

Importance of Inventory management in Sales & Marketing secretor

**Prepared by
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An Internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of **Masters of Business Administration**

BRAC Business School

Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing my 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 that has been accepted or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Letter of Transmittal

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Subject: Submission of Internship Report

Dear Zaheed Sir,

It is a great pleasure and privileged to present the internship report on “Importance of inventory management and marketing in all sector ” which was assigned to me as a partial requirement for the completion of Masters of Business Administration degree. It is my great pleasure to work as an employee of such well known reputed company and achieving an in-depth knowledge on marketing techniques of South Asia . During this period of time , I have gained the best I could and tried to highlight the marketing strategies and stock relation for achieving the company sales goal.

I am utmost grateful to you for your co-operation and kind collaboration at every steps of this report . I am grateful to you and requesting you to go through the report and evaluate my performance.

Your sincerely

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Department of Bachelor of Business Administration

Non-Disclosure Agreement

This agreement is between Haicheng Mobile Company Bangladesh Ltd and me, as a BRAC University student. Permission has been granted for me to use the material in my report, which is titled “Importance of inventory management and marketing in all sector ” and which is not released anywhere else save in my report work and presentation.

Acknowledgement

Mr. Zaheed Husein Mohammad Al-Din, Senior Lecturer in the Department of BRAC Business School at BRAC University, was my Internship Program Supervisor, and I am thanking him a lot for the guidance and support he provided me during my working in organization and preparing this report .

During 1.5 years as an employee in the vivo Bangladesh , my Team Leader , David Li (Executive Director) taught me a great deal about corporate culture for Chinese , value of Benfen and other corporate strategies. Also, he was incredibly patient and kind with me. Likewise, I appreciate the rest of the vivo Bangladesh employees specially (outlet employees and National Sales Manager , Terminal Department Head) for their assistance in getting me settled in this workplace.

Finally, I'd like to manifest my gratitude and gratefulness to Allah, my Father , and the my academic friends who have monitored me along the way. Without their co-operation , I would have never made it . At last, I'd want to express my exhibit for the time, energy, and inspiration that enabled me to fulfill my internship duties and submit this report on schedule.

Executive Summary:

My report is about the mobile industries and whole relation between stock management and sales and marketing. Mobile industries have great growth in Bangladesh market . Mobile Sector is creating more jobs sectors for graduated and non-graduated . This sector created business growth on B2B sectors and also for end customers. Most successful Marketing strategies can make organization more profitable if the stocks are proficiently maintained . Nowadays banks, financial organizations and other business need professional stock management to create a good promotional campaign for successful sales achievement. vivo Bangladesh is one of the leading in the mobile sector which is achieving financial gain every year and growing incredibly . The stock and marketing strategies are very précised and organized for vivo Bangladesh.

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Overview of Working Responsibilities in vivo Bangladesh :

This paper will be described about the relationship between Sales and marketing and Inventory management . The most information and experience gathered from vivo Bangladesh, headquarter since I have worked there for almost 1.5 years from 2020-2022.

vivo Bangladesh establishment :

vivo phone stepped into Bangladesh market on 2017 and launched some variant of series such as Y,V and S. The models were launched on the basis of budget , lifestyle and using preference . vivo Bangladesh headquarter is registered as Haicheng Mobile Company Bangladesh Ltd on papers. Eventually vivo started making top notch mobile phones for Bangladesh market and started winning people hearts specially for the mid range and upper middle range people . From the beginning vivo used to import phones from China .After that they situated factory on Narayanganj, Dhaka and warehouse on Tejgaon , Dhaka .Basically mechanisms for mobile phones are imported from China and assembled in Factory and take over to warehouse . After that these all sets are distributed to all shops all over the Bangladesh.

vivo is one of the most selling phones after Samsung in Bangladesh . It has different operations and chains to maintain sell activities .As a result sales and marketing activities (promotional) are more depending on stock forecasting .

Primary connection between Sales & Marketing and Stock Forecast :

Basically the model of vivo phone has been selected from South Asia product development team of vivo. South Asia research team works with features, pricing , lifestyle , income and previously launched model satisfaction of customers and consumers. After that they decide which model and series should be launched in Bangladesh market . Lastly they forecast the initial stocks should be produced and distributed all over the country . On the basis of stock forecast and pricing , the promotional and marketing activities got started . This is the basic marketing launch activities of vivo Bangladesh.

The joining date of vivo Bangladesh was on 1st October,2020. COVID phase was impacting globally . Firstly ,started with corporate sales department . I was responsible for different B2B activities .

Distributors of vivo Bangladesh :

vivo Bangladesh has specific distributors on it's headquarter link .The name of the distributors are

1. Gadget and Gear
2. Pickaboo

3. Othoba
4. Robi shop
5. AKS Group
7. Genex Infosys
8. Vision Emporium and RFL Best Buy

Among these distributors, Gadget and Gear is the most premium distributor of the vivo Bangladesh. Purchasing order has been received almost every working day. All the models and colors of vivo handsets were available on the store. Every other distributor proceed purchasing order 1/2 times in a week.

Sales and Stocks Responsibilities for Distributors :

Each of the distributors was considered as a sales project. The Stocks and Sales are inter-related to each other.

1. Firstly, the pricing has been fixed for the specific mobile set.
2. This series of the vivo mobile model set can have two colors. According to the survey result the ratio of colors are determined.
3. After getting manufactured mobile quantity has been escalated to managements.
4. Management set target and promotional costing after getting stock update.
5. There is another stock update on every week basis.
6. These segmented stocks are allocated on daily basis.
7. Every day the stock updates are shared with each distributors and take orders from the distributors.
8. After ensuring payment with the finance department, the products are being dispatched from factory to reach in warehouse.
9. Distributors collect purchased stocks from warehouse or through courier

Above process are being followed for selling products to the distributors. vivo also provide VBA to all outlet. VBA : vivo Brand Advisor is the sales representative of vivo. All VBA salaries are being provided from vivo as monthly basis because they are employee of vivo. All VBA has been assigned to different outlets of distributors to sell vivo mobiles.

After Sales Stock impact (B2B sector):

In the mobile industry, it's common to offer different MRP after some months. There are phones from brands like Samsung, Realme, Xiaomi, vivo etc change the end prices to discount prices to end customers. In this situation, the stocks and sales are greatly impacted.

Distributors can claim price protection money from the effective date of changed pricing for specific vivo model mobile set. As a result , the adjustment price of all the phones need to be given to the distributors.

Distributors usually email with prove of the remaining stock quantity . For those specific stocks of that model mobile set , the adjustment was paid to the distributors .

Discounted MRP has great impact on the upcoming stocks . The mobile set sales for that specific model goes up to approx.. 15% within a week mostly after reducing the price. Before MRP reducing , the stocks are being allocated for distribution . Distributors are being pushed to take the stocks since the sale will be increased and it will be profitable for both end .

Outside Dhaka stocks are being maintained differently for sales:

There are two distributors who had outlets outside Dhaka : Best buy and pickaboo. Best Buy has the most showrooms outside of Dhaka in different districts . The purchasing order from Best Buy has different procedures and its time consuming.

Stocks are being predicted before the purchasing orders have been arrived . I need to ensure the required stocks differently from other stocks .Moreover , I had to analysis and make a report which could reflect actual sales situation and required stocks of Best Buy .

Best Buy was one of vivo Bangladesh loss project which had turned in to profitable project for both end. The relationship between stock report of the outlet and the selling capacity report was followed properly by Best Buy .

In Stock report , there are allocation quantities were different for each and every outlets . This was segmented into 4 different outlets categories on the base of sales such as :

1. Top Selling Outlet
2. Most Selling Outlet
3. Moderate Selling Outlet
4. Under develop Selling Outlet

The Sales report including stocks are updated every day for all of the distributors everyday . After that the stock was determined for each categories on the basis of mobile series and models .

Summary for Sales and Marketing :

Sales Target and campaign were mainly depended on the mobile phones pricing and stocks availability . vivo Headquarter used to determined sales target internally to sell to distributors . vivo distributors had target to sell phones to customers and earn commission . vivo VBA for the outlets had the final and mass target to sell to end users. These all circles to stocks availability for phones .



vivo Bangladesh Selling strategy for overall Market :

- As earlier mentioned about research procedure , the model and series has been selected and launched in Bangladesh market .After Launching the price has been determined by the product development department of the South Asia (China , India , Pakistan , Sri-Lanka , Bangladesh). Basically China and India determined the product price of the series and model in Bangladesh .
- New models of specific series can have gifts like air buds, vivo bags , umbrella , vivo T-shirt ,selfie stick , smart watch ,neck band headphones etc are added .
- Secondly the Training department of the South Asia trained the Major trainers of the Bangladesh .These trainers start training to the all departments such as Brand shop , B2B, Terminal , After sales and branding departments about new series and model of the phone .
- After in-house training from B2B department , I used to arrange meetings , give email and discussed with distributors about the new product with details and specifications and organize bulk orders from the distributors .
- All the VBA from Bangladesh get training for new product training with details specifications and MRC was announced after training so that all VBA could collect orders from end consumers on advance .
- Stocks are being arrived before launching date on all over the country .

Main Marketing Campaign:

The promotion all over the e-commerce platform started from 7 days before launching the products . Y-series are mid range mobile phones so it doesn't launched with the event but V-series and X-series have grand program of launching event .

For Y-series , It launched on facebook and YouTube Live . There are sponsored in different online platforms to get people know about new product .

The promotional activities started with Grameen Phone , Robi and Banglalink . There are free bundle offers with different series models and also promotes vivo phones on their facebook pages and websites.

Gadget and Gear is also part of promotional campaign .G&G promoted vivo mobile set on it's facebook page and websites with different offers specially including goodies with the new models . G&G has online option to book phones online . So that end users can buy on the day of launch .

Other Marketing Campaign :

Brand shops are being decorated on the launching date. All of the sales persons spread leaflets to the potential customers in different areas. The Showrooms are more focused with the new model of vivo organized . There are foods and cake for all the customers. The Showrooms gets have balloons , banners , vivo Doll , Umbrella , lighting , sound box setting and etc.

There are different game activities organized for the potential customers . There are social influencers come to the shops and conduct live on the facebook pages to represent vivo new mobile set .

Other social online platforms like: Tiktok , Instagram , Likee , BIGO etc have top influencers who create content video for vivo new mobile set and promote how to get this new launching set with lucrative offers and features .

Stocks Allocation during Launching Period:

After collecting pre-orders , the new requisition of the stocks are being placed to the factory . Factory gives the requisition to the China to import the necessary mechanism for assembled the product . Every week Factory produced almost 5,000 pcs of the new launching models on an average . It can be more than 5,000 also , depends on the first week selling target .

Target Setting for New models :

Most important thing in the sales is TARGET . Sales target has been set before the launching of the mobile set . After determination of the stocks , target has been set on the segments :

1. Pre-book target
2. First Week Sales Target
3. 2 Weeks Sales Target
4. First Month Sales Target .

During these segmented target period , The commission for the distributors and sales men are high than other periods of the time .

E-commerce Aspects of Supply Chain and Sales :

Supply chain is becoming the most important matter to handle for manufacturing , service and other kind of industries after Sales and Marketing . Supply chain includes inventory management which is making influential change in Sales and Marketing sector .

In this report , I have mainly focused on the “ Importance of inventory management on e-commerce have good impact on sales and marketing “. In the business , Products are basically the inventories which has been sold time to time .

There are four main types of inventory : Raw Materials , WIP , Finished Goods and MRO. Most e-commerce platforms are selling finished good inventories on both nationally and internationally . For example , Amazon.com is selling kitchen stuffs , electric products , clothes ,toys etc are finished goods. As like Amazon.com there are eBay, Ali Express , Walmart , Alibaba.com etc all are selling finished good . These all shops are based on virtual selling . So any end users can place an order anytime to buy any finished goods. Anytime sales need to have good inventory management system to execute Sales Opportunity Management .

There are four type of inventory management such as : just-in-time management , Materials Requirement Planning , Economic Order Quantity and Days Sales of Inventory. Each techniques is profitable if it is applying on the suitable pattern of business .

Bangladesh market is developing e-commerce sector massively . Daraz is one of the successful example of e-commerce in Bangladesh market. There are other e-commerce shops : Chaldal, Pickaboo and so on . The changing part is even the jewelry stores , dress shops , cosmetics, Food & groceries and mobile brands are also have e-commerce shops . there are some shops who are running successful e-commerce shops such as : Textmart , Rise , Diamond world , vivo e-store , Foodpanda etc .

As from my previous working experience in vivo headquarter Bangladesh from (2020 to 2022) , I have gained experience about e-commerce chain work process from starting . Here , I will be explaining inter-relationship between stock availability and Sales and marketing process for having profitable business.

Firstly vivo mobile has advantage that it has brand shop all over in the Bangladesh . So stocks are being kept on selective brand shops for selling in e-store . Second advantage is vivo Bangladesh official website has launched e-store section in 2021 .As a result whenever people are visiting to website they can easily place an order to the e-store for home delivery all over the Bangladesh .

Here I am explaining how the stock has been determined before starting the selling. Basically the stocks are being pre-occupied based on the views on web-site and most googled models . Another factor that works for preparing stock is promoting models of the phones. The most promoted models are being stocked for selling.

This simple process makes a root bonding between marketing the product and preparing the stocks . It gives a huge boost on selling product.

For every advantage there are some disadvantages . Some times promoting products can go wrong . End users may not accept the product features , colors or pricing . As a result , even if the company is stocking huge products on based on promotion , It can bear a huge loss for the company . So marketing steps should take very carefully , the risk of the failure should be minimized atmost .

Recommendation for other e-commerce like Chal-dal and Daraz site : When the products are on sale most products got stocked out . If the plan on advance to give a discount sale and promoted hugely like always, they must forecast stocks on promoted product. As a result, they can achieve 200% successful sales campaign.

There are loan and investment companies like IDLC , IPDC , Lanka Bangla Finance , Bank Asia Securities etc . For these kind of financial companies stocks are designing loans and investment as per market scenarios are very instant . For this type of situation the relatability of sales and allocating stocks should be synchronized at the same times .

Procurement for products are nowadays as important as sales and marketing. The conception of procurement is the only for manufacturing ,companies are changing rapidly nowadays . Job sectors are opening supply chain and getting related with Sales and Marketing.

Bangladesh is growing rapidly in online business and e-commerce sector . Since 2016 , e-commerce is started getting famous on every sphere.People started buying from online . Amazon.com is also planning to enter Bangladesh Market from 2019 , It has been delayed for the pandemic situation of 2020 . During the Covid scenario also e-commerce specially Food Panda, Pathao , Daraz , Facebook pages got a very good response from end users .

Recommendation :

E-commerce is growing rapidly world wide . After pandemic even the MNC banks are also improving online banking . For all these growing business market need a good Supply chain back up for increasing volume of sales . Hence manufacturing industries have higher demand for supply chain sector. Following to that every sales companies should have atleast a small supply chain department .

For my Future Business Plan :

I have plan to establish a business chain through online where people will get luxury clothes and jewelries from abroad known brands . For this business , I need to forecast the amount of products will be available for end customers and analyzing the opportunity of sales which will be basically depending on procurement .

Lastly Sales is the backbone for any company . To concur a volume sales we must focus on inventory management system of particular business chain . Market is changing every single day regarding pricing , demand and situation but still companies need to make a plan to survive strongly in the market.

Experience Summary from vivo Mobile Bangladesh :

From the root of the inventory management starts product marketing strategy . The budget for the promotional activities are more sensitive to decide than product pricing . Any new product needs to

have bulk stocks for the sake of attempting the aggressive marketing and promotional activities. Selling Target helps to achieve the profitable ratio and clearing the huge stocks .

Product knowledge is the another important power to make B2B clients understand and show this top notch new model can bring change the people's mind and good Technological impact will fall into the society .

Conclusion:

Companies of Bangladesh need to focus on inventory management strategies differently on different situations . Our textile sectors are maintain stock forecasting very professionally in order to gain good orders from other countries . This disciplinary stock organizing should also be practiced in local organization for the growth of the company . Ultimately the best sales with good profit margin can help the company to go globally

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