

Internship Report on
Evaluating Consumer Preferences in Nutrition Products: A Marketing
Strategy for Nestlé Bangladesh

By

Name: Md. Yaakut Islam

ID: 21304018

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

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Declaration

It is hereby declared that:

- The internship report entitled, Evaluating Consumer Preferences in Nutrition Products: A Marketing Strategy for Nestlé Bangladesh is my original piece of work, which I have prepared in part fulfilment of requirements of the degree at BRAC University.
- No part of the report has been published or written by a third party before or otherwise, unless due acknowledgment and full referencing has been given.
- The report has not been used, in part or in whole, to seek the award of any other degree, diploma or qualification in any university or academic institution.
- The Primary and all secondary sources of information, help and advice have been acknowledged and attributed in this report.

Student's Full Name & Signature:

Md. Yaakut Islam

ID: 21304018

Supervisor's Full Name & Signature:

Zaheed Husein Mohammad Al-Din

Senior Lecturer

BRAC Business School

BRAC University

Letter of Transmittal

Zaheed Husein Mohammad Al-Din
Senior Lecturer
BRAC Business School
BRAC University
Kha 224, Bir Uttam Rafiqul Islam Ave, Dhaka 1212

Subject: Submission of Internship Report on “Evaluating Consumer Preferences in Nutrition Products: A Marketing Strategy for Nestlé Bangladesh”

Dear Sir,

With all due respect, I would like to present my internship report of the title-“Evaluating Consumer Preferences in Nutrition Products: A Marketing Strategy for Nestlé Bangladesh” as a mandatory requirement towards the completion of my Bachelor degree at BRAC University.

This report is the outcome of my internship at Nestlé Bangladesh where I was able to conduct research and study the consumer behaviour, consumer preference and brand perceptions in the nutrition products segment. I have done everything possible to make the report comprehensive, well-researched, and concise, which illustrates both theoretical knowledge and practical experience that I had during my internship.

Hopefully, this report will meet your expectations and will give some valuable insights about the topic.

Your Sincerely,

Md. Yaakut Islam
21304018
BRAC Business School
BRAC University

Non-Disclosure Agreement

Nestlé Bangladesh PLC and the student at BRAC University who signed this agreement are responsible for keeping the company's private data safe and preventing it from being shared.

Md. Yaakut Islam

ID:21304018

Acknowledgement

Firstly, I would like to say that I am really grateful to my respected internship advisor Mr. Zaheed Husein Mohammad Al-Din who gave me the chance to work under him and also gave me the privilege of submitting an official internship report on Evaluating Consumer Preferences in Nutrition Products: A Marketing Strategy for Nestlé Bangladesh. His observations and advice, critical comments, and constant support have been very helpful in completing this work.

I would also like to thank Ms. Farhana Nazneen (Sr. Brand Officer and On-site Supervisor, Nestlé Bangladesh) with all my heart as she was always there to give me the necessary support, guidance and practical ideas throughout my internship. Her experience and collaboration as a professional contributed significantly to the quality of my research and helped me learn much.

Although this report might be limited in some ways, I have tried my best to ensure that this report is presented accurately, relevantly and comprehensively. I strongly believe that it will be a helpful guide to anyone who is interested in knowing more about the changing consumer demand in the nutrition industry of Bangladesh and how strategic marketing campaigns can be conceptualized to address these dynamic demands.

Executive Summary

The internship report at hand is a deep analysis of consumer preferences regarding nutrition products in Bangladesh with a strategic focus of improving the position of the Nestlé in Bangladesh PLC in the market. This research was done as part of an internship in the Nutrition Marketing Department and combines primary research, conducted by way of surveys administered among different consumer groups, and secondary industry information.

The results also show that nutrition-based buying decisions largely depend on the perception of nutritional value, brand name and recommendation by healthcare professionals. Though milk powder and products related to the nutrition of infants continue to be the fundamental categories, a certain change can be observed toward health drinks and supplements among adults indicating a gradual diversification of consumer demand.

The reputation and consumer trust of Nestlé Bangladesh is relatively high, and there are no serious complaints about the company, but the percentage of consumers who buy the product occasionally is large as compared to the number of those who purchase it regularly. The most widespread channels of distribution are pharmacies and supermarkets, and online distribution is gaining increased relevance. The key sources of information that influences consumer perceptions include information provided by healthcare professionals and personal networks.

The report suggests enhancing consumer loyalty with specific engagement efforts, promoting transparency in the communication of products, reaching out to rural and digital consumers, and launching locally appropriate innovations. These measures, implemented within a compliance-first framework, will enable Nestlé Bangladesh to reinforce brand equity, drive repeat purchases, and sustain leadership in an evolving nutrition market.

Keywords

Consumer buying behavior, Nutrition Products, Fast-moving Consumer Goods (FMCG), Marketing Strategy, Brand Preference, Consumer Insights.

List of Acronyms

FMCG: Fast- Moving Consumer Goods

GDP: Gross Domestic Product

CSR: Corporate Social Responsibility

KPI: Key Performance Indicator

NPS: Net Promoter Score

R&D: Research and Development

ROI: Return on Investment

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Chapter:1 Overview of Internship

1.1 Information of the Student

Name	Md. Yaakut Islam
ID	21304018
Program	Bachelor of Business Administration (BBA)
Major	Marketing & Human Resource Management

1.2 Internship Information

1.2.1 Company Name, Department/Division, Address

Company Name	Nestlé Bangladesh PLC.
Duration	3 months (15 June- 15 September)
Department	Nutrition Marketing
Address	Ninakabbo, Level 4, 227/A, Tejgaon-Gulshan Link Road, Tejgaon Industrial Area, Dhaka- 1208, Bangladesh

1.2.2 Internship Company Supervisor's Information

Name	Farhana Nazneen
Designation	Senior Brand Officer

1.2.3 Job Scope—Responsibilities

As a Nutrition Marketing Intern at Nestlé Bangladesh PLC, I was part of Nutrition Business Unit under which I worked for the marketing team for NAN and MILO. My position combined research, content development and campaign assistance.

My key responsibilities included:

- **Market Research & Insights:** Researched and evaluated competitor information, consumer behavior and online trends to assist in NAN and MILO campaign planning.
- **Team Collaboration:** Attended internal brainstorming and cross-functional meetings with the marketing, digital and regulatory teams.
- **Creative Content Support:** Helped in the creation of product communication tools such as product detailing videos and product promotion ideas in accordance with the ethical marketing model at Nestlé .
- **Educational Material Development:** Helped write and organise a four-part manual for moms about child nutrition from birth to age five. The book had both emotional and practical messages.

1.3 Internship Outcomes

1.3.1 My Contribution to the Company

In my internship, I managed to contribute significantly towards various brand initiatives that were being run and others to be run in the nutrition marketing team. My major achievement was the competitor research of the NAN and MILO products lines in terms of the packaging, price

positioning, online communication, and HCP-driven campaigns of other brands. I shared my results during internal sales meetings, where it aided in planning future.

I also conceptualized and created an **in-house product detailing video** of an upcoming Nestlé product. This video was subsequently shown in a departmental meeting and got a positive response both by the marketing and commercial departments.



One of my most proud work was writing and creating an elaborate **4-part educational book to mothers**. The book discussed important stages of childhood- birth to 5 years of age and provided information on nutrition, developmental milestones, emotional attachment and even baby activities. It had also a scrapbook-type section containing interactive material aimed at appealing to mothers on an emotional and practical level. This was particularly useful in ensuring that the company reaches consumers indirectly but not breaching the rules of infant nutrition promotion.

In addition, I worked with the digital and design teams and agencies to **provide ideas on the promotion concepts** of MILO, and aided in the planning of online contents, and early-stage ideation of graphics and campaigns.

1.3.2 Benefits to the Internship Program

This internship experience has been very useful to me and gave me a practical feel on how marketing works in a multinational FMCG company. I learnt how to design campaigns, do market research, create content, and make digital strategies by doing them. I also acquired professional skills related to stakeholder communication, teamwork and time management.

Collaboration with a cross-functional team gave me an opportunity to observe how marketing, sales, and compliance work together in practical situations- particularly in such a category as infant nutrition where ethical marketing is essential. I also got a chance to share my ideas in a creative manner and to be identified in my ideas and this also made me very confident. The possibility to display my work to top management provided me with professional expectations awareness and the significance of good communication in decision-making.

1.3.3 Challenges

Although there were a lot of benefits, I encountered some challenges during my internship. The initial one was being able to manage the intricate regulatory framework surrounding the marketing of infant nutritional products. In the beginning, I was not familiar with the rigid restriction of promotional materials and I needed to learn quickly on how to communicate within the restriction so that it would not compromise compliance.

The other difficulty was time limits of need to do various creative and research activities. Good multitasking and prioritizing skills were necessary as it is difficult to be engaged in work with data and at the same time work on large creative tasks. I needed to develop these abilities as fast as possible.

1.3.4 Recommendations

In order to improve the internship experience of future students, I would suggest several things that should be improved:

i) More Defined Project Ownership

Interns do a lot of different things, but I think they should be given a specific personal project to work on ahead of time, with a plan and an end output, so they can show off their work and stay focused.

ii) Regular Feedback Sessions

Rather than the informal or on-demand feedback, it would be beneficial to have a bi-weekly check-in with the supervisors or team leads that would allow monitoring the progress and understanding the expectations and the areas of improvement.

iii) Access to More Cross-Functional Learning

Hosting brief experiences or job-shadowing with other functions such as supply chain, or sales, or regulatory might provide interns with a better perspective of the role of various functions in driving the success of the brand.

Chapter 2: Nestlé Bangladesh PLC

2.1 Introduction

Nestlé is among the largest food and beverage corporations worldwide which has been credited with observing the principle of nutrition, health and wellness over a very long period of time. Henri Nestlé started the firm in 1866 by making a infant food formula that saved lives. Since then, it has developed into a worldwide powerhouse that serves millions of customers in more than 180 countries. Nestlé has over 2000 brands of which its global icons are Nescafe, Maggi and KitKat regionally and locally preferred brands, and plays a role in adding value to life through responsible food innovation. The main objective of the company is to release the potential of food to improve the quality of life of all people, now and in the future. It achieves this by attaching great importance to research and development, sustainability and ethical corporate practices. Nestlé spends a lot of resources on the production of goods satisfying the nutritional requirements of individuals at any age of their lives: at the infantile and juvenile age, in adulthood, and in old age.

Nestlé Bangladesh PLC belongs to the biggest food and beverage company in the globe referred to as the Nestlé S.A with its head office in Vevey, Switzerland. Nestlé began its commercial operations in Bangladesh in the year 1994 officially and with the vision of providing better lifestyle and a healthier future. Nestlé Bangladesh has since become a household name that is trusted, and the company has a comprehensive portfolio of nutrition-oriented products that satisfy the daily nutritional requirements of consumers of various ages. The company has a product line of globally famous and locally meaningful brands like CERELAC, NAN, LACTOGEN, NIDO, MILO, MAGGI and NESCAFE. These brands are famous not only for its quality and flavor but also for its nutritional value as well.

Nestlé Bangladesh also operates with the great emphasis on safety, innovation, and responsible marketing, particularly in the sensitive areas, like infant nutrition, where Nestlé Bangladesh fully complies with the WHO Code of Marketing of Breast-Milk Substitutes and with the local regulations. The headquarters of Nestlé Bangladesh is in Dhaka with its production facility at Sreepur, Gazipur. The firm has a high standard regarding its sourcing, production, and distribution as well as it is active in the development of its people, supply chain, and community. The purpose

of the company which is unlocking the power of food to improve quality of life everyone, today, and generation to come can be fit into the operations and future plans of the company.

Combining international know-how and rich local experience, Nestlé Bangladesh is further enhancing its presence in the country as a major nutrition, health and wellness company, which is preferred by millions of consumers in Bangladesh.

2.2 Overview of the Company

Nestlé Bangladesh PLC is a strategic business unit of Nestlé S.A that provides high-quality food and nutrition productions that meet the demands of the Bangladesh people. The company has been operating in the country more than twenty years, and its operation infrastructure, marketing network, and local relevance enable it to serve millions of consumers very efficiently.

The company has business operations that are divided into various segments and each segment is run by a specific team of members managing Infant Nutrition, Dairy, Beverages, Culinary, and Health Science products. All the categories have well defined compliance, marketing, and distribution models so that there is a similar approach to delivering value to customers. The factory of Nestlé Bangladesh at Sreepur, Gazipur manufactures products that are sold locally and exported to other countries. The factory has modern equipment's and observes global safety regulations to ensure production remains uniform and secure.

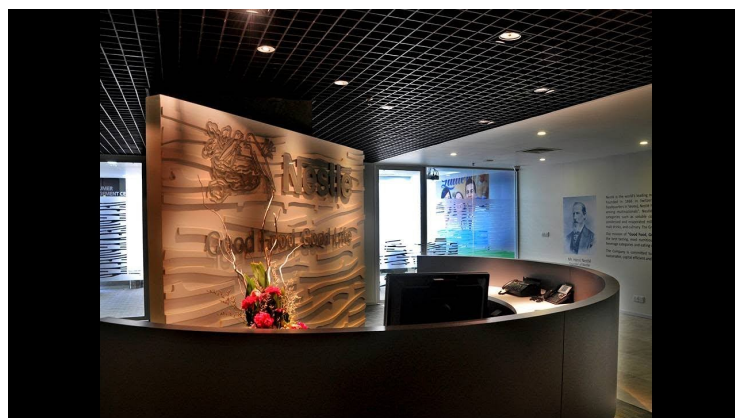


Figure 1: Nestlé Bangladesh PLC

Strict compliance with laws of the country and the international laws on food and nutrition is one of the distinguishing characteristics of Nestlé Bangladesh. Particularly, marketing and promotions in the infant formula category are regulated under The Breast-Milk Substitutes (Regulation of Marketing) Ordinance, 1984 which is in compliance of WHO Code. This necessitates Nestlé to adopt a distinct strategy in educating the consumers-in product detailing, HCP (Health Care Professional) interaction and assistance material, not through direct advertising. The company is engaged with modern trade stores, e-commerce sites and rural retail system so as to have reach and availability of its products to every segment. This structure promotes team effort and ongoing innovation and it is a good training ground for young professionals and interns.

Besides being a market leader in various categories, Nestlé Bangladesh is also a key player in the establishment of industry standards in terms of product innovation, compliance, and consumer involvement in the food and nutrition industry of the nation.

Nestlé Bangladesh contributes towards the determination of what people anticipate in nutrition. It achieves this by maintaining a lean distribution mechanism, applying intelligent trade marketing strategy and making sound decisions anchored on good data. The company is engaged with modern trade stores, e-commerce sites and rural retail system so as to have reach and availability of its products to every segment.

2.2.1 Nestlé's Mission

The mission statement Nestlé includes products of the company and in accordance with its vision and policies. Nestlé is the biggest nutrition, health and wellness organization all over the world. Nestlé has a mission statement of- Good Food, Good Life. Good Food Good Life has a mission to offer each of them the best and healthiest food and beverage decisions they can anytime any day, morning to night (Nestlé, nd.). The Nestlé's mission is to enrich lives through food and nutrition. The company aims at manufacturing safe and quality products enhancing healthier lifestyles and at the same time sustainability, innovation and community development.

2.2.2 Nestlé's Vision

The Nestlé vision statement defines exactly where the company wishes to be in the future. The vision statement of Nestlé is- **Become a leading and competitive Nutrition, Health and Wellness Company able to deliver better shareholder value in: being a preferred corporate citizen; a preferred employer; a preferred supplier; selling preferred products. Nestlé believes in the world where good food can make people live better lives.** The company aims to be a role model because of its responsible business operations, consumer-driven innovation, and constant work to feed people and families at every age.

2.2.3 Top 10 Business Principle of Nestlé

The ethics of Nestlé is determined by its Corporate Business Principles that are meant to dictate how the company conducts all its operations in a responsible manner in terms of nutrition, sustainability, human rights, as well as business practices. Here are some of the business principles of Nestlé:

- i) Nutrition, Health & Wellness** – Encourage healthier and more delicious foods and beverages and healthy lifestyles in the context of the Good Food, Good Life commitment.
- ii) Quality Assurance & Product Safety** – Have all the products of high safety and quality standards across the world.
- iii) Human Rights in Business Activities** – Promote UN Global Compact human-rights and labor standards and lead by example in the activities of Nestlé.
- iv) Safety & Health at Work** – Avoid accidents and ill-health at the work place, shielding and protecting employees, contractors and value-chain partners.
- v) Consumer Communication** – Responsible, accurate information are provided that allow making informed consumer decisions without violating privacy and adhering to the WHO Code on breast-milk substitutes.

vi) Leadership & Personal Responsibility – Instill respect, dignity, equality of opportunity, privacy and anti-harassment measures; encourage individual responsibility on the part of all employees.

vii) Supplier & Customer Relations – Demand honesty, fairness, integrity from suppliers and expect no less from customer relationships.

viii) Environmental Sustainability – Be committed to sustainable consumption of resources, waste minimization, and renewable energy in the product life-cycles.

ix) Agriculture & Rural Development – Promote good agricultural practices and support social and economic well-being of rural people on a sustainable basis.

x) Fair Competition & Anti-Corruption – The company believes in fair competition, conflict of interest and zero tolerance on any bribery and corruption.

2.2.4. Key Departments at Nestlé Bangladesh

Nestlé Bangladesh is a company with a well-organized structure of specialized departments that collaborate to provide results and maintain brand standards:

→ **General Management:** The top management has the responsibility of strategic planning and organizational direction. They review data, collaborate with department managers, and take major business decisions that can influence the future of a company. They make sure that they coordinate with the overall goals of Nestlé in the international market, but adopt them to suit the local market. The department also controls business risks and the implementation of strategic initiatives in a timely manner.

→ **Human Resources:** The HR department does recruitment, on boarding, talent development and performance management. They aim to create a well-trained, motivated and diverse workforce and contribute to employee engagement and well-being. They also support leadership development programs, and organize wellness programs to enhance employee satisfaction. HR promotes labor laws and good and inclusive workplace culture.

→ **Marketing:** The marketing department ensures that the brand image is preserved, it establishes communication strategies and ensures that all promotional activities are done within the law. Their roles cover campaign planning, digital content and consumer engagement. They adopt data driven ideas to build consumer-centric campaigns and gauge their performance based on the market reception. The team further works with other cross-functional teams such as sales and R&D to make sure that messaging is based on the nutritional value of the product.

→ **Supply Chain:** The supply chain team is specialized in operational efficiency, and therefore, it is in charge of ensuring that the procurement process is effective, inventory control and management, as well as the management of vendors. The company uses lean concepts to eliminate wastes and shorten lead times, which help in low cost production. The department also cooperates with logistics partners in order to deliver the goods in time in the country. Avoidance of poor quality and lack of supply is ensured through regular audits and making of improvements in the process at various stages of the value chain.

→ **Nutrition:** This department makes sure that the nutrition products of Nestlé comply with health requirements as well as regulatory requirements. In Bangladesh, marketing restrictions are imposed on infant formula, the department plans the educational materials well and handles health-oriented product lines such as NAN, CERELAC, and LACTOGEN. They cooperate with healthcare professionals and regulatory bodies to guarantee a scientific accuracy and compliance. Consumer research is also done in the department in order to know how nutritional needs and product expectations are changing.

→ **Sales & Nestlé Professionals:** The sales section generates sales by retail and different institutional channels. The Nestlé Professionals team is focused on business-to-business and large business buyers, and data analysts inform strategy by monitoring and interpreting sales results metrics. They establish good rapport with the distributors, retailers, and the food service partners to increase the reach of the product. Consistent presence in the market and advertisement makes the product visible and sells through in both the urban and rural market.

2.2.5 Purpose of Nestlé

Nestlé's role is to unlock the power of food to enhance the quality of life, to all people in the present and future generation- with an emphasis of where food can really make a difference in the life of people, their pets, the planet and long-term shared value.

2.2.6 Core Values

Nestlé values are based on respect and it is interpreted in four dimensions:

- **Respect for oneself:** Behaving in a manner that is ethically, just, genuine and consistent to personal and professional values.
- **Respect for others:** Fulfilling their commitments, having quality products, brands and doing so, and treating all interactions with dignity.
- **Respect for diversity:** Be inclusive and open-minded to the views, cultures and ideas of other people in all activities.
- **Respect for future generations:** To be environmentally responsible, and brave even in tough circumstances, to preserve resources and opportunities of future.

2.2.7 Nestlé Brands

Categories	Product Names
Chocolate and Confectionary	KitKat, Aero, Milkybar
Baby Foods	Cerelac, NatureNes
Cereals	Corn flakes, Nesquik
Bottled Water	Acqua Panna, Perrier, and S.Pellegrino
Coffee	Nescafe, Nescafe Gold, Nespresso
Dairy	MILO, NIDO,
Nutrition Formula	Lactogen, NAN
Culinary, Chilled, and Frozen Foods	Thomy, Maggi
Drinks	Nestea, Boost

Petcare	Purina, Purina ONE, Friskies, Fancy Feast
Ice Cream	Drumstick, Extrême

Table 1: Nestlé Brands

2.2.8 Competitors of Nestlé

The Fast-Moving Consumer Goods (FMCG) industry is a competitive sector and Nestlé Bangladesh PLC has established itself in a competitive market which is dominated by big players both international and local players who engage in the struggle to capture consumer loyalty, market share and consumer attention. The company Nestlé operates in a wide range of products in infant nutrition, powdered milk, beverages, cereals and culinary products, which makes it compete in various categories. Following are the key players involved in the market space of Nestlé Bangladesh:

Kellogg's

Kellogg's Company is an American-based food company and it is well known over ready-to-eat breakfast cereals (Kellogg's India, n.d.). In Bangladesh, it is the direct rival of Nestlé's breakfast and cereal based products like CERELAC. Kellogg's believes in the convenience foods which include the cereals, granola bars and snacks and the company compete mainly on price, product variety and availability. Whereas Nestlé products in this segment are oriented more on the nutrition and early childhood, Kellogg's has a more affordable and family-friendly product with lower prices. Having high product exposure in retail stores and branding strategies of Kellogg, the company is further consolidating its position in breakfast category.



Unilever

One of the top competitors of Nestlé in Bangladesh is Unilever that is distinguished by its wide portfolio of food, personal and home care products. As much as the strength of Unilever is on personal care segment, it also has unincorporated division in the food and beverage market with brands such as Knorr and Lipton. Unilever operates in more than 190 countries which means they have an excellent distribution network, highly proficient supply chain and good brand presence. In Bangladesh it has been consumer-friendly over the years because of its focus on sustainability, food safety and availability of products. Although its food product line is slightly adjusted as compared to Nestlé's specialized nutrition product lines, both firms are extremely competitive in terms of consumer trust, innovation, and corporate reputation.



Faaska

Faaska as an emerging company in Bangladesh that deals with infant and young child nutrition (IYCN). Its main brand Biomil is a substitute to the conventional baby food product such as CERELAC. The Faaska brand attracts the attention of modern parents who are very concerned about the quality of nutrition, safety, and brand transparency. It applies modern production technology and promotes clinical nutrition science in advertising, which enables it to earn trust among a small but steadily increasing market of health-aware consumers. Although Faaska is not as large or established as Nestlé, its narrow product line and tailored marketing enable it to compete in a niche market.



Abul Khair Group

Abul Khair Group is among the strongest competitors of Nestlé in nutrition segment among local competitors. With the position of a diversified Bangladeshi conglomerate, Abul Khair has grown considerably in the food and beverage segment, especially in powdered milk and dairy-based nutrition. It owns a significant market share in both infant and family nutrition categories which includes intense rivalry against products such as NIDO and LACTOGEN. The company has also tapped in the coffee market through the introduction of AMA Coffee, a locally positioned coffee alternative to NESCAFÉ. As much as NESCAFÉ is still leading, providing a cheaper coffee drink by a well-known local brand is also a move that has attracted attention among the price sensitive consumers.



আবুল খায়ের গ্রুপ

Arla Foods

Arla Foods a Denmark based multinational dairy company, has been gradually expanding its footprints in Bangladesh especially in powder milk and dairy nutrition categories. Arla has its DANO brand which is its best known locally and it competes with Nestlé's NIDO and LACTOGEN brands. DANO has gained consumer trust by its product consistency, availability and low-price model, so it is a competitive brand in the middle- and upper-income market segments. Arla also markets its products on the basis of purity, sustainability and European quality standards and this appeals to health-conscious parents and families.



2.3 Management Practices

Nestlé Bangladesh PLC is part of a large global FMCG company that uses structured and strategic management methods that are in line with its long-term goals for nutrition, health, and wellness. The management philosophy of the organization places a strong emphasis on ethical leadership, employee growth, and operational excellence in every department.

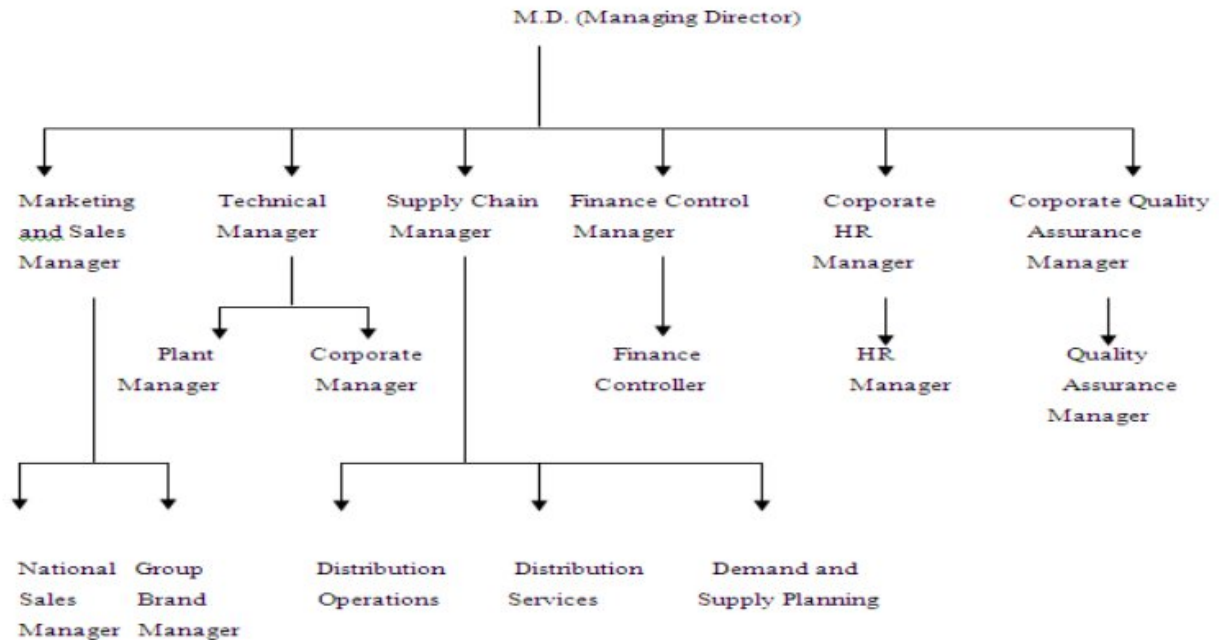


Figure 2: Operational network Organogram

2.3.1 Leadership Style

The best way to describe the leadership style at Nestlé Bangladesh is participative, with a strong culture of democracy. Leaders want team members to talk to each other, work together, and be a part of making decisions. Interns, junior managers, and teams that work on different projects are often asked to share their ideas during brainstorming sessions, brand planning, and project execution. The company relies less on rigid top-down control and more on empowerment and shared responsibility across teams and functions (*The Nestlé Management and Leadership Principles*, 2011).

This participative style promotes an innovative and accountable culture. In addition to establishing clear objectives, managers allow their employees the freedom to come up with solutions on their own. In a highly competitive and regulated sector like nutrition and FMCG, such a leadership approach not only supports continuous improvement but also raises employee morale.

2.3.2 Human Resource Planning

In order to match business objectives with talent acquisition and development, Nestlé Bangladesh employs a strategic human resource planning process. The HR team works closely with the heads of each department to figure out how many people they will need based on new projects, product launches, or business growth.

2.3.3 Recruitment and Selection Process

People are hired by a mix of internal promotions and hiring from outside the company. Typically, job openings are posted on websites like LinkedIn, BDJobs, and Nestlé Careers Bangladesh. The selection process usually involves screening resumes, written tests (for some positions), and several rounds of interviews that test both technical and behavioral skills. Universities and career centers also work with Nestlé's HR team to find internships.

2.3.4 Compensation System

Nestlé Bangladesh provides a comprehensive and competitive benefits package aimed at attracting and retaining top talent. Employees are rewarded for both individual and team accomplishments with a structured base salary and performance-based bonuses (Nestlé, n.d.). The organization offers group life insurance, access to executive wellness assessments, and full medical coverage for employees, spouses, and kids. Staff discounts on Nestlé products, retirement plans (Provident Fund and Gratuity), and assistance with annual leave fare are additional benefits. Employee satisfaction is further increased by flexible work arrangements, quarterly product gift baskets, and recognition initiatives.

2.3.5 Training and Development Initiatives

Nestlé Bangladesh places a high priority on employee learning. The organization offers training via cross-departmental projects, functional workshops and on-the-job coaching. Interns also get training and mentoring during their internship, which helps them learn both soft skills and technical skills.

2.3.6 Performance Appraisal System

Nestlé uses a structured system for performance reviews that is based on Key Performance Indicators (KPIs). Every year, employees are evaluated and given opportunities for growth, development planning, and feedback sessions. Frequent evaluations guarantee that personal growth is in line with business requirements and assist in identifying high performers.

2.4 Marketing Practices of Nestlé Bangladesh PLC

Nestlé Bangladesh PLC being a subsidiary of one of the largest food and beverage companies in the world has a strong and well-organized marketing system. Its marketing is well positioned both in terms of international Nestlé requirements and the dynamics of the local market. Marketing team also plays a vital role in establishing brand trust, nutritional awareness, and product visibility at the same time ensuring high adherence to national and international regulations, particularly in the sensitive areas like infant nutrition. Trust by the customers that Nestlé cares about quality rather than cost enables the company to be less zealous in the marketing and advertising compared to other competitors (Business Strategy Hub, 2021).

2.4.1 Marketing Strategy

Nestlé follows a consumer-first marketing strategy and delivers nutrition, health and wellness via trusted brands. In Bangladesh, the strategy is presented depending on the culturally preferred strategy of awareness creation, economic level, and uplifting health awareness. In case of regulated products like infant nutrition, Nestlé uses education-based and professional outreach approach in its quest to ensure that it is in line with the International Code of Marketing of Breast-milk Substitutes. In the case of non-regulated products, especially MILO, MAGGI, and NESCAFÉ, Nestlé uses a brand storytelling strategy and develops a lifestyle marketing.

2.4.2 Target Customers, Targeting and Positioning Strategy

Nestlé caters to a wide and broad demographic in Bangladesh, including infants and young children (CERELAC, NAN, LACTOGEN, NIDO), youth (MILO, MAGGI) and adults (NESCAFÉ, Everyday, coffee creamers).

The company uses differentiated targeting as its approach, targeting individual nutritional needs and developmental phases per brand. NAN and CERELAC are brands that target new parents who are concerned with safe and science-based feeding options, whereas products such as MILO and NIDO focus on school-age children who need energy and growth enhancing products

Positioning is aimed at trust, safety as well as health advantages. To give an example, CERELAC as a weaning food is promoted as a secure food source that is supported by years of research, whereas MILO is promoted to active school-going children on the basis of energy and performance.

2.4.3 Marketing Channels

Nestlé Bangladesh adopt multi-channel marketing strategy which include traditional distribution (wholesalers, retailers) & modern trade platform like superstores, pharmacies as well as popular ecommerce sites like Daraz & Chaldal. In controlled product segments such as infant formula, Nestlé does not do mass-market promotions and rather undertakes scientific contacts via the healthcare professionals (HCPS), educational programs, and personal detailing. This approach not only cover a wide range of markets but also became ethically compliant and credible, particularly in delicate health-related markets, which helped Nestlé to establish a strong consumer trust and long-term brand loyalty.

2.4.4 Product Development and Competitive Practices

Nestlé is a company that has product development driven by both international researches along with local research. Nestlé Bangladesh alters certain international products to make them fit the local preferences, the cost levels and nutritional needs. In order to maintain a competitive edge, the company pays close attention to consumer trends, competitor products (such as products of Abul Khair, Faaska, and Arla), and changes in regulation. As in the case of example, products such as CERELAC have been repackaged and fortified by the local team so as to respond to the evolving health expectations.

2.4.5 Branding Activities

The branding of Nestlé is based on trust, quality and healthiness. Every brand has its identity- MAGGI is about convenience and taste, NIDO is about growth and development, NESCAFE is about youth and energy. Even when direct advertising is not possible, the company pays great attention to emotional story-telling, particularly in nutrition-centered campaigns. The brand consistency is ensured with packaging, style of communication, and content consistency across platforms.

2.4.6 Advertising and Promotion Strategies

Nestlé's Marketing Strategy has been one of the major contributors to the success of the company in leading the world market. According to Pereira (2024), Contrary to conventional marketing standards, the approach of Nestlé has reshaped how companies interact with customers, build their presence, and leave an impression in the minds of the consumers, both online and in the retail stores.

Nestlé Bangladesh conducts integrated promotional campaigns that involves a combination of TV, print, in-store visibility and above all, the digital media. The use of social media such as Facebook, Instagram, and YouTube is highly applied to communicate to consumers, particularly in the case of brands such as MAGGI and MILO.

In spite of the fact that direct advertising of infant nutrition products is forbidden, Nestlé organizes educational campaigns based on the material and collaborates with healthcare professionals (HCPs) to offer scientifically-proven nutritional recommendations to parents through them.

2.4.7 Critical Marketing Issues and Gaps

Although Nestlé has been having a good ethical marketing position, there are a few issues:

- The regulatory parameters are stringent thus, it is hard to market critical nutrition products to the consumers and more innovative and acceptable methods have to be adopted.
- The digital campaigns are less effective in rural areas since they have limited digital access.

- Price sensitivity of consumers may lead to stronger competition in some product categories from local brands.

There is a lot that Nestlé Bangladesh has to face in but through its unwavering commitment to compliance, quality, and educating the consumer, its brands have retained their trust.

2.5. Financial Performance Analysis

Here's how liquidity, efficiency, profitability, leverage, and value creation have changed over the past three years using horizontal, trend analysis, and DuPont frameworks:

2.5.1 Liquidity & Solvency

Current Ratio: The Nestlé Group's current ratio is just below or slightly below 1.0, which indicates adequate but not excessive liquidity, even though specific standalone ratios for Bangladesh are not disclosed (Mahjabin, 2017).

Operating Cash Flow to Net Financial Debt: Increased from 24.7% in 2022 to 32.1% in 2023, indicating a better ability to meet financial commitments through operational performance (Nestlé Financial Performance, 2023).

Gearing (Net Debt/Equity): Rose from 112.5% in 2022 to 136.4% in 2023, which means they were more dependent on debt, but they still had strong cash flow (Nestlé Financial Performance, 2023).

2.5.2 Efficiency & Leverage

Asset Efficiency: While individual asset turnover metrics aren't published locally, Nestlé globally maintains moderate turnover (~0.65-0.70), implying efficient asset use (Philippine Christian University, 2024).

Working Capital Management: Days receivable have stayed in acceptable ranges (about 35–40 days) over time, and inventory cycles keep getting shorter (Philippine Christian University, 2024).

2.5.3 Profitability & DuPont Analysis

Net Profit Margin: It went up a little from 9.8% in 2022 to 12.1% in 2023, showing that the company is becoming more profitable (Nestlé Financial Statement, 2023).

Earnings Per Share (EPS): The basic EPS went up from CHF 3.42 in 2022 to CHF 4.24 in 2023, but the underlying EPS stayed the same at CHF 4.80. The dividend per share went up to CHF 3.00 (Nestlé Financial Statement, 2023).

I was required to sign an NDA as a Nestlé intern, and I am not permitted to disclose information about the financial reports from prior years. Nevertheless, I was able to obtain the company's yearly turnover figures. (All of the data and numbers are pretty close to the real amount, which can't be disclosed. The nutrition sector makes up a big part of this revenue because Cerelac, NAN, and Lactogen are brands that don't have many competitors. Maggi makes the most revenue in the Food and Beverage category.

Year	Annual Turnover
2021	2400CR (Approx)
2022	2650CR (Approx)
2023	2970CR (Approx)
2024	3200CR (Approx)

Table 2: Yearly Turnover (FY 2021-2024)

2.5.4 Free Cash Flow & Capital Investment

- Free Cash Flow jumped from CHF 6.6 billion in 2022 to CHF 10.4 billion in 2023. This gives the company more options for investments or returns to shareholders.
- Capital Expenditure stayed at about 7–9% of sales, which kept assets growing while also making operations more efficient.

2.5.5 Accounting Practices at Nestlé Bangladesh PLC

Here are some insights into Nestlé's accounting standards and practices based on global disclosures in the company's consolidated reports, which include Nestlé Bangladesh PLC as a 99.4% subsidiary:

2.5.6 Core Accounting Principles & Basis of Preparation

- Nestlé follows the International Financial Reporting Standards (IFRS), which makes sure that financial reports are always the same and can be compared around the world.
- According to a report published by Nestlé (2023), the company uses the accrual basis of accounting, which means that it records revenue when it is earned and expenses when they are incurred, not just when cash is received or paid.
- Financial statements adhere to the historical cost convention, with the exception of assets such as defined benefit obligations, financial instruments, and inventory assessed at fair value or net realizable value.

2.5.7 Accounting Cycle & Reporting Consistency

- Nestlé handles the whole accounting cycle, from recording transactions to making financial statements and reports for stakeholders.
- The consolidated statements consistently reveal scope changes, acquisitions, and disposals, along with corresponding effects on goodwill, impairment, and associate holdings

2.5.8 Depreciation & Asset Valuation Methods

- According to a Corporate Governance report published by Nestlé (2023), property, plant, and equipment are depreciated systematically, while land is not depreciated.

2.5.9 Accounting Disclosures & Transparency

- Accounting policies, important decisions (such as revenue recognition and goodwill valuation), contingencies, tax positions, and segment performance are all extensively disclosed in the financial statements' records.
- Key audit issues are identified by auditors, including revenue trade-spend accrual, goodwill impairment, and uncertain tax positions. Assumptions and audit responses are fully transparent.

2.5.10 Internal Controls & Audit Integrity

- Through frequent external audits, Nestlé Bangladesh ensures ethical compliance and transparent financial reporting by adhering to local ICAB guidelines and international audit standards (ISA) (Nestlé Financial Performance, 2021).
- There are strong internal control systems in place, such as dividing up responsibilities, managing risks, and making sure that all of Nestlé's global governance rules are followed.

2.6 Operations Management and Information System Practices

Because of its corporate vision and environmental commitments, as well as principles of efficiency, Nestlé Bangladesh functions in terms of cost-effective globally unified operations management models. These practices are governed by the Nestlé Management and Leadership Principles and the Nestlé Corporate Business Principles, two excellent internal documents regulating moral actions, operational efficiency, and responsibility to people and the environment.

2.6.1 Operations Management Strategy

Nestlé is overall focused on the satisfaction of Nestlé stakeholders with higher sustainability and high efficiency. The firm applies foreign direct investment in the developed economies and local supply and manufacturing in emerging markets like Bangladesh. Such a two-model allows Nestlé to remain more flexible and reduces the production price as well as aids the local economy. Nestlé in Bangladesh is keen on producing low cost, managing a lean chain supply, and collaboration with other firms. In order to have new ideas and make products more relevant to the local market, the business has partnered closely with Bangladesh Council of Scientific and Industrial Research (BCSIR). Nestlé Bangladesh also pays a lot of attention to ecologically sound policies, e.g., the minimization of carbon emissions, recyclable packaging, and the objectives of the Kyoto Protocol.

2.6.2 Resource Allocation and Scheduling

Nestlé also adopts formal planning systems and in-house scheduling systems to ensure effective utilization of resources. Raw material scheduling, manufacturing planning and distribution are all optimized based on demand needs and supply chain analytical capabilities. The lean management process reduces wastage, increases output and ensures that operations keep on improving.

2.6.3 Quality Management Practices

One of the most important factors in the operation of Nestlé is the maintenance of international food safety and product quality standards. This company strictly complies with both international food quality certifications and local laws. Throughout the entire manufacturing process, from acquiring raw materials to packaging, quality checks are carried out. Nestlé's "Quality by Design" approach guarantees that each product satisfies strict safety and health standards.

2.6.4 Use of Information Systems

Although I didn't have direct access to Nestlé's internal databases as an intern, it's evident that advanced information systems are crucial to the company's operations. The company probably uses Enterprise Resource Planning (ERP) systems like SAP to keep track of its inventory, logistics, production, and money. These systems make it easy for departments and stakeholders to collect, process, and share data without any problems.

Even though the interns couldn't get to the internal systems, it was clear that digital communication and project management tools like Microsoft Teams, Outlook, and SharePoint were widely used to keep track of meetings, work together, and keep records. These tools make it easier for cross-functional teams and regional offices to work together smoothly.

2.6.5 Information Sharing with Stakeholders

Nestlé Bangladesh keeps its external stakeholders informed by using structured reporting systems and digital platforms. Press releases, sustainability reports, and the official Nestlé Bangladesh website are examples of public communication channels. Internally, the organisation uses dashboards, cross-functional meetings, and quarterly business reviews to make sure all teams are using the most recent performance metrics and updates.

Even though the interns couldn't use proprietary software and systems, it's clear that Nestlé Bangladesh has a strong operational framework that is based on advanced information systems, global management principles, and a strong commitment to sustainability.

2.7 Industry and Competitive Analysis

2.7.1 Porter's Five Forces Analysis of Nestlé Bangladesh

i. Threat of New Entrants – Moderate to Low

There is a moderate to low threat of new entrants entering the food and nutrition industry in Bangladesh, mostly because of:

- Manufacturing, distribution, and compliance all require a significant financial investment.
- Strict regulatory frameworks, especially with regard to infant nutrition (adherence to local laws and the WHO Code).
- Nestlé has developed strong brand loyalty and trust over many years, making it challenging for new brands to swiftly win over consumers.
- However, local startups like Faaska have emerged in certain categories (like infant nutrition) with niche offerings or competitive pricing, suggesting that entry barriers are moderate in some of these segments.

ii. Bargaining Power of Suppliers – Low

Nestlé Bangladesh has **low supplier power** because:

- It can change suppliers if necessary and sources a lot of raw materials locally, like milk.
- Nestlé can negotiate advantageous terms because it is a multinational with global procurement power.
- By using standardized quality protocols, the company ensures consistency from its suppliers and lessens its reliance on any one source.

iii. Bargaining Power of Buyers – High

Bangladeshi consumers have high bargaining power, particularly due to:

- Customers frequently switch brands based on price or promotions in the price-sensitive FMCG industry.
- Consumers have a lot of options because they can choose from brands like Kellogg's, Dano, Abul Khair, and Faaska.
- Because consumers are better informed in digital and physical retail settings, factors like price, nutritional claims, and brand trust have a significant impact on consumer's purchase decisions.

iv. Threat of Substitutes – Moderate

Depending on the product category, the threat of substitutes is moderate:

- Tea and regional coffee brands are a threat to NESCAFÉ in the beverage market.
- Both homemade alternatives and conventional weaning techniques (such as lentil soup or rice porridge) are frequently used for baby foods.
- To counter this, Nestlé uses scientific support, reputable branding, and nutritional education, which lessens the number of consumers choosing unbranded products.

v. Competitive Rivalry – High

There is a lot of competitive rivalry in Bangladesh's FMCG and nutrition markets:

- Unilever and Arla are two examples of multinational companies that compete directly in some areas.

- Local giants like Abul Khair Group and new players like Faaska are actively competing with Nestlé in important areas like powdered milk and infant nutrition.
- The market is stuffed, so Nestlé uses its global experience, strong ethical marketing, and innovation driven by research and development to stay on top.

2.7.2 SWOT Analysis of Nestlé Bangladesh PLC

By determining its Strengths, Weaknesses, Opportunities, and Threats in the FMCG and nutrition sectors, a SWOT analysis assesses Nestlé Bangladesh's internal capabilities and external environment.

Strengths → Strong Brand Equity and Consumer Trust In Bangladesh, Nestlé is one of the most reputable household brands, particularly in the nutrition industry. → Diverse Product Portfolio Nestlé serves customers of all ages and nutritional requirements with brands like CERELAC, NAN, NIDO, MILO, MAGGI, and NESCAFÉ. → Commitment to Quality and Safety Nestlé maintains strict quality control and international food safety regulations, which enhances its standing and patronage. → Strong R&D and Innovation Capacity	Weaknesses → Higher Product Pricing People often think of Nestlé's products as high-end compared to local brands, which makes them less appealing to people who are on a budget. → Regulatory Restrictions on Infant Nutrition Promotion Brands like NAN and LACTOGEN have less promotional flexibility due to marketing restrictions on breast milk substitutes. → Criticism over Sugar Content Certain products, such as NIDO and CERELAC, have drawn criticism for having sugar content that is higher than is advised.
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The company consistently creates better, scientifically supported products that are suited to consumer demands and health trends.

Opportunities

→ **Growing Health and Nutrition Awareness**

The growing interest in food products that improve health and immunity after COVID-19 fits with Nestlé's focus on health.

→ **Expansion of E-commerce Channels**

As more people use online grocery and delivery services, Nestlé has more chances to reach new customers.

→ **Localization of Product Offerings**

Adapting flavors and nutritional content to fit local cultural tastes can make people more likely to accept the product.

→ **Infant and Maternal Nutrition Education**

Building brand trust and filling in regulatory gaps can both be helped by strengthening indirect education campaigns and partnerships with HCPs.

Threats

→ **Aggressive Local Competition**

Domestic brands often have lower prices and don't have to follow international marketing rules, which adversely impacts Nestlé's market share.

→ **Price-Sensitive Consumer Base**

Bangladeshi consumers choose cheaper options because of inflation and other economic problems.

→ **Regulatory Compliance Burden**

Nestlé needs to keep changing to keep up with changes in health, labelling, and advertising rules, especially when it comes to nutrition.

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Table 3: SWOT Analysis

2.7.3. Competitive Advantage: Strength Categorization

Common Strengths

Most of the other companies in the industry probably have these strengths as well:

- A wide range of products, such as snacks, drinks, and dairy
- Wide distribution network across Bangladesh
- A strong presence in both urban and rural markets

Imitable Strengths

These strengths are valuable, but competitors can copy them over time:

- Pay attention to trends in health and nutrition
- Using digital and educational ads
- Systems for supplier development and quality control

Distinctive Strengths

These are unique to Nestlé and give it a long-term edge over its competitors:

- Support for global research and development and the creation of new scientific products, especially in the area of infant nutrition
- Bangladeshi consumers have trusted and believed in the brand for a long time.
- Strictly following international rules and morals, like the WHO Code

2.8 Summary and Conclusions

Nestlé Bangladesh plc is an operational affiliate of one of the largest food and drink producers of the globe. This makes the company capable of altering its global approach in order to support the demands of the Bangladeshi market as it operates on a set of good corporate values and health, wellness, and nutrition commitment. Nestlé has its own well-defined organizational systems and other active styles of leadership that encourages new ideas as well as new accountability throughout the organization. The company has managed to remain at the pinnacle of the market despite the existence of rules and competition. This is owing to the fact that it has a large group of products, it values on quality and research/development, it markets ethically, and also has a robust distribution system.

The finances of the company are under control and liquidity and solvency is good with healthy profits and good resource utilization. Nestlé Bangladesh has a solid information system, a tightly connected supply chain, and strict quality controls for running its business. The company can stay relevant and sustainable over time because it focuses on following the rules, teaching consumers, and local innovation. Nestlé Bangladesh shows how a multinational company can successfully adapt while focusing on ethical growth and earning public trust.

2.9 Recommendations

Localized Product Innovation: In a price-sensitive market like Bangladesh, Nestlé needs to make its products more local in order to stay competitive. By providing reasonably priced nutrition solutions that meet regional dietary needs, tastes, and nutritional gaps, the company can reach new markets. Adding region-specific variations to products like MILO or NIDO could make them more useful and help them reach more middle-class and rural consumers.

Strengthening Digital and Rural Marketing: Nestlé can get more attention by doing more digital outreach and marketing in rural areas. Mobile-based campaigns, working with local influencers, and content in the local language can help brands and rural customers talk to each other better. These efforts will help people remember the brand without breaking any rules about promoting infant nutrition, especially for products like CERELAC and LACTOGEN.

Transparency and Local Financial Reporting: Despite reporting consolidated global financials, Nestlé would be more accountable to Bangladeshi stakeholders if local performance indicators were more transparent. Nestlé's local impact and governance practices could be better understood by investors, regulators, and the general public if an abbreviated annual report or sustainability report with an emphasis on Bangladesh were published.

Chapter 3: Evaluating Consumer Preferences in Nutrition Products: A Marketing Strategy for Nestlé Bangladesh

3.1 Introduction

The nutrition products are becoming popular among the Bangladesh consumers: be it fortified milk, organic vegetables, and dietary supplements, particularly among young, educated urban population (Mahfuza et al., 2023). Consumer preferences are influenced by health, safety, environmental, novelty and convenience. At the same time, there is a lack of understanding, a lack of trust, price sensitivity, and availability—especially in rural areas that prevent wide adoption (Pitt, n.d.). Nestlé Bangladesh being one of the major multinational corporations in the industry has achieved a high market presence on the basis of trusted brands and product innovation.

Nevertheless, the nutrition product preferences of consumers are rapidly changing as a result of greater availability of health information, changing lifestyle behaviors, and greater impact of healthcare professionals (ESHA, 2021). The drivers of purchasing decisions have become stronger and include nutritional value, brand reputation, and professional recommendations, and there is a distinct trend towards diversification of product categories, such as adult supplements and wellness-focused beverages.

The major purpose of this paper is to assess these changing consumer preferences and determine how they influence the consumer behavior of purchasing, brand loyalty and overall satisfaction. To accomplish this, 35 respondents were surveyed; they were moms, parents and young adults to collect primary data on the product usage patterns, decision-making motivators, as well as reliable information sources.

The study first looks at how often and what kinds of nutrition products people buy to find out what categories are most popular and what new trends are starting to show up. Second, it looks at the strongest purchase decision drivers such as the importance of nutritional labeling and brand trust. It also evaluates brand switching tendency and the level of satisfaction with the Nestlé nutrition

products to help find the areas of retention and growth. At last, according to the findings, specific marketing plans are suggested to assist Nestlé Bangladesh in enhancing its consumer base, boosting repeat sales, and continuing to become a leader on the nutrition market.

3.1.1 Background and Problem Statement

The nutrition products sector in Bangladesh has witnessed a tremendous increase in the recent past decades due to the increasing levels of income, health awareness, and availability of branded nutrition solutions (Fahim et al., 2021). Such categories as milk powder, baby food, health drinks, and dietary supplements have become a part of the household consumption and cater to the needs of children, adults, and elderly consumers. Nestlé Bangladesh has been instrumental in developing this market by means of product innovation, trusted quality and brand equity.

But preferences of consumers do not remain the same. Greater access to health information via health care professionals, online sources and peer recommendations has changed priorities in purchasing. Today, consumers are more concerned with nutritional value, brand trust and credible endorsements than with price or the packaging. This change in the behavior of the consumers holds prospects as well as challenges to the market leaders such as Nestlé Bangladesh.

The issue is to transform the high awareness and the occasional buying into brand loyalty. Whereas categories such as milk powder/baby food are dominant, the increase in the demand of health drinks and supplements is a sign of diversification in demand. In the meantime, the mid-range of trust among certain consumers and a high proportion of neutral satisfaction scores mean that there is a potential that can be utilized. To deal with these difficulties, a profound knowledge of consumer behavior, gaps in their involvement, and specific marketing models that underline the preferences of changing customer behavior is the key. This research will fill that gap by giving practical recommendations that can assist Nestlé Bangladesh to increase customer loyalty, repeat purchases and remain a leader in the nutrition market.

3.1.2 Objective of the research

Broad Objective

To measure the consumer preferences of nutrition products in Bangladesh and to develop specific marketing plans to improve the position of Nestlé Bangladesh in the market.

Specific Objectives

- Look at how frequently different types of nutrition products are purchased to determine the most popular categories and potential growth areas.
- Find out the main determinants of consumer buying behaviors, such as nutritional status, brand image and healthcare professional recommendations.
- Determine the significance of nutritional information on packaging which shapes consumer decision making.
- Measure the levels of consumer trust and brand loyalty, and switchers between nutrition brands.
- Determine the satisfaction and interest of customers on Nestlé nutrition products.
- Discover the most reliable sources of information about products and popular channels of purchasing.
- Recommend to improve repeat buying, brand loyalty, and responsible marketing of nutrition products, particularly for children below the age of five years.

3.1.3 Significance of the Study

The given study offers constructive information about changing consumer preferences in nutrition market in Bangladesh which will allow Nestlé Bangladesh to tailor specific marketing strategies and campaigns. The study of purchase drivers, level of trust and the pattern of satisfaction will help the company in maximizing brand loyalty, promoting repeat purchase and a competitive advantage, without compromising responsible marketing.

3.1.4 Scope of the Study

The current research aims to determine the consumer preference of nutrition products within Bangladesh and this study is specifically targeting the product portfolio of Nestlé Bangladesh. It includes significant domains of consumer behavior like frequency of purchase, preference of product category, factors of decision making, brand loyalty and satisfaction. The study relies on primary data, which is gathered among 35 respondents, who are mothers, parents, and young adults, and secondary data to have a complete understanding of the market. Although the results focus on Nestlé, the insights can also represent the overall trends in the industry in the Bangladeshi nutrition market. The study does not only involve analysis of financial performance but also intends of bringing up viable marketing strategies that will enhance consumer involvement and loyalty.

3.2 Literature Review

Bangladesh is a country where the nutrition products market has grown tremendously over the past few decades as a result of increased purchasing power, health awareness and access to branded products that satisfy the needs of different age categories. According to Fahim et al. (2020), milk powder, infant formula, and dietary supplements are some of the categories that can be referred to as household staples, whereas Nestlé Bangladesh has become the key player in the development of consumer trust and expectations. Studies have proven that health consciousness and nutritional value are the major influencing factors of purchasing behavior. As shown by Hoque, Alam, and Nahid (2018), health awareness and knowledge are a major determinant of purchase intentions of liquid milk, and, according to Mukul, Afrin, and Hassan (2013), safety, nutritional content, and environmentally friendly production are the factors that positively influence the perception of nutritional food. In a similar study by Mahfuza et al. (2023), it is identified that the consumers in the urban setting are more concerned with the aspects of health than the conventional methods of buying which include packaging or price. Nevertheless, trust is not unconditional-Kamal (2017), demonstrates that consumers in the soft drink market often switch brands when they believe that other brands offer more nutritional benefits or have professional endorsements, which shows how weak brand loyalty can be even in a mature FMCG sector. Marketing strategies also have a

significant influence in creating preferences: Chowdhury Niloy (2022), shows that attractiveness, credibility, and familiarity of endorser have a significant influence in increasing purchase intentions of sports and carbonated drinks, whereas Zheng et al. (2021) indicate that Generation Y consumers make purchases of organic foods due to trust and perceived authenticity. Such insights can be very useful to Nestlé which needs to come up with campaigns that are aspirational yet within the boundaries of the law, particularly in areas such as infant nutrition where direct advertising is prohibited. Even though health and trust are important to consumers, price sensitivity is also an influential factor in purchase behavior as indicated in the study conducted by Karim et al. (2018) on dairy products where affordability, lifestyle, and availability were key factors in purchase behavior. Similarly, Ali (2018) identified that flavor, price, and branding have strong influence on the consumption of healthier drinks by students, as younger consumers consider the flavor and affordability. This paradoxical nature is what global brands like Nestlé face as many of them position themselves as premium but still have to compete with low end local products like the ones offered by Arla in DANO or Abul Khair Group. According to a BMC Public Health (2023) study, sugar-sweetened beverage consumption is more common in urban and higher-income households, and the intake is conditioned by the factors such as income, education, and household size, whereas Islam (2022) discovered that nutrition and hygiene awareness in Sylhet depended on age and education, as younger and better educated consumers were more aware of their health. Lastly, theoretical frameworks can also support these findings: an extended Theory of Planned Behavior was used by Farid et al. (2023) to demonstrate that the marketing mix, especially the quality, availability, and promotional messages of products, have a significant effect on the purchase intention in the dairy industry, providing a theoretical framework to interpret and predict consumer behavior. Taken together, this literature base underlines the fact that the consumer preferences in the nutrition sector of Bangladesh are determined by a complicated interaction of health-consciousness, brand-trust and professional recommendations, socio-demographic realities, and marketing. In the case of Nestlé Bangladesh, competitiveness will require striking a balance between health-oriented innovation, open communication, low prices, and local interaction, and turning elevated awareness and intermittent buying into sustained loyalty in a much more diversified and competitive market.

3.3 Research Methodology

Primary data: The main source of information on this research was based on in-depth surveys of 35 consumers comprising of mothers, parents, and young adults in different regions of Bangladesh. Their age was 18 to 55+, and it presented a broad view of how people prefer nutrition products. In order to improve the quality and credibility of the analysis, I also included expert opinions during the course of the research. The information can be used as a baseline in considering consumer preference in nutrition products and developing effective marketing strategies of Nestlé Bangladesh.

Secondary Data: Secondary data was gathered to corroborate and confirm the main findings and was sourced out of various reliable sources. This involved research articles, journal articles, company reports and financial statements on the nutrition product market in Bangladesh. These sources proved to be a good source of background information and industry insights and thus made the overall analysis and strategic suggestions to Nestlé Bangladesh stronger.

Gathering Quantitative and Qualitative Data:

i) Sampling Strategy: The method of sampling was based on a variety of respondents, including the mothers, parents, and young adults of various ages and household income. The majority of the participants lived in urban regions where the availability of numerous nutrition products and platforms of online shopping is more accessible.

ii) Surveys and Questionnaires: A questionnaire was designed to determine the preferences of consumers with respect to nutrition products. The survey encompassed various aspects such as the frequency of using products, the motivations to buy a product, the perception of a brand, satisfaction with Nestlé products and the channel of preferred place of purchase. Questions were close ended as well as scaled to provide measurable, comparable information regarding the way consumers decide when purchasing nutrition-related FMCG products.

iii) Expert Interview: An expert interview was also conducted with Ms. Nazia Monisha, who is presently working as a Brand Manager at Nestlé Bangladesh PLC as part of the qualitative data

collection process. Her work experience contributed to the elucidation of the existing market trends, consumer behavior patterns, and brand strategies of Nestlé in the nutrition products segment. The interview brought valuable contribution to the research because it made it possible to evaluate the findings of the survey more accurately and give the preferences of consumers a real-life frame.

3.4 Findings and Discussions

This study investigated changing consumer preferences in nutrition products within the country of Bangladesh in terms of brand trust, nutritional value, purchasing behavior, and satisfaction. The answers showed that health benefits, brand reputation, and doctor recommendation are very important in influencing consumer decisions. Also, the information shows that although a lot of consumers are brand loyal to such a company as Nestlé, others are elastic and can switch depending on the price, availability, or perceived health benefits. Such findings help to come up with a more specific and efficient marketing strategy in Nestlé Bangladesh.

3.4.1 Analyzing Nutrition Product Usage and Purchase Frequency

Method of Data Collection:

Survey and Data Collection- A structured questionnaire was used on 35 respondents comprising of mothers, parents, and young adults. The objective was to gain insight into the latest trends in consumer behavior in terms of using and preferring products related to nutrition\

Justifying the Data: Primary data that is gathered via survey helps to give a clear real time picture of the prevailing consumption patterns. It shows the frequency of purchasing nutrition products and what kind of products are required, which is useful in developing the strategies to achieve a better match with consumer demands.

How frequently do you buy nutrition-related products?
35 responses

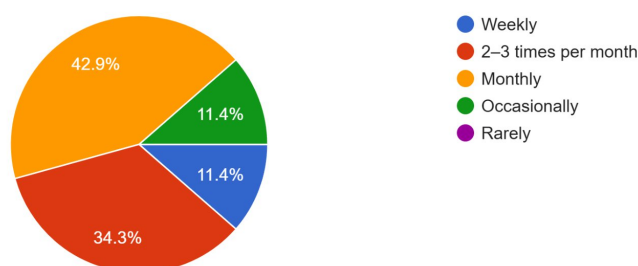


Figure 3: Frequency of Buying Nutrition-Related Products

a) Monthly Purchases Dominate (42.9%)

A considerable number of respondents claimed that they buy nutrition-related products monthly. This implies that such products are gaining entry into the normal household consumption.

b) Moderate but Regular Use (22.8%)

The other 11.4 percent purchase on a weekly basis and another 11.4 percent purchase twice or thrice a month. These figures indicate a significant portion of the regular users who incorporate nutrition products into their habitual shopping patterns.

c) Occasional Buyers (34.3%)

There are quite many consumers who are occasional buyers. This means that there is a potential to increase and to communicate with people via awareness, education, or promotional activities.

Which of the following types of nutrition products do you buy most often?
35 responses

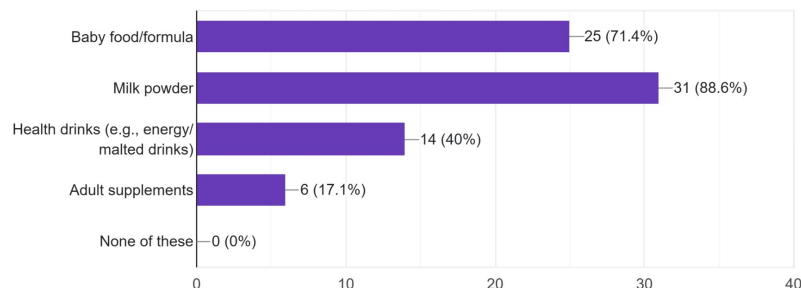


Figure 4: Most Frequently Purchased Types of Nutrition Products

a) Milk Powder Leads (88.6%)

The most popular category was milk powder as 88.6 percent of the respondents said that they buy it. This proves its wide applicability in the household to different age groups.

b) High Preference for Baby Food/Formulas (71.4%)

More than 70 percent of the respondents specified that baby food or formula is one of the most important purchases, which means that there is a high demand within the early nutrition segments.

c) Rising Popularity of Health Drinks (40%)

Forty percent of respondents also buy health drinks like energy or malt-based drinks, indicating that there is an upward trend in wellness-oriented consumption.

d) Limited but Present Use of Adult Supplements (17.1%)

Adult nutritional supplements were chosen by 17.1 percent of the respondents, even though it is a niche category, which indicates a potential category growth in the future.

According to the survey results, the involvement and interest in the products related to nutrition are high and continuously growing. Although the milk powder and baby food categories continue to dominate the market, the increasing interest in the health drinks and supplements is an indication that consumer tastes are becoming more varied, which creates the possibility of expanding the market and innovating the nutritional products offered.

3.4.2 Understanding Purchase Drivers and Decision-Making Factors

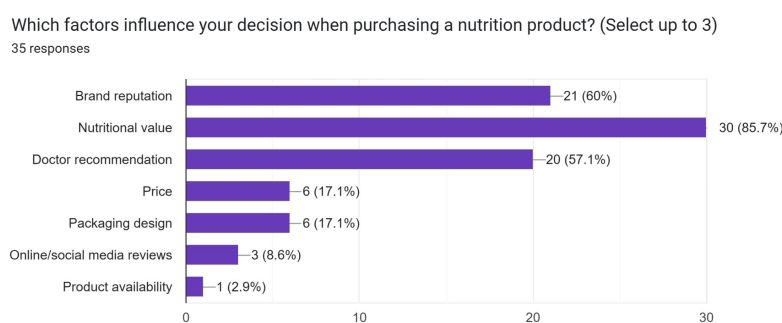


Figure 5: Factors Influencing Nutrition Product Purchases

a) Nutritional Value

Nutritional value was the most dominant factor in the purchase of the product with 85.7 percent of respondents choosing it. This is evident of an increasing concern and priority on health in consumer behavior when purchasing nutrition products.

b) Brand Reputation

Brand reputation was cited by 60 percent of participants as an important factor. This implies that trust and perceived credibility have a powerful influence on consumer choice and brand loyalty.

c) Doctor Recommendation

More than a half (57.1%) of the sample revealed that medical or professional advice is a crucial factor. This implies that the consumer behavior in this category is greatly influenced by the healthcare professionals.

d) Price and Packaging:

Price and packaging were considered important by only 17.1 percent of respondents and this is an indication that cost and appearance are less significant than product content and trust.

e) Digital Influence & Availability

It was a surprise that the external opinion and accessibility are currently not contributing much to the purchase decision of nutrition products since only 8.6 percent of the respondents said online/social media reviews and 2.9 percent said product availability.

How important is the nutritional information on packaging when choosing a product?
34 responses

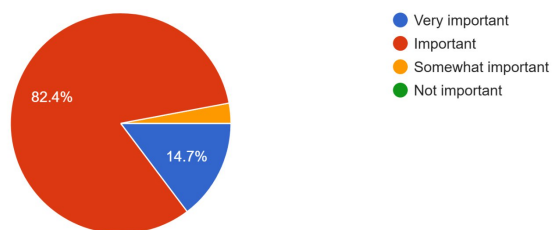


Figure 6: Importance of Nutritional Information on Packaging

a) Clear Importance of Labels

A staggering 82.4 percent of the respondents reported the importance of nutritional information with another 14.7 percent reporting it as very important. This points to the fact that consumers are reading and trusting product labels in their decision making.

b) Minimal Indifference

Very few of them chose something quite significant or not significant, and it is important to note that product transparency by means of labeling became one of the essential expectations of nutrition product buyers.

Based on these findings, it is clear that consumers are being driven by their health-conscious decision making in the nutrition category. Purchase motivators are dominated by nutritional value, professional trust, and brand reputation, and less important are the packaging and pricing. Also, the emphasis on the product labels implicates that consumers are becoming more aware and purposeful in their decisions.

3.4.3 Consumer Trust and Brand Switching Behavior

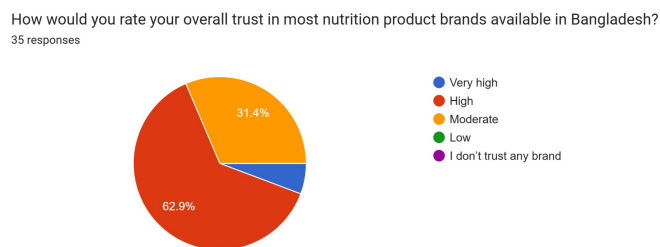


Figure 7: Consumer Trust in Nutrition Product Brands

a) High Trust Levels

Most of them (62.9%) expressed high levels of trust in brands of nutrition products indicating a positive attitude toward the category.

b) Moderate Trust

Moderate trust was expressed by 31.4%, which indicates that there is still room to increase consumer trust by improving transparency, assuring the quality of the products, and communication.

c) Very High Trust is Limited

Very high trust was only reported by 5.7 percent, which means that although trust is present, not many brands attained a high level of consumer confidence.

Have you ever switched from one nutrition product brand to another? If yes, what was the main reason?
35 responses

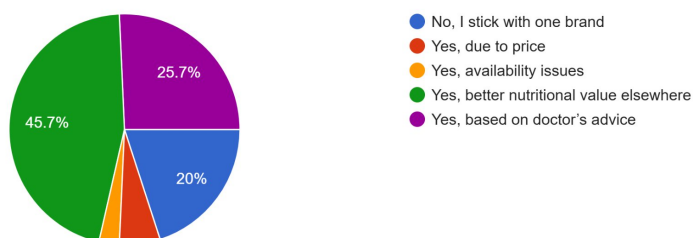


Figure 8: Brand Switching Behavior

a) Switching for Better Nutrition

The most common cause of brand switching (45.7 percent) was the availability of better nutritional value in other brands indicating that consumers are more concerned with health values than other aspects.

b) Doctor's Advice

A large proportion of 25.7 percent of people changes brand due to medical recommendation and this reaffirms the powerful impact of health care professionals on brand choice.

c) Brand Loyalty

One-fifth mentioned that they do not switch at all, and it is one of the groups of loyal customers who can be developed more.

d) Other Factors

Only a minor percentage (5.7) switched on the basis of price, and 2.9 switched based on the issue of availability, which indicates that they are not major motivators as compared to nutrition and professional advice.

The results indicated that, overall, consumer loyalty to nutrition brands is at a high level, but it could be higher and increase the percentage of consumers in the middle trust level to very high level. The perceived increase in the nutritional value and a recommendation of trusted sources of

medical advice are the key drivers of brand switching, so the quality of its products, the recommendations of the professionals and their credibility are the best retention and profit growth drivers.

3.4.4 Consumer Engagement and Satisfaction with Nestlé Nutrition Products

Have you ever purchased Nestlé nutrition products (e.g., CERELAC, NAN, NIDO, MILO)?
35 responses

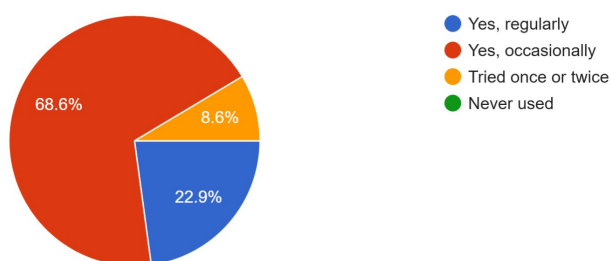


Figure 9: Purchase Frequency of Nestlé Nutrition Products

a) Occasional Purchasers Dominate

Most of them (68.6%) said that they occasionally buy Nestlé products, which implies a high level of awareness but not a habitual use.

b) Regular Buyers

A good proportion of 22.9 percent of the people buy Nestlé products on a regular basis which means that Nestlé has a large group of frequent customers.

c) Trial Users

The percentage of those who have once or twice heard Nestlé products is 8.6, which is a lesser number that can be converted into repeat buyers through specific attention and promotion.

If you have previously used Nestlé nutrition products, how would you rate your overall satisfaction with them?
35 responses

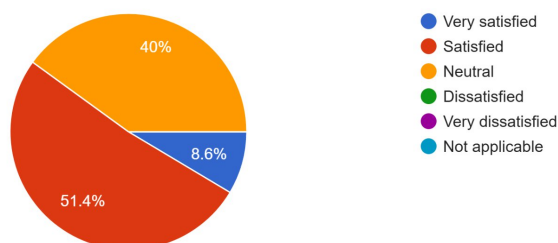


Figure 10: Overall Satisfaction with Nestlé Nutrition Products

a) Positive Sentiment

Approximately 51.4 percent are satisfied, and when we divide this into very satisfied it amounts to 8.6 percent which means that there is a high level of brand approval.

b) Neutral Responses

Forty percent of respondents claimed to be neutral, which indicates that Nestlé has a chance to optimize products further and make them more appealing and competitive.

c) No Significant Dissatisfaction

None of the respondents mentioned dissatisfaction, which means that there is a good and stable brand image of Nestlé in the nutrition segment.

Based on the findings, it can be said that Nestlé has a positive perception in the nutrition market without a sign of dissatisfaction. Nevertheless, the prevailing of occasional customers and neutral responses show that there is a great opportunity to enhance the regular buying frequency and customer satisfaction with better value proposals, promotions, and loyalty programs by Nestlé.

3.4.5 Trusted Sources for Learning About Nutrition Products

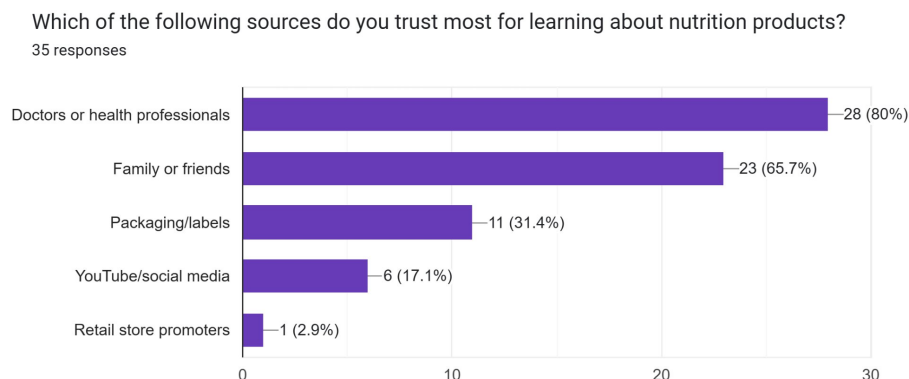


Figure 11: Trusted Sources for Learning About Nutrition Products

a) Healthcare Professionals Lead

The most trusted source is the doctors or healthcare professional (80%), a factor that highlights the empirical importance of an expert recommendation.

b) Word of Mouth Matters

65.7% depend on their family/ friends which points towards the importance of word-of-mouth in regards to consumer behavior.

c) On-Pack Information

31.4 percent are of the opinion that packaging and labels are trusted which emphasizes on the significance to have clear, plausible and explanatory labeling on the products.

d) Digital and Retail Influence is Limited

With 17.1 percent of trust levels and 2.9 percent in retail store promoters, it means that the social media and the retail store promoters are less effective in creating consumer confidence.

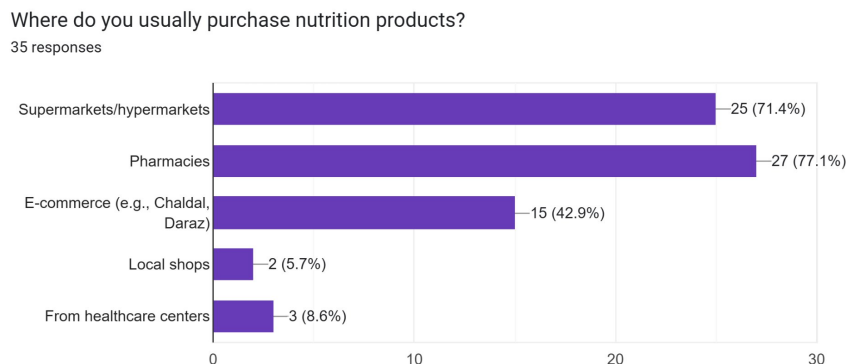


Figure 12: Usual Purchase Channels for Nutrition Products

a) Pharmacies and Supermarkets Dominate

The most dominant purchase channels are pharmacies (77.1%) and supermarkets/hypermarkets (71.4 percent) given the reliability in longstanding point of sale.

b) E-Commerce Growth

An indicator of increasing ways of buying online is that 42.9 percent buy goods online through e-commerce channels, but this remains lower than through physical stores.

c) Minimal Local Shop and Healthcare Center Purchases

Just 5.7% purchase from local retailers and 8.6% from healthcare centers which implies these area niche channels.

The evidence indicates that consumers hold the most credence in professional and personal suggestion, whereas pharmacies and supermarkets are their main acquisition points. To do successful marketing, there are some steps that brands need to take that include, taking advantage of healthcare endorsements, enhancing word-of-mouth promotion, and branching out in the leading retailer, as well as new e-commerce outlets.

3.4.6 Marketing Strategy for Nestlé Bangladesh

Considering the results of the survey and the respective market analysis along with a conversation with Nestlé Nutritionists, Nestlé Bangladesh ought to implement a marketing strategy that is aligned to the changing consumer trends. The strategy will promote brand credibility, increase purchase rate and take up the new opportunities in the nutrition products market.

i) Aligning with Consumer Priorities

Marketing strategy under Nestlé Bangladesh should be based on the current changing consumer demand as revealed by the survey's results. The data shows that the leading purchase drivers in the nutrition category are nutritional value (85.7%), brand reputation (60%), and doctor recommendations (57.1%). These findings obviously reveal that the health-conscious choice is the one that consumers are making. Thus, scientific credibility, trust-building, and health professional endorsement should be the key pillars in the marketing strategy of Nestlé Bangladesh.

ii) Converting Occasional Buyers into Regular Customers

Since 68.6 percent of the respondents indicated that they are occasional purchasers, the major issue is how to make these consumers regular buyers. This is to be rectified by special offers of loyalty, subscription-based purchasing and bundled offers which encourage repetitive buying. Offering a "Nutrition Care Pack" subscription, which combines milk powder, baby food, and health drinks at a discounted price, for instance, might promote consistent monthly purchases. This can be further encouraged with season health campaigns especially when it involves winter immunity or milestones in the growth of the child.

iii) Strengthening Brand Trust and Loyalty

The brand trust is already high (62.9 percent report high level of trust) and not much dissatisfaction is noted. But the moderate 31.4 percent can be seen as a major opportunity to grow. Nestlé ought to deal with this group through marketing campaigns to educate them about where the products are obtained, nutritional value, and quality assurance. The focus on local sourcing and global safety standards as a key element of storytelling will create the brand loyalty and trust.

iv) Leveraging Sales Channels and Digital Marketing

Of channel focus, the survey indicates that purchasing in pharmacies (77.1%) and supermarkets/hypermarkets (71.4%) is still prevalent, whereas e-commerce covers 42.9 percent of buying, which is bound to rise with internet penetration levels. To fit this trend, Nestlé Bangladesh ought to increase the number of digital activities by including interactive content, and online advertising through targeted ads, and the engagement of influencers (Naidu, 2024).

v) Enhancing Transparency and Product Innovation

Another strategic opportunity is transparency in the labeling since 97.1 percent of the respondents consider nutritional information as important. Nestlé should improve packaging by using legible, readable labels, QR codes to information about products, and graphical nutrient analysis. This facilitates not only the adherence to the emergent food regulation but also anticipations of consumers regarding transparency. Also, innovation must focus on new demand segments, i.e. adult nutritional supplements and health drinks. Health drink flavors that are limited edition,

fortified adult products, and plant-based products can be used to diversify Nestlé portfolio and attract new markets.

v) Responsible Marketing for Nutrition Products Under Age 5

In the case of nutrition products aimed at children below the age of five, Nestlé Bangladesh adopts a compliance-first marketing strategy as per the laws of the country and the WHO Code of Marketing of Breast-milk Substitutes. Other than that, in the case of nutrition products aimed at children below the age of five, Nestlé Bangladesh can enhance responsible marketing by neither only complying with the laws, but also contributing to parental education and child health. This may involve campaigning throughout the country to educate about age-appropriate feeding, working with pediatricians and healthcare professionals to conduct workshops and provide hospital-based advice, and communicating the ingredient list with clear labels and QR codes that direct to more information. Trust can be built through community engagement initiatives, like mother and child nutrition events, free growth monitoring, and feeding demonstrations, and digital solution, such as mobile applications with growth trackers and feeding schedules, can help to support individuals continuously. Also, by encouraging sustainability efforts, including sustainable packaging and ethically sourced ingredients, it is possible to strengthen the message that Nestlé cares about the long-term well-being of children.

3.5 Summary and Conclusions

The aim of this report was to consider the consumer preferences in the nutrition market in Bangladesh as a part of planning strategic marketing efforts by Nestlé in Bangladesh. The study relied on the survey results of 35 people, including mothers, parents, and young adults, and secondary data to understand the purchasing behavior, the category in which people purchase their products, the factors that influence the decision, brand trust, and satisfaction.

The result indicates, although milk powder and baby foods are still the most popular items bought by households, the concern about health drinks and adult supplements has been growing and this will be an indicator of a more diversified and evolved market. The nutritional value proved to be the most influential factor in the purchases with brand reputation and healthcare professionals' recommendations ranking second and third respectively. The factors that were comparatively less important were price and packaging, whereas most of the respondents had a high importance on transparent nutritional labeling as it shows increasing need of credible information about the product.

Though the level of brand trust in nutrition products is quite high, there is still a lot of room to explore the deeper engagement as many consumers show moderate levels of trust. In the case of Nestlé, most of its buyers are occasional buyers, regular buyers and new users provide an opportunity of conversion with the use of specific promotions and value-oriented campaigns. The levels of satisfaction were positive, and no dissatisfaction was reported, but the high percentage of neutral answers shows that there is a possibility to improve brand experiences.

To sum up, the study concludes that Nestlé Bangladesh can improve its leadership by focusing more on health-related communication, creating a stronger trust level based on professional recommendations, improving the level of product transparency, and creating loyalty to turn occasional customers into committed regular customers.

3.6 Implications

Findings of this research hold important consequences to Nestlé Bangladesh and the nutritional industry on the whole. The high impact of the nutritional value, brand reputation, and healthcare suggestions indicate that health-related messages and professional recommendations should be used in the marketing strategy in the future. The focus on transparent and easy to understand product information with understandable labeling proves the point that transparency in information leads to consumer trust. The prevalence of occasional buyers shows that there is a high potential of engagement initiatives to increase the frequency of purchase and loyalty. Moreover, the growing interest in health drinks, baby formula and adult supplements presents potential for category expansion. In general, the ability to match product innovation, communication strategies, and promotional activities with the changing consumer preferences will be essential to the competitiveness in the nutrition market of Bangladesh.

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Appendix

Here is the link of the google form-

<https://docs.google.com/forms/d/e/1FAIpQLSeDQl0WG-VbAMjY5YFeOuvOnV8jtxEv6Elbh8fv2ep8UWnvsA/viewform?usp=header>