

A Report on

Enhancing Market Penetration Through Product Diversification:

A case study on Partex Board

By

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19104016

An internship report submitted to the BRAC Business School in partial fulfillment of the requirement for the degree of Bachelor of Business Administration.

BRAC Business School

BRAC University

May 2024

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Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Student Full Name
Student ID

Supervisor's Full Name & Signature:

Supervisor Full Name
Designation, Department
Institution

Letter of Transmittal

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Subject: Submission of internship report on “Enhancing Market Penetration Through Product Diversification: A case study on Partex Board”

Dear Sir,

I am honoured to submit my internship report; I had the opportunity to complete my internship in the marketing department of Partex Star Group as part of my undergraduate study at BRAC University. During the quarter prior, which ran from January 17th to April 17th, 2024, I worked very diligently at the organization to complete my internship and learn about the Bachelor of Business Administration (BBA) field.

Throughout my internship at Partex Star Group, I was able to learn the distinction between actual and authentic business operations, as compared to theoretical textbook concepts. Furthermore, this internship provided me with an excellent opportunity to learn about corporate life. This report analyses how Partex Board Ltd which is a subsidiary of Partex Star Group has enhanced their market penetration by product diversification.

I performed my best to collect all of the relevant data and execute this research in as compact and comprehensive a manner as possible. I would like to take this opportunity to thank you for all your help and support over this entire period. Thus, I humbly ask that you accept my report and grant me the courtesy that follows.

Sincerely yours,

Husna Syeed Joti

Student 19104016

BRAC Business School

BRAC University

Date: May 31, 2024

Non-Disclosure Agreement

This agreement is made and entered into by and between Partex Star Group and the undersigned student at Brac University named Husna Syeed Joti for the commitment to refrain from using any information that might be consider sensitive and harm Partex Star Group as well as protect the privacy of these information and abstain from publishing this report online.

Acknowledgement

First of all, I would like to express my heartfelt gratitude towards my internship supervisor Riyashad Ahmed for his valuable guidance and support. Throughout my report writing period every insight and feedback were invaluable and helped me complete my report smoothly.

I would also like to convey my sincere gratitude to my on-sight supervisor Rajib Pritom Sadhu, brand manager of Star Particle Boards Mills Ltd for supporting me throughout my whole internship journey and providing me with all the necessary data for my internship report as well as broaden my view about corporate world with his professional advice. Furthermore, I am thankful toward all the employees of the marketing deferment for their help and support during my internship period.

Sincerely,

Husna Syeed Joti

ID: 19104016

Executive Summary

This report assesses the effect of market penetration through diversifying products. It helps understanding the position of the company in the industry and how it may be able to improve. The report is done in three chapters. The first chapter describes about the internship experience. The second chapter provides an overall view of the company, its background, key initiatives and financial situation of Partex Star Group. To have a better understanding of the company's position in the industry Porter's Five Forces analysis and SWOT analysis were also conducted. The third chapter is the final chapter. It contains a case study on enhancing market penetration by product diversification of Partex Boards Ltd. A survey was conducted and data were collected through both primary and secondary research. The case study was completed with literature review and appropriate recommendations for the company.

The research provides limited because of the time limit and the confidentiality of the company data.

Key words: Partex Star Group; Particle Boards; Product diversification; Star Particle Boards Mill Ltd; Market penetration.

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List of Acronyms

PSG- Partex Star Group

SPBML- Star Particle Board Mills Ltd

TG- Target Group

ALT- Above the line

BLT- Below the line

QC- Quality control

POS- Point of sales

Chapter 1

Overview of the Internship

1.1 Information of Student

My name is Husna Syeed Joti. I am currently pursuing my bachelor's degree from BRAC Business School. I have done double majors in Marketing and E- Business. My student ID is 19104016. I have completed my internship in the marketing department of Partex Star Group.

1.2 Information of Internship

1.2.1 Period, Company Name, Department, and Address

In every few months Partex Star Group recruits one intern for each department or for the subsidiary groups of the company. This time I was selected as the intern for the marketing department under the organization's sister concern Partex Board Ltd. I started my internship from 17th January, 2024. It was for 3 months and I worked there till 17th April, 2024. The office was located at F. Karim rolling mills limited in Tejgaon industrial area.

1.2.2: Internship Company Supervisor's Information

During my 3-month internship my supervisor was Rajib Pritom Sadhu. He is the Brand Manager of Star Particle Board Mills Ltd and Star Gypsum Board Mills Ltd. From the first days I worked under his supervision. Majority of my tasks were provided by him.

1.3: Job responsibility

As the only intern from the marketing department, I was entrusted with different kinds of tasks from time to time. I had to create content for newspapers, magazines and social events. There is a creative team under the marketing department who are responsible for all the visuals. I assisted them with creating promotional materials and contents for newspaper ads for special occasions or festivals. I Also assisted with organizations of two events for the company. First one is the Dealer Conference 2024 of Peterx cables. I was incharge of listing and checking all the material that was going to be provided to the guests as well as assisting in developing time schedules and sequence of the event. I was also tasked to create speeches for some of the executives. I also assisted in creating an event for women's day to show appreciation for all the female employees of the organization. Moreover, I was responsible for attending meetings and taking notes, maintaining documents, following up with the work progress of some promotional events with the creative team. Working so closely with professionals gave me the opportunity to learn something new every day.

1.4: Outcome of the Internship

1.4.1: Contribution to organization

Internship is the first stage of stepping into corporate life. My internship at Partex has provided me valuable experience and insight about the business world. For my first 15-16 days on the internship, I was only responsible for creating contents for the newspapers and magazines. In the meantime, I had to do research and learn about the products and their branding. After that I was involved in planning and managing events. I attended most of the departmental meetings, took notes and followed up with the progress from time to time in order to meet the task deadlines. Even

though I was under Partex board ltd, I was involved in other brands like Partex cables, Star adhesive, Partex furniture and so on. Apart from all this I provided help and support on the day-to-day activities of my departmental superiors.

1.4.2: Student Benefits

As a student, my internship at Partex Star Group has provided me with a great opportunity to gain first-hand knowledge about the corporate culture. I got to learn about the market strategies of Partex Board ltd and gain in depth knowledge of the company itself. I was given the opportunity to visit their plants to observe the working process up close. Working with professionals has given me insights about how to interact with people, may it be vendors or customers and what kind of problems I may face in the future in this industry. Completing this internship has allowed me to think critically and tackle the difficulties that may come in the future. Hopefully this experience will help me with pursuing my career in this field and move forward.

1.4.3: Difficulties faced during internship

As a marketing intern of Partex Board limited, I have gained much knowledge and experience but also had to come across some challenges during this period.

- Even though Partex Star Group is a huge company with many subsidiary companies, the marketing department is quite small with only 10 employees. Hence the allocated working space is also small.
- Commuting to the office area from home was quite difficult and expensive as there is no direct road for public communication service like bus or rickshaw.
- This was my first time working in a professional environment as well as being the only female employee of the department, it took me some time to adjust.
- As the internship was a temporary job the company did not give much in depth information about current projects or future plans of the company.

1.4.4: Recommendation:

After working in PSG for 3 months I have some recommendations for both the company and future interns. This may help with future internship programs.

- For future interns I would recommend them to be very interactive with people in their department. If interns do not actively seek out work at some point they might be left out and stop learning anything about the workplace.
- My second recommendation for the company is that they increase their internship period. 3 months is not enough time for a fresh graduate or to be graduate to learn about the marketing strategies of such a multi diverse company.

Chapter 2

Organizational Information

2.1: Introduction

2.1.1: Objective:

This report intends to provide a full understanding of Partex Star Group covering all the departments specially Star Particle Board Mill Limited. It focuses on how SPBML enhances market penetration through product diversification. The aim is to assess the current diversified product of the company and how it has helped the company gain footing among the competitors and make practical suggestions for the areas that can be improved. This report also gives a breakdown of the company structure including management practice, leadership practice, marketing practice, financial performance as well as position of the organization in the board industry of Bangladesh.

2.2: Company Overview

2.2.1: Company profile:

Partex Star Group is one of the largest diverse organizations of Bangladesh. The company started its journey in 1962 at the hand of M. A Hashem. Partex Star Group has around 15 subsidiary companies under its umbrella. Partex Star Group has grown and diversified into a variety of businesses throughout the years, including building materials, agriculture, real estate, and logistics. The organization expanded into the building materials industry with companies such as Partex Boards, Partex Cables, Partex Gypsum, and Star Adhesive. Furthermore, in order to supply

consumers with high-quality furniture, Partex Star Group founded Partex Furniture and Ashley Furniture, both of which are noted for their quality and innovative designs. Partex has expanded its endeavors beyond the building industry. Partex Agro is focusing on the manufacturing process to help obtain clean, healthy, pure seeds that fulfill customer requirements. Partex's textile business includes Triple Apparels. And for marine venture Partex Aeromarine Logistics. All of these are called Cluster 1. Currently over 10000 employees are working under the umbrella of Partex.

Partex Star Group started its journey as a particle board company and now has become diverse in many sectors. SPBML has been producing particle boards for more than 60 years. The manufacturing plant is in Madanpur, Bandar, Narayangonj. Besides particle board they also started producing other kinds of boards such as Veneered board, Plywood and Melamine faced Chipboard. They have become one of the largest flagship board manufacturing firms of Bangladesh. Currently Partex has expanded its distribution overseas and is exporting products to countries like India, Malaysia, Singapore, Saudi Arabia, Indonesia and many other countries around the globe.

2.2.2: Objective, Mission & Vision:

Mission: To deliver customer centric quality products and services through continuous innovation and efficiency.

Vision: To make Partex Star Group a diversified, sustainable world class company to ensure superior customer satisfaction and stakeholder value.

Objective:

- Achieve operational excellence through simple and effective S&OP; use of technology, cost reduction; wastage control; efficiency and productivity
- Ensure Profitable sales growth
- Develop a High performing culture.
- Implement efficient organizational structure with the right people at the right place.
- Develop leadership skill and talent pipeline

2.2.3: Business Categories and Brands of Partex Star group



Categories	Brands
Building Materials	▪ Star Particle Board Mills Limited ▪ Partex Cables Ltd ▪ Partex Laminates Limited ▪ Partex PVC Industries Limited ▪ Star Adhesives Limited ▪ Star Gypsum Board Mills Ltd
Furniture	▪ Partex Furniture Industries Limited ▪ Ashley Furniture
Clothing	▪ Triple Apparels Ltd.
Logistics	▪ Partex Aeromarine Logistics Ltd.
Agriculture	▪ Partex Agro Limited
Energy	▪ Partex Power Generation company Ltd.
Real Estate	▪ Partex Builders Limited ▪ Partex Housing Limited

Fig 1: Subsidiary Brands of Partex Star Group

Star Particle Board Mills Ltd (SPBML)

Star Particle Board Mills Ltd also known as Partex Board is a sister concern of Partex Star Group. It is well known for its particle boards. Particle boards are low density fiber boards that are made from woodchips and bonded with industrial resins and other chemicals. They provide boards that are great is quality and eco-friendly while preventing forest resources being over used. They have been producing particle boards for about 60 years and has a firm footing in the industry. Apart from particle board Partex has diversified their product and started producing different kinds of boards also. These boards are produced by using German State of The Art Technology. One of the most sought board other than the particle board is Veneer board. It is made by pasting veneer on surfaces of Jute Particle Board. It is mainly used in interior of the house for elegant and sophisticated look. All the boards and their usage are given below-

Board Type	Usage
Particle Board: ▪ Jutex Board ▪ Woodex Board	Cupboards , Shutters, Wardrobes, Kitchen, Cabinets, Office Furniture, Partitions, Panel Doors, Computer Furniture, Table Tops, Shelves, Doors, Ceilings
Veneered Board	Interior paneling, False ceiling, Wall cabinet, Flush doors
Plywood	Base of furniture, Boats
Melamine Faced Chipboard	False ceiling, partition, cupboard, wardrobe, showcase, bookshelf, kitchen cabinet, oce furniture, institutional furniture, wall paneling
Gypsum Board	Ceiling and partitions for commercial and residential buildings

Fig 2: Partex Board types and usage (Source: SPBML)

2.2.4: Management Practices:

The Partex Star Group has 8 departments. They are called CX 1 all together. All the operations of the company are conducted through these departments. They are-

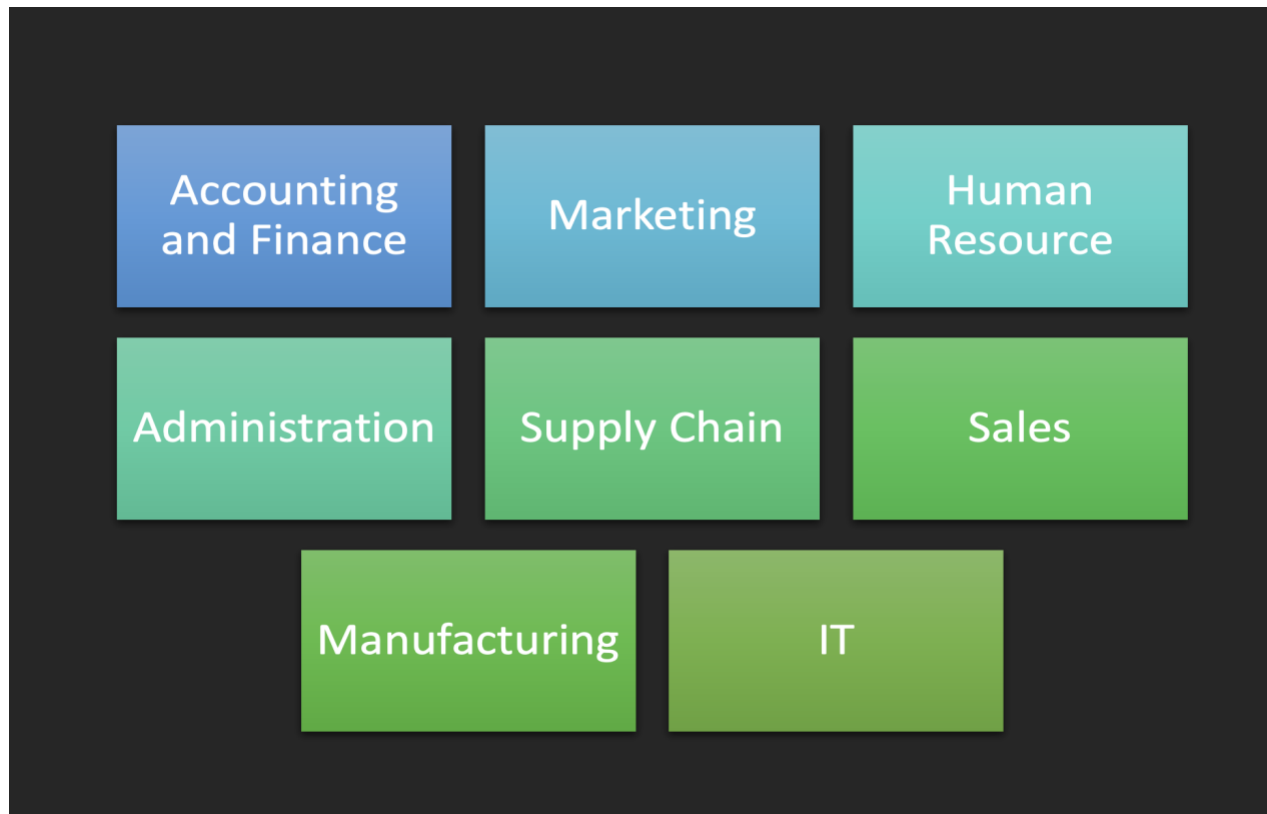


Fig 3: Departments of Partex Star Group

The company has corporate offices in 3 locations. The main office is located in Shanta West Tower, Tejgaon. The accounting and finance, Human Resource and IT department is situated in here. The second office is also in Tejgaon within 10 minutes distance from the main office. It's called F. Karim. The marketing, supply chain and administration department is located there. Lastly the sales office is located in Niketan.

PSG Hierarchy Organogram

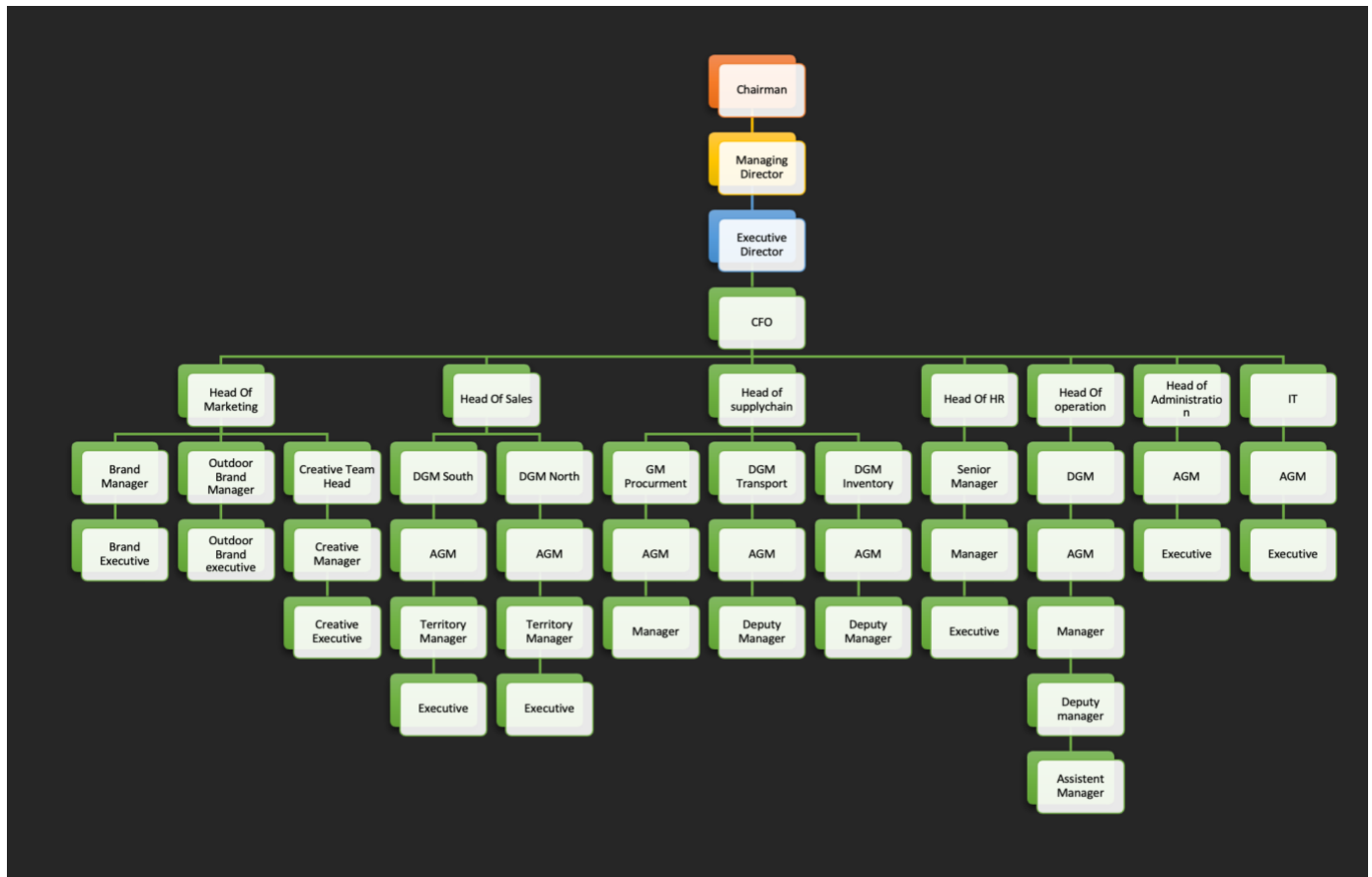


Fig 4: Hierarchy Structure of Management (Source: Partex Star Group)

2.2.5: Leadership Practices:

The leadership practice of PSG is top-down hierarchy. Every employee has to report to their departmental head for every plan. If it is a big scale operation it has go through the ED. Every finance and budget related issue has to go through the CFO. Though most of the time employees has to report to their superiors, they also work by collaborating with them and work as a team.

2.2.6: Partex Star Group's Marketing Practices:

PSG Marketing Department's Organogram

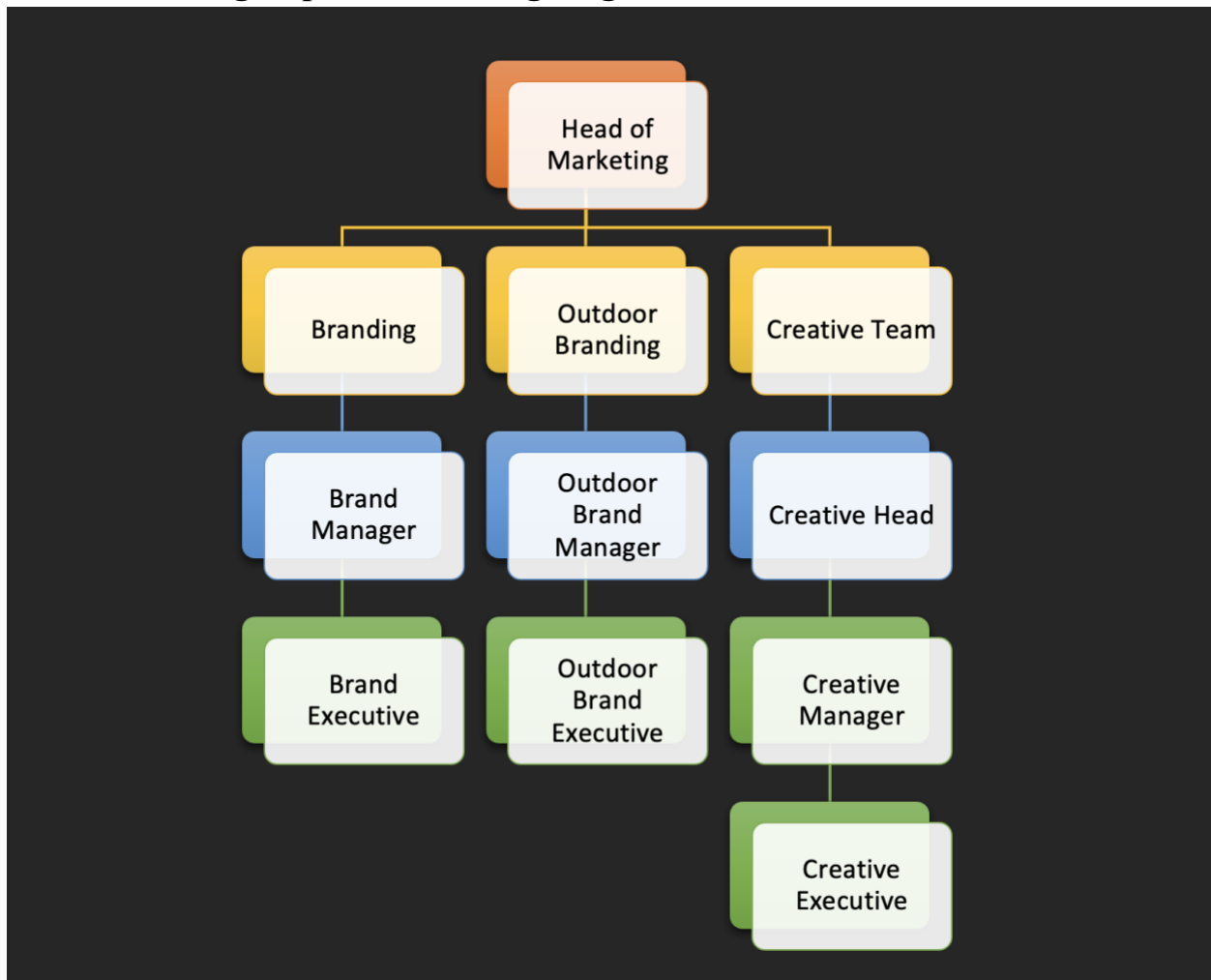


Fig 5: Marketing Department Structure (Source: Partex Star Group)

The marketing department of PSG has three sections. The head of marketing is head of the team. There are many brands under PSG and each brand has a brand manager. There are different teams for indoor branding and outdoor branding. There is a creative team who are in charge of creating

all kinds of visual contents for all brands. All kinds of plans and promotions has to do through the marketing head before being executed. Though each brand has a brand manager and brand executives they sometime collaborate for large events or operations.

2.2.7: Marketing Strategy:

Partex Star group currently has 15 sister concern under its umbrella. So, they have to take different approach for different companies. The marketing strategies depends on brand positioning, TG, brand personality and so on. PGS is a sale driven company. They have to conduct market research to keep up with the trend, find out customer needs in order to come up with unique marketing tactics.

2.2.8: Marketing Channels:

The Sale of PSG is done in three stages. At first stage they do primary sales. After the production they sell the product directly to the dealers. These dealers are wholesalers and distributors. Then these dealers sell the products to the customers. These customers are usually engineers, carpenters, architects etc. it is called secondary sales. Lastly, the product reaches the consumer. These stages make the whole sale process very smooth.

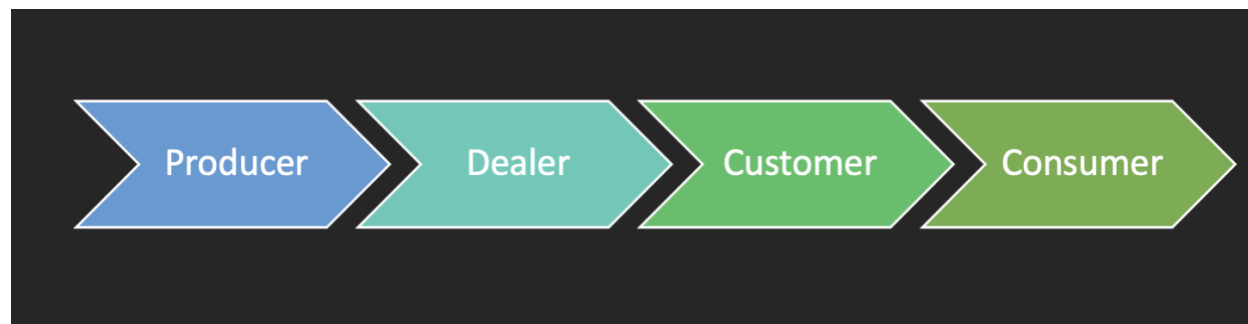


Fig 6: Marketing Channels of PSG

2.2.9: New Product Development & Competitive Practices:

Partex Star group is a multi-diverse company. They are very innovative with their products. Partex Board is the pioneer of particle board in Bangladesh and has set up a bar for the board industry. They are always seeking for possibilities, and assessing products in the market. Before any NPD Partex board does market research and consumer survey in order to assess the market demand. They also evaluate the financial feasibility like sales prediction and pricing method as the competing is very high. After developing they go through QC (quality control) check for long time. In order to success in developing new product SPBML follows Stage gate process. So, the decisions can be made based on progress and strategic alignment. Once the product development is done, they focus on product launch and promotion which is usually done through TVC, social media, billboard etc. SPBML always try to offer competitive pricing without compromising the quality of the products. Currently they are occupying third place in board market.

2.2.10: Branding & Promotional Activities:

The company uses different kinds of marketing tactics for product branding. They use ALT (above the line) promotion which TVC, newspaper, social media platform such as Facebook, YouTube. Recently they are also using TikTok to post short tutorials of usage of the product. They also do BLT (below the line) promotion using POS material, leaflet, poster, bungling, dangler, sticker etc. PSG also does outdoor promotions. This includes shop signboards, identifier, bell sign, display stand, neon sign, billboards, police box and so on. The company also does trade promotion for the dealers and footfall promotion for the consumers. In footfall method they make the outlets

interesting from the outside so the customer will be attracted and visit the shop. This increases footfall. Partex Star Group tries to engage with their customer as much as possible to understand what method will be more successful to get the attention.

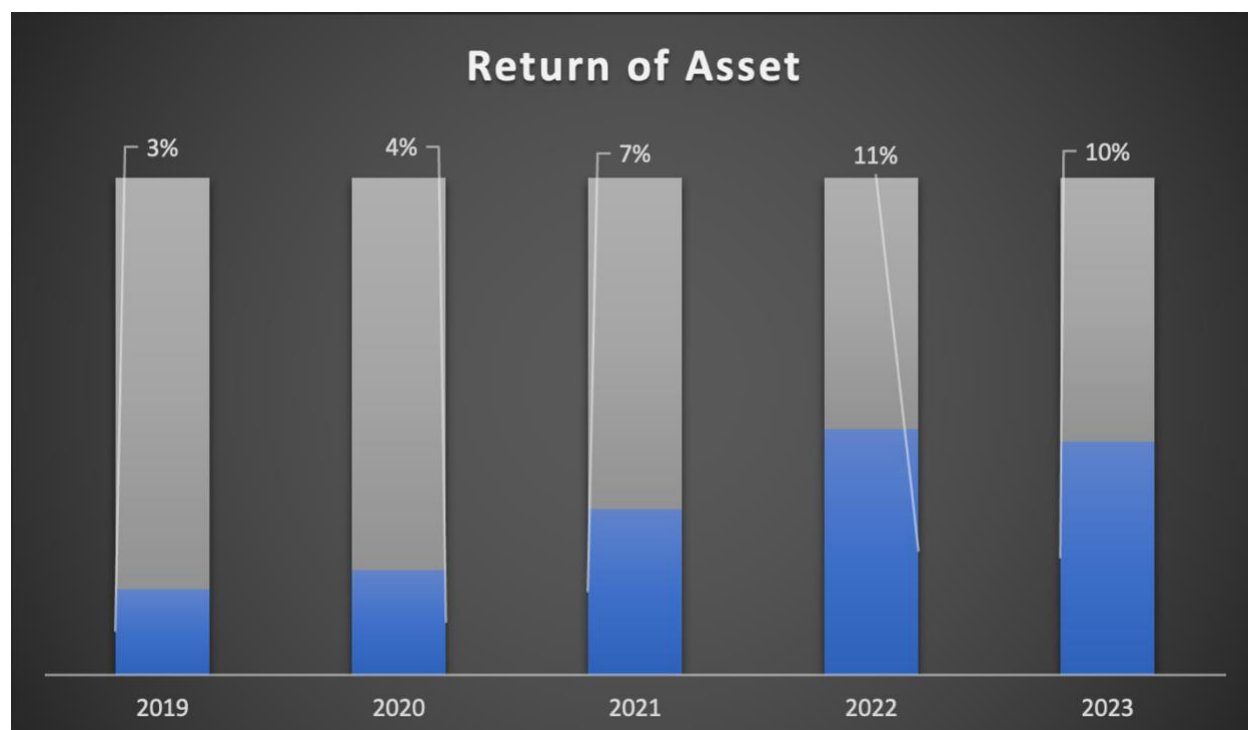
2.2.11: Accounting Practices & Financial Performance:

Return on Asset (ROA):

ROA is used to measure if a company's assets are being used properly to generate profits. Dividing company's net income by its total asset ROA can be calculated. Here is the last 5 years ROA of SPBML-

2019	2020	2021	2022	2023
3%	4%	7%	11%	10%

Table 1: ROA of Last 5 Years (Source: SPBML Annual Report of 2023)



Graph 1: ROA of SPBML (2019-2023)

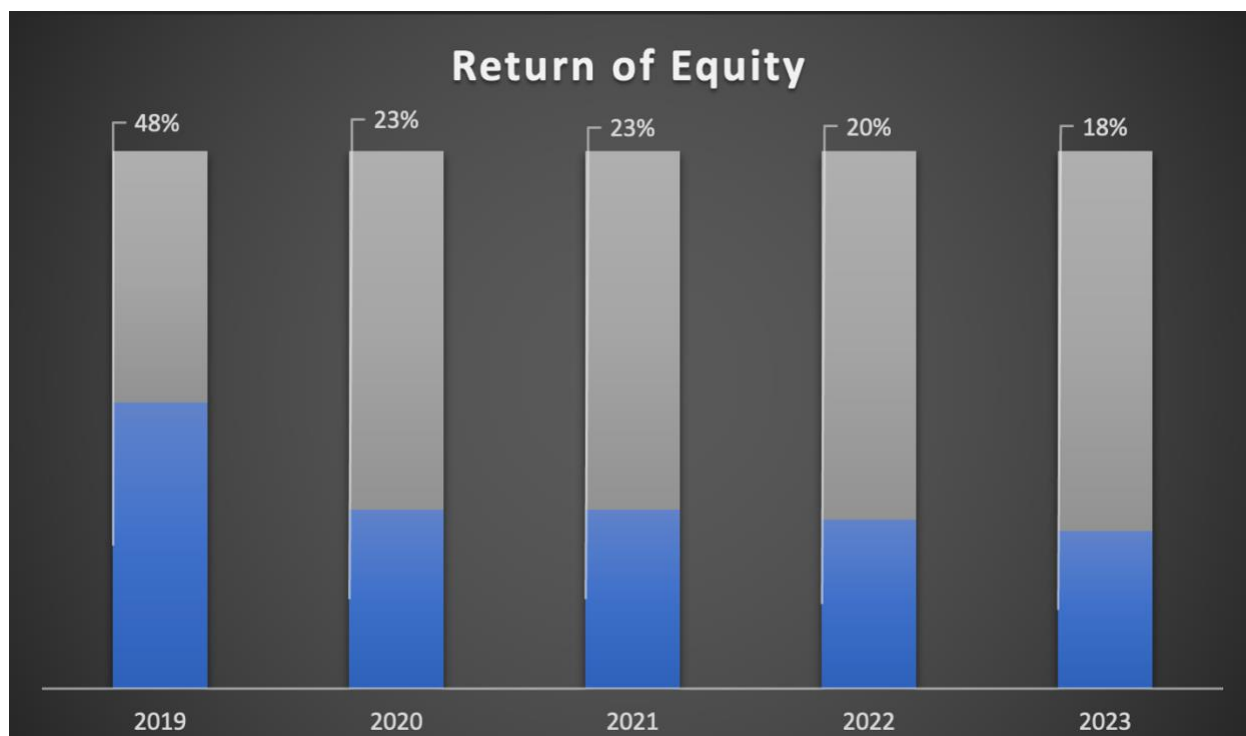
From 2019-2022 the subtle increase in ROA refers that the company is using its assets efficiently. Though it seems that they had little set back in 2023. But the numbers are not too far apart.

Return on Equity (ROE):

ROE refers to the measuring of how a company is generating profit by using shareholder's equity efficiently. It is calculated by dividing net income with average shareholder equity. ROE of last 5 years is given below-

2019	2020	2021	2022	2023
48%	23%	23%	20%	18%

Table 2: ROE of Last 5 Years (Source: SPBML Annual Report of 2023)



Graph 2: ROE of SPBML (2019-2023)

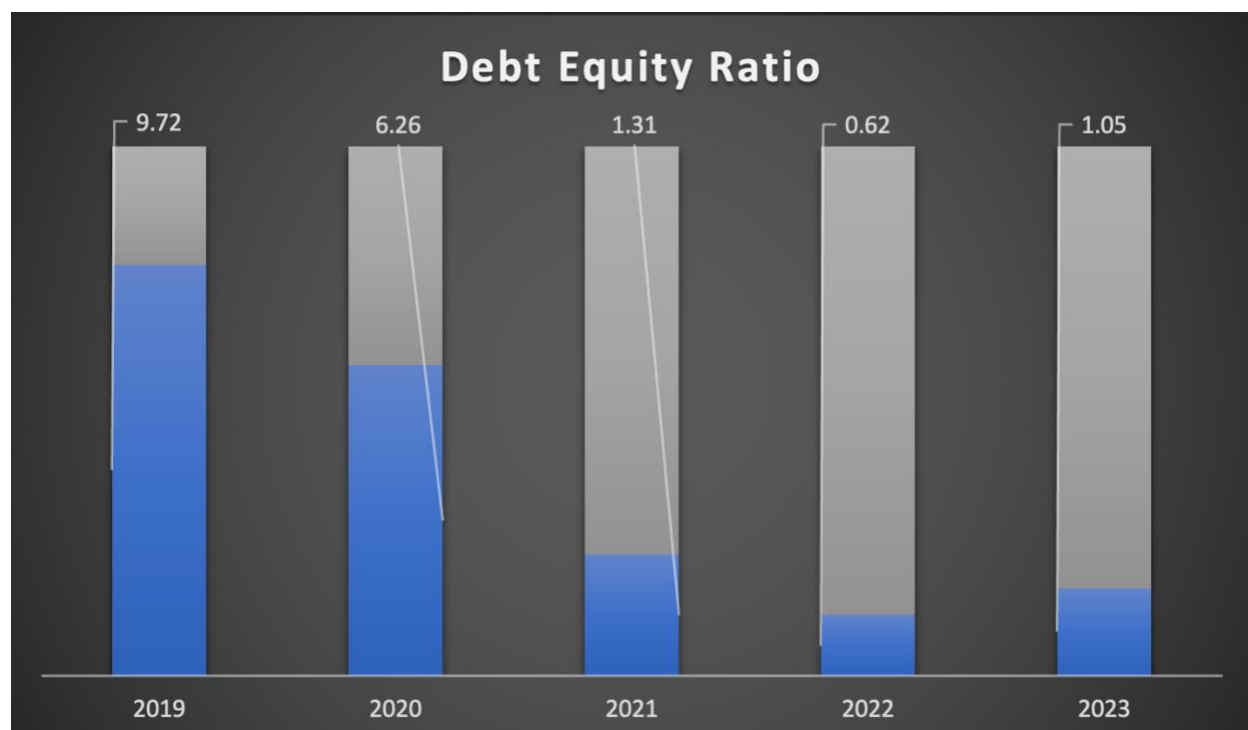
It seems the company was maintaining a good ROE in 2019. But after that from 2020 it started dropping gradually. It means the profit generation is decreasing.

Debt Equity Ratio:

Debt equity ratio can be calculated through dividing company's debt by its equity. SPBML's debt equity ratio for last 5 year-

2019	2020	2021	2022	2023
9.72	6.26	1.31	0.62	1.05

Table 3: Debt Equity Ratio of Last 5 Years (Source: SPBML Annual Report of 2023)



Graph 3: Debt Equity Ratio of SPBML (2019-2023)

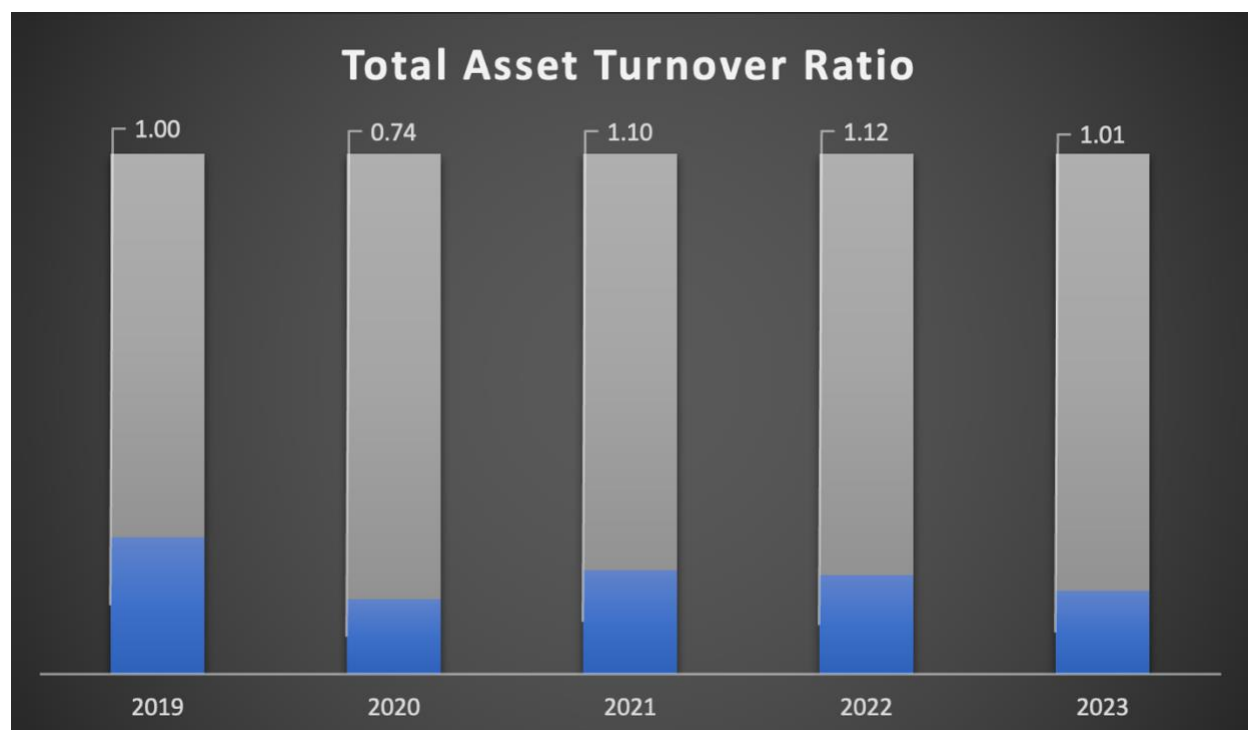
In the graph the decrease of debt equity ratio from 2019 to 2022 means that the company was doing better financially while taking in less debt. In 2023 it increased slightly.

Total Asset Turnover Ratio:

Total Asset Turnover ratio is used for measuring the sales revenue a company is generating by using company asset properly. It can be calculated by dividing net sales with average total asset. SPBML's last 5 years total asset turn over is given below-

2019	2020	2021	2022	2023
1.00	0.74	1.10	1.12	1.01

Table 4: Asset Turnover Ratio of Last 5 Years (Source: SPBML Annual Report of 2023)



Graph 4: Total Asset Turnover Ratio of SPBML (2019-2023)

2.2.12: History & Growth of Partex Star Group

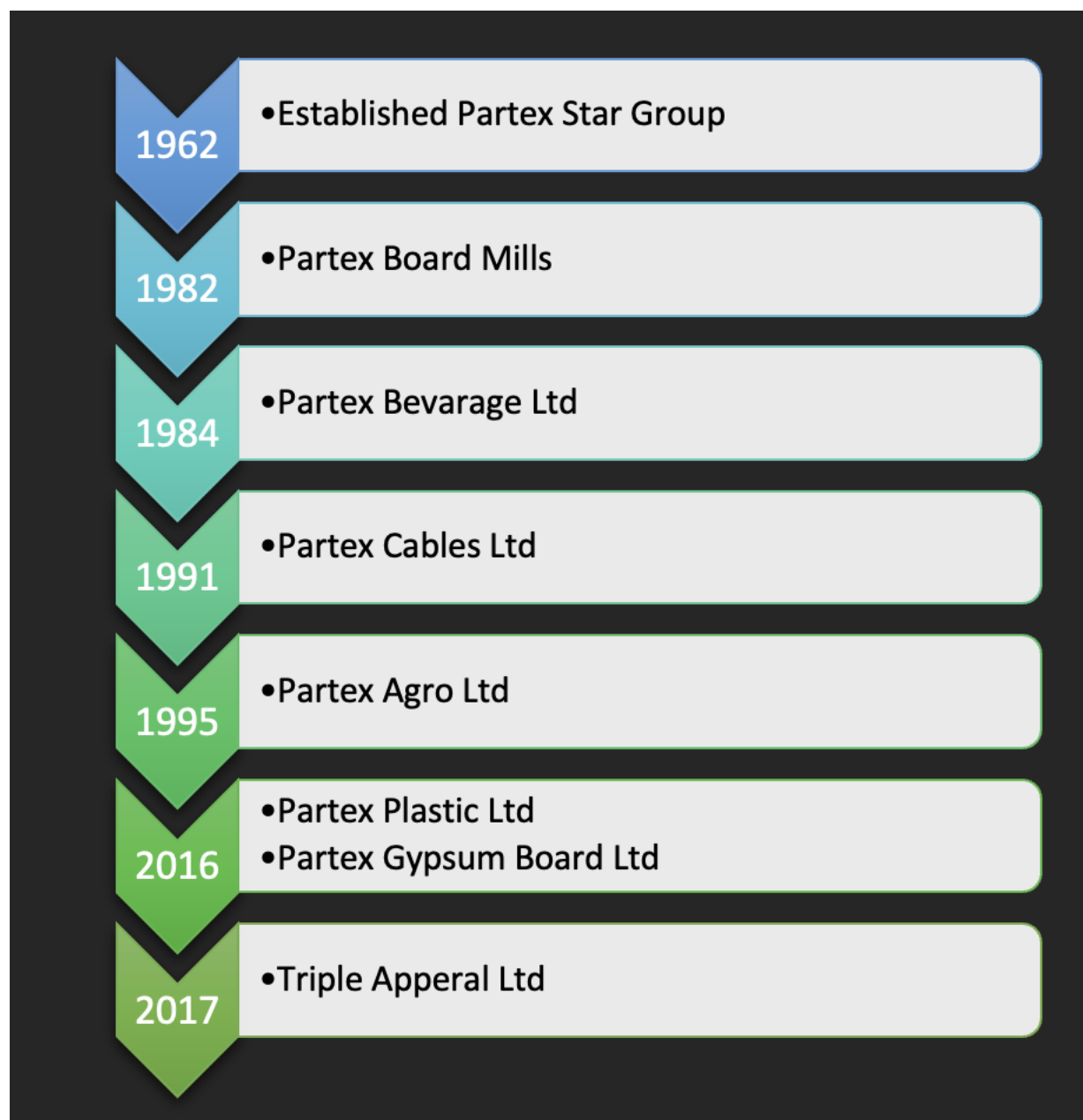


Fig 7: Significant brands of PSG and their establishments

It has been almost six decades since Partex Star Group began its journey. Throughout the years the company went through many ups and downs. Here are some significant events of PSG history.

- **1962:** Started its journey in the hand of M.A Hashem as a tobacco and beverage company
- **1970s:** Expanding to various sector of business real state and textile
- **1982:** Entering wood and particle board industry by setting up Partex Board Mill.
- **1984:** Starting Partex Beverage Ltd and producing soft drinks
- **1991:** Starting Partex Cables Ltd and entering FMCG market
- **1995:** Establishing agriculture-based business Partex Agro Ltd
- **2002:** Establishing Partex Furniture Ltd.
- **2005:** Starting Partex Lamination as a part of Partex Boards
- **2011:** Launched environmental sustainability measures, such as sustainable raw material sourcing
- **2013:** Implemented energy-efficient production procedures across many sectors
- **2015:** Significant growth in domestic as well as international market
- **2016:** Established Partex Plastic Ltd as well as Partex Gypsum Board Ltd
- **2017:** Started clothing export business by establishing Triple Apparel Ltd
- **2018:** Growth in international export business in garments in neighboring countries
- **2020:** Enhancing construction and real estate capabilities by investing in state-of-the-art technology for Partex Infrastructure Ltd
- **2022:** Reached the millstone of 60 years in business
- **2023:** Continues focus on expanding market and new innovation

2.2.13: Export Markets:

After gaining success in Bangladesh Partex started exporting in neighboring countries also. These countries are-

- India
- Malaysia
- Singapore
- Saudi Arabia
- Indonesia

2.2.14: Porter's Five Forces Analysis of PSG

Porter's five forces are used for analyzing the competitive position of an organization in the industry. Here is the analysis of Partex Star Group using five forces-

- **Threat of New Entrants: Low**

Construction material industry is a very competitive industry. There are already many existing companies who have already established a firm position in the market. These brands already have loyal customer base. If a new company enters the market, it will be difficult for them to compete with these corporate giants and grab customers. Also, the cost of manufacturing and distributing with such a competitive market in this economy is very high.

- **Bargaining Power of Suppliers: Moderate**

In order to produce their product Partex need to buy raw materials. These raw materials are bought from local vendors as well as imported from abroad. In case of local vendors, the company can always make a deal with them and meet a middle ground but that is not the case for imported raw materials. Sometimes they are rare so it cannot be found in the local market. In this case suppliers have the power in their hand.

- **Bargaining Power of Buyers: Moderate**

As the industry is very competitive there are more options in the market. So, the buyers can switch between these options. Also, now a days customers are more informed and cautious about there purchase. So, they can choose products from different company. But there are certain criteria that can be met with specific companies so the customer has no other choice to buy from them. That is why customer bargaining power is moderate.

- **Threat of Substitutes: High**

Partex has a lot of subsidiary brands. They have dabbled in many industries. All these industries already had an existing market. So, if the customer wishes they can switch to other brands any time. So, the threat of substitute is high.

- **Industry Rivalry: High**

The completion in construction material industry is very aggressive. The market is dominated by few giant industries and some mid-scale industries. The companies are always trying to produce new product to go ahead of its competitors. Also, as there are so many options the market is very price sensitive. So, the rivalry in this industry is very high.

2.2.15: SWOT Analysis of PSG:

SWOT analysis refers to the way of evaluating a company's strength, weakness, opportunity and threat. It gives an overall view of that organization's position in the industry and help it to stay in completion with existing competitors.



Fig 8: SWOT Analysis of Partex Star Group

Strength:

- The company has a diversified business model which allows them to branch out in different sector. Example: construction material, apparel, agriculture, logistics etc.
- As the company has been in business for many decades, they have built a loyal customer base
- Known as the pioneer of particle board in Bangladesh
- Over the years the company gained great reputation among the customers
- Vast distribution network

- Since the company has been established over six decades ago, Partex was able to capture a large customer base. Also, as they have business in different fields, they are able to gain a dominating position in the market
- Built a strong infrastructure over time

Weakness

- As the company is very large the operation cost is very high
- Risk of legal issues because of multiple brands
- Since the organization is huge and has many different brands under one umbrella, there is limited room for individual growth
- Slow management process due to company size
- Turnover and long-term people issues

Opportunity

- Forming strategic alliance with other brands to create something new or promote existent products
- Digital transformation and e-commerce growth
- Expanding network into areas that has not been explored yet
- Increase international export in more countries inside and outside of Asia
- Explore new market
- A huge contribution to the economic growth of Bangladesh

Threat

- The industry is highly competitive as there are many other companies related to same field. For example, in particle board industry Partex is competing with board companies such as Akij Particle Board Mills, Amber Boards, Woodland Plywood & Particle Board Mills
- Keeping up with the trends is difficult as the change is rapid
- Customer loss due to aggressive competition
- Economic fluctuation
- Changes in govt. policies

- Political unrest

2.3 Conclusion:

From this analysis it is understandable Partex has a solid footing in the market. Apart from construction material they have managed to expand their business in other sectors. Star Particle Board Mills Ltd is one of their most well-established brands making them the pioneer of particle producer in Bangladesh. Currently they are in 3rd position in the board industry. All though they had a stayed in a strong position for a long time, in recent time they are facing some issues. With all the completion in the market is getting harder for them turn around. From the SWOT analysis we understand that even though Partex has many strengths, there are still few weaknesses that are holding them back from making much improvement. But they still have many opportunities to explore and grow stronger in the future.

Chapter 3

Project Part: Enhancing Market Penetration Through Product Diversification: A case study on Partex Board

3.1 Introduction

Partex Star Group is a multi-diverse organization of Bangladesh. After starting their journey almost six decades ago, they have known to become the pioneer of particle board industry of Bangladesh. Over the time the company managed to extend their business in different sector but Partex board is still the most known one. Over the time SPBML have extended their product line and started offering other kind of board besides particle boards. This diversification of products has help them capture a new customer base.

This report is only based on the product diversification of Star Particle Boards Mills Ltd. Partex is a vast organization and SPBML played a crucial part in the growth of the company. This report will help understanding the customer's point of view about Partex Boards and whether or not this product diversification influences customer buying behavior and enhance the penetration in market.

3.1.1 Literature Review

Diversification is a form of growth marketing strategy for a company. It seeks to increase profitability through greater sales volume obtained from new products and new markets. It is also the process of investing a portfolio across different asset classes in varying proportions depending

on an investor's time horizon, risk tolerance and goals (Thornburg, 2001-2009). Diversification can occur either at the business unit level or at the corporate level. At the business unit level, it is most likely to expand into a new segment of an industry which the business is already in. At the corporate level, it involves entering into a promising business outside of the scope of the existing business unit. As for the case of Nation Media Group, the company has ventured into corporate level of diversification by introducing a new product to its print product called the Business daily which mainly targets the business corporates and the high-end business people in the formal business market (Peters and Waterman 1982). Prior literatures have argued that the strategy of product diversification has important influences on the performance of multinational firms (Geringer, Beamish, & da Costa, 1989; Hitt et al., 1997, Kim et al., 1989). Developing new markets and expanding product lines are two of the most prevalent company expansion strategies that organizations employ (Adamu Garba, 2023). If the strategy implemented is capable of producing superior performance, then it can be called a company having a competitive advantage. Researchers have also examined decisions about the manner in which the resources needed for diversification are developed or acquired (Yin and Shanley, 2008). We refer to these decisions as the mode of diversification, which could be internal development, acquisition, or alliances (Villalonga and McGahan, 2005).

The development of particle board industry is directly correlated to the economic development of our country. Due to the overall economic development of the country, we have experienced a rise in demand for interior design, furniture, doors, and so on. Besides, the purchasing power of individuals has increased a lot over the years all over the country. Particle boards were once used mostly in urban areas but now cater to a much wider consumer base, even in rural areas. Nowadays, in rural areas, it is not very surprising to see a reading table or a dressing table made of particle boards. Due to this growing adoption of particle boards, I believe that we can sustain this 20% annual growth of this industry for the next 10 years. However, the government's industry-friendly initiatives are required to unlock promising opportunities and further navigate the export markets (Syed Kaium Hasan, 2024). Through continuous improvement of production and quality assurance process, Partex Boards has been producing its particle board products for the last 60 years and will continue to do so in the future. And as the demands for our premium products are ever increasing,

it only indicates to the steady growth of the country's overall economy and the consumerwareness of the timber substitute products such as particle board (N H M Fazle Rabbi, 2022).

3.1.2: Objectives:

Broad Objective

The core objective of the study is to evaluate the effectiveness of Partex Board' s diversification strategy in enhancing market penetration.

Additional Objective

- to provide knowledge about capturing a new market
- to enlighten newcomers about the impact of diversification
- to provide insight about customers opinion on company innovativeness

3.1.3: Significance:

The research on enhancing market penetration by product diversification asses the matter how increasing product range can have impact on a company. It can also help other companies to expand their business by following the same footstep and avoid potential risks. This case offers a real-life example how diversification can help a company grab a new market. This diversification can only happen through company's innovativeness. This research provides insight customers opinion about company innovativeness. It also provides an understanding of customer buying behavior and the factors they look for while purchasing wooden products. So, in the future the company may able to improve their products more. It also adds data to existing materials which may become helpful to industry newcomers. The recommendation part of the report can be helpful for both existing companies and soon to come companies. This research has also help be gain insight about the importance of product diversification in order to stay on top of the industry.

3.2: Methodology:

For this case study “descriptive research method” was used. Both primary and secondary data was collected to properly analyze the information.

The primary data was collected through taking interview of some officials of Partex Stra Group and from their official website, newspapers and journals. The primary data was collected in order have a full overview of the company profile and its position in the industry. This also help understand what steps may the company take in for the betterment in the future. The secondary data was collected through conducting a survey. The survey was done using Google Form. There were 10 set of question to gain understanding of the effectiveness of product diversification and gaining market penetration through it. There were 50 respondents. The data was analyzed efficiently to provide a solid insight of the matter. Both primary and secondary data were used to create a framework for the case study.

3.3: Limitations:

While conducting the research I had to face many limitations. First of all, during primary research there was not sufficient and updated information about certain things on their website and most of the information were marked confidential. I had to reach out to workers from different departments to gather data. Furthermore, it was hard to find respondents who matched the demographic of the research. So, the responses were taken from different demographic group which may have caused the result to be very generic.

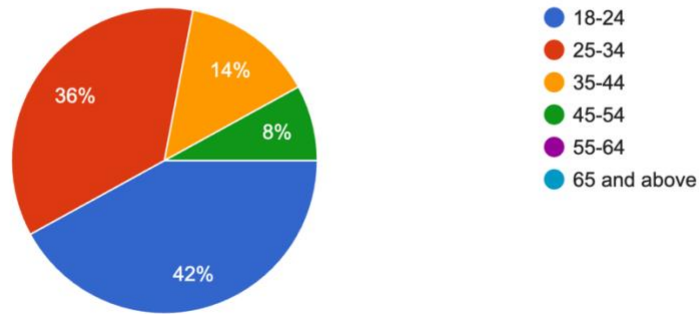
3.4: Analysis and Finding:

A survey was conducted on 50 people in order find the effectiveness to of enhancing market penetration of Partex Boards Ltd by diversifying the product. The survey questionnaire contained 10 questions relevant to the case study.

3.4.1: Survey Results:

What is your age?

50 responses

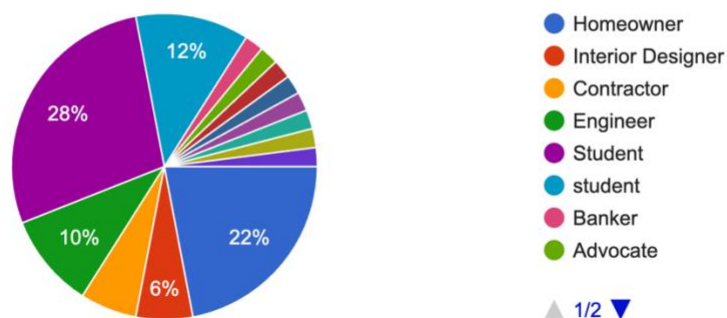


Survey pie chart 1

The survey was done one different age groups. It ranged from 18 years old to 65 and above. The majority of the responded are 18-24 years old which is 42%. Second majority is 36% who are 25-34 years old followed by 14% of 35-44 years old and 8% of 45-54 years old. So, it seems that large portion of the respondents are young adults.

What is your occupation?

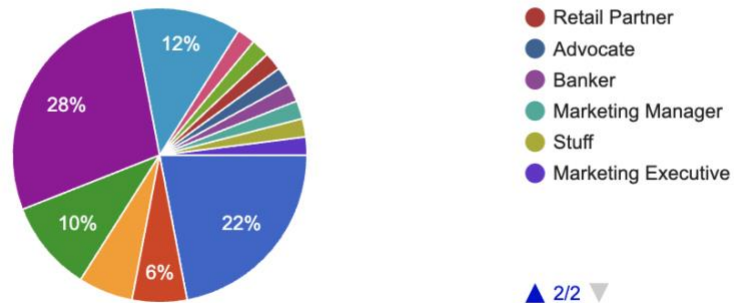
50 responses



What is your occupation?

50 responses

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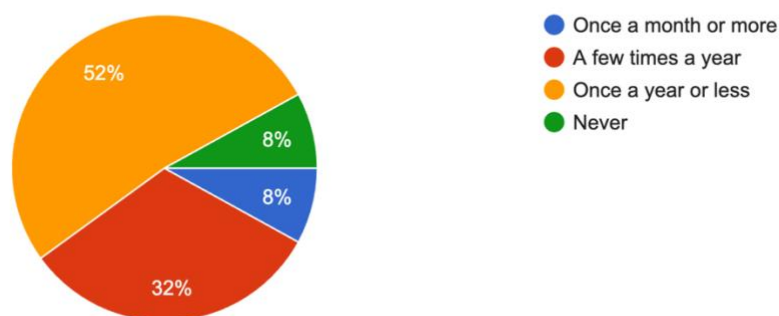


Survey pie chart 2

In the second question we can see that people of vast range of occupation has responded. 28% and 12% of them are students. 22% of them are homeowners and 10% are engineers. The respondents were given the option to specify their occupation and it seems people from different field has taken part in the survey. This includes retail partners, banker, advocate, marketing manager, contractor, marketing executive and so on. This is to asses that what kind of people are more interested in the products.

How often do you purchase particle board or other boards for construction or home improvement?

50 responses

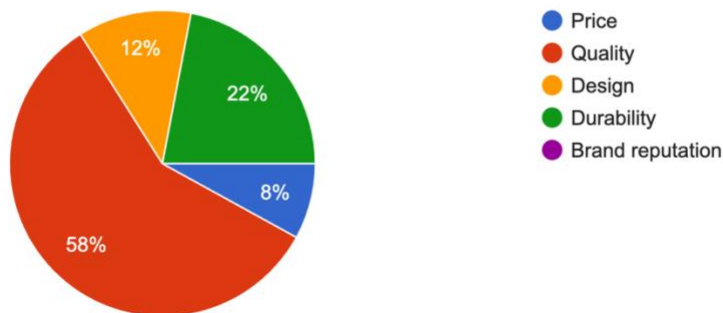


Survey pie chart 3

This question is to evaluate the duration of the purchase. It seems majority of the people which is 52% buy them once a year or less. 32% of the respondents buy them a few times a year. And only 8% buys boards once a month or more and never.

From this we can understand that People do not purchase particle board or any other kind of construction related board very often. It is either bought for home renovations or institutional constructions. From the previous question we could see only few people related to the industry responded. So, relating both question we can say that people from other occupations unrelated to this industry purchase particle board or any kind of boards only once in a while.

What factors influence your purchasing decision for particle boards or other kind of boards?
50 responses



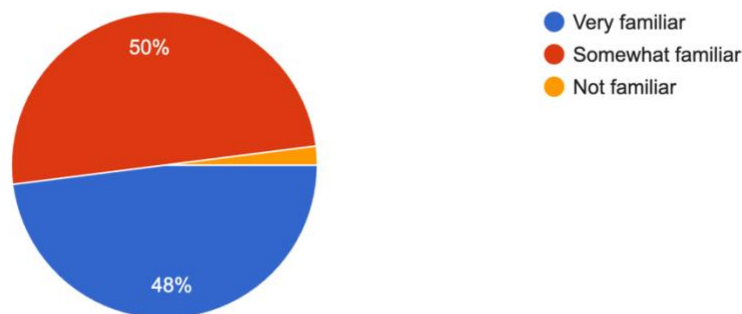
Survey pie chart 4

This question is to figure out which factor are important for customer while purchasing boards. Different kinds of elements influence customer buying pattern. In this case majority of the people which is 52% porches depends on quality. 22% respondents look for durability. 12% of the respondents are influenced by design. And only 8% of the respondents are concerned about the price. It seems like respondents are least concerned about brand reputation.

Partex board is known for its quality in the particle board industry. Only few other companies come close to it. The boards are also durable hence they are used for ceilings, wall paneling and other heavy institutional works.

Are you familiar with Partex Boards Ltd?

50 responses



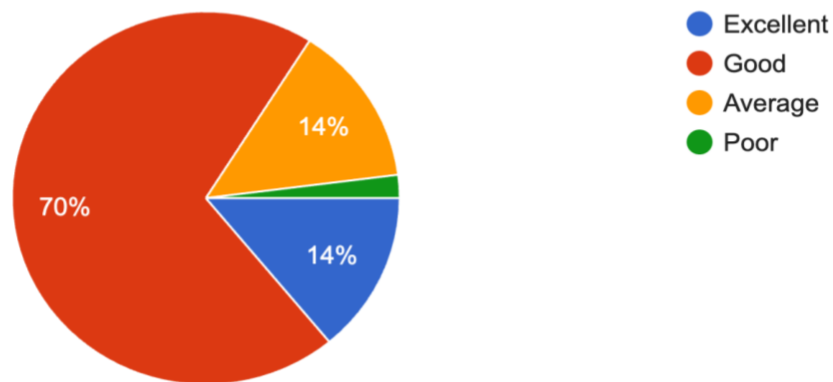
Survey pie chart 5

Here we can see that respondents are more or less familiar with Partex Board Ltd. 50% of the people are somewhat familiar with the company and 48% are very familiar with it. Only a few are not familiar with the company.

PSG is a very reupdated company in Bangladesh. SPBML is there one of the most well-known brands. So, people are familiar with the company through its products or just by the name. SPBML can approach different kind to branding strategies to close the gap of people who are still unaware of the brand.

How would you rate the quality of Partex Board's current quality

50 responses



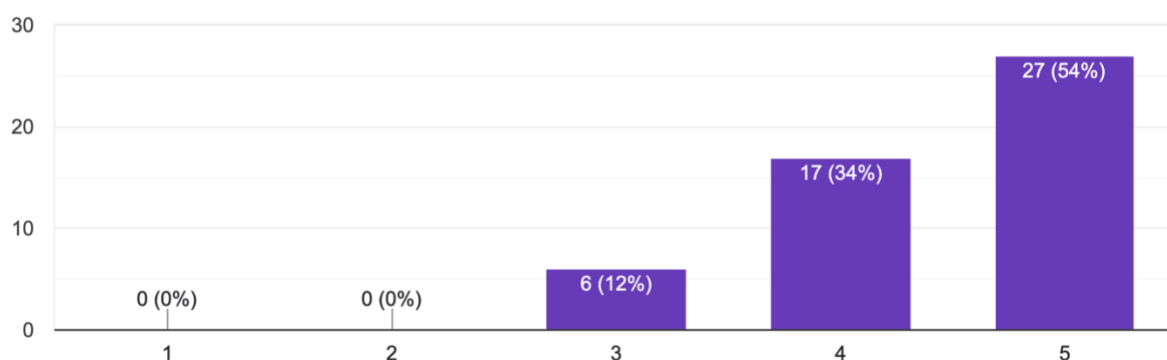
Survey pie chart 6

From this question we can assess people's opinion about SPBML's product. Majority of the respondents think the quality is good which is 70%. Then we find 14% of the respondents think the products have excellent quality and another 14% think the quality is average. Only a few seems to think the quality is poor.

Boards from SPBML can be used in different ways so people have different experience with it. But majority of the respondents seems to have good experience. Overall, it can be said that even though Partex Board provide good quality products there is still room to improve.

How important is it for you that the products you buy from Partex Boards are eco-friendly?

50 responses



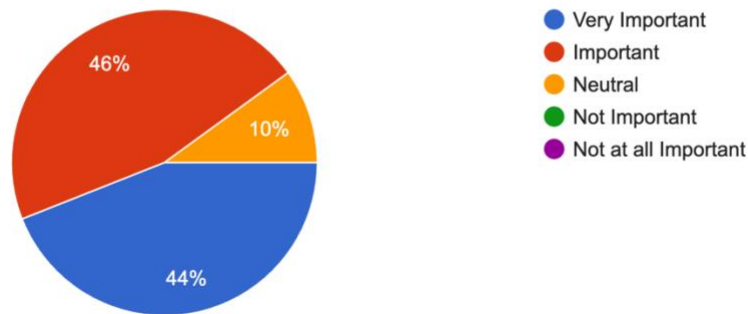
Survey graph chart 7

This question is to evaluate how much the people care about the product being environmentally friendly. On the scale of 1-5 (1 being not important and 5 being very important) 54% of the respondents think it is very important for the product to be eco-friendly. 2nd majority of the people think it is important. And 12% of the respondents were neutral.

The findings indicate that environmental concern is one of the influences in customer buying behavior. SPBML produces boards that has least amount of greenhouse gas emissions so it leaves fewer carbon foot prints. Also, these particle boards can be recycled. So, it seems that SPBML is doing a good job regarding this matter.

How important is it to you that a brand is seen as innovative and customer-centric?

50 responses



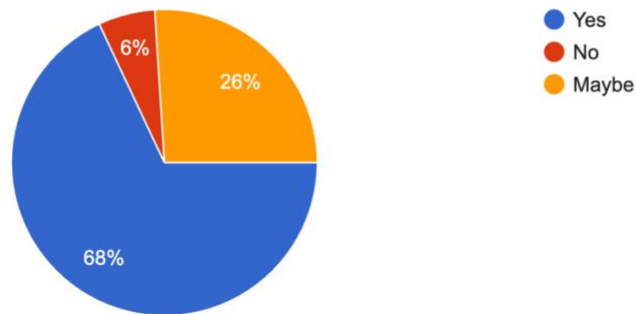
Survey pie chart 8

This question analyzes the importance of being innovative and customer centric as a brand. Majority of the respondents think it is important with is 46%. 2nd majority of the respondents which is 44% thinks it is very important and the least amount which is 10% are neutral.

Based on the responses we understand that innovativeness and being customer centric is an important factor. SPBML priorities customer need and try to provide service accordingly. Also, they take feedback from customer in order to solve problems and fulfill their demands. So, it seems that Partex is moving toward the right direction to stay relevant.

Do you perceive Partex Board as an innovative company?

50 responses



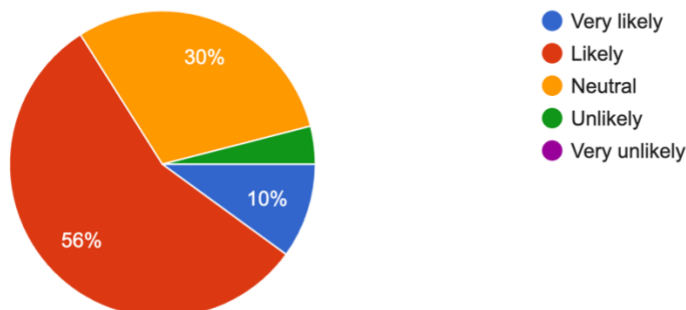
Survey pie chart 9

This question is to assess if Partex Board is perceived as an innovative company. 68% of the respondents think of Partex as an innovative company which is the highest response. 26% of the people are unsure of the fact and only 6% of the respondents do not think they are innovative.

From this we understand that Partex Board is seen as an innovative company by most people. SPBML is one of leading particle board companies. Because of their innovativeness they are able to stay on top of the industry for many decades and showing more potential growth. As this is a competitive industry Partex needs to continue just as hard to stay on top of their game.

How likely are you to recommend Partex Board products for home or institutional interior construction to others?

50 responses



Survey pie chart 10

This question is to evaluate the chances of Partex being recommended to other people for their home renovation or institutional construction. 56% of the respondents are likely to recommend it which is the majority. 30% were neutral about it. 10% are very likely to recommend it and only a few would not recommend it.

Based on this it is understandable that even though SPBML is a recommended company by most people, still there is a number of people who are unsure about. Partex has made a brand reputation of themselves but it seems not to be enough. There are still quite a number of people who prefer other particle board brand over Partex. So, it is high time Partex take initiatives to close that gap.

3.5 Summary & Conclusion:

The survey regarding Market penetration through product diversification helps to understand the position Partex Boards have in the industry right now. From the responses we can see that people regarding different age groups and occupations purchase SPBML products. The purpose of these purchase varies from person to person. Those who have jobs related to this industry purchase the products more often. Over the years Partex Board has expanded their range of products. It started just as a particle board company but now has many options to choose from. This diversification

has led to broaden their path to provide for customers from different segments and needs which has increase their market penetration. Furter more, from the survey it can be seen Partex Board is perceived as an innovative and customer centric company. As customer demand and choices are increasing day by day, Partex decided to cater to these factors and increase their product range. Now they have board made of different materials that can be used for different purposes. Also, the particle board they make is eco-friendly which will attract customers who are environmental conscious. Lastly, even though Partex Board is a great reputation in the industry people are still reluctant to recommend it to other people. So, Partex should take initiative to approach strategies that will help them capture rest of the market.

In conclusion, Partex Board was able to recognize the shift in market and customer demand. So, instead of just producing particle boards they decided to diversify their product and enhance their market penetration by capturing new customers. This tactic made their position in the industry firmer and made a path for long term success.

3.6 Recommendation:

- **Produce new variant of board:** Partex can increase their market by producing a new type of board. Currently there is a market for HPL board. This kind of board are waterproof, UV and weather resistant. There is already a market for it in our neighboring country but it is still new in Bangladesh.
- **Online sale increase:** Currently SPBML products are sold through dealers. Consumers do not have any direct access to it. So, they can set up a e commerce site to sell the products online.
- **Engagement Focused Social Content:** Most of the time branding of SPBML is done through TVC, news ads, poster, billboards etc. So, in order to gain more customer attention, they can make engaging contents and interact more with the customer and find out about customer demand.

- **Increase channel Partner in ZDP:** Though Partex has vast distribution network there are still untapped areas in our county. So, the company can make contact with dealers from those areas. Also, recently there has been an increase of economic developments zones. Partex can partner up dealer from those areas also to increase sale.

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