.
- **High bargaining power of suppliers:** At this time, China and India supply Bangladesh with 99.5% of the basic medication components that the country needs, and importing these components from European sources would be more expensive. Because of the high transaction costs and the high concentration of suppliers, suppliers now have a significant amount of negotiating power. However, as a result of the creation of API park, which has business operations in Munshiganj, the bargaining strength of the suppliers is anticipated to shrink in the not-too-distant future.
- **High competition among existing players:** There are approximately 20 big corporations that dominate the majority of the pharmaceutical market in Bangladesh,

and each of these companies distributes the exact same medication under a different brand name. These businesses compete with one another to an extreme degree in order to obtain a foothold in a larger portion of the market. As a result, current players face a great deal of competition.

2.8 SWOT Analysis

It is essential to have an understanding of the company's advantages, disadvantages, opportunities, and threats in order to maintain a competitive position in the industry. The following examples of a SWOT analysis are appropriate to use when thinking about Square Pharmaceuticals PLC:

Strengths:

1. The workforce at SQUARE Pharmaceuticals is composed of qualified individuals who are able to successfully carry out all of the obligations and duties assigned to them.
2. For a significant amount of time, SPL has been a prominent player in the pharmaceutical business in Bangladesh, which has assisted them in developing a powerful image for their Brand.
3. They have a large client base and are able to produce a wide range of conventional medicines to cater to their customers' specific requirements.
4. SQUARE Pharmaceuticals has the resources necessary to ensure the seamless functioning of their business thanks to their workforce of over 11,000 knowledgeable and experienced employees.
5. They have established a standard for superior performance in the business by manufacturing pharmaceuticals of the highest possible quality.
6. In the pharmaceutical industry, SPL maintains a preeminent market position because of the strength of their brand image and the effectiveness of their employees.
7. The low staff turnover rate at the company is evidence of the company's good organisational culture.

Weaknesses:

1. The presence of stringent government regulations in certain countries where Square Pharmaceuticals operates presents obstacles in effectively understanding and adhering to complex pharmaceutical laws, possibly impeding smooth market entry and compliance.
2. Square Pharmaceuticals, with their primary focus on healthcare and medicinal products, often allocate less priority to marketing efforts. Consequently, this approach may lead

to overlooked chances for impactful brand promotion and differentiation in a highly competitive market.

3. Despite an increase in the cost of raw materials, Square Pharmaceuticals encounters a plateau in profit growth. This is attributed to unit costs and manufacturing expenses being directly impacted by the procurement of raw materials from a restricted pool of suppliers.
4. Due to heavy reliance on foreign raw materials, Square Pharmaceuticals tends to be risk-averse, cautious in venturing into uncertain business territories.

Opportunities:

1. Strong Government Backing - SQUARE Pharmaceuticals has considerable support from the Government due to its prominent brand image and extensive market share. The Government is committed to investing and providing support to promote the pharmaceutical industry in Bangladesh for the betterment of society.
2. Expansion as an International Player - SQUARE Pharmaceuticals is poised to expand globally and become an international player, which will bring significant changes to the pharmaceutical industry and enhance the company's exporting potential.
3. Support from Financial Institutions - Due to its growth phase and government backing, financial institutions are providing strong support.
4. Additional Revenue Streams - Foreign trade offices can provide additional income sources from reputable foreign banks.
5. Development of New Products through Research - The research and development division at SQUARE Pharmaceuticals is strong.

Threats:

1. Competing businesses are launching an increasing number of innovative products onto the market.
2. Bangladesh's poor energy infrastructure is posing serious development obstacles for the pharmaceutical industry.
3. As a consequence of the government's aid and a climate that encourages expansion, the degree of competitiveness in the business is increasing.
4. The increase in the value of supplies brought on by inflation can be partly blamed for the growth in production costs.

2.9 Conclusion

Square Pharmaceuticals PLC. is a business that prioritises using contemporary business practices. Efficiency and justice work together to define the corporate work culture of the organisation. It places a high premium on the growth of the company by supporting the expansion of its workforce's knowledge and experience while also creating an environment that is supportive and advantageous to their professional advancement. The company's motto is "Being Good by Doing Well," and it places a high focus on carrying out all of its business activities honestly, completely, and with total integrity, while abiding by all applicable laws, moral principles, and societal conventions. SPL acknowledges that a key component of the company's overall success is the productivity of the human resources division. At each and every level of its operations, it maintains a rigorous adherence to corporate ethics and transparency, ensuring that it is accountable in both a financial and ethical sense. SPL has a policy of zero tolerance for any form of corruption and strives to contribute to the improvement of society through actions that go beyond traditional business operations.

Chapter 3
Project Part

3.1 Introduction

This study conducts a comprehensive investigation into a multitude of elements that have an effect on the distribution of Square Pharma's products in Bangladesh. The research provides valuable insights for optimizing distribution by examining the relationship between strong brand reputation and effective distribution, understanding distribution during product unavailability, and scrutinizing the impact of price conflict avoidance. In addition to its contributions to the pharmaceutical sector, it also helps Square Pharmaceuticals PLC to improve the effectiveness of distribution, educate policy, broaden access to healthcare, foster economic growth, and promote environmentally responsible practices. The technique used in this research is a cross-sectional design and combines primary data from a targeted survey with secondary data from credible sources to present a comprehensive picture for effective distribution in the process of improving Square Pharma's distribution network inside the Bangladeshi market. This was done in order to maximize the effectiveness of Square Pharma's presence in the Bangladeshi market.

3.1.1 Literature Review

The journey that goods and services take from the producer or manufacturer to the final consumer via marketing intermediaries like wholesalers, distributors, and retailers is known as the channel of distribution. By delivering finished goods to end users, distribution channels create value downstream (Ostrow, 2009). The product may be physically moved throughout this flow or just the product's title may be transferred. It can be categorised as a supply chain, marketing channel, trade channel, distribution chain, distribution pipeline, etc. (Rosenbloom, 2004). As a result, several studies in various fields have been done on this subject. According to Kotler and Keller (2011), the majority of producers do not sell their products directly to end users or final consumers; instead, there are a number of intermediates who perform a range of tasks between the two and together these intermediaries make up a marketing channel. Despite the divergent objectives of independent channel partners, Ridgeway (1962) argued that the distribution channel must operate efficiently as an integrated system in order to reduce work effort duplication and the potential for ineffective distribution task and function allocation among channel participants.

According to Lei et al. (1996), the pharmaceutical sector is distinct from other manufacturing industries in that it places a high priority on customer satisfaction and innovation. It is possible to view knowledge management as a company's primary dynamic competence. According to

Lall (1985), nearly every area of the pharmaceutical industry's operation, from production to distribution, is conducive to policy interventions. Before beginning production and distribution, a pharmaceutical producer is required to abide by a number of severe norms and regulations. According to research, Bangladesh has the largest pharmaceutical market in the least developed countries, with a total market size of \$0.5 billion and a solid annual growth rate of 22% over the past several years. In this regard, the economy has greatly benefited from the increase of pharmaceutical product distribution in both domestic and international markets.

According to Sampath's research from 2007, Bangladesh is home to 237 registered pharmaceutical companies. The top 10 companies hold 70% of the market, thus the large companies have a good reputation and may charge more. There are 450 generic medications in all that are sold in Bangladesh through various distribution channels and come in 5300 distinct brands, 8300 different strengths, and dosage formats. A figure from Chowdhury (2007) indicates that just a small number of businesses have established themselves in 68 various export markets, including the UK market, one of the most controlled markets in the world, with a volume of trade worth \$0.0257 b (TK. 1.8 b). With only 5% of the overall domestic market size represented by exports, the value of those sales is still negligible. In his assessment, Vanduzer (2003) underlined that 97% of the pharmaceuticals consumed in Bangladesh are domestically made, with local producers holding 93% of the market with a healthy flow of direct distribution. Sampath (2007) noted that in order to lessen reliance on foreign suppliers, the industry must establish its own backward linkages. We are heavily dependent on a number of nations for the sourcing of raw materials. Bangladesh can now create 10 to 12 APIS (Active Pharmaceutical Ingredients). The only businesses that produce APIs are Square, Beximco, Gonoshastho, and Drug International. Six leading local businesses in Bangladesh are currently working to acquire the expertise and scientific infrastructure needed to start producing APIs and doing reverse engineering. If we can manufacture directly and distribute our items at a reasonable cost, we can produce APIs. Comparing the pharmaceutical business to other industry verticals, Nitun et al. (2007) found that it operates in a special context. The pharmaceutical industry is heavily regulated, which makes some of the accompanying functions very distinctive. Saxena (2008) concentrated on pharmaceutical marketing practices, a specialised area where medical representatives serve as the backbone of a coordinated marketing campaign. Medical representatives are chosen by pharmaceutical corporations, and they are given set regions. As per corporate policy, medical representatives meet with physicians, pharmacists, and stockists. Medical salespeople attempt to sway doctors'

prescription habits in favour of their brands. This is how the businesses directly distribute their products. According to Bhuiyan et al. (2011), indigenous producers predominate in Bangladesh's pharmaceutical sector. Local businesses own about 80% of the market, compared to 20% held by multinational corporations. Urban areas have 85% of the modern market's purchasing power. 70% of the market is made up of the five big markets in Dhaka, Chittagong, Comilla, Sylhet, and Khulna. The great majority of people in rural areas seek care from unlicensed allopaths, untrained paramedics, untrained midwives, and traditional healers. The pharmaceutical market can also be divided based on the concentration of certain demographics. The majority of those who use pharmaceutical medications are over the age of 16. Bangladesh's pharmaceutical industry is doing reasonably well as a business sector. The pharmaceutical industry's total sales are accounted for by the Chittagong division with 21% and the Dhaka division with up to 35%. The high doctor population density in these two divisions is the primary cause of this. Records indicate that around 55% of physicians and 58% of pharmacists are located in the Dhaka and Chittagong divisions. In terms of national sales, Rajshahi accounts for 20%, Khulna for 14%, Sylhet for 6%, and Barisal for 4%. According to Shariat and Razzak (2006), this industry is experiencing a number of serious issues. They also asserted that Bangladesh's pharmaceutical business has experienced exceptional expansion and will continue to do so in the future. The pharmaceutical sector in this nation is still expanding and businesses are creating new demands for their new products.

The pharmaceutical market in Bangladesh is becoming increasingly competitive on a variety of levels today. In this sector, there are more than 265 producers producing a range of goods (Khan and Sharmin, 2011). 95%–97% of the pharmaceuticals are produced domestically by Bangladeshi businesses, including MNCs with local headquarters, and the remaining 3% are imported. The domestic market is very competitive and heavily consolidated. However, local manufacturers dominate the sector as they possess an estimated 87% of the market, compared to 13% for multinationals. The concentration of sales within a select few leading corporations is another noteworthy aspect of this industry. According to BAPI and newspaper reports from 2011, the top 10 players own almost two thirds of the market share, while the top 15 corporations account for 77% of the market. SPL dominates the market overall by launching the most brands each year. They released 109 new medications onto the market last year, whereas Incepta Pharmaceuticals Ltd (IPL) launched 88 new brands (Bhuiyan et al., 2011). While each pharmaceutical producer has a unique method of distribution, most of them adhere to one another. Based on demand, the flow of production and raw materials dictates where

pharmaceutical products are distributed around the nation (CPMP, 1999). In our nation, it is completely forbidden to advertise any product directly in print or on television. To advertise pharmaceutical items, sales teams, expert teams, and other direct and indirect communication channels might be used. This study focuses on the interactions between various pharmaceutical manufacturer distribution channels and distribution systems. By maintaining their own distribution network and dominating the market, Square Pharmaceuticals Limited (SPL) is able to gain the highest share. With a market share of 19.3% and domestic revenue of BDT 11.2 billion over the previous four quarters, Square Pharmaceuticals is the clear market leader (Annual Report of SPL, 2010). With market shares of 8.2% and 7.6%, respectively, Incepta Pharmaceuticals and Beximco Pharmaceuticals are their closest rivals. For the previous four quarters, domestic sales for Incepta and Beximco were BDT 4.9 billion and BDT 4.4 billion, respectively. Although there are several MNCs operating in Bangladesh, none of them are among the top 10 domestic sellers (BAPI, 2011).

3.1.2 Objective

This study's main objective is to undertake an extensive and meticulous analysis of the multifaceted factors that significantly impact the distribution of Square products within the dynamic market of Bangladesh. The core focus revolves around not only identifying but also comprehensively understanding the fundamental and intricate elements that hold a pivotal role in the efficient distribution network of Square products across the nation. In addition to the broad objectives, this report delineates specific objectives as follows:

This study's specific objectives are:

- To determine how the maximum sale of a brand's product at a shop affects customer satisfaction with the respective brand's distribution service. This objective aims to establish the relationship between sales and customer satisfaction, providing insights for improved distribution strategies.
- To investigate whether consumers switching to another brand when Square products are unavailable affects their satisfaction with the distribution service. This objective aims to understand how consumer behaviour impacts satisfaction and provides insights into managing product availability.
- To explore the relationship between price differentiation in products and customer satisfaction with the distribution service. This objective aims to understand how pricing strategies influence customer satisfaction and guide pricing decisions for enhanced distribution satisfaction.

By achieving these specific objectives, this study will provide valuable insights into the factors influencing the distribution of Square products in Bangladesh. Understanding the impact of sales, consumer behaviour during product unavailability, and price differentiation on customer satisfaction is essential for devising effective distribution strategies. The insights gained will contribute to optimising the distribution process and enhancing customer satisfaction, ultimately positively impacting the market presence and growth of Square products in Bangladesh.

3.1.3 Significance of the Study

For a number of parties, including the pharmaceutical business, legislators, healthcare providers, and consumers, the research on the variables affecting the availability of Square Pharma's goods in Bangladesh is very important. The importance of this research is highlighted by the following points:

- 1. Contribution to the Pharmaceutical Industry:** The findings of this research will offer useful insights into the difficulties and possibilities in Bangladesh's pharmaceutical product distribution, a crucial component of the sector. Understanding the variables influencing their product distribution tactics would be beneficial for Square Pharma and other drug manufacturers doing business in the area.
- 2. Enhancing Distribution Efficiency:** The research can assist pharmaceutical businesses in streamlining their distribution procedures, lowering operating expenses, and improving the efficiency of distributing vital pharmaceuticals to patients throughout Bangladesh.
- 3. Informing Policy and Regulations:** Policymakers and regulatory bodies in Bangladesh might use the findings to create or amend regulations that support ethical and efficient pharmaceutical distribution practices. A more competitive and healthy pharmaceutical market may result from this.
- 4. Healthcare Access and Patient Results:** Better distribution procedures may increase patients' access to pharmaceuticals across Bangladesh. This in turn may improve healthcare results, particularly for people living in rural or underserved areas.
- 5. Economic Implications:** By generating jobs, assisting small companies in the community, and guaranteeing that a broad range of pharmaceutical items are available on the market, a properly functioning pharma supply chain can promote economic growth.

- 6. Research and Academic Contribution:** The study advances our understanding of pharma supply chain administration and distribution, and it also provides a useful foundation for current and upcoming academic and research projects in this subject.
- 7. Consumer Welfare:** In the end, the study helps ensure that pharmaceutical items will be consistently available, which is important for preserving the general public's health and wellbeing.
- 8. Competitive Advantage:** By enhancing their distribution tactics, Square Pharma and other drug companies can obtain a competitive edge in the market by adopting the research's conclusions.
- 9. Sustainable methods:** As the globe puts more and more emphasis on sustainability and ethical conduct, the study can also examine how distribution methods affect the natural world and contribute to conversations on environmentally friendly supply chain management.
- 10. Long-term Viability:** For Bangladeshi pharmaceutical businesses to be profitable in the long run, it is essential to comprehend the elements that influence distribution. These businesses can benefit from this research's assistance in keeping their competitive advantage while adjusting to shifting market circumstances.

In conclusion, the research on the variables affecting Square Pharma's product distribution in Bangladesh is important not solely for the pharmaceutical business but also for the economy and the larger healthcare ecosystem. It has a chance to increase efficiency, increase access to medications, and improve the population's general well-being in Bangladesh.

3.2 Methodology

In order to comprehensively analyze the factors influencing the distribution of Square Pharmaceuticals products in Bangladesh, a research methodology was carefully designed and implemented. The study utilized cross-sectional research design, a widely accepted method, to provide a detailed analysis of the distribution dynamics for Square Pharmaceuticals products in Bangladesh. This technique allowed for a systematic investigation into various facets of the distribution process and factors influencing it. Primary data was gathered through a structured survey. The survey targeted a sample size of 15 participants, primarily focusing on pharmacy shops, a key link in the pharmaceutical distribution network. The survey encompassed inquiries into their experiences, challenges, and perspectives regarding the distribution of Square Pharmaceuticals products. This primary data was pivotal in understanding the ground-level

realities of the distribution system. In conjunction with primary data, a significant portion of insights was derived from secondary data sources. Multiple reputable sources were tapped, including Square Pharmaceuticals' official website, academic journals, industry reports, government publications, and online articles. The secondary data was crucial in providing a broader understanding of the Bangladeshi market, the prevailing regulatory framework, and the cultural influences shaping consumer behavior. By utilizing both primary and secondary data, this study endeavoured to present a comprehensive view of the factors affecting the distribution of Square Pharmaceuticals products in Bangladesh. The insights derived from this research are aimed at informing strategic decisions, ultimately enhancing the distribution network to ensure optimal reach and impact of Square's pharmaceutical products within the Bangladeshi market. This research methodology describes the strategy for looking at the variables influencing Square Pharmaceuticals' product distribution in Bangladesh.

Hypothesis

Hypothesis 1: Strong Brand Reputation positively impacts Effective Distribution

Hypothesis 2: A Strong Distribution Network positively impacts Effective Distribution

Hypothesis 3: Price Conflict Avoidance positively impacts Effective Distribution

Multiple Linear Regression Analysis

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.517944334
R Square	0.268266333
Adjusted R Square	0.068702606
Standard Error	1.191268164
Observations	15

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	3	5.723015102	1.907671701	1.344263992	0.310256647
Residual	11	15.61031823	1.419119839		
Total	14	21.33333333			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t</i> <i>Stat</i>	<i>P-</i> <i>value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	1.22	1.02	1.20	0.26	-1.02	3.46	-1.02	3.46
Which brand product has the maximum sale at your shop?	0.40	0.22	1.81	0.10	-0.09	0.88	-0.09	0.88
Whether consumers switch over to other brand if Square products are not available?	0.18	0.41	0.42	0.68	-0.74	1.09	-0.74	1.09
Is there any price differentiation in your products?	-0.42	0.46	0.92	0.38	-1.43	0.59	-1.43	0.59

In this study, I conducted a multiple linear regression analysis to scrutinize the intricate relationships between the designated independent variables, specifically: "Which brand product has the maximum sale at your shop?", "Whether consumers switch over to other brands if Square products are unavailable?", and "Is there any price differentiation in your products?" These variables were studied in relation to the dependent variable representing the observed sales of various products within a retail establishment.

Analysis of Variance (ANOVA)

The Analysis of Variance (ANOVA) furnishes valuable insights into the overall model significance. The computed F-statistic approximating 1.344, juxtaposed with the associated Significance F of 0.310, indicates a lack of significance to reject the null hypothesis.

Intercept:

The Intercept term, yielding a coefficient of approximately 1.218, epitomizes the estimated sales when all predictor variables stand at zero. However, with a p-value of 0.257, it fails to reject the null hypothesis at the conventional alpha level of 0.05.

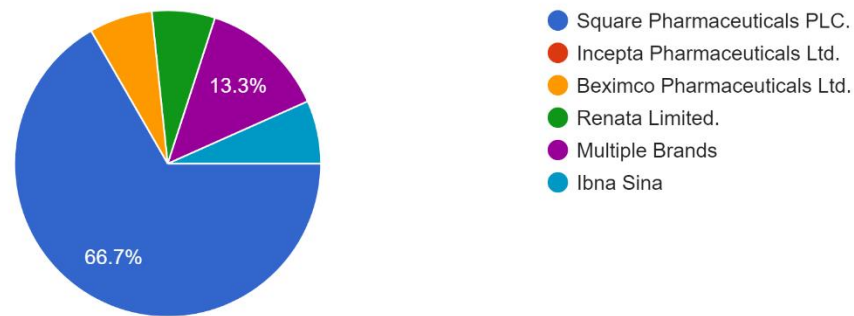
Hypothesis 1

A strong Brand Reputation positively impacts Effective Distribution

Among the independent variables examined, "Which brand product has the maximum sale at your shop?" demonstrates a potentially positive relationship with satisfaction, as indicated by a coefficient of 0.3964. However, the p-value of 0.0977 suggests that, at a 95% confidence level, we fail to reject the null hypothesis, signifying that this relationship is statistically significant and fails to reject the null hypothesis.

Which brand product has the maximum sale at your shop?

15 responses



Based on this graph, we can evaluate Square Pharmaceuticals PLC as having the maximum sales in the shop, and with a huge number of responses agreeing to buy products from Square Pharmaceuticals PLC, we can prove that Square Pharmaceuticals PLC has the most sales within the shop.

Hypothesis 2

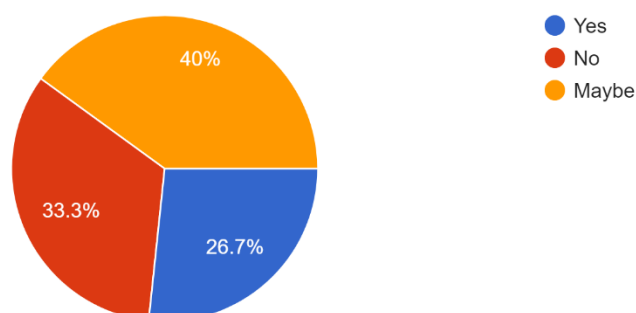
A Strong Distribution Network positively impacts Effective Distribution

"Whether consumers switch over to another brand if Square products are not available?" exhibits a coefficient of 0.1756, ensuring a positive relationship, and possesses a notably higher p-value of 0.6804, showing that this relationship is statistically significant at a 95% confidence level and fails to reject the null hypothesis.

With the number of responses, as shown in the graph, we can prove that a large amount of responses go towards no, if we filter maybe responses out as it shows that the people are unsure whether they would switch or not. With that respect, we fail to reject the null hypothesis because people are not willing to move on to another brand, indicating a strong distribution network that positively impacts effective distribution.

Whether consumers switch over to other brand if Square products are not available?

15 responses



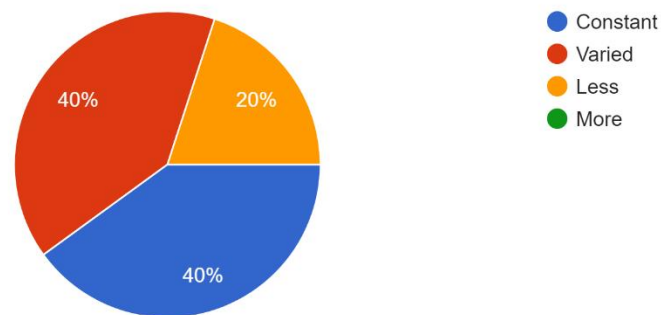
Hypothesis 3

Price Conflict Avoidance positively impacts Effective Distribution

"Is there any price differentiation in your products?" demonstrates a negative coefficient of -0.4204, however, the positive p-value of 0.3787, which is above 0.05 implies that this relationship is statistically significant and fails to reject the null hypothesis at a 95% level.

Is there any price differentiation in your products?

15 responses

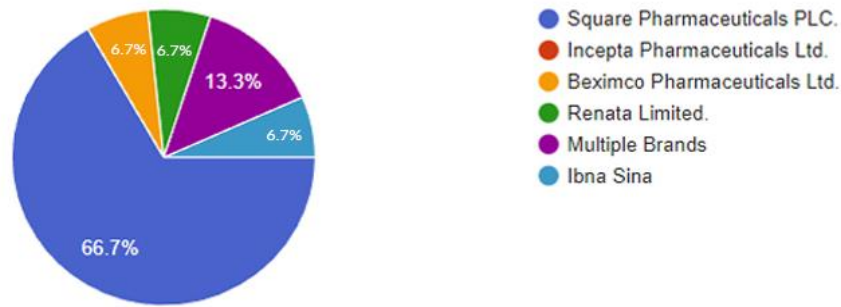


With this graph, we are certain that price conflict avoidance positively impacts effective distribution, the negative relationship with correlation appeared to arrive because of the same amount of responses under "constant" and "varied" to be submitted. However, with a p-value above 0.05, we fail to reject the null hypothesis and with the responses, as shown in the graph, we can prove it to be true. With more amount of data, we can be more certain about this hypothesis that can be conducted in the future

3.3 Findings and Analysis

In order to enhance my comprehension of Square Pharmaceutical Ltd.'s distribution strategy, with the variables impacting the distribution of Square goods in the Bangladesh market, I conducted a survey with the consent of SPL personnel. The duration of this survey extended with a total of 10 questions. The questionnaire was completed by a group of 15 participants.

Which brand product has the maximum sale at your shop?

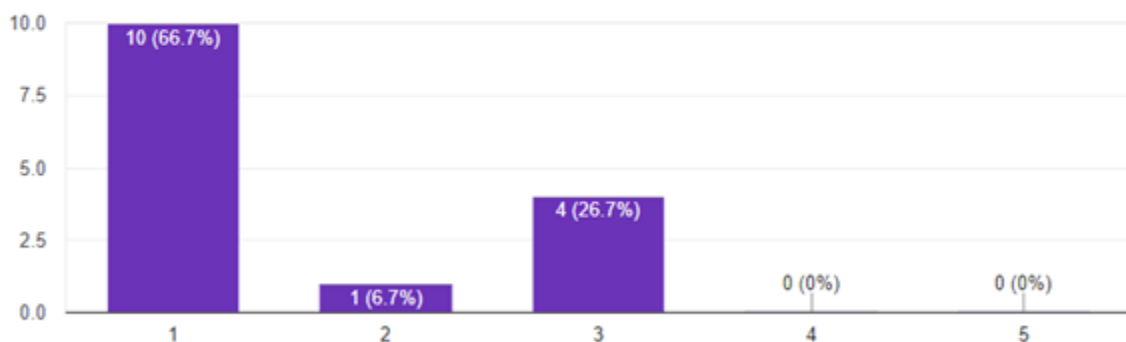


Survey Result Graph 1

The pie chart representing sales distribution of pharmacy products reveals a clear dominance of Square Pharmaceuticals PLC, constituting a substantial 67% of the sales. Renata Limited, Ibna Sina, and Beximco Pharmaceuticals Ltd. each hold a 7% share, showcasing a competitive environment among these brands. Notably, a considerable 13% of customers prefer products from multiple brands, indicating a diverse customer base with varied preferences. Understanding the reasons behind these preferences, such as brand reputation, product effectiveness, pricing, or physician recommendations, is essential for brands to tailor their strategies and enhance market share.

On a scale of 1-5, how likely do you think customers buy a product for its strong brand value?

15 responses



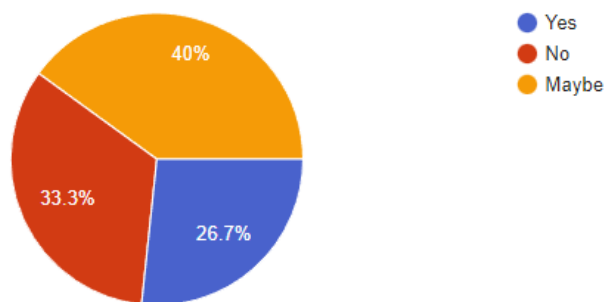
Survey Result Graph 2

The analysis stems from a survey of 15 respondents within the pharmacy products domain, investigating the influence of brand value on purchasing decisions. The Likert scale ranged from 1 to 5, with 10 indicating a high likelihood of purchasing a product due to strong brand value. The majority of respondents, comprising 66.7% of the total, exhibited a strong

inclination to purchase pharmacy products based on a robust brand reputation. This indicates the considerable impact that a strong brand can wield in the pharmacy product market, significantly affecting consumers' purchasing preferences. Additionally, 26.7% of respondents expressed a more neutral stance, suggesting that while brand reputation matters, it's not the sole influencing factor for their purchasing decisions. Lastly, a smaller percentage, 6.7% of respondents, displayed mixed or uncertain opinions, indicating a need for further exploration into their considerations regarding the role of brand value in their purchase choices. Understanding this spectrum of perspectives is vital for pharmacy product brands to tailor their distribution approaches effectively and align them with customer preferences.

Whether consumers switch over to other brand if Square products are not available?

15 responses

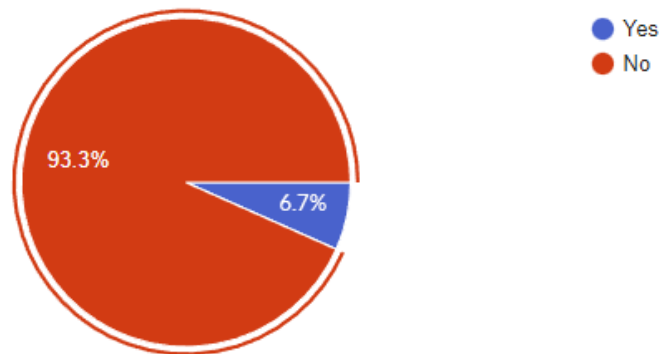


Survey Result Graph 3

The analysis is based on a pie chart depicting consumer behaviour in the pharmacy products market when Square products are not available. Approximately 26.7% of consumers showcased a readiness to switch to an alternative brand if Square products were out of stock, indicating their sensitivity to product availability. In contrast, 33.3% of consumers displayed a strong commitment to Square products, showcasing a high level of brand loyalty and emphasising the trust and preference they have for Square. Notably, 40% of consumers remained in the middle ground, demonstrating an openness to options, suggesting a potential shift depending on various factors. This data underscores the need for effective inventory management and strategic distribution approaches that cater to both loyal customers and those open to exploring alternatives, ensuring a balanced and effective market strategy within the pharmacy products domain. Understanding these consumer behaviours is critical for brand positioning and market growth.

Do you have any tie up with any pharmaceuticals company?

15 responses

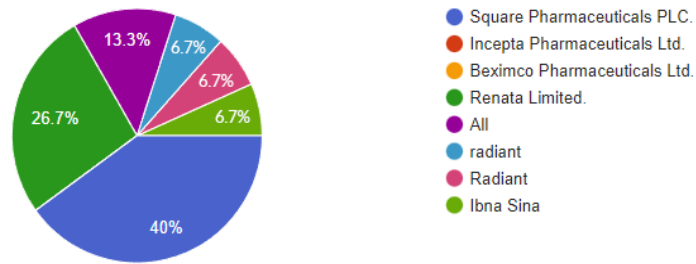


Survey Result Graph 4

The analysis is centred around a pie chart representing consumer relationships with pharmaceutical companies in the context of pharmacy products. A significant majority, accounting for 93.3% of consumers, reported no direct association or tie-up with any pharmaceutical company. This implies that the vast majority of consumers engage with pharmacy products solely as end-users, without any formal partnership or direct affiliation with pharmaceutical companies. On the contrary, a small but noteworthy fraction, constituting 6.7% of consumers, indicated having an association with a pharmaceutical company. This minority likely encompasses healthcare professionals, researchers, or individuals professionally linked to the pharmaceutical industry, emphasising the diverse spectrum of involvement within the pharmaceutical domain. Understanding and addressing both consumer segments is essential for pharmaceutical companies to tailor their strategies and communication effectively, acknowledging the varying levels of association within the pharmacy products market.

Which brands product distribution service satisfies you the most?

15 responses

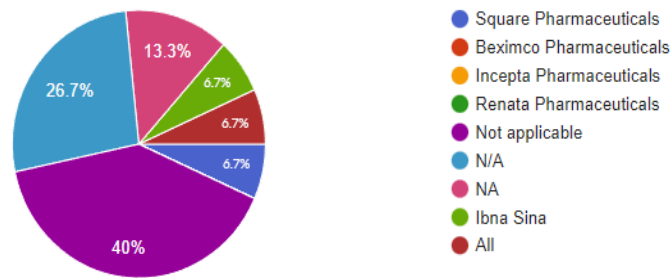


Survey Result Graph 5

The analysis is centred around a pie chart representing consumer relationships with pharmaceutical companies in the context of pharmacy products. A significant majority, accounting for 93.3% of consumers, reported no direct association or tie-up with any pharmaceutical company. This implies that the vast majority of consumers engage with pharmacy products solely as end-users, without any formal partnership or direct affiliation with pharmaceutical companies. On the contrary, a small but noteworthy fraction, constituting 6.7% of consumers, indicated having an association with a pharmaceutical company. This minority likely encompasses healthcare professionals, researchers, or individuals professionally linked to the pharmaceutical industry, emphasising the diverse spectrum of involvement within the pharmaceutical domain. Understanding and addressing both consumer segments is essential for pharmaceutical companies to tailor their strategies and communication effectively, acknowledging the varying levels of association within the pharmacy products market.

Which brand provides various promotional schemes to you?

15 responses

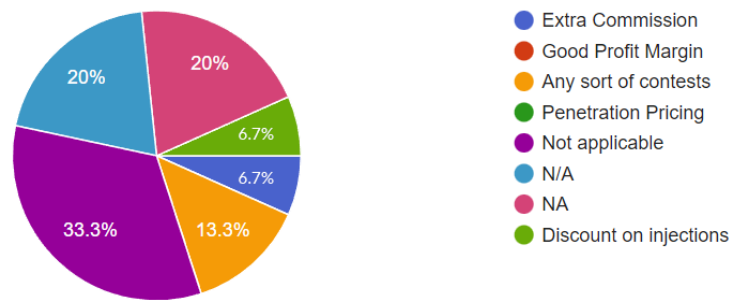


Survey Result Graph 6

The pie chart illustrates the distribution of promotional schemes provided by various pharmaceutical brands for pharmacy products. Square Pharmaceuticals and a group labelled as 'All' exhibit an active promotional approach, each representing 6.7% of the total. However, a substantial portion, 80%, marked as 'N/A,' suggests a lack of explicit awareness or reporting on promotional schemes. Notably, Beximco Pharmaceuticals and Renata Pharmaceuticals show no explicit promotional offerings in the chart. This data hints at potential areas for improvement in promotional strategies within the pharmaceutical industry, emphasising the need for increased communication and transparency regarding promotional activities to enhance brand visibility and customer engagement.

Which type of schemes is provided by company to you?

15 responses

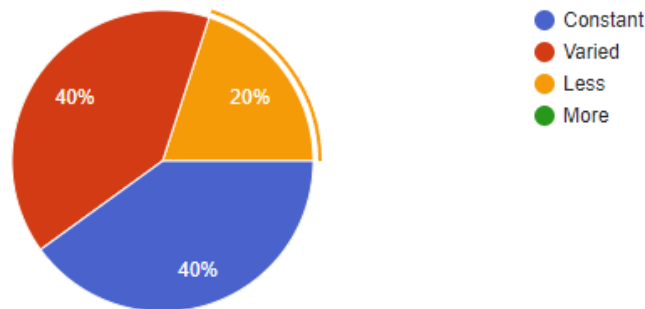


Survey Result Graph 7

The pie chart presents an overview of the types of schemes offered by the company in the pharmacy products sector. Notably, a significant portion (63%) of respondents did not perceive any specific schemes applicable to them, suggesting a need for enhanced communication regarding available schemes. Among the identified schemes, "Any Sort of Contests" represented 13.3%, indicating an engagement strategy through contests. Additionally, both "Discount on Injections" and "Extra Commission" accounted for 6.7%, suggesting a focus on incentivizing specific medical product sales and providing additional commissions. The absence of schemes related to "Extra Commission" and "Good Profit Margin" could be areas for potential improvement, possibly providing opportunities for motivating sellers and enhancing overall sales strategies.

Is there any price differentiation in your products?

15 responses

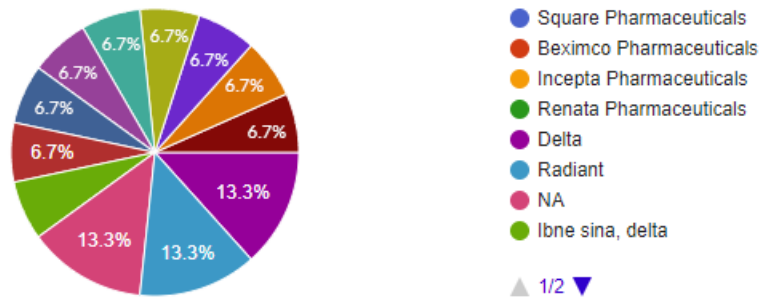


Survey Result Graph 8

The pie chart illustrates the extent of price differentiation in pharmacy products. A significant portion (40%) signifies that a considerable number of pharmacy products maintain a constant price, providing predictability to consumers. Equally, another 40% of the chart represents pharmacy products with varied prices, reflecting a competitive market where pricing adjusts dynamically based on market conditions. Notably, 20% of products show less price differentiation, suggesting a strategy to simplify consumer choice or maintain a competitive edge without extreme price variations. Interestingly, the chart shows no representation (0%) for products with significant price differentiation, indicating a cautious approach to pricing strategies within the observed market. This analysis highlights the nuanced pricing strategies employed in the pharmacy product market, emphasising a careful balance between consistency and flexibility in pricing to meet consumer needs and market dynamics.

Which brands product costs less than the other brands?

15 responses

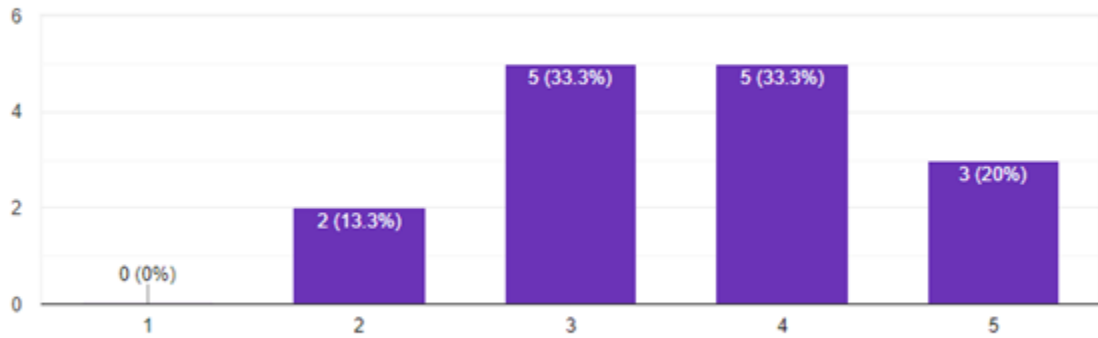


Survey Result Graph 9

The pie chart presents a perception-based analysis of which pharmacy product brands are perceived to have a lower cost. Notably, Delta and Radiant are perceived by a significant portion (13.3% each) to offer products at a lower cost, potentially due to strategic pricing or positive consumer experiences. Conversely, a substantial 13.3% marked the cost as "NA," suggesting an inability to distinguish cost differences or a perception of similar pricing across brands. Additionally, various brand combinations, including Ibne Sina, Delta, SK+F, Radiant, and others, are also perceived to have a lower cost by 6.7% each, possibly indicating bundled offerings or perceived value. Lastly, a portion of respondents (6.7% each) perceives multiple individual brands to have "almost the same" cost, reflecting a competitive pricing landscape or perceived parity in value for money among these brands.

On a scale of 1-5, what do you think about the price of Square products?

15 responses



Survey Result Graph 10

The Likert scale data reveals diverse perceptions of the affordability of Square products. A minority - 13.3% - perceive them as affordable, indicating a segment finding the prices budget-friendly. The majority, comprising 33.3%, remains neutral, implying a lack of strong opinion on affordability. Equally, another 33.3% consider Square products likely expensive, signifying a significant portion that sees them as relatively higher in price but not exceedingly so. Additionally, 20% view them as really expensive, indicating a concern regarding the pricing which should be addressed. This array of perceptions underscores the need for strategic pricing and effective communication to ensure the market's varied expectations are met, potentially leading to a more appealing pricing strategy for Square products.

3.4 Summary and Conclusion

This study is a comprehensive analysis focused on understanding the intricate factors that significantly shape the distribution of Square products within the dynamic market of Bangladesh. The primary objective is to identify and comprehend the fundamental elements that play a crucial role in establishing an efficient distribution network for Square products across the nation. Following a thorough analysis, we discovered a positive relationship between the studied elements. The study meticulously assessed how maximum sales of a brand's product at a shop positively impact customer satisfaction with the respective brand's distribution service, with the objective of establishing a clear and positive correlation between sales and customer satisfaction to enhance distribution strategies effectively. Additionally, we investigated whether consumer behaviour, specifically the inclination to switch to another brand when Square products are unavailable, has a positive effect on their satisfaction with the distribution service. Understanding this positive relationship is vital for effectively managing product availability. Furthermore, our exploration revealed a positive relationship between price differentiation in products and customer satisfaction with the distribution service, aiming to comprehend how pricing strategies positively influence customer satisfaction and guide pricing decisions to enhance overall distribution satisfaction.

In conclusion, this comprehensive analysis reveals valuable insights for Square Pharmaceuticals PLC. in shaping their distribution strategies for Square products within the dynamic market of Bangladesh. The study underscores the importance of a focused approach, advocating that Square Pharmaceuticals PLC. should concentrate on fine-tuning their distribution strategies by leveraging the identified positive relationships. This involves optimising product availability based on sales, understanding and accommodating consumer behaviour in the face of unavailability, and strategically managing pricing differentials. By doing so, Square Pharmaceuticals PLC. can fortify its distribution network, enhance customer satisfaction, and solidify its position within the Bangladeshi market. This proactive stance will pave the way for sustained growth and a prosperous future for Square products in Bangladesh.

3.5 Recommendations:

Following are some suggestions that have been made for Square Pharmaceuticals PLC. based on the research that was conducted on the factors that affect the distribution of square products in Bangladesh:

Expand and Fortify the Distribution Network:

Building a robust distribution network is crucial for effective product distribution, as evidenced by the positive relationship identified in the study. Square Pharmaceuticals PLC. should strategically expand and strengthen their distribution network across Bangladesh. This could involve establishing partnerships with reliable distributors, optimising logistics, and leveraging technology for efficient inventory management. A strong distribution network will ensure timely and widespread availability of Square products, ultimately contributing to improved distribution effectiveness.

Mitigate Price Conflicts Strategically:

The study suggests a positive impact of price conflict avoidance on effective distribution. Square Pharmaceuticals PLC. should carefully analyse pricing strategies to proactively mitigate conflicts related to product pricing. This may involve employing dynamic pricing mechanisms, market research to align prices with consumer expectations, and effective communication of value to customers. A well-managed approach to pricing will not only contribute to smoother distribution but also enhance overall customer satisfaction, promoting long-term loyalty and sustained growth.

Leverage Technology for Distribution Optimization:

Embracing advanced technologies like distribution management systems and data analytics can significantly optimise the distribution process. Square Pharmaceuticals PLC. should invest in such technologies to gain real-time insights into product demand, streamline inventory management, and identify distribution bottlenecks. By leveraging technology, the company can enhance the efficiency and effectiveness of product distribution.

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SPL Product Distribution Survey

Drug Shop Name *

Your answer _____

On a scale of 1-5, how likely do you think customers buy a product for its strong brand value? *

Very Likely 1 2 3 4 5 Very Unlikely

Which brand product has the maximum sale at your shop? *

Square Pharmaceuticals PLC.

Incepta Pharmaceuticals Ltd.

Beximco Pharmaceuticals Ltd.

Renata Limited.

Other: _____

Whether consumers switch over to other brand if Square products are not available? *

- Yes
- No
- Maybe

Do you have any tie up with any pharmaceuticals company? *

- Yes
- No
- Other: _____

Which brands product distribution service satisfies you the most? *

- Square Pharmaceuticals PLC.
- Incepta Pharmaceuticals Ltd.
- Beximco Pharmaceuticals Ltd.
- Renata Limited.
- Other: _____

Which brand provides various promotional schemes to you? *

- Square Pharmaceuticals
- Beximco Pharmaceuticals
- Incepta Pharmaceuticals
- Renata Pharmaceuticals
- Other: _____

Which type of schemes is provided by company to you? *

- Extra Commission
- Good Profit Margin
- Any sort of contests
- Penetration Pricing
- Other: _____

Is there any price differentiation in your products? *

- Constant
- Varied
- Less
- More
- Other: _____

Which brands product costs less than the other brands? *

- Square Pharmaceuticals
- Beximco Pharmaceuticals
- Incepta Pharmaceuticals
- Renata Pharmaceuticals
- Other: _____

On a scale of 1-5, what do you think about the price of Square products? *

- | | | | | | | |
|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Very Affordable | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | Very Expensive |

Submit

Clear form