

Report on
B2B Market Scoping and Channel Development of Unilever Puriet

By
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An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of Bachelors of Business Administration

Brac Business School

Brac University

October 2020

Declaration

It is hereby declared that

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

Student's Full Name & Signature:



M. Shoaib Kamal
Student ID 16304183

Supervisor's Full Name & Signature:

Mr. Riyashad Ahmed
Assistant Professor, Brac Business School
Brac University

Letter of Transmittal

Mr. Riyashad Ahmed

Assistant Professor

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on “B2B market scoping of Unilever Pureit”.

Dear Sir,

With due respect, as part of the course requirements “Bus 400” I have prepared the internship report entitled “B2B market scoping of Unilever Pureit”.

I have given my heartiest effort to prepare the internship report. I have tried to incorporate my experiences, learning and showcase the insights of this internship period to make the report as informative as possible.

It has been an honor for me complete my internship under your supervision. I sincerely believe that it will fulfill the purpose of the internship and all the requirements.

Sincerely yours,



M. Shoaib Kamal

16304183

BRAC Business School

BRAC University

Date: 6th October, 2020.

Non-Disclosure Agreement

This agreement is made and entered between Unilever Bangladesh and the undersigned student at BRAC University, M. Shoaib Kamal.

Here I declare that I have not disclosed any confidential or harmful information of the company in this report. This report was made only for academic purpose as a part of my undergraduate degree completion procedure.

This report will not be published and it will only be withheld by BRAC University as a record for my internship completion

Acknowledgement

I want to express my deepest gratitude to my academic supervisor Mr. Riyashad Ahmed, Assistant Professor of BRAC Business School, who has helped me constantly and always provided solutions to my problems regardless of all the constraints.

Moreover, I am grateful to the Life Essentials team of Unilever Bangladesh Ltd. who made my internship opportunity in the company an enticing experience. I would like to thank my Supervisor Tanvir Hossain, Business Development Manager - water, Unilever Bangladesh Ltd. for always looking after my learnings and providing directions whenever I needed. I would also like to thank the following personnel, Ahmed Nawroz, Business Head – Life Essentials, Afnan Bin Ashraf, Senior Territory Manager- water, Borna Dasgupta, Customer Relationship Manager, Sabit Sarwar Nadhvee, Product Development Associate, Md. Sadiqur Rahman Khan, Development Manager, Homecare. Their guidance has been significant for me during my internship period at Unilever Bangladesh Ltd.

I would also like to thank Samiha Sanjana, HR- Employer Brand, Unilever Bangladesh Ltd. for keeping the door wide open for me to have such a spectacular professional experience.

Executive Summary

Unilever is a British-Dutch multinational consumer goods business operating in more than 190 countries worldwide, being one of the largest in the category worldwide. Here in Bangladesh, it is named as Unilever Bangladesh Ltd. and known as one of the pioneer and leading firms in the FMCG industry. Over the last four decades, Unilever Bangladesh Ltd. has been bringing innovative and world-class products to reduce the drudgery of the mass people of Bangladesh. Currently UBL has 23 brands offering goods of different categories meeting the customer satisfactions with new innovations every day. UBL has already achieved many sustainable competitive advantages through the operational excellence, leadership, customer centric behavior. Over 98% of the country's households use one or more of its products on a regular basis.

Ensuring the water safety has always been a concern for Unilever Bangladesh Ltd. and their actions were visible to mitigate the hygiene issues of different available sources of drinking water was shown with the introduction of Unilever Pureit in the year 2010. The Life Essentials team of UBL deals with the consumer durable brands of Unilever in Bangladesh which includes the Unilever Pureit. Through this brand, UBL wants to ensure the easiest, practical and affordable source of pure sustainable drinking water solution for the mass population.

Unilever Pureit is currently the best water purifier brand available in the market, having possession of the largest portion of share of the market as the safest solution of water purification needs. However, in a developing country like Bangladesh where Industries are growing with time passing by, there is always a scope of market expansion with new innovative products.

This report aimed to depict the market opportunities and insights gained through the market scoping for the new portfolio that UBL is going to launch for the B2B market. The market scoping was done intended to develop the channel distribution and determining the market size for the to be launched portfolio of Unilever Pureit which essentially targets the industrial and corporate use.

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Chapter 1: Overview of Internship

1.1 Student Information

Name: M. Shoaib Kamal

ID: 16304183

Program: Bachelor of Business Administration

Major/Specialization: Finance

1.2 Internship Information

1.2.1 Company Information

Tenure: June 21, 2020 to September 22, 2020. A total tenure of 3 months.

Company Name: Unilever Bangladesh Limited.

Department: Life Essentials.

Address of the company: ZN Tower, Plot# 02 Rd# 08, Dhaka 1212, Dhaka 1212.

1.2.2 On-site Supervisor's Information

Name: Tanvir Hossain

Designation: Business Development Manager - Water.

1.2.3 Job Scope

As an intern I was assigned with the following job responsibilities:

1. Be engaged at the core works of Unilever Pureit B2B Project and determining market scope
2. Developing the channel distribution of B2B portfolio
3. Determining the market size based through market research
4. Understand and differentiate the consumer behavior of both B2C and B2B consumer durable products
5. Communicating with existing industrial solution provider to have the understanding of the competitor's businesses
6. Suggesting new ways of market tapping with offerings and value proposition

1.3 Benefits to the student

During the internship period, the learning and the experiences were beyond expectations. Indeed, it was very different from the academic environment which I was used to encounter. Due to the internship opportunity, I got to learn numerous new things which were unfamiliar to me throughout the three-month period. Some significant learnings are the followings:

1. Hands on experience of the corporate environment: During my undergraduate life, I did not get that many opportunities to experience the corporate environment. However, the internship experience enabled me get used to with the challenging corporate tasks and the routine as well. In the beginning, things were a bit difficult for me to suit in the 10 to 6 office hours. Moreover, doing the virtual internship amidst the pandemic was also another challenge which I think I have lived up to the expectations I was having out of this internship experience. However, with the passage of time, I got a hold of the situation and tried my best to excel in the allocated responsibilities and tasks.

2. Learning the operations Unilever Pureit: First of all, the academic learnings and the corporate practices are very different from each other which I had an idea about before joining in Unilever as an Intern. The academic knowledge we had about the FMCG industry and the operations of consumer durable businesses, were very much limited in terms of current day practices and experiences. Nevertheless, the internship opportunity allowed me to understand how the national sales and operations of a consumer durable business works out. As Bangladesh being a developing country having many issues of water contamination throughout the nation, Unilever Pureit has been one of the prominent brands to ensuring water safety and thus I also got the opportunity to learn how a big multinational company has been dealing with the challenges every day with a view to capitalize the window of opportunities lying in the market.

3. Learning corporate etiquettes and ways of communication: As an intern, I had to maintain both internal and external communication for Unilever Pureit on a regular basis. The opportunities to connect with a number of industry specialists during the tenure, helped me to get the market knowledge of water purifier market. The encounters with the external and internal stakeholders allowed me to get used to of the corporate etiquettes and communicating ways, which I believe will give me an upper hand later in my professional career.

4. Learning about the market competitors: As a part of the project, while researching about different market competitors of the B2B market of water purifiers, I got to know about different market offerings of other local and branded purifier companies which gave me the insights of the existing market. It helped me not only to develop ideas of market offerings of new portfolio which is in the pipeline to be launched by Unilever Pureit, but also the nature of the consumers which are considered to be the important factors behind their purchase decisions.

5. Developing an understanding of the market size: As responsible for the market scoping of the B2B market scoping and channel development, I got to identify how big the market size is for the consumer durable market, particularly for the water purifying market. A country with such a big population is essentially a big market for consumer durables in today's time. On top of that, the idea of drinking safe water is now almost present in every households and our day to day lifestyle, the market growth and the opportunity the water purifying market holds for Unilever Pureit is a significant factor to consider before launching a new product into the market. Having an idea about the big market size was essentially one of the biggest learning during my internship period. Thereupon, Unilever Pureit with its rigorous decision-making process on how to operate the national sales, market offerings, campaigns and activations and product development helped to me prepare myself to undertake big challenges in this market later in my career.

8. Prioritizing a healthy work environment and employee's wellbeing: Working in a multinational company like Unilever Bangladesh Limited, it takes plenty of time and efforts from an employee to excel in his or her responsibilities. However, with the practices of the Life Essential team, I got to learn that, it is significantly important to maintain healthy work environment and routine for the employees to keep the machine of enthusiasm running on a high speed. The weekly team catchups were very effective to know about the team members well beings both personally and physically during this pandemic. This time of anxiety and distress, the team kept a good track of their team members with sessions of experience sharing while most of the team was working from home initially in the pandemic. This illustrates the importance UBL gives to the wellbeing of their employees and ensuring the healthy work environment.

1.4 Difficulties faced during Internship

There are a few difficulties that I had to go through during the Internship. They are:

1. The internship was completely virtual as a result; no physical presence was required during this internship tenure. Indeed, it was a matter of safety during the time of pandemic to work from home. However, having the beginning experience of corporate life virtually was a bit difficult to settle down with in the early stage, getting introduced to everyone virtually and having all the training through online platforms.
2. While conducting the market research, I came to know that there are not many researches going on regarding the water safety and the available drinking water sources of our country. Thus, it was a very difficult job to gather information of the competitors, available water sources and their users, and determining the market size of the market.
3. Limitations to visit the market physically due to the covid-19 situation was one of the challenges to understand the consumer buying behavior. Moreover, getting insights of the existing industrial water purifying solutions was a difficult job while conducting the research online which would have been easier if we had the scope of conducting the market research physically.

Having said that, it is hard not to acknowledge how minor inconveniences these two problems turned out to be with the assistance and guidance of all the employees of Unilever Bangladesh Limited.

Chapter 2 Organization Part: Overview, Operations and a Strategic Analysis

2.1 Introduction

2.1.1 Objective

The objective of this chapter is to represent the analysis of the organization from a strategical viewpoint. This chapter should provide insights about the business, its operations and practices.

2.1.2 Methodology

Primary data and secondary data are collected to conduct the strategic analysis of the organization.

1. Primary Data: Different studies and historical data were collected regarding the market and the business which were provided by employees and the top managements of different departments.

2. Secondary Data: For the collection of secondary data, different online articles, government database were used to calculate and analyze on different insights of the market.

2.1.3 Limitations

As an intern, I faced difficulties to access information regarding other departments and brands. According to the policies, I had restrictions to gather knowledge about unique company practices which are constantly giving Unilever Bangladesh a competitive edge in its businesses.

2.1.4 Significance

Unilever is one of the largest consumer goods business all across the world, and recognized as one of the pioneers to lead the FMCG industry of Bangladesh with quality branded products. Being a pioneer of the industry, this strategic analysis will be an overview of their successful business model which can be an example to the other FMCG businesses.

2.2 Overview of the Company

2.2.1 Introduction

In the year 1964, Unilever Pakistan, subsidiary of Unilever, the Anglo Dutch Consumer Goods started its business in Kalurghat, Chittagong, within the territory of then East Pakistan. The quest of improving the lifestyle of the people of Bangladesh with the quality branded products started from then on by Unilever Bangladesh. As of now, Unilever Bangladesh Ltd. Is constituted with Unilever owning 60.75% of share and the remaining owned by the Government of Bangladesh. Today, Unilever Bangladesh Ltd. has 23 brands serving the people with variety of consumer goods meeting their needs every day. The product categories include Household Care, Fabric Cleaning, Skin Care, Oral Care, Personal Grooming, Food and Tea. Unilever has always been serving the mass of Bangladesh bringing their expertise and knowledge with their purpose led brands, making it a truly multi-local multinational business.

2.2.2 Vision & Mission

With the valiant effort to transform the consumer goods industry of Bangladesh, the impacts and the development in these products categories are visible and represents the long way the country has come so far.

2.2.2.1 Vision

To make sustainable living commonplace. We believe this is the best long-term way for our business to grow.

2.2.2.2 Mission

Unilever's mission is to add vitality to life all over the world. Here in UBL, it follows this and tries to the need of nutrition, hygiene and personal care with their purpose led brands that help people to feel good, look good and get more out of their life.

2.2.3 Products and Services of the company

Meeting the day to day needs of the people of this country, UBL has introduced 23 brands so far here in Bangladesh. Here in Bangladesh, the company operates in five distinct categories.

- Fabric Solution
- Home Care
- Personal Care
- Foods

Fabric Solution comes with brands like Wheel, Rin, Surf Excel whereas Vim and Domex falls under Home care. All the beauty soaps like Lux, Lifebuoy, Dove falls under the personal care category. Similarly, Oral Care brands, Skin care brands and Hair care brands fall under the personal care category. However, UBL has not launched many brands under food category except Knorr and Lipton Taaza. Lastly, the Life essentials team, which is also under Home care category deals with the consumer durable brands, particularly Pureit. Globally Unilever has over 400 brands catering the needs of different variety with their wider range of products. Renowned food brands such as Breyers, Ben & Jerry's, Cornetto and Magnum are not yet introduced into the market of Bangladesh. However, 2.5 Billion people every day are using at least one of these brands. UBL has been no different with its purpose led and future fit brands serving the necessities of the people connecting with their root every day.

2.2.4 Organogram of Life Essentials, UBL

As an intern under the Life Essentials team, it was an enticing experience for me to know about its operational structure.

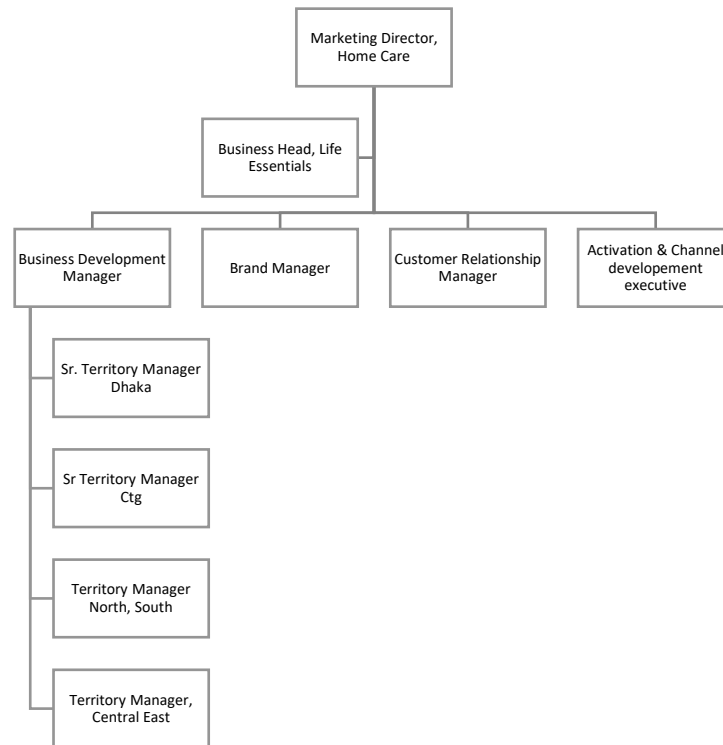


Figure: Organogram of Life Essential Team of UBL

2.3 SWOT analysis of the company

SWOT analysis analyses the strengths, weaknesses, opportunities and threats of a company or business. The SWOT analysis of UBL is shown in the figure

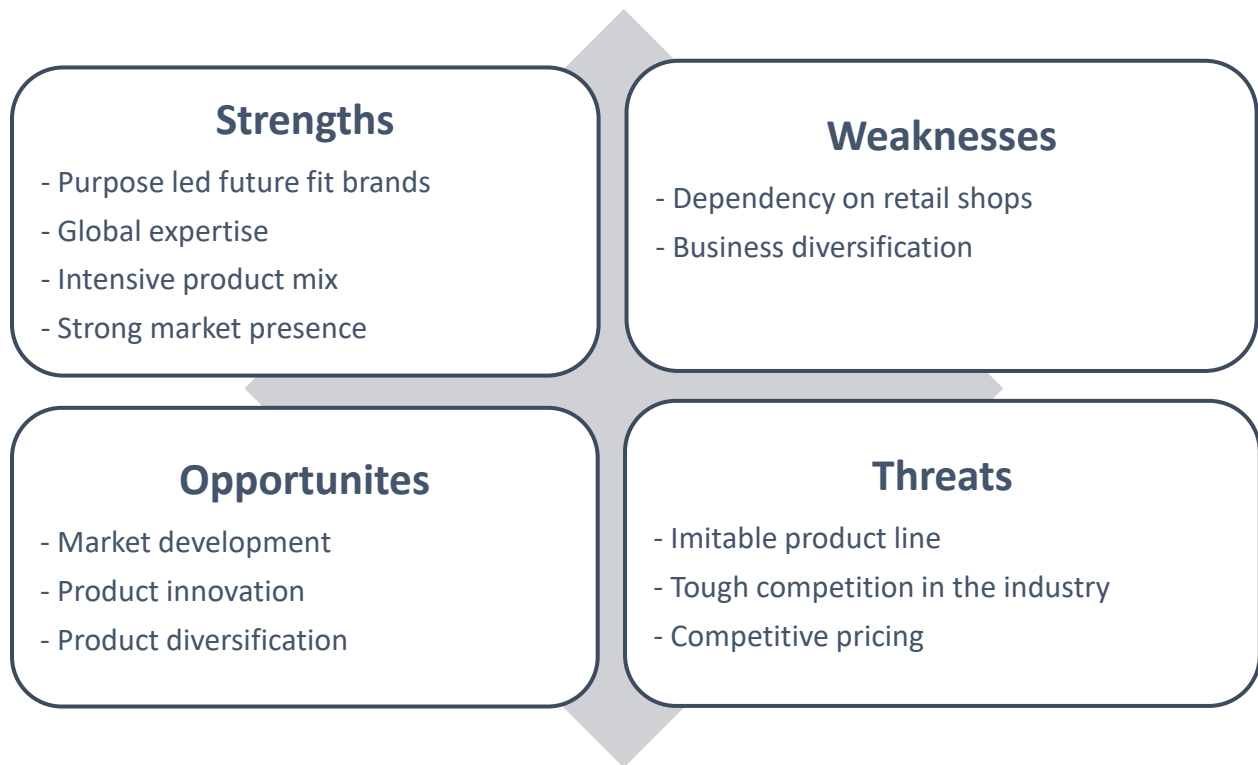


Figure 2: SWOT analysis of UBL

2.4 Summary and Conclusion

This chapter gave an overview of the operations of Unilever Bangladesh Limited from 1964 to modern day time, how it has grown and meeting the demands of households all across the country.

Significant sustainable approaches undertaken by different departments have been very important to make the business of Unilever Bangladesh Ltd. a sustainable one in the industry and a prominent one. To conclude, this can easily be said that, other businesses in the same industry intend to follow the same business model as UBL's. All the small and large businesses tend to get inspired by the business model of UBL and have been looking up to them with their unique product development, marketing strategies and innovations.

Chapter 3 Project Part: B2B market scoping and channel development of Unilever Pureit

3.1 Introduction

Unilever Pureit is the first brand to introduce the branded water purifiers in the country back in the year 2010, when people were less concerned about their water hygiene. For the last 10 years or more, Pureit has been catering all the household needs of water purification, making it one of the most reliable sources of drinking water where there were plenty of other options existing in the market. With the certification of different national agencies such as Bangladesh Council of Scientific and Industrial Research, BUET have made it one of the most trustworthy brands for the mass to rely on. On top of that, Pureit has been operating with the same believability in 9 countries all across the world. However, currently Pureit has been providing the water purifying solutions with the product line designed for household solutions particularly. In the coming days, Pureit intends to bring product development and introduce new product line to cater the industrial usage of water purifying where a big opportunity lies for Unilever Pureit.

3.2 Process of the project

The project named B2B market scoping and channel development of Unilever Pureit which aimed to understand the market scenario and market opportunities for the to be launched portfolio of industrial water purifying solutions of Unilever Pureit. The processes of identifying the market opportunities were as followed

- Analyzing customers buying behavior of consumer durables
- Determining the opportunities for tapping in
- Product Comparison with existing market solutions
- Developing the value proposition and market offerings
- Calculation of the probable market size

3.2.1 Analyzing customer buying behavior of consumer durables

Before starting the study on the B2B market scoping, understanding and analyzing the buying pattern of consumer durable, the influencing factors behind the decision-making processes of the buyers. To understand this, understanding the product difference, learning which one offers what and the need of using the products were essential to get a hold on. The current portfolio offers different values and purification at different pricings which meets the customer needs accordingly. Consumer durables are different in nature and pricing compared to the non-durable products which needs repetition in purchase to consume whereas, consumer durables are purchased two or three times by a person during his or her lifetime. As a result, the buying behavior changes while buying these sorts of durable goods and Brand image, reliability, trustworthiness, believability and the credentials play big roles to influence the decision-making processes of the buyers.

3.2.2 Determining the opportunities for tapping in

Bangladesh being a developing country, makes it a very big sector of industrial development. Having all these developments going around, the opportunity keeps on increasing. Previously, the portfolio offered by Unilever Pureit were focused on the household solutions which could not meet the demands and requirements as per the industrial needs of water purification. Offering new product with a view to cater these needs, it was important to understand which sectors were the potential markets for the water purifiers. As a result, we came to know that all the institutions, offices, banks, small and large businesses, factories, hospitals, warehouses are the potential markets for the industrial water purifiers which is inevitably a market of mammoth size.

3.2.3 Product comparison with existing market solutions

Back in 2010, when Pureit came with its water purifiers in Bangladesh, no other branded purifiers were available in the market. Soon after Unilever Pureit gained popularity in the market, other businesses understood the market opportunities and started importing and introducing branded and non-branded water purifiers in the market. However, till today there are only a few branded

purifiers available in the market who are struggling to compete with Unilever Pureit. However, that is not the case for the industrial solutions. Many local importers and businesses provide the industrial water solutions who are selling their products at a very competitive price regardless of the fact that, their service and product quality is not up to the par. That gives a competitive advantage to Unilever Pureit, being the pioneer of the water purifiers in the market of Bangladesh. With the reliable brand image, it will be easier for it to introduce and tap in to the market with unparalleled opportunities. Beforehand, the industry knowledge is required to launch any new product into the market as this is categorized under market diversification. Thus, the product comparison was necessary to get the insights of the B2B market of water purifiers. Some of the product details are as followed –

Brands	Lan Shan (Taiwan)	CG Pure Water (Locally Assembled)	Metleaf (Locally Assembled)	Metleaf (Locally Assembled)	Enam Water Company	Enam Water Company
Model	LSRO-171 RO purifier		4000 Litre Automatic UV+RO+MIN	High Volume 400 GPD	1500 GPD	3000 GPD
Price (BDT)	72000	33499	80500	350000	300000	550000
EMI Facilities	0% EMI up to 12 months	N/A	N/A	N/A	N/A	N/A
Purification Stage	5	5	5	Not Specific	Not Specific	Not Specific
Purification Type	RO purification	RO Purification	RO + UV + MIN purification	Reverse Osmosis technology	Reverse Osmosis technology + UV	Reverse Osmosis technology + UV

Storage Capacity	10 L - Warm Water,	160 Liters	1000-1200 Liters	4000 Liters	1000L (customizable)	1000L (customizable)
Purification Rate	8 Lph (hot 5L, Cold 3L)	66 Liters	166 Liters	Not Specific	250 - 300 Lph	400-500 Lph
Warranty Service	1 Year Warranty, Three Services	1 Year free service	Free Service for 5-10 years	Free Service for 5-10 years	1-year free servicing	1-year free servicing

Table 1: Brief Competitor Product Details

3.2.4 Developing the value proposition and market offerings

The usage of consumer durables is different from households to industries. For household, people tend to look for the durability and the reliability before opting for any particular product whereas for industrial usage, a lot of other factors come into play. While the top management is usually the decision makers of these infrastructural changes made into their organizations, the cost effectiveness, budget, expense of daily water consumption, savings made out of the change, longevity and sustainability influences the purchase decisions. Considering these factors, the value proposition and the market offerings need to be made, thus a dedicated after sales service and consultancy team is required for this B2B portfolio of Pureit. Other than that, the cost effectiveness is one of the decisive factors influencing the purchase decisions. In one of the cases, installing around 25 premium devices gave a savings around 700,000 BDT for a bank for catering their 900 employees of three branches compared to their existing solution. These sort of value proposition and business cases required to be developed to make the offerings to the corporate and industrial clients.

3.2.5 Calculation of the probable market size

To enter into a new market, a lot of assumption and calculation need to be done beforehand. B2B market has been a new one for Unilever Bangladesh, as not many products have been introduced in to the B2B market, particularly Pureit being the only durable product in their portfolio, it is

completely a new quest of success. To achieve that, proper calculation of market size is required to enter in a new market while diversifying the target market. Keeping that in mind, research and estimations led us to numbers beyond the expectations regarding the new market that UBL is going to enter.

3.3 Methodology

Primary data and secondary data are collected to conduct the market scoping for B2B market of Unilever Pureit.

1. Primary Data: Different studies and historical data were collected regarding the market and the business which were provided by employees and the top managements of different departments. Other than that, Interviewing the existing businesses of industrial water purifiers were crucial to get the product knowledge of competing businesses.

2. Secondary Data: For the collection of secondary data, different online articles, government database were used to calculate and analyze on different insights of the market. Different database of institutions, garments, factories, hospitals, banks were used to calculate the market size and purchase behavior of consumer durable products.

3.4 Consumer Durable Market

3.4.1 What is consumer durable goods –

Durables, also known as long-lasting products or consumer durables, is a type of consumer products that do not wear out easily and thus do not need to be bought much frequently. Consumer goods are segregated in two types, Durable goods and non-durable goods. Durable goods are usually the one having longer life spans and longevity. On top of the reusability, the durable goods are comparably expensive as well from the non-durable goods. An example of durable good can be washing machine which takes years and multiple uses to wear out its usefulness. The reusability and the big-ticket characters of the durable products set them apart from the non-durable products, such as soaps, disposables and so on. There are number of categories under the consumer durable goods, namely Furnitures, Home Appliances, Jewelry, Consumer electronics, Automobiles etc.

3.4.2 Nature and growth of the market in Bangladesh –

Being the 8th largest population in the world and geo-strategically located between China and India, Bangladesh has been the focal point for expansion opportunities for many sectors and consumer durable goods are no different. The increasing urban population, nuclear families are the prime factors affecting the change of consumption pattern and buying behavior which increased from 19% to 30% of the entire population from by 2016. On top of that, the middle and affluent class whose household income is greater than 400\$ is expected to make a leap by 30 to 40 million by 2025 (Munir, Muehlstein and Nauhbar, 2015). Hence, these middle and affluent families will be earning enough to spend on consumer durable goods and luxurious products. Besides, the rapid urbanization has been one of the determining factors to boost the economy and employment opportunities of Bangladesh's growing economy. Hence, the consumption of industrial goods, mostly the durable solutions have also increased significantly in the last two decades.

Moving on to the consumer buying pattern of consumer durable goods have changed due to the higher disposable income. Additionally, the consumer centric market offering and marketing strategies had been instrumental to bring out the idea of need in consumers' minds. However, the socio-cultural changes such as rise of the number of nuclear families, increased number of working women have also changed the buying pattern of consumer durable goods, particularly the home appliances and electronic items. Alongside that, the credit facilities like equal monthly installments (EMI) with 0 interest facilities, have also boosted the demand for these sorts of products. Not just in the urban areas, the demand in peri urban areas and the rural markets have also seemed to climb up rapidly. As a matter of fact, the peri urban and rural markets cover almost 70% of the households which portrays the growth opportunities for the consumer durable and consumer electronic items (databd.co , 2018).

3.4.3 Current State of the Market in Bangladesh –

According to a study made by Databd.co, the market size of consumer electronics was continuously growing and as of the year 2017, it stood at 1.38 Billion USD which included consumer electronic items and home appliances. The growth has been mostly influenced by the

rise of nuclear families, significant number of working women and growing demand in the rural and peri urban markets coupled up with number of facilities offered by the brands. However, in developing countries, the technology dispersion is notably faster and thus there are usually new products and with different features available in the market. Through this, the newer in-device innovations come in from different existing or new brands in the product, identifying new needs of the consumers. As the market size of consumer electronics including the home appliances were 1.38 billion as of the year 2017, based on the same study of Databd.co it is expected to grow by more than 70% by 2022. Behind this growth, one of the major driving factors is the access to electricity which has two folded in the last 25 years (Power Development Board Bangladesh). Besides having the growing middle and affluent class population, the consumer centric market offerings work as the demand influencer. As a matter of fact, a study of BCG says that 80% of the people comprehended brands as a decision-making factor. Consumers preferably tend to invest in good quality products from top international or local brands. On top of that, the rise in organized retail has been the outcome of increased demand in the rural and peri urban markets. In a nutshell, the national demand has been increasing in a consistent fashion considering many macroeconomic factors.

3.4.4 Types of Consumer Durables –

Durable goods are usually having life span of 3 years or longer and can be categorized in different categories based on their usability. For a business, durable goods can be long term assets but in terms of consumer durables, these products are used continuously or repeatedly and usually becomes a part of the lifestyle of the consumers. There are number of categories prevailing in the consumer durable market.

- Automobiles
- Appliances
- Furnitures
- Electronics
- Jewelries

The word lifestyle is connected with the category of appliances as appliances include the type of devices which assists specific household tasks or makes them easier and convenient. The popular home appliances are air conditioners, washing machines, induction heaters, microwave oven, water purifier, vacuum cleaner etc. These products make the life easier for the consumers and also ensure ease in the form of lifestyle.

While talking about the lifestyle, the usage of water purifiers is getting popular day by day as people are getting more health conscious with the passage of time. Moreover, the contamination from water sources are also an emerging issue of concern for the mass, people are moving towards choosing options for the safety of their dear ones from these common diseases which can be minimized with minimum precautions by installing water purifiers. There are number of options prevailing in the market and our culture in terms of purifying drinking water. On top of that, the lack of customer awareness to prevent these waters borne diseases are slowing this process of adapting with the new change of using water purifiers in a country like Bangladesh.

3.4.5 Common drinking water solutions in Bangladesh

Drinking water solutions have been an issue of distress here in Bangladesh since its inception. Not just in the rural areas, the urban dwellers also go through the same troublesome experience of not having a consistent source of water which is reliable and free from contamination. According to Unicef, more than 30% of the entire population still lack of access to safe drinking water. Although, Bangladesh has significantly improved with the ubiquitous access of water supply giving access to more than 97% of its entire population, still a big portion of the population is still exposed to arsenic and other contaminants found in the supplied water or other water sources. On top of that, one third of the urban households are using the drinking water which has high counts of E. coli bacteria which causes diarrhea. As of now, there are number of solutions that people in general are using as their drinkable water sources. Namely,

- Boiling water
- Branded purifiers
- Non-branded purifiers
- Jerry Cans

Boiled water being one of the most ancient ways of purifying water, is still can be seen to purify the drinking water even today. It is one of the cheapest options considered and also has been successfully able eliminate most of the virus and bacteria of the drinking water. However, it fails to eliminate solid elements which are detrimental to health such as Arsenic, metals and pesticides. On top of that, the amount of gas used to boil water nationally in Bangladesh is of a great value, amounting for 58 crore BDT worth of gas everyday (Daily Star, 2017). This depicts, the unsustainable usage of natural resources yet that fail to purify the water supplied or waters from other sources. Nevertheless, people are getting health conscious with each day passing and they are slowly switching to other purifying options to ensure safe drinking water for their close ones. Regardless of that, a big part of them still considers without boiling the water, it cannot be truly purified.

Branded purifiers are becoming very popular while people being more concerned about the waterborne diseases and also the safety of their drinking water. Number of brands came into play since the idea of purifiers became popular in Bangladesh market. The effectiveness and efficiency of these purifiers are undeniable and leaves no questions in terms of purifying the water in the most efficient manner. Most importantly, the electric purifiers have been notably efficient to purify the water with the minimum amount of resource use, making it one of the most sustainable way to ensure the safety of water. However, with the international brands who brought the idea of purifiers in Bangladesh market, namely Unilever Pureit, there are other local brands who have developed their products and are also in the race to reach their market of purifiers. Walton being the only local brand to launch their purifiers in the market is yet to catch up with the industry leader Unilever Pureit. Unilever Pureit started their business here in Bangladesh in 2010 and as of now is the leading one in the market with their recognition from global laboratories and also government authorized laboratories and institutes. These recognitions and the brand image of Unilever have been crucial to clinch the market share having the first mover advantage. Moreover, Unilever Pureit has been one of those successful brands to significantly promote the awareness of water safety and could make the general population understand the need of purifying the drinking water. Nonetheless, there are other brands such as KENT, Havels, Aquaguard, Hyundai,

Panasonic, Havells, Drinkit etc. These brands are still struggling to get a hold on to the market share and their service in Bangladesh.

Non-branded purifiers came into the market after the renowned branded products were made available in the market. Although there are multiple branded purifiers available in the market, most of them are sold by third party importers except for Unilever Pureit, which is operated and owned by Unilever Bangladesh Ltd. However, number of Chinese and local non-branded purifiers are currently available in the market and also gaining some sort of popularity because of being cheaper than the branded purifiers. Although these product sellers claim about number of recognition and purification standards, in reality very few actually pass those standards of safety. Some Non-branded purifiers currently existing in the market are Xian, KIWI, Ecofresh, Easy pure etc among which some of them are imported and the rest are developed and produced locally. Often these purifiers fail to serve the true objective which to purify water maintain a good standard of purification to ensure the safe drinking water. Regardless of the fact that they do not qualify the standards of BSTI and BCSIR, yet these products are still getting a hold onto a part of the market due to its inexpensive pricing compared to the branded purifiers.

Jerricans can mostly be seen in the offices, industries, factories and institutions. In some cases, these canned water supplies are also visible in some households who like to avoid any sort of hassles with their drinking water solution. Jerricans are a type of water bottle sized around 19 to 20 liters. Many businesses have developed their business centering the need of minimizing their hassle with drinkable water. These businesses supply purified water in these cans to door to door which costs around 70 to 90 BDT per bottle. Hence, they are quite popular in aforementioned large consumption places. Nevertheless, the jerrican water services have been questioned all the time since the standards of purification of these businesses were never consistent. There are number of local brands currently existing in the market and providing these kinds of purified water providing services. However, on February 27, 2019 BSTI took action against many out of these jar water sellers and even cancelled the licenses of three brands for not maintaining hygiene (Molla & Sarkar, 2019). According to the same report of Daily Star, 8 brands had been suspended from operating based on their water reports and also number of companies were identified who were running their operation without having the license of BSTI (Molla & Sarkar, 2019). During this

speculation, BSTI destroyed more than 26000 water jars for being unsafe as microorganisms and contaminants were found in those waters. On top of that, a report made by Bangladesh Agricultural Research Council (BARC) said about the presence of E. coli bacteria in 98% of these water jars. Keeping these facts under consideration, because of the lack of consciousness and awareness jerricans are still very much popular, mostly in large consumption areas just to avoid the struggle for their drinking water.

3.5 Opportunities to replace the existing solutions for Unilever Pureit

Unilever Pureit, being the oldest one in the market of water purifiers and having the certification from global laboratories and organizations, makes it a reliable option as the safe water drinking solution. Considering the other solutions existing in the market, there lies a big opportunity in the market to replace those other solutions. To replace the jerrican services, non-branded purifiers from the market and consumers mind, Unilever Pureit should be focusing on their strengths and the drawbacks of these solutions. The distinctive strengths of Unilever that sets its bar high in the water purifying market are –

Believability of Unilever Pureit is way higher compared to the other existing solutions in the market, having certification from more than 20 labs globally and also from the Bangladesh Council of Scientific and Industrial Research (BCSIR) and BUET. These certification makes the purification claims of Unilever Pureit that it removes 99.99% of the unsafe objects from the water a credible statement. On top of that, the purification processes that are used in the products of this brand, are quite popular globally being one of the most reliable purifying processes. Most of the competing solution lacks of this credibility which makes them less reliable as a safe drinking water solution.

Unilever Pureit has been providing the **Safest** water through their multiple step purification processes, included in their different products. The mentioned purification processes, namely the Reverse osmosis technology, Macro Filtration technology, Ultraviolet technology these are all proven true scientifically that Unilever Pureit have been able to provide the safest drinking water compared to all the existing solution in the market. That is one of the biggest strengths of Unilever Pureit behind their prominence being the market leader of water purifiers.

Unilever Pureit has been providing a **Cost-effective solution** for the nation to have access to the safest water drinking solution. The prices of the purifiers are quite in the same range of the other international and local brands. Nevertheless, the per liter cost for the purified waters of Pureit purifiers range from 0.75 bdt to 1 bdt depending on the models. Considering it with the jerrican pricing, where per liter cost of purified water is around 4 bdt yet the purity remains questioned. On top of that, later on in the product's lifetime which is considered to be 10 years, the servicing fees are very minimal considering the market competitors.

The **After Sales Service** of Unilever Pureit is a deal-breaker compared to the other company's after sales service. Unilever Pureit is focused to give their customer a hassle free and convenient experience and their after-sales service team is dedicatedly working with that vision. All the 64 districts are under the coverage of the customer service team nationally and also the service charge after the 1st year of installation is just 50 bdt. On the other hand, even the non-branded purifying brands take 500 bdt as service charge per visit to the installed location which is 10 times the charge that Unilever Pureit takes. As a matter of fact, Unilever Pureit allows its customers to see a free demo of their product installation in their household for a better understanding of the procedure and purifying process.

National Coverage of the distribution channel of Unilever Pureit has been a blessing for rural households who suffer from the water purification problem and safe drinking water source. Apart from the households, businesses who operate nationally, such as automobile companies, banks and other offices who want to keep unified standard of drinking water solution, Pureit has been remarkably convenient for these organizations. Alongside the national Coverage of the sales team, the after sales service covers all the 64 districts with the minimum service charge is the most crucial advantage that Unilever Pureit has compared to the other existing brands in the market.

The recently developed **Internet of Things** have been a deal breaker for Unilever Pureit meeting the demands for many organizations and institutions. The devices of Unilever Pureit now can be installed with the facility of using the technology of IOT (internet of things) that will allow the

owner and Unilever Pureit team to look after the wellbeing of the purifiers. This additional device will continuously send the signals which will be updated in real time and allow the Unilever Pureit service team to keep a track of the wellbeing of the purifiers and also the remaining lifetime of the germ kill kits of their devices which run out depending on the consumed water amount from the purifiers. This device will not just help Unilever Pureit team to give their consumers a convenient and hassle-free experience, it will also ease the experience of the consumers who do not really understand or have the knowledge about the products or do not want to hassle with the looking after of the purifiers. Installing this IOT device will have a different cost excluding the device price, yet that will only make the experience of using Unilever Pureit purifiers worthwhile.

Carbon footprint is one of the major environmental drawbacks of jerry can providers which can be minimized to zero by shifting to using water purifiers. In today's time every business is moving towards ecofriendly solutions gradually considering this as their responsibility towards the ecology. One of the existing drinking water solution is Jerrycan, which enables a gateway of carbon emission as the supply of the cans are completely manual and done by trucks and pickups everyday to numerous offices, factories and households. In the process of supplying the cans to the doorsteps of their consumers, the amount of CO₂ emitted in the environment is another significant highlight, that can be minimized by switching to purifiers, which gives much ease of access to the safest drinking water.

3.6 Tapping into the B2B market

Unilever Pureit have been in the business in Bangladesh for more than 10 years now and mostly it has been focusing into household solutions. Although the household market is by far the largest in Bangladesh, still there are opportunities lying in the B2B markets. The B2B markets work differently than the B2C market where the mass marketing and awareness about the necessity of the safe drinking water does the job. In B2B market the buying pattern of the consumers depend on other factors such as – Budget, Waterflow rate, Purification Rate, Water Storage Size, Servicing convenience etc. Although there are cheaper options available in the market which are mostly Chinese and local products, but the longevity and the purification standard is quite unsure about

those products. However, the products are popular in these B2B channels are mostly because of the pricing they have. To Replace these products into B2B channels, the marketing strategy has to be different. A dedicated team has to be working behind the potential client identification and push selling. Otherwise, Unilever Pureit is going to miss out many of the potential B2B clients. As the most of the B2B places have their existing solution, be it a Jerrican provider or a non-branded purifier, based on the demands and the usage of the customer, a custom market offering has to be placed with quantitative analysis so that, the client gets to understand both the cost-effectiveness, usefulness and the convenience of using Unilever Pureit products.

On top of that, to meet with the B2B requirements and demands, a new product line has to be introduced shortly as meeting the customer demands with the existing portfolio is quite difficult at times. In many cases where the consumption is very high, the existing portfolio fails to meet the requirement as the products are not designed for industrial usage rather for households. Thus, inclusion of new portfolio for B2B market is a necessity to enter into a market big like this.

3.7 Determining the market size of B2B channels

Before entering into a market which is unknown, determining and gathering information is the first thing that any company should consider of doing. Being unknown about the market size will eventually result into lack of information about the possible growth by including the new

Different categories of B2B market and population

Category	Number	Number of People	Remarks
Number of Schools, Colleges & Madrasas	34903	19450193	
Number of Universities	104	853267	
Number of Garment Factories	4621	360000	
Number of Bank Branches	10114	180,037	
Number of Medical Colleges	112	15000	(10000 seats+ 5 thousands faculties and employees)

Table 2: B2B market and Population

portfolio for the B2B market. Hence, without determining the market size the growth opportunities and the value of the B2B market is quite impossible to figure out. Although the opportunity lying in the B2B channels are enthralling considering the nature of the market yet that would be an early assumption to make. Before the inclusion of the B2B portfolio to meet the demands of the new consumer set, the market size calculation, understanding the determining factors for the new products, core factors affecting B2B deals and the related information need to be collected through survey or interview. These interviews and surveys can be done by the external companies to minimize the initial pressure, despite the fact that without these knowledges, it would be very difficult to understand the possibility or succeeding chance of Unilever Pureit in a new market.

3.8 Calculation of probable market size

For the calculation of probable market size, the determined sectors, the academic institutions, garments, banks, medical colleges were considered. Due to the lack of enough data regarding the offices and business all across the country, it was difficult to determine the size of the entire market. However, considering only these four sectors of the B2B market, the total population was more than 20 million people, leaving aside a huge portion of the market outside the calculation. This illustrates, how significantly large the market is for the industrial usage of water purifiers. Per purifier was estimated to cater 500 people, and thus the market size turned out to be 14.6 Billion BDT. It can easily be said that, the market size of 14.6 Billion BDT considering only four sectors of this massive market, leaves a big window of opportunity for Unilever Pureit to introduce its new portfolio for the B2B market through undertaking proper strategies and channel development.

Total number of people	20858497	
Market Size for B2B purifiers	41716.994	(Each B2B purifier considered for catering 500 people)
Market size in amount	BDT 14,600,947,900	(the approximate price is considered 3,50,000 BDT)

Table 3: Market Size of B2B purifiers

3.9 Recommendations

The aforementioned strengths of Unilever Pureit along with its brand image, reliability among the customers and the popularity, opens up the opportunities of replacing the existing solutions in households and organizations. Previously Unilever Pureit has been focusing on the household businesses with the product portfolio that mostly provided household or domestic solutions but recently, Unilever Pureit is concentrating more on the B2B channels as the competing brands are entering into these channels. To compete with the existing solutions available in the market, Unilever Pureit should not just focus on its strengths, rather to replace the other solutions it needs to capitalize on the weaknesses of its competitors.

First of all, Jerricans being one of the most popular solutions in the offices and organizations for their ease of access and hassle-free operation, yet remains questionable about their water safety. Considering the statement of BARC that almost 98% of the Jerrican jars are contaminated with E. coli bacteria which causes diarrhea, the safety remains unsure of jerrican water providers. On top of that, the per liter cost of jerrican water is around 4 bdt which is almost four times the cost of Unilever Pureit purifiers cost. Additionally, the businesses and organizations who like to keep a unified standard of appliances in their workplaces, jerricans needs to be avoided as they mostly do not cover all the 64 districts of Bangladesh as of now. So, keeping these opportunities in account, Unilever Pureit should be processing its strategies to replace the Jerrican water providing services capitalizing their weaknesses. The credibility of the purified water of Pureit, its cost-effective solution and the national sales and customer service coverage can easily be the determining factors to replace jerrican suppliers.

Secondly, the other branded and non-branded purifiers are there in the market yet struggling to get a hold on to the market share. However, there are many local companies who are developing purifiers and claiming to have similar technology like Unilever Pureit purifiers. The other branded and non-branded purifiers do not have any sort of credentials to prove their credibility of

purification that provides safe drinking water. As Unilever Pureit is the only brand to have the local governments authentication of providing consistent safe drinking water meeting the BSTI and BCSIR standards, keeping the minerals of the water intact, it has a huge upper hand to replace any non-branded purifiers in the market. However, the other branded purifiers are brought into the market by third party importers who are not authorized to provide after sales service. Thus, they do not have sufficient training and knowledge to provide after sales services like Unilever Pureit does having its own notably trained and experienced service team. Alongside that, the servicing charge of these other brands are way too high, generally 500 bdt which is for both the non-branded and other branded purifiers excluding Unilever Pureit. This remarkable servicing team gives another advantage to Unilever Pureit to take over or replace the other branded and non-branded purifiers from the market.

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