Report On

# The Taaga and Taaga Man Strategy: Analyzing Aarong's Successful Pivot from Traditional to Contemporary Youth-Focused Fashion

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

BRAC Business School (BBS)
Brac University
February, 2026

**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:**

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**Taqi Tajwar**
21204043

**Supervisor's Full Name & Signature:**

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**Fairuza Mehreen**
Lecturer, BRAC Business School
BRAC University

**Letter of Transmittal**

Fairuza Mehreen

Lecturer,

BRAC Business School

BRAC University Kha 224 Bir Uttam Rafiqul Islam Avenue, Merul Badda, Dhaka

**Subject:** Submission of Internship Report on “The Taaga and Taaga Man Strategy: Analyzing Aarong's Successful Pivot from Traditional to Contemporary Youth-Focused Fashion”

Dear Madam,

It is my pleasure to submit my internship report on Aarong’s sub-brands Taaga and Taaga Man’s marketing strategy to capture the youth focused modern fashion market. It was an excellent experience to work with Aarong. And this experience helped me develop key skills which are essential to kickstart my career.

My learnings and experience will be essential for growth in the corporate world. I dedicated my entire internship period not only to support the company but also to achieve my goal of gaining valuable experience.

Lasty, I would like to thank you for all of your help and support throughout this entire period. Your guidance has made my journey much easier.

Sincerely yours,

__________________________

Taqi Tajwar

21204043

BRAC Business School

BRAC University

Date: February 6th, 2026

**Non-Disclosure Agreement**

This agreement is made and remains between Aarong and the undersigned student at BRAC University.

…………………………………….

Taqi Tajwar

ID:21204043

## Acknowledgement

I would like to express my heartfelt gratitude to everyone who has supported me throughout my internship tenure and made it an unforgettable experience. First and foremost, I would like to thank my parents and friends, who has supported me through my entire journey.

Secondly, I would like to thank my on-site supervisor, Farzana Ahmed Nikita, Manager, Brand and the entire team at Aarong who guided me throughout my tenure as an intern. Special thanks to Rehnuma Shahed Tanisha, Officer, Brands for being my mentor and providing me with crucial and valuable insights and guidance during my internship period.

**Executive Summary**

This report revolves around the current situation of Aarong in the youth demographic segment of the fashion retail industry. It also analyzes the effectiveness of launching its youth focus sub-brands, Taaga and Taaga Man to capture the youth segment of the industry.

This report has 3 sections. The first section covers my overall experience as a marketing intern at Aarong from October 19, 2025 to January 19, 2026. This part includes basic information about the internship, the outcomes, contributions towards the company and finally personal recommendations for the company to improve the experience of future interns.

The second looks into the entire organization such as its history, organizational structure, management practices, marketing practices, financial performance of recent years, accounting practices and operational practices. This part also contains industry analysis through Porter's 5 forces and SWOT analysis of the organization.

The third and final part contains the critical analysis of the strategic intent of Aarong to launch youth focused sub brands like Taaga and Taaga Man targeting the youth demographic and weather it was successful or not. This analysis has been done by using primary survey data and secondary sources to understand if Aarong was successful in its intent to shift youth perspective towards Aarong and if they have successfully captured the lucrative youth demographic of customers who drive the growth of today's Bangladeshi Apparel industry.

In conclusion, my time at Aarong has not only helped me gain knowledge and understanding on how marketing and branding strategy works for different brands, but also enabled me to apply my theorical knowledge on practical situations though this report writing.

**Key Words:** Sub-brands, Fashion Retail Industry, Youth Demographic, Taaga, Taaga Man

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## List of Acronyms

**ATL** - Above the Line

**BDT** - Bangladeshi Taka

**BTL** - Below the Line

**BYOB** - Bring Your Own Bag

**CAGR** - Compound Annual Growth Rate

**CBBE** - Consumer Based Brand Equity

**CBO** - Chief Business Officer

**CRM** - Customer Relationship Management

**ERP** - Enterprise Resource Planning

**GDP** - Gross Domestic Product

**HR** - Human Resources

**MD** - Managing Director

**MIS** - Management Information Systems

**OVC** - Online Video Commercial

**STP** - Segmentation, Targeting, and Positioning

**SWOT** - Strengths, Weaknesses, Opportunities, and Threats

**TTL** - Through the Line

**TVC** - Television Commercial

**USD** - United States Dollar

**USP** - Unique Selling Proposition

## Chapter 1: Overview of Internship

### 1.1 Student Information

**Name:** Taqi Tajwar

**ID:** 21204043

**Program:** Bachelors of Business Administration (BBA)

**1st Major:** Marketing

**2nd Major:** Management Information Systems (MIS)

### 1.2 Internship Information

#### 1.2.1 Period, Company, Department Address

**Period:** 3 months (October 19, 2025 to January 19, 2026)

**Company Name:** BRAC-Aarong

**Department/Division:** Brand Marketing, Aarong

**Address:** Aarong Center, 346 Tejgaon Industrial Area, Dhaka-1208, Bangladesh

#### 1.2.2 Internship Company Supervisor's Information

**Name:** Farzana Ahmed Nikita

**Position:** Manager, Brand Marketing

### 1.3 Job Scope

This internship was done under the **Aarong Brand Marketing Department**, where I was responsible for providing support to the Aarong team during the launch of new marketing campaigns **for the Bring Your Own Bag (BYOB) campaign and for the winter, wedding and Eid-Ul-Fitr** collections for Aarong women's, men's, kids apparel and home décor products. I have also contributed towards the launch and management of Aarong's annual **Winter Wonderland** event. My responsibilities were assisting with new product research, theme research for photoshoots, competitor analysis and market research. Specific duties and tasks included:

- Conducting **new product research** for **Eid-Ul-Fitr** campaign. Ensuring the capitalization of untapped market segments.
- Conducting **research for themes for content shoots** aligned with the product requirements and customer preferences.
- Conduct **outlet visits** to evaluate the launch of campaigns, ensuring if promotional materials are placed correctly.
- Assisting in creating **photoshoot layouts** and providing support during photoshoots, ensuring smooth operations.
- Using **ERP system to analyze sales and stock data** for products for distributing demand wise stock to multiple outlets ensuring the products are delivered based on customer's demand.
- Conducting **competitive research** and assisting in **creating social media promotional content** like short videos and photos.

### 1.4 Internship Outcomes

#### 1.4.1 Contribution to the Company

During my tenure as an intern, I have assisted in the marketing and branding efforts for launching campaigns like the Bring Your Own Bag, winter, wedding, Eid-Ul_Fitr and Falgun. I helped with research, planning and execution of these campaigns in their various stages like product shortlisting, researching photoshoot themes, assisting in photoshoots and the maintaining communication with outlets for disbursement and placement of promotional materials at each outlet. These efforts contributed to capturing customer attention on digital media channels like social media and in outlets during crucial sales period, leading to increased sales throughout the campaign timeline. Additionally, I gathered insights from sales and stock data through the ERP system to evaluate the effectiveness of campaign promotion at all outlets. I also conducted outlet visits to check and ensure if all the promotional materials of the campaign are placed according to the campaign guidelines and are visible to the customers. Working to launch and managing the Winter Wonderland event has sharpened my event management skills. I also conducted surveys and conducted analysis of social media engagement for each campaign to evaluate customer response for a particular campaign and provided feedbacks and insights based on the analysis ensuring more compliance with customer needs for future campaign launch events.

### 1.4.2 Benefits to the Student

Doing internship under Aarong provided me with hands on experience with the fast-moving world of the fashion industry and helped me understand how research is conducted before planning and launching a big campaign. Through my involvement with the launch of multiple campaigns I gained practical experience of event coordination, brand communication and implementing marketing strategies to attract a specific target audience during a particular campaign. Doing sales and stock analysis and campaign reaction analysis helped me enhance my analytical ability as well as helped me understand how consumers behave and react to specific market conditions.

Participating in research work made me understand how a brand perceives itself and how to conduct research based on a brand's image, identity and customer perception. Conducting outlet surveys enhanced my communication skill and helped me understand how to deliver a message to someone effectively and efficiently. Participating in outlet visits and assessing the placement of promotional materials helped me understand the importance of placement of the promotional content in outlets for attracting customer attention and its contribution towards increased sales during the campaign period.

#### 1.4.3 Problems/Difficulties (faced during the internship period)

Although I have learned a lot from this internship, I have also faced some significant challenges during this period. Firstly, I received my appointment letter a week late and my ID card about 3 weeks late. Also, I did not have any fixed work hours. Sometimes without any prior notice I had to stay back at office for long periods of time. During shoots, the approval process took a lot of time which extended the time of every shoots. Also, Aarong's brand team, to me felt understaffed as only one person looked after a great portfolio of products which made it difficult to balance time and work for every portfolio, which ultimately increased the work pressure on employees and interns. Only 2-3 people had to receive, manage sort all the products for a campaign which was a bit overwhelming. And during my time as an intern at Aarong, we had to work on multiple campaigns together which increased the pressure even more.

#### 1.4.4 Recommendations (to the company on future)

Following are some recommendations given for making the experience of future interns better and improving the effectiveness of operations.

- **Timely Issuing Official Documentation:** To avoid uncertainty and unnecessary complexity, the HR department should prepare and release official documents like the prior to the onboarding day.
- **Increase Team Size: As** the workload during campaign period is too large, the company can hire more temporary or even permanent staff to support the existing team during the campaign period.
- **Fixed Work Hours:** Like the other departments, marketing department should also follow the fixed 8 hours 45 minutes work hours to help improve the work life balance of the employees and give prior notice of extra work hours when needed.
- **Faster Approval Process:** Instead of manual approval process of sending photoshoot content and waiting for approval from every step of the managerial hierarchy, Aarong should focus on streamline the approval process without going through many steps which will save valuable time.

## Chapter 2: Organization Part

### 2.1 Introduction

Bangladesh's apparel and textile industry is its one of the most influential economy drivers. It is valued at USD 42.61 billion, providing workplace to approximately 4 million people and accounts for 14% of the GDP and 85% of total export revenues (Mim et al., 2024). With the growth of this industry, came the growth of the fashion retail industry in the country. Where brands like Aarong, Yellow, Ecstasy, Kay Kraft, Cats Eye, Sailor are dominating the market.

Although different brands appeal to different demographics, like Aarong, whose core brand identity is formed around heritage and tradition, other brands like Ecstasy and Cats Eye offer urban style apparels and accessories. Customer preferences towards fashion have changed throughout the years due to the influence of western media, social media and presence of western brands like Zara, Levi's. Alongside that, the rise of E-Commerce and disposable income have increased the need for fast and trendy fashion even more. Thus, many legacy and traditional brands have shifted their focus to capturing a very unpredictable but lucrative market which has created a very competitive landscape in the industry. And it is assumed that this young and demanding demographic of customers will drive the future of the fashion retail industry of Bangladesh.

### 2.2 Overview of the Company

#### 2.2.1 About Aarong

Aarong, Bengali for 'Village fair' is Bangladesh's most popular lifestyle retail chain. It started in 1978 with the goal of empowering rural artisans and help to rise beyond poverty (Aarong, 2025).

Aarong, a social enterprise of BRAC started its journey by collecting and selling local handcrafts. Later it has expanded to a 31-store retail chain and one of the largest e-commerce platforms in the country, offering over 100 fashion and lifestyle product line and supporting over 87,000 artisans in terms of trade (Aarong, 2025). Aarong has been continuously maintaining the quality and design of their products since the beginning. Which has led to the revival of Bangladesh's rich heritage of handcrafts and impacting the lives of more than 320,000 people through 700 small entrepreneurs and the Ayesha Abed Foundation (Aarong, 2025). Aside from that Aarong has taken more initiatives to expand their brand even further by organizing events like Winter Wonderland, sponsoring fashion shows like "Arka Fashion Week", tapped into the fast-moving urban fashion market through the launch of Taaga and Taaga Man, and also penetrated the skin care business through the launch of Aarong Earth. Today Aarong not only represents the traditions and heritage of Bangladesh, but also has integrated this tradition into the modern and shifting lifestyle of the people of the country and still creating more opportunities for rural artisans to get paid for their handicrafts. Thus, keeping the Bengali tradition alive. Aarong has expanded their e-commerce business to other countries, where they directly sell their products through their e-commerce site aarong.com. Currently Aarong directly ship their products to Australia, Germany, Singapore, United Arab Emirates, The United Kingdom and The United States. Through this, Aarong represents the local Bangladeshi culture and heritage to the world. Though their strong supply chain and their vast range of innovative products, Aarong has become a household brand all over Bangladesh, attracting customers of all ages.

### 2.2.2 Company Vision, Mission and Core Values

**Vision:** A vision statement explains a company's stand in the future. Vision provides a clear focus and direction to achieve a company's long-term goal. Aarong's vision is to help men and women to achieve their full potential through economic and social initiatives and bring positive, wide-ranging shifts to the society as a whole.

**Values:** Aarong shares the same values as BRAC, which are integrity, innovation, inclusiveness and effectiveness (Aarong, 2025).

- **Integrity:** Aarong values honesty in all of its dealings. Being trustworthy and reliable to its employees and customers are their upmost duty. And they assume accountability for all of its actions (Aarong, 2025)
- **II. Innovation:** Aarong vows to think creatively for solutions and to learn from their mistakes and setbacks. They always want to try something new and tries to adapt well to changes in work environment (Aarong, 2025).
- **III. Inclusiveness:** Aarong treats everyone fairly, without any discrimination and welcomes diverse perspectives from everyone in every community (Aarong, 2025).
- **IV. Effectiveness:** Aarong tries to make impact through achievements and agreed objectives. They value the constructive solution to every problem and are driven by achieving results (Aarong, 2025).

### 2.2.3 Products of the Company

Aarong offers a wide variety of products itself as well as through their sub brands Taaga, Taaga Man and Aarong Earth. Which are available on all of their 31 outlets and on thier E-Commerce platform. HERSTORY, a luxury womenswear line by Aarong is available only on selected outlets.

Aarong products include, Panjabi, Panjabi Pajama set, Coaty, Kurta, Fatua for men, Saree, Salwar Kameez, Kurta, Panjabi, Scarves, Nightware, Bags, Purse, Shoes for women. Kids products include Shirt Pant sets, Panjabi, Frocks, Skirt Tops, Salwar Kameez for both male and female. They also sell handcrafted home décor products and Jewellery like Necklace, Earrings, Bracelets, nosepins etc made of gold, silver, pearl. Taaga products include Tops, Tunics, Dresses, Coats & Jackets, Shurgs, Shirts and Pants, Shoes and Various accessories. Taaga Man products include Shirts, Jackets, Waistcoats, Trousers, Tees, Polos, Shoes and Accessories. Aarong Earth has a wide range of organic self-care products like face wash, face packs, face mask, bathing soaps. And HERSTORY has exclusive Salwar Kameez, Tops, Tunics, Dresses, Shrugs, Dupatta, Blouses and others.

### 2.2.4 Aarong Outlets

Aarong has expanded nationwide and currently has 31 operating outlets in the country. The outlets are,

| |
|---|
| 1. Aarong Dhanmondi 1 |
| 2. Aarong Tejgaon Multi-Brand Outlet |
| 3. Aarong Dhanmondi Flagship Outlet |
| 4. Aarong Uttara Flagship Outlet |
| 5. Aarong Moghbazar |
| 6. Aarong Jamuna Future Park |
| 7. Aarong Banani Multi-Brand Outlet |
| 8. Aarong Mirpur 1 |
| 9. Aarong Wari |

| |
|---|
| 10. Aarong Bashabo |
| 11. Aarong Bashundhara City |
| 12. Aarong Mirpur 12 |
| 13. Aarong Bogura |
| 14. Aarong Narayanganj |
| 15. Aarong Khulna |
| 16. Aarong Mymensingh |
| 17. Aarong Sholashahar |
| 18. Aarong Halishahar |
| 19. Aarong Cumilla |
| 20. Aarong Sylhet |
| 21. Aarong Jashore |
| 22. Aarong Rangpur |
| 23. Aarong Feni |
| 24. Aarong Banasree |
| 25. Aarong Rajshahi |
| 26. Aarong Faridpur |
| 27. Aarong Kushtia |
| 28. Aarong Tangail |
| 29. Aarong Barishal |
| 30. Aarong Noakhali |
| 31. Aarong Cox's Bazar |

Table 1: Aarong Outlets

Aarong is also on process of launching 2 new outlets. One at Shaymoli and another one at Savar, Bringing the total number to 33.

### 2.2.5 Company Profile

| | |
|---|---|
| **Company Name** | BRAC-Aarong |
| **Type** | Fashion Retail |
| **Industry** | Design, Fashion, Handicraft, Skincare |
| **Founding Year** | 1978 |
| **Founders** | Ayesha Abed, Martha Chen |
| **Headquarters** | 346, Tejgaon Industrial Area, Dhaka-1208, Bangladesh |
| **Email** | customerservice.aarong@brac.net |
| **Website URL** | www.aarong.com |

Table 2: Aarong Profile

### 2.2.6 Organizational Structure

Aarong follows a centralized hierarchical framework led by the Managing director. Who oversees all the teams. The entire organization is divided into three core operation and support functions.

The are,

- **Business Operations:** The Chief Business Officer (CBO) leads the primary revenue and product functions which includes design, Retail and customer experience, Marketing and SCPD departments.

- **Digital Commerce:** The E-Commerce department itself is a completely different entity from its retail counterpart, having separate departments for its own operations which is led by a Deputy General Manager.
- **Strategic Support:** Key operational units such as Supply Chain, Finance & Accounting, IT and HR directly report to the Managing Director.

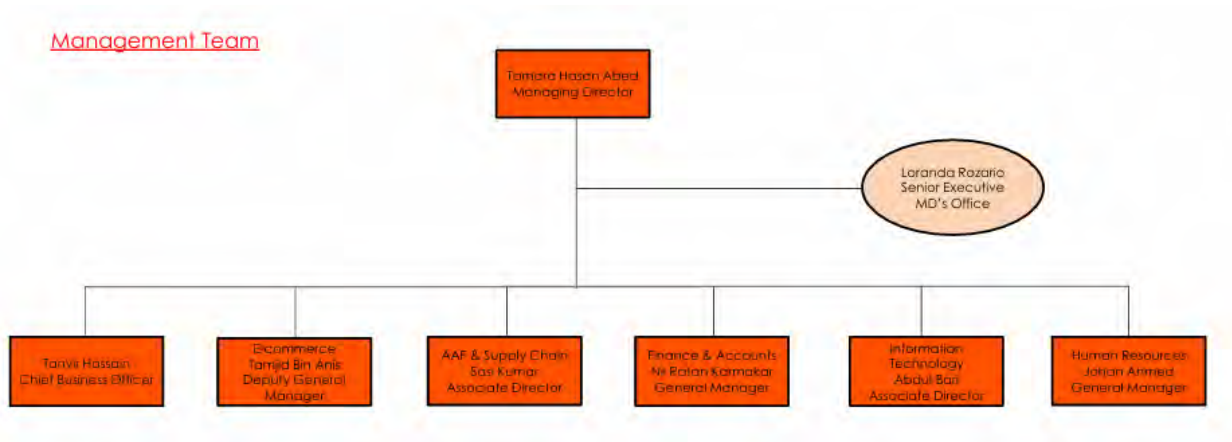


Figure 1: Aarong Management Team

## 2.3 Management Practices

### 2.3.1 Leadership Style

Aarong follows a democratic model of leadership. Which means everyone's input is considered and valued. Key decisions go through multiple approval stages and finally get approval from the MD. A group discussion is held on a regular basis with individual department heads to share ideas among the team. This approach of valuing others' ideas and opinions create a positive work environment which positively impact each and every employee morale and inspires them to put more effort in their work. This also opens up a great opportunity for more creative approaches to every organizational decision as employees are encouraged to think outside of the box and work in their own way. Also, the decisions from top management are always made with the opinions of the employees in mind, and which are very well received by the employees themselves. And this is only possible due to their democratic leadership structure. This employee friendly strategy is seen in their HR planning, compensation policy and other policies as well, making Aarong one of the most employee friendly workplaces.

### 2.3.2 Recruitment and Selection Process

Aarong has their own recruitment and selection team to oversee the entire process. Aarong's Training department also oversees a key component of the selection process. Aarong ensures fair evaluation of each and every single candidate and chooses the candidate who matches the job description the best. Aarong usually hires candidates from two sources. Internal and external sources. For entry-level positions, most of the new hires come from within the company's current workforce. The benefit of hiring from internal sources is the personnel possess extensive knowledge about the organizations policies and processes. External sources are used when candidates do not meet the criteria within the internal sources. The recruitment and selection team hires the best individual from outside of the company based on the job description. Selection process varies from the role to role. Depending on the position there are multiple rounds of assessments and interviews. Assessments usually include aptitude tests which tests a candidates analytical, reasoning and critical thinking capabilities. And interviews are standard and questions are asked based on CV and the job description.

### 2.3.3 The Compensation System

Aarong's compensation policy is one of a kind. They provide salaries on time and salary increments are done annually. The amount of the salary and the increment is given based on an employee's grade. Aarong also provides a certain amount for paying housing lease if requested by an employee. But this request is considered based on an employee's grade. Aside from these, Aarong provides travel allowance, overtime allowance, mobile allowance, celebration bonus, medical leave, paid sick leave, paid maternity and paternity leave. Aarong's compensation plan ensures that every employee is paid fairly and on time. Aarong employees also enjoy some non-compensatory benefits like 10% discount on all Aarong products and the facilities of using the daycare "Aador" for parents.

### 2.3.4 Training and Development

The training division of the human resource department provides training to all the fresh recruits of the company. These sessions are usually done to make the employees accustom to the new workplace, coworkers, policy and procedures. Training sessions are conducted on the day of the onboarding. But there are some roles focused training which are a bit extended than the normal training. Roles like sales representative, store assistance and maintenance personnel receive these extended training. Aside from training based on job roles, other awareness seminars and trainings are also conducted for the employees as an initiative by BRAC to educate their employees in many sensitive issues.

### 2.3.5 Performance Management System

Each staff at Aarong receives immediate feedback for their tasks. This is done to ensure improvement in every employee's performance. Every permanent employee receives performance evaluation in the January of every year. Which is prepared by the HR department in the December of the previous year and the HR distributes the personnel list and the performance evaluation from in each department. Salary increase, promotion and special allowances are recommended based on this performance evaluation. If needed, HR will meet with other departments. At the end of the process, the HR will issue performance evaluation letters for the chosen employees. This entire process is managed by the HR department.

## 2.4 Marketing Practices

Aarong's marketing department is the key for maintaining their position as a market leader in the Bangladeshi fashion retail industry. Aarong's core brand image is based on tradition and heritage. But due to rapid changes in the fashion and lifestyle preferences of Bangladeshi youth, Aarong established Taaga and Taaga Man to focus on this younger demographic of audience.

### 2.4.1 Marketing Strategy

Aarong uses strong product differentiation strategy. Differentiation strategy is a strategy when a company is providing something different and unique from the other available products in the market, making their products unique and different. (Sari at el., 2024). Here, Aarong is differentiating its products in few different ways. Under the Aarong brand, the product is differentiated due to it being made by rural artisans and it having traditional designs and elements within it. This is Aarong's core brand strategy. And on the other hand, Taaga and Taaga Man differentiates itself from other urban lifestyle brands by putting their focus on "Ethnic Fusion" and "Modern Ease". Taaga and Taaga Man was created to fill a market gap in Aarong's product portfolio, which are products directed to younger, urban demographic. Although, Aarong, Taaga and Taaga Man have different target audience, they still share some same product categories like shoes, bags, shirts and Panjabi. But they are clearly differentiated by they are designed and by how Aarong, Taaga and Taaga Man does their promotional campaigns. While Aarong does more "down-to-earth" promotional materials, Taaga and Taaga Man used visually loud materials.

When it comes to promotional appeal, Aarong focuses on more of an emotional and nostalgia appeal while Taaga and Taaga Man uses a mix humor, popularity and social appeals in their advertisement and promotional campaigns.

Aarong also provides loyalty service to customers for higher customer retention. These memberships are called My Aarong Rewards and Club Taaga. Customers can join the My Aarong Rewards program by sharing their contact information at any outlet. A customer can earn points upon spending 10000 taka. There are 4 tiers, Insider, Lifestyle, Gold and Platinum. Rewards vary based on these tiers (Aarong, 2025). Club Taaga also follows the same reward-based system based on making purchases.

Figure 2: Aarong Monsoon 25 Campaign

Figure 3: Taaga Monsoon 25 Campaign

**2.4.2 STP Analysis**

Aarong's STP analysis is as follows,

- **Segmentation:** Aarong segments its customers in 2 ways. First, they segment their customers based on demographic. Which include age, gender and income. Another way they segment their customers is psychographic. Which includes lifestyle, and values of customers

- **Targeting:** For Aarong products, the target audience are more adult audience with moderate to high income and who prefers traditional fashion compared to modern ones. On the other hand, Taaga and Taaga Man targets more of a younger audience like young professionals or university students who prefer to chase trends and change with trends.
- **Positioning:** Aarong positions themselves as a premium, ethnic and lifestyle fashion brand. While Taaga and Taaga Man is positioned as a trendy, loud lifestyle brand with a hint of tradition and heritage.

### 2.4.3 Aarong's 4Ps

Aarong's 4Ps are given below.

- **Product:** Aarong's product strategy revolves around quality, tradition, craftsmanship and variety. They differentiate their products by making them handmade and by featuring local prints like block print and tie-dye. Aarong also uses the best handmade fabrics to produce their products. They also make their products unique by featuring modern designs and clothing with a touch of traditional craftsmanship.
- **Price:** Aarong adopted a value-based pricing strategy for their products. As their products are handmade and uniquely differentiated than the products from other available brands, they can charge a price premium on their products which customers are willing to pay.
- **Place:** Aarong uses an omnichannel distribution strategy. Their supply chain is unique as they use decentralized production units and also centralized distribution system. All products made in the production units around the country send their products to central warehouse in Dhaka. Then they are sent to all outlets across the country. Aarong operates 31 outlets across Bangladesh. Each outlet has a distinct look and has dedicated sections for

all their products and sub brands within their outlets. Aside from that, Aarong has one of the largest e-commerce platforms in Bangladesh, which has contributed to Aarong's recent success.

- **Promotion:** Aarong heavily relies on social media marketing. All the contents that are made are directly uploaded to social media. Social media content usually include shoot content, reels, photos, customer content, influencer content and many more. Aside from that Aarong has loyalty program for their loyal customers and also run sales promotion like year-end sales and collaboration sale. Aarong also host, sponsor and participate in many youth centric event to increase their brand visibility.

### 2.4.4 Marketing Channels

BTL or Below the Line marketing is based on individualized, interactive interactions which generates response and conversions timely, while Above the Line (ATL) marketing uses mass media to target a large group of audience (Solomon, 2024). Aarong incorporates both types of marketing to promote to mass people, which is called TTL or Through the Line marketing channels. By incorporating TTL, Aarong uses ATL like TVC, billboard advertising and newspapers and BTL like digital media which include Facebook, Instagram, YouTube and TikTok to connect with a larger audience and with its target demographic.

### 2.4.5 Product and New Product Development

The development of new products is driven by seasonality and trend analysis. Most of the new products are developed during seasons and occasions. Aarong and its sub brands come out with new products in every both Eid festivals and during Puja. Aside from that they also develop specialized clothing and other lifestyle goods during Boishakh, Falgun, Monsoon, winter and wedding seasons. These products follow the fashion trends that people follow during that particular season. For example, for Falgun campaign they launch and promote yellow-colored items more. During wedding season, they launch specialized gift baskets as wedding gifts and promote red colored traditional party wear. Taaga and Taaga Man follow a similar product development strategy but they focus more on new and trending fashion trends and design their products according to those trends but with a traditional production style, which align with Aarongs core brand image.

### 2.4.6 Advertising Strategy

Aarong focuses heavily on social media marketing for both its older and younger demographic of customers. Content shoots are done to create original content for these social media promotions. These content like photos and short form videos are then uploaded to brand specific social media channels to reach their target audience. Aside from creating their own content, Aarong and its sub brands heavily rely on influencer marketing. Aarong hires influencers and send them their products which the influencers use to create their own content. These contents are then uploaded to their own social media profiles which then Aarong shares on their own profile. Aarong selects these influencers based on the type of products they want to promote and the type or demographic of customers they want to reach. Aarong also has loyalty programs like My Aarong Rewards and Club Taaga to maintain strong relationship with their loyal customers.

## 2.5 Financial Performance and Accounting Practices

### 2.5.1 Financial Position Analysis

| Financial Performance of Aarong | | | |
|---|---|---|---|
| | 30-Jun-24 | 30-Jun-23 | 30-Jun-22 |
| Total Non-Current Assets | 4,939,685,733 | 4,797,160,732 | 2,863,641,278 |
| Total Current Assets | 10,042,343,054 | 9,523,816,873 | 8,807,957,359 |
| **Total Assets** | **14,982,028,787** | **14,320,977,605** | **11,671,598,637** |
| Capital Fund | 9,625,732,470 | 8,785,394,682 | 7,801,091,178 |
| Total Non-Current Liabilities | 360,980,920 | 342,787,948 | 318,518,075 |
| **Total Current Liabilities** | **4,995,315,398** | **5,192,794,975** | **3,551,989,384** |

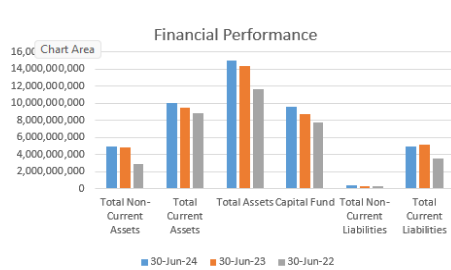

Table 3: Financial Position of Aarong from 2022 - 2024

Figure 4: Comparison of Financial Position of Aarong from 2022 - 2024

Aarong has demonstrated consistent growth in its financial position over the past three fiscal years. Total asset of Aarong has grown significantly from BDT 11,671 million in 2022 to BDT 14,320 million in 2023, approximately 22.7% growth. In 2024, the upward trend continued and Aarong's total assets grew to BDT 14,982 million. This increase was largely driven by increase in inventory, property, plant and equipment.

The Capital Fund of Aarong has also shown a steady upward trajectory, increasing from BDT 7,801 million in 2022 to BDT 9,625 in 2024. This suggests that Aarong holds a strong position in internal capital generation or retained earnings, indicating that the company is financially stable and has the ability to fund operations internally.

Aarong's growth in assets is largely contributed by its growth in inventories. Their inventory has grown significantly from BDT 5,132 million in 2022 to BDT 8,037 million in 2023 and to further BDT 8,308 million in 2024. Suggesting that they have expanded their operation and stocks meet their anticipated demand.

### 2.5.2 Liquidity Analysis

Liquidity analysis is an essential tool that provides the necessary information for an organization's efficient liquidity management (Hiadlovský et al., 2016). It is used to evaluate which financial objectives are achieved (ex post analysis) or to predict the future of a company's future financial situation (ex ante analysis). The primary purpose of this analysis is to determine a company's ability to pay its financial obligations in a timely manner without compromising its financial position (Hiadlovský et al., 2016). And one of the approaches of measuring a company's ability to pay off its short-term debt is quick ratio.

Quick ratio, also known as the acid-test ratio is one of the most common traditional indicators used to measure liquidity (Hiadlovský et al., 2016). It provides a narrower focus than other ratio analysis by measuring the company's ability to pay off its current liabilities by using its most liquid assets (Kirkham, 2012).

**Quick Ratio = {Current Assets - Inventories} / {Current Liabilities}**

A ratio above 1.0 is considered as healthy. Companies with a quick ratio above 1 are considered to be in a good spot financially as they can pay all of their short-term debts or current liabilities immediately. But with a ratio less than 1 suggests that the company my face financial trouble while paying off its current liabilities.

Aarong's quick ratios are as followed,

- 2022: (8,807,957,359 - 5,132,583,365) / 3,551,989,384 = **1.03**
- 2023: (9,523,816,873 - 8,037,283,750) / 5,192,794,975 = **0.29**
- 2024: (10,042,343,054 - 8,308,908,595) / 4,995,315,398 = **0.35**

In 2022, Aarong's quick ratio was 1.03, which was above the benchmark of 1. This suggests that in 2022 Aarong was in a strong financial position where they had enough liquid assets in hand to cover off its short-term liabilities without relying on selling its inventory to cover the debt.

In 2023, the ratio dropped significantly to 0.29. This drop was caused by a massive increase in inventory holding (approximate BDT 3 billion increase) and a rise in current liabilities (approximate BDT 1.6 billion increase) without a significant rise in liquid assets. This indicates a heavy reliance on selling off inventory to cover off its short-term obligations, indicating to a potential liquidity pressure.

The ratio improved slightly in 2024 to 0.35. But this was still below the benchmark of 1. Despite a decrease in current liabilities, the high inventory levels (BDT 8.3 billion) continue to impact the company's ability to pay up its short-term liabilities.

To conclude, over the past 3 years Aarong's quick ratio has fallen below the ideal benchmark of 1. Suggesting that there is a risk to paying off their short-term liabilities if the inventory turnover slows down.

### 2.6 Operations Management and Information System Practices

Aarong uses their in-house ERP system to gather, store and process data. The ERP system is created in a way that each department has specific access to the specialized needs of that particular department. Marketing, HR, CRM all have their own dashboards for their type of tasks and these accesses are granted based on the employee's department and their access credentials. The marketing department has access to all product, sales, and outlet information in their system. Product information like where the product is manufactured, the cost price of making the product, the selling price, the stock numbers at each outlet and campaign sales information is available to the marketing department. Each product is assigned a product code and a design code. Product code varies size wise but the design code stays constant. Also, the ERP system has a product PR system built in. This system is used to transfer products from outlets or other departments to the marketing department. This system keeps track of all inter transfer of the products.

### 2.7 Industry and Competitive Analysis

#### 2.7.1 SWOT Analysis

SWOT analysis is done to evaluate the internal strengths and weaknesses and the external opportunities and threats of an organizations business environment (Bonnici & Galea, 2015). The SWOT analysis of Aarong is given below.

**Strengths:**

- Customer loyalty is very high due to unique differentiation of the products. And the opportunity of growth is significant if new product and service is introduced.
- Aarong has a strong brand image based on tradition and heritage.
- Ethical and sustainable business model providing strong financial backing to the artisans and unique products to the customers.

**Weakness**

- Production is decentralized, meaning the cost of distribution is very high due to having production units around the country.
- Due to Aarong's heavy reliance of hand made products, there is minimal use of automated production equipment which slows down the production line.
- Due to high distribution cost and handmade nature of the products, the cost price of the products is high which makes the sell price of the products higher.
- Shopping experience on Aarong app is poor.

**Opportunities**

- Due to the e-commerce website, Aarong has been able to expand to international markets. And there is a scope of expanding their business even further.
- Opportunities of cross brand partnership in other industries due to ethical business model.

- Scope of directly export to other countries due to the increasing demand for handcrafted products.

**Threats**

- Due to the volatility of currency rates, prices of raw materials can increase significantly, making the cost of making products significantly higher.
- Vulnerable to fast changing fashion trends due to slower adaptation of new trends as the nature of the entire product development process is slow.
- Direct competition from low-cost and mass-produced items which consumers sometimes prefer due to the attractive low cost.

Aarong has many significant strengths which has made up for their weaknesses internally. Due to their business model and financial backing, they can improve their distribution network and entire supply chain and make them low cost. With better distribution and supply chain process, they can expand into many countries and capitalize on the growing demand for handmade and hand-crafted goods. They can also invest in their app development to improve the app shopping experience by taking customer feedback. Some production facilities can be modernized by using automated processes for production which will not harm the integrity of Aarong's brand image.

### 2.7.2 Porter's Five Forces

Porter's five forces are the competitive forces within all industries that shape their structure and establish the root causes of profitability within an industry. These five forces are threats posed by competitive rivalry, threats of new entry, buyers and customers bargaining power and the threat of substitutes (Dobbs, 2014). The process for Aarong is given below.

- **Competitive Rivalry:** Fashion industry is full of big corporations that are in competition with one another. Particularly in Bangladesh this competition is high due to big brands like Kay Kraft, Yellow, Rong, Ecstasy and others have a significant portion of the market to their name. Due to all the brands having similar product categories and rapidly changing customer preferences, Aarong faces fierce competition within their industry.
- **Threats of New Entry:** The threat of new entries that could disrupt the market is pretty low. As entry in the industry requires significant investments in production, distribution, retail and marketing. Aside from investments, without innovation and a differentiating factor, it is not possible to win customer loyalty and produce strong brand image within the industry due to customers staying loyal towards their preferred brands. In the case of Aarong, customers are willing to pay extra for their unique and hand made products and due to this differentiating factor, new competition will have a difficult time to compete against them.

- **Bargaining Power of Suppliers:** Depending on the product and the craft the bargaining power for Aarong's suppliers can differ. As Aarong work with a large number of rural artisans and craftsmen, it reduces the reliance on one supplier for the company. Aarong has a strong relationship with their suppliers due to their ethical business model and fair-trade policies. But this can differ when the craft is rare and requires special craftsmen to produce unique products. In this case suppliers have more negotiating power over the company.

- **Bargaining Power of the Customers:** Customers have a high bargaining power when it comes to the fashion retail industry. Due to having many options customers can switch brands whenever the prices of their preferred brand go up. But in case of Aarong and its sub-brands, there is a slight leverage due to their unique value proposition of tradition and heritage. Customers believe that they are getting superior quality product from Aarong thus paying a higher price. But customers won't hesitate to switch if they feel the product quality is bad and if they find better quality product for cheap elsewhere.

- **Threat of Substitutes:** Threat of substitute is high within the industry as low cost and sometimes branded export quality goods are widely available. Small manufacturers can also produce similar products for lower cost and quality which customers sometimes find appealing. But Aarong customers remain loyal to the brand because of the authenticity of the products and the relationship that they have created with their customers.

According to the analysis, the fashion industry in Bangladesh is very competitive but the well-established brands are dominating the market due to their established brand image and unique value proposition which makes them stand out from one another. When it comes to Aarong, they hold a strong place in the industry due to lack threat from new competition and good relationship with their suppliers. Their unique value proposition, well established brand image and their ethical business model helps them mitigate all other competitive forces within the industry that others face.

**2.8 Conclusion**

Aarong has successfully established themselves as the industry leader in the Bangladeshi fashion retail industry by maintaining its identity as a social enterprise and by fulfilling the needs and demand of the modern, youth customers. The core strength of the company lies in its business model where it aims to empower rural artisans while providing premium, handcrafted products to its customers. Which established a high customer loyalty and the ability to charge a price premium.

Financially, Aarong has displayed strong growth. Its total assets have shown a growth of 22.7% between 2022 and 2023, which was largely driven by inventory expansion. But this rapid growth of inventory has impacted the company's liquidity negatively, resulting in the quick ratio dropping below the ideal benchmark of 1.0 for the last two fiscal years, indicating a significant risk in fulfilling short-term liabilities.

Aarong has effectively introduced its sub-brands Taaga and Taaga Man to compete in the heavily competitive modern and urban fashion landscape without diluting its core brand identity. These sub-brands allowed the company to divert from its purely heritage-based appeal to capturing the highly profitable but trend conscious youth demographic while still maintaining the core brands traditional image. Despite facing high operational costs due to decentralized production and competitive market filled with low-cost substitutes, Aarong has still maintained its ethical reputation, strong supplier relationships and omnichannel distribution effectively to mitigate these threats.

### 2.9 Recommendations

Based on the comprehensive analysis on Aarong, its industry, its internal external business environment and personal experience from the internship period, the following recommendations can streamline Aarong's operations and employee experience.

- **Selective Automated Production:** Although Aarong's entire brand identity is created around handcrafted goods, for non-essential of high-volume items, automated production equipment's can be used for increased speed and production efficiency while keeping the core brand image and identity intact.

- **Optimizing Distribution Network:** Due to the decentralized nature of Aarong's production units, more investments should be made in order to streamline the distribution network along with logistics and supply chain process to help stabilize or even reduce cost.
- **Improved in app Experience:** Aarong should address the problems and bugs the users face within their app and invest into developing the app by accounting in customer feedbacks from user reviews. Which will lead to a better capitalization of its large e-commerce platform.
- **Increase Team Size During Campaigns:** Due to brand team being understaffed, each employees experience high work pressure during campaign periods. Sometimes one individual needs to work on multiple campaigns at the same time. So, the company should hire temporary support staff or more permanent employees during campaign period.
- **Expedite Approval Process:** The slow process for content approval for shoots should be more streamlined, fast and optimized to reduce time waste during major shoots.
- **Ensure Timely Official Documentation:** The HR department should disburse official documents to new employees on time to avoid uncertainty among them.
- **Establish Fixed Work Hours with Notice:** The marketing department should maintain fixed work hours like other departments to ensure a better work life balance. Prior notice should be given if an employee is required to put in extra hours.

## Chapter 3: The Taaga and Taaga Man Strategy: Analyzing Aarong's Successful Pivot from Traditional to Contemporary Youth-Focused Fashion

### 3.1 Introduction

The fashion retail landscape of Bangladesh is experiencing a significant shift driven by a young demographic of audience who are influenced by western “fast fashion”. In the world of social media, customer behavior of a country can change dramatically, especially the behavior of customers within the 18 – 30 demographics as they have a digital first mindset and are connected globally. This generation of customers are more fashion-focused than ever, and this has impacted on the county’s long standing ethnic and tradition focused fashion retail industry.

Aarong, since its inception in 1978 has not only been a fashion brand but also kept Bangladesh’s tradition and heritage alive by working with the rural artisans of the country. Aarong has successfully brought crafts like Nakshi Kantha and Jamdani to the mainstream market and sustained the livelihoods of over 65,000 rural artisans across the country (Aarong, 2025). This focus on tradition and heritage has been the strength of Aarong’s strategy but also a weakness as the survey conducted on the youth demographic shows that they do not prefer Aarong’s styling as their choice of everyday wear and only perceive them as a perfect choice for traditional wear during festivals like Eid and occasions like wedding.

The emergence of new youth focused brands like Yellow, Sailor, Ecstasy and others put immense pressure on the business model of Aarong. These brands successfully made themselves appealing towards the youth demographic due to their focus on offering trendy, modern, urban outfits at a competitive price point along with a strong digital media campaign which resonates with the young demographic or the “Instagram generation”. To compete with these new brands and to capture this lucrative market, Aarong decided to launch its youth focused sub brands, “Taaga” and “Taaga Man”.

This report will evaluate the efficiency and effectiveness of Aarongs brand extension strategy by examining the marketing mix, consumer psychographics and competitive dynamics to determine if Aarong has successfully bridged the gap between “heritage” and “hype”.

### 3.1.1 Background and Problem Statement

The problem that is explored in this research is rooted in “Innovator’s Dilemma” faced by legacy brands. Aarong has created a strong position within the traditional handcraft and lifestyle sector but due to their dominance, they have become more rigid in brand elasticity as before Taaga and Taaga Man, they only updated their designs but they were rigid about introducing new product category in their brand portfolio. Thus, their legacy of being a “traditional” brand failed to resonate with the younger demographic.

This problem of not resonating with the younger demographic has created a significant risk of not capturing one of the most profitable demographics of customers in the market. The textile industry of Bangladesh is valued at USD 39.46 billion in 2025, where the “Fashion & Apparel” segment accounts for 67.6% of the revenue (Mordor Intelligence, 2025). This segment is primarily driven by domestic consumption from a young, increasingly urbanized population with rising disposable income (Dataintelo, 2025).

The young demographic, influenced by global fashion trends and social media, seeks specific attributes for their outfits. And are willing to change preferences on a regular basis based on trends. Companies are expected to deliver these “fast fashion” items weeks after they become trendy and relevant. Which in Aarong’s case is difficult to deliver due to their core focus of traditional, handcrafted items which take a long time to produce and distribute. Brands like Yellow has captured this youth demographic through international brand deals with Disney, Marvel and Star Wars, positioning themselves as an international standard retailer (The Daily Star, 2022). Sailor has created an immersive retail environment that has captured the shopping experience that the youth desires (Textile Today, 2025). Ecstasy has captured the market through their bold and "edgy" western designs to their outfits. But Aarong's strong focus on traditional outfits has failed to capture the youth market causing a significant opportunity cost. Solely relying on festivals and occasions for sales is risky compared to the constant revenue flow of "everyday wear". Therefore, the strategic problem was how they can enter the fast fashion market without compromising or diluting their core brand image of tradition and heritage.

The solution to Aarong's problems was to launch new brands like "Taaga" and "Taaga Man". This created an opportunity for Aarong where they could differentiate the brand as trendy without diluting the core brand image and as it is an "Endorsed Brand" of Aarong, it still had enough trust of the customers. This research will analyze whether this balance is achieved or if the youth still gravitate towards competitors for their fashion needs.

### 3.1.2 Objectives

The primary goal of this research is to evaluate Aarong's brand extension strategy into the youth fashion market. To achieve the goal, the study has been broken down into three specific and measurable objectives:

- To explore the strategic intent behind Aarong's decision to diversify its portfolio by launching Taaga and Taaga Man. This involves investigating the internal and external drivers such as market condition, perception of traditional segment and the demographic shift in Bangladesh. Along with the need to sustain the employment of artisans through new product development and innovation.

- To analyze the marketing mix of Taaga and Taaga Man and determine how they differ from the parent brand Aarong and their key competitors. This objective aims to assess product, price, place and promotion strategies to understand the market entry strategy.
- To assess the effectiveness of the brand extension in shifting consumer perception among the 18-30 age group.

Using primary data and secondary data, this objective seeks to quantify weather the youth perceive Taaga and Taaga Man as distinct, desirable brands or just as “Aarong for young people”.

### 3.1.3 Significance

The significance of this study extends beyond academic purpose. It offers critical insights into strategic management in the diverse landscape of the fashion retail industry.

- **Strategic Survival and Market Relevance:** The Bangladeshi apparel market is expected to grow significantly at a CAGR of 5.81 by 2030 which is driven by the youth segment (Mordor Intelligence, 2025). For brands like Aarong who focus on tradition and heritage, it is essential for them to appeal to this demographic to stay relevant and compete with other urban focused fashion brands. If Aarong fails to gain loyalty to this demographic then it will be difficult for them to retain those customers at older age when they will become their target customer for home décor and other traditional products.
- **Social Impact and Artisan Sustainability:** Aarong is unique than other brands not because of their focus on traditional and hand-crafted items, but also for their contribution to keeping these traditions relevant and to their efforts of sustaining rural artisans. The

65,000 plus artisans rely on constant orders from Aarong (Aarong, 2025). Traditional crafts like Nakshi Kantha and Jamdani are labor intensive and are expensive to produce. Thus, limiting the market to the economically capable customers. By modernizing these crafts through Taaga by using minimal hand-crafted design on machine made fabrics or simple block prints on western cuts, Aarong creates a high-volume driven market that ensures that the artisans stay employed throughout the year and not just during festivals. This study highlights the relationship between commercial trends and social impact sustainability (Sazonenka et al., 2018).

- **Brand Architecture in Emerging Markets:** The study provides a case study on brand architecture development economy. It examines the "sub-brand" strategy verses the "House of Brands" strategy. Understanding the factors behind how Bangladeshi youth perceives these relationships adds to the body of knowledge on branding in non-western contexts (StudioNorth, n.d.).

### 3.1.4 Scope of the Study

The scope of the study is meticulously defined to ensure depth and relevance:

- **Demographic Scope**: The study exclusively focuses on the 18-30 age group. This cohort is including university students, fresh graduates and young professionals who are the primary target audience of Taaga and Taaga Man.
- **Brand Scope**: The primary unit of analysis is Taaga and Taaga man. The parent brand Aarong is used as the baseline for comparison.

- **Competitive Scope**: The analysis is limited to direct competition in the fashion retail sector. Unorganized retailers like New Market is excluded to maintain fairness in terms of branding.
- **Methodological Scope:** The study uses a mixed method approach, which combines the quantitative data from a survey of 150 respondents with qualitative insights from annual reports, industry journals and social media.

### 3.2 Literature Review

To evaluate the sub-brand strategy, it is important to analyze the strategies based on established marketing theories and specific context of the Bangladeshi fashion retail industry.

#### 3.2.1 Theoretical Framework

When a brand name gives added values to its products beyond its functional attributes is known as Brand Equity. Aaker (1993) described brand equity as a set of assets of the brand like brand awareness, perceived quality, brand association and brand loyalty which enhance the value of the brand's products to not only to the customers but also the company. Brand Equity allows a company to charge premium prices, gain customer loyalty and reduce the risk of launching new products.

Brand Extension on the other hand builds upon the brand equity theory by explaining how brands leverage their existing brand equity to introduce new products or launch new brands. Brand extension strategy involves using the established brand equity on new products or brands for a greater market acceptance and lower promotional cost (Aaker & Keller, 1990). But the success of brand extension depends on perceived fit between the mainline brand and its extension. Brand extension is successful when customers will perceive the mainline brands values, quality, image and positive associations are seen within the extension. But, if the customers fail to perceive the same equity of the parent brand within the extension, then it will result in dilution and weaken the mainline brands equity (Loken & John, 1993).

Brand architecture explains the structure and the relationships among brands under the same umbrella. Aaker and Joachimsthaler (2000) says endorsed branding as a strategy where sub-brands inherit distinct identities alongside being supported by the parent brands reputation. This approach allows a company to target specific segments of a market by establishing new sub-brands and without diluting the main brands overall brand equity. Aarong's purpose of establishing Taaga and Taaga Man is an example of the endorsed sub-brand strategy. Through this Aarong was able to address the youth segment of the market while leveraging its long-standing image of tradition, craftsmanship, quality and trust.

The effectiveness of the brand extension strategy is further explained through marketing mix and consumer behavior theories. The 4 p's of marketing, product, price, place promotion are the key pillars for market differentiation (McCarthy, 1964). For a youth-focused brand it is important for these elements to align with the youth lifestyle, perception and consumption. Park, Jaworski, and MacInnis (1986) believes that young customers are influenced by symbolic and experimental brand concepts. And Taaga and Taaga Man are in line with this theory through their emphasis of modern and western designs with a touch of traditional craftsmanship, contemporary retail space, competitive pricing and digital focus promotional strategy to appeal towards the young demographic of customers.

Integrating brand equity, brand extension, brand architecture and marketing mix theories provide an in-depth insight on Aarong's purpose for launching Taaga and Taaga Man to capture a profitable market while keeping its core brand values intact.

### 3.2.2 The Bangladesh Fashion Market Landscape

This study is done on the context of the rapidly growing Bangladeshi apparel market. While Bangladesh is the second largest apparel exporter globally ($47 billion in 2023) (Economics Observatory, 2025), the domestic market has grown significantly.

- **Market Size:** The domestic fashion e-commerce market has grown significantly and has reached USD 962 million in 2024 and projected to grow 10-15% in 2025 (ECDB, 2025).
- **Fast Fashion Revolution:** The "Fast Fashion" model, which means the rapid production of trendy affordable clothing has changed the industry. Brands like Yellow and Sailor takes inspiration from global fashion brands like Zara and H&M by offering seasonal drops and quick inventory turnover (Munia, 2025).
- **Consumer Shift:** A study conducted on Bangladeshi consumers aged 18-30 reveled that consumer has shifted from need-based to want-based consumption. They prioritize quality and comfort, followed by style and design (Chowdhury & Aker, 2018). Moreover, these customers prefer western and fusion styles of clothing for daily wear over traditional attires which are now reserved for festivals and occasions (Rahman, 2022).
- **Digital Influence:** 91% of social media users access these platforms via mobile. Short form contents like reels and TikTok has twice the engagement of other formats (Amra & Elma, 2025). For the top fashion brands, creating a shoppable social media presence is now critical.

### 3.2.3 Competitive Landscape Analysis

The competitive environment of Taaga and Taaga Man is completely different from Aarong's traditional competitors like Kay Kraft, Shada Kalo, or Anjan's. Taaga and Taaga Mans direct competitors are,

- **Yellow:** Yellow, a subsidiary of Beximco is the gold standard for international fashion in Bangladesh. It uses its parent company's vertically integrated supply chain to offer premium collection of western wear. It recently collaborated with Shark Tank Bangladesh and international brands like Marvel and Disney to position itself as a brand for the youth (The Daily Star, 2025).
- **Sailor:** Sailor, owned by Epyllion Group is focused on "Life Sailing". It has created a niche in "Athleisure" and "Formal Suits". They also won awards for their retail shopping experience. The use of celebrity brand ambassadors like Siam Ahmed and Bidya Sinha Mim creates high mass-market recall (The Bangladesh Monitor, 2024).
- **Ecstasy:** Ecstasy is the pioneer in "Club Wear" and "Denim" targeting the "Spirited Minded" customers. Its branding is aggressive and heavily focused on western culture and outfits. They appeal to the most fashion focused segment of youth.

Aarong's entry into this space of young demographic with Taaga was a strategic necessity to prevent the competitions dominance in that segment of the market.

### 3.3 Methodology

For this project, a mixed method research design was used. As mixed method research combines the qualitative and quantitative data to present a more enhanced insights than using one of the methods independently (Caruth, 2013). Both primary quantitative data and secondary qualitative data was used to understand the consumer perception of the younger demographic and the rationale behind it.

### 3.3.1 Research Design

The study is designed as descriptive research to analyze the characteristics of youth consumer segment and their perception of the fashion retail brands. Exploratory research elements were also incorporated to understand the strategic intent behind the launch of sub-brands.

### 3.3.2 Primary Data Collection

A structured questionnaire was developed based on Likert Scale to measure customer attributes. The questionnaire covered the demographics which includes age, occupation and income level, brand awareness which includes recall of Taaga versus its competitors, brand preference which includes the ranking of brands for different occasions, attribute analysis which includes rating based on price, quality, style and comfort and finally the purchase behavior examining the frequency of shopping.

The sample size for the study was selected as 150 respondents aged 18-30 and have recently purchased from at least one of the analyzed brands. The survey was distributed digitally to university networks and on social media groups. As well as some responses were digitally collected from Aarong outlets.

### 3.3.3 Secondary Data Collection

Corporate publication like BRAC annual report, company websites were used in this study. As well as social media engagement, notable journal articles and industry reports were also used. E-commerce websites for Aarong and the competitors were used to get pricing data of the products. To analyze the theories published articles from notable journals were also used.

### 3.4 Findings and Analysis

In this section we will analyze Aarong's success in the youth segment by using the primary survey data and secondary market data.

#### 3.4.1 Demographic Profile of Customers

From the sample of 150 respondents, nearly all were the core audience of Taaga and Taaga Man. Out of the 150 respondents, 34% had the age of 18-22 where most of them were students with majority having no income. 36.7% of the respondents were aged 23-26 and were students with minimal income below BDT 10,000 to no income and 25.3% of the respondents were aged 27-30. These were mostly young professionals with income from BDT 20,000 to above BDT 60,000. From the total 150 respondents 52.7% of the respondents were female and 47.3% of the respondents were male. Among the respondents 68% were students and the rest had an income source like corporate or government jobs, businesses, freelancing and others excluding the 1.3% homemakers. This demographic profile suggests that Taaga's customer demographic is perfectly aligned with its target of "youth" and "young professional" customers who has the spending power of middle class or upper middle-class people. And among the 150 respondents 100 people have

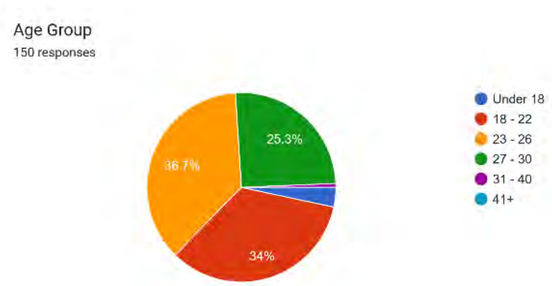


Figure 5: Age Group of Respondents

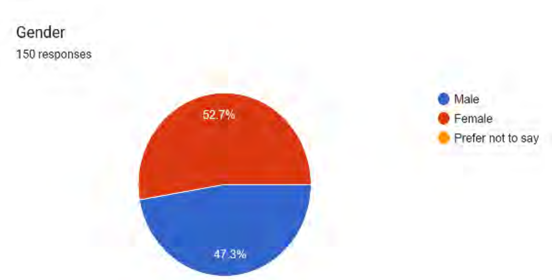


Figure 6: Gender of Respondents

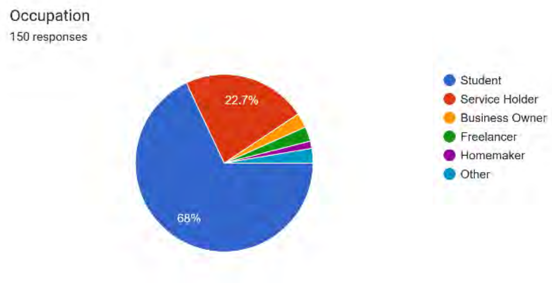

Figure 7: Occupation of Respondents

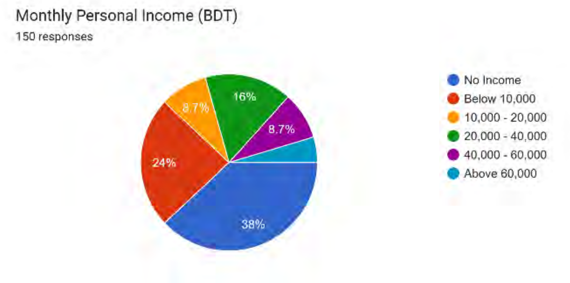

Figure 8: Monthly Income of Respondents

purchased from Taaga or Taaga Man suggesting they have gained customers within the youth demographic.

### 3.4.2 Comparative Marketing Mix Analysis

By the comparative marketing mix analysis, it can be determined how Taaga and Taaga Man are different from their parent brand, Aarong and from its competitors within the similar segment.

#### 3.4.2.1 Product

Although Aarong has some similar product categories with Taaga and Taaga Man, the products can be differentiated based on their styles and designs. Aarong product portfolio is defined by “Heritage Craftsmanship” meaning their focus is pure ethnic wear featuring traditional crafting techniques like block print, hand stitching, handmade traditional fabric like Jamdani, Muslin and Nakshi Kantha designs on their Salwar Kamiz, sarees, Panjabis and other outfits. Their products follow this production philosophy very strictly as they represent Aarong’s brand image.

On the other Hand, Taaga offers Tops, tunics and shrugs that features a blend of western cut with traditional crafts. These western cut dresses are preferred by youth due to their stylings and comfort and are the preferences for everyday wear. Taaga Man includes “Ethnic Fusion” meaning Panjabis with western cut and “Elevated Basics” likes t-shirs and polos featuring Aarong’s core production philosophy and “Everyday Essentials” featuring casual shirts (Aarong, 2025). These offerings are completely opposite of what Aarong offers but the products still carry the tradition and heritage-based production philosophy of Aarong products. While people by Aarong products with festivals and occasions in mind, youth divert towards Taaga and Taaga Man for their everyday wear but with the quality and trust of Aarong.

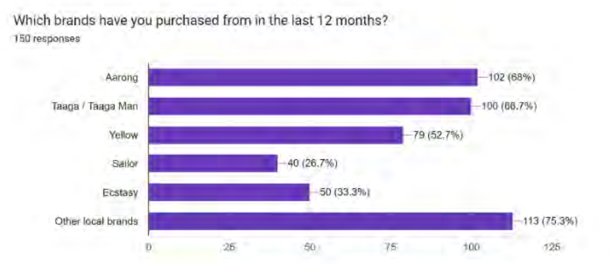


Figure 9: Preferred Brands of Respondents

Analyzing the competitors' products, we can see Yellow, Sailor and Ecstasy offer similar category of products like Taaga and Taaga Man but they do have their own distinct attributes. Yellow focuses more on "Global Western" where their product lines are more influenced by modern trends and they also leverage brand deals to create more collectable fashion items (The Daily Star, 2022). Sailor positions itself in "Athleisure" and "Formal". Their products include blazers, suits and performance wear. They target the young professionals more aggressively than Taaga and Taaga Man (The Business Standard, 2025). Ecstasy dominates the streetwear segment. Their "Tanjim" line focuses on bold designs, and denim heavy stylings, appealing to the "rebellious: archetype (Modaknits Apparel, 2025).

From the product categories and design philosophy it is clear that Aarong has completely differentiated its sub-brands from its mainline products. They have done this to maintain the traditional and heritage image of the Aarong brand and carter to a younger audience through Taaga and Taaga Man without diluting their brand image and also by maintaining the trust and quality the customers have over Aarong products. They are also competing directly with youth focused brands like Sailor, Yellow and Ecstasy through Taaga and Taaga Man with a new USP of the fusion category. Taaga and Taaga Man products have become a viable option for youths and have made Aarong relevant in the youth dominated segment.

Figure 10: Western Cut Taaga Man Panjabi

Figure 11: Traditional Aarong Men's Panjabi

#### 3.4.2.2 Price

The youth demographic is not just sensitive towards quality or trends, they are also extremely price sensitive.

| Category | Taaga Man (BDT) | Aarong (Mainline) (BDT) | Yellow (BDT) | Sailor (BDT) | Ecstasy (BDT) |
|---|---|---|---|---|---|
| T-Shirts | 550 – 1,080 | N/A (Sold under Taaga Man) | 1,295 – 2,095 | 390 – 1,500 | 900 – 2,000 |
| Polos | 1,300 – 1,345 | N/A (Sold under Taaga Man) | 1,695 – 2,895 | 800 – 1,800 | 1,200 – 2,500 |

| | | | | | |
|---|---|---|---|---|---|
| Panjabis | 2,100 – 3,200 | 1,800 – 12,800+ | 2,395 – 5,495 | 2,000 – 4,500 | 2,500 – 5,500 |
| Casual Shirts | 1,500 – 2,500 | 750 – 2,300 | 1,995 – 2,495 | 1,200 – 2,200 | 1,800 – 3,000 |

Table 4: Price Comparison between Product Categories

From the pricing data it is clear that Taaga Man offers the lowest entry point for t-shirts. Which is significantly lower than Yellow and Ecstasy. This is a “Loss Leader” or “Hook” strategy which is employed to draw in more students into their store or site. By maintaining this pricing strategy, the mainline Aarong brand avoids low ticket pricing to protect its premium brand equity. Making the launch of sub-brands a strategic necessity. The strategic intent is clearly visible while comparing Aarong with Taaga and Taaga Man. Aarong does not sell any T-shirts or Polos under its mainline brand. But when it comes to Panjabi, Taaga Mans core fusion Panjabis are priced competitively compared to other western influenced brands. While Aarong dominates the ultra-premium segment with their silk and traditional handcrafted Panjabis costing BDT 12,800. This pricing strategy clearly shows Aarong created Taaga and Taaga Man to compete in the youth segment of the industry while keeping the mainline brand far away from the segment.

**3.4.2.3 Place**

When it comes to retail experience, Aarong utilizes a “Shop-in-Shop” model. Taaga and Taaga Man has a separate section within every Aarong outlets with distinct interior designs like neon lights, industrial fixtures, different colors and product placement. These completely differentiate from the main Aarong section (Dhaka Tribune, 2025). This physical separation is crucial for shifting customer mindset from “buying for mom” to “buying for me”. This retail experience has created a distinct brand identity for Taaga and Taaga Man. This Shop-in-Shop model provides a shopping experience for an entire to shop together. And this has also created the opportunity for Taaga and Taaga Man to expand quickly in a short time due to Aarong already having many retail stores around the Country.

Although the retail experience is pleasant and distinctly different from the mainline brand, the e-commerce website is not that different from one another. The mainline brand dominates the e-commerce website while Taaga and Taaga Man resides in separate sections of the website without any different designs. But Aarong still gains a large portion of their sales form their e-commerce platform. In 2024, Aarong was awarded "Best E-Commerce Platform" in 2024 (Aarong, 2025). Suggesting that not having a distinct website of the brand does not have any impact on the sale of the brand.

Comparing the retail experience of other brands, Yellow, Sailor and Ecstasy have their own separate retail chains and e-commerce websites. Their entire retail stores are designed in a way that only appeals to the youth and youth only. Thus, they do not have the reach of having multiple outlets around the country.

**3.4.2.4 Promotion**

When it comes to promotion, the promotional materials for Aarong and Taaga, Taaga Man are distinctly different. Analyzing figure 2 and figure 3 we can see Aarong and Taaga has taken a distinct approach during their Monsoon campaign. While Aarong chose a remote location for their shoot which appeals to a much older audiences, Taaga has chosen the streets of Dhaka and the nightlife for the theme of their photoshoot catering the shoot to appeal to the youth. Taaga and Taaga Man also has strong In-Store branding which other brands do not have. From the survey of 150 respondents, 75.3% heard about Taaga and Taaga Man for the first time at Aarong outlet. Suggesting that the distinct branding of Taaga and Taaga Man are noticeable within the outlets. This suggests that Aarong, Taaga and Taaga Man takes different approach to appeal to different demographic of customers.

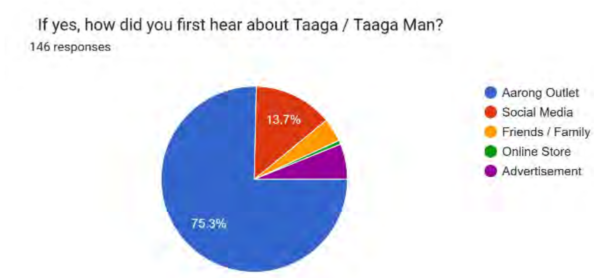


Figure 12: Customer exposure of Taaga and Taaga Man

Aarong and Taaga focuses more on customer relationship and loyalty more than any other fashion brands. Yellow focus on sponsorships and cross brand collaborations to create mass awareness (Markedium, 2025) and Sailor focus on celebrity endorsement for instant credibility (The Bangladesh Monitor, 2025). Aarong, Taaga and Taaga Man does not rely heavily on celebrity endorsements or on sponsorships. Although they use content creator and influencer created contents to reach the mass audience, their main focus is the customer loyalty programs that focus on retaining their customers. My Aarong Rewards is the loyalty program of Aarong and Club Taaga is the loyalty program for Taaga and Taaga Man customers. These two programs are different due to their target demographic. Although the core benefits of both programs are similar, exclusive offers are different from one another. Both loyalty program members enjoy similar excusive offers but Club Taaga has some extra offers from brands like Courtside and Sharetrip which appeals towards the younger demographic more (Aarong. 2025).

The overall analysis of the marketing mix of Aarong, Taaga, Taaga Man and their competitors reveal that Aarong has completely differentiated its sub-brand from it mainline brand in terms of the 4P's of marketing and have taken strategic decisions where not the mainline brand but the sub-brands Taaga and Taaga Man competes with other top youth focused brands to gain the preference of the lucrative youth demographic. This sub-brand strategy not only helped Aarong to maintain its core brand image but also carried over their quality and trust of their products to their sub-brands and created more fun and exciting products to appeal to the youth. Thus, it is clear that Aarong has successfully pulled of the brand equity and extension strategies of Aaker and Keller.

### 3.4.3 Consumer Perception Analysis

As seen in the comparative marketing mix analysis, Aarong has established its sub-brands Taaga and Taaga Man to appeal to and to compete in the young demographic in the fashion retail industry. In the consumer perception analysis using primary survey data it will be determined if consumer perception about Aarong within the youth has shifted due to the strategic decisions and branding activities of Taaga and Taaga Man.

#### 3.4.3.1 Customer Perception Towards Aarong

According to figure 7 and figure 10, from 150 respondents, 96% of the respondents were aged 18-30 and among them 68% were students. Among all the respondents, 62% of the respondents had less than BDT 10,000 or have no income. This demographic profile suggests that the customers are highly price sensitive and their perception of "value" is important for making purchase decisions. Their decision to buy from Taaga and Aarong suggests that the brand has high desirability among the youth customers but also highlights the price sensitivity of the demographic.

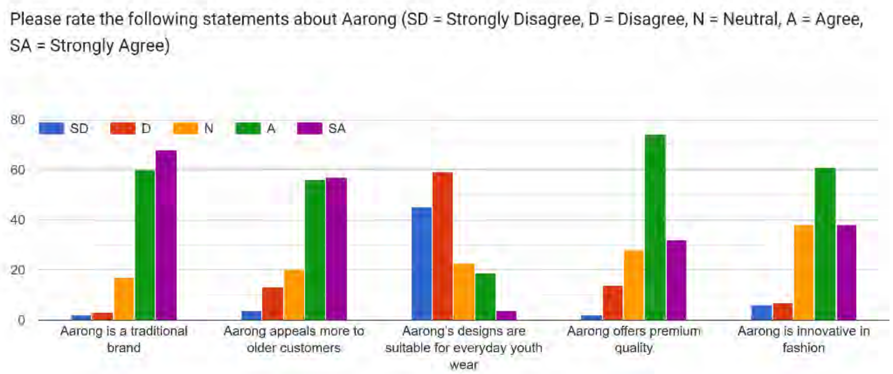


Figure 13: Consumer Perception of Aarong's Brand Attributes

According to the survey response, the youth demographic views Aarong's core branding as traditional. While they acknowledge Aarong's superior quality, they do not see it as a brand for everyday wear. From the 150 respondents, 68 people strongly agree and 60 people agree that Aarong is a traditional brand and a combined 113 people agree and strongly agree that the mainline brand appeal to the older audience with 104 respondents do not view the products of the brand as suitable everyday wear. And 86.7% of the respondents buy mainline Aarong apparel for festivals like Eid, Puja while 50.7% of them buy Aarong products for Weddings and for special occasions.

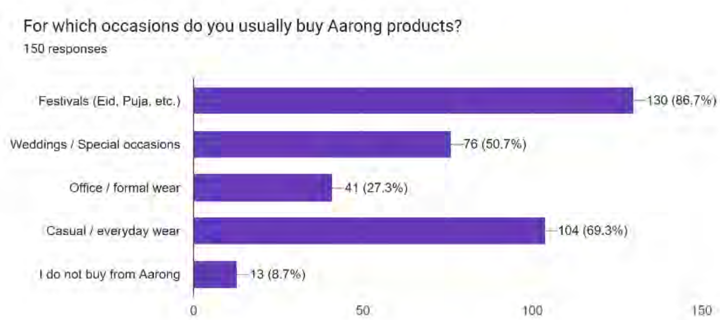


Figure 14: Purchase Occasions for Aarong Products

### 3.4.3.2 Customer Perception Towards Taaga and Taaga Man

Customer perception of 18-30 demographic towards the sub-brands Taaga and Taaga Man is completely different from their perception towards Aarong's mainline brand. The sub-brands have established themselves as a separate youth focused lifestyle brand who are dominating the market. When asked "Which brand represents youth fashion?" an overwhelming majority of 66.7% of the respondents has voted for Taaga and Taaga Man while Aarong only gained 4% of the total vote and competitors like Yellow got 12%, Sailor got 7.3% and 10% of the vote went into the favor of Ecstasy. Here Taaga and Taaga Man did not just gained favor over Aarong but also was chosen as the favored youth fashion brand over competitors like Yellow and Sailor.

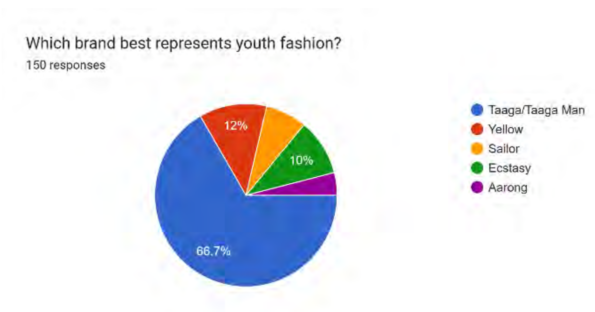


Figure 15: Consumer Perception of Youth Fashion Brands

While overwhelming majority voted Aarong as a traditional brand and suitable for festive wear or for occasions, Taaga and Taaga Man got the opposite response. An overwhelming majority, 67 respondents agree and 52 respondents strongly agree to the fact that Taaga and Taaga Man outfits are modern and trendy and 115 respondents think they are comfortable for everyday wear and 121 respondents believe they are suitable for everyday youth lifestyle. This is a stark difference from how they perceive Aarong as. This is backed by the fact that 48 respondents voted 4 and 63 respondents voted 5 out of 5 on the statement "Taaga and Taaga Man feels different from Aarong." Which is 74% of all the respondents.

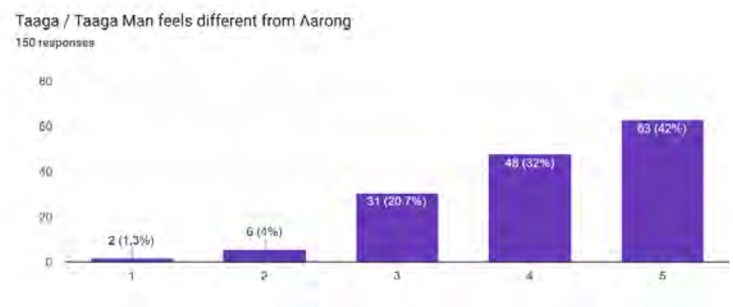


Figure 16: Perceived Brand Differentiation: Taaga vs. Aarong

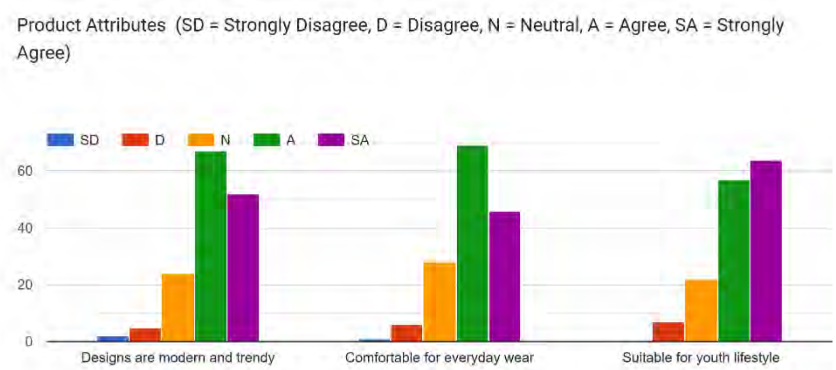


Figure 17: Consumer Perception of Taaga and Taaga Mans Brand attributes

### 3.4.3.3 The Halo Effect

From the previous analysis of the survey data, it can be clearly seen that within the 18-30 demographic, the perception towards Aarong's mainline brand and Taaga/Taaga Man are completely different. While this demographic view Aarong as a traditional brand best suitable for festival wear and outfits for special occasions, they perceive Taaga as a trendy brand with outfits that can be worn every day and is comfortable. But this perception towards Taaga and Taaga Man has successfully modernized the perception towards Aarong's brand portfolio. Taaga and Taaga Man has created a Halo effect. A halo effect is a cognitive bias where people form opinions about a characteristic of an attribute of a product based on their positive and/or negative predisposition towards another attribute (Nicolau et al., 2020). In case of Taaga and Taaga Man, it has modernized the perception of Aarong towards the younger customers. When asked if "Taaga and Taaga Man has modernized my perception towards Aarong", out of 150 respondents, 77.3% has given it a rating of 4 out of 5. This confirms that the youth view Aarong as a more modern brand just because Taaga and Taaga Man exists.

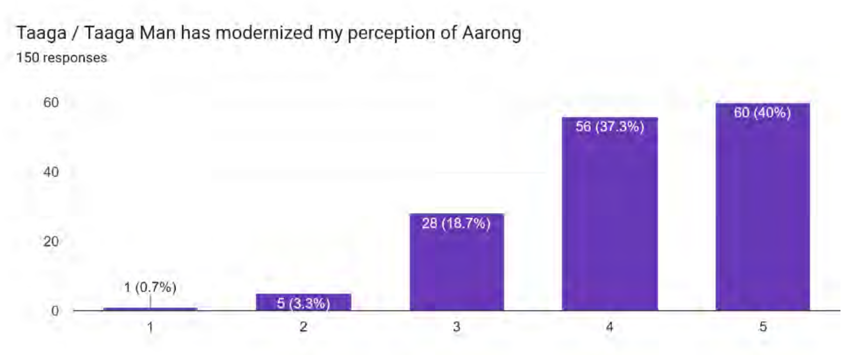


Figure 18: Impact of Taaga on Modernizing Aarong's Brand Image

After overall analysis, it is clear that the perception shift is absolute. According to the data, without Taaga, Aarong would lose 90% of the young demographic who prefer modern, western fashion for their everyday wear. And due to their successful strategic sub-brand strategy, the company has retained relevance and still holds a large share in the market and remained competitive within all demographics.

### 3.5 Summary and Conclusion

With the fashion retail industry's fast growth in Bangladesh driven by the young demographic, Aarong faced a significant strategic challenge due to their failure to resonate with the 18-30 demographic with their mainline brand. This youth demographic who prefers "Fast fashion" are were leaning towards brands like Ecstasy, Yellow and Sailor for their trendy daily wear. In response Aarong created its sub-brand Taaga and Taaga Man to capture this youth demographic without diluting their tradition and heritage-based brand image. These sub brands successfully differentiated themselves through "Ethnic Fusion", products which catered to the youth demographic who prefers trendy and comfortable daily wear.

Strategic decisions including a "loss leader" pricing model to attract price sensitive students and a "Shop-in-Shop" retail experience implemented to attract more youth towards their retail space. The sub brand strategy has been highly successful with 66.7% of the surveyed youth prefers Taaga and Taaga Man as their fashion brand of choice, compared to the 4% of the parent brand Aarong. Ultimately Aarong has successfully bridged the gap between heritage and hype and secured future market relevance and ensured artisan sustainability by modernizing craft.

### 3.6 Recommendations

To sustain and accelerate this success, the following strategic recommendations are proposed:

- Creating a distinct e-commerce experience for Taaga and Taaga Man to match the "digital-first" mindset of the youth demographic to boost e-commerce site traffic and sales.
- More cross brand collaborations to create more reach and relevance among the youth demographic of the customers.
- Sponsoring youth engaged events like university events and concerts to drive brand engagement.
- Create a new sub-brand called "Taaga Athletics" to capture the rising athleisure youth segment and to compete with Sailor to gain more market share.

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# Appendix A

## Financial Report

**34. Segmental financial information**

**BRAC**
**Statement of financial position**
**As at 30 June 2024**

| | Aarong Rural Craft Centre | |
|---|---|---|
| | **30 June 2024** | **30 June 2023** |
| | Taka | Taka |
| **Assets** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 4,902,890,821 | 4,748,665,982 |
| Intangible assets | 36,794,912 | 48,494,750 |
| Investments in related undertakings | - | - |
| Investments in securities and others | - | - |
| Biological assets | - | - |
| Microfinance loans | - | - |
| **Total non-current assets** | **4,939,685,733** | **4,797,160,732** |
| **Current assets** | | |
| Investments in securities and others | - | - |
| Biological assets | - | - |
| Inventories | 8,308,908,595 | 8,037,283,750 |
| Grants and accounts receivable | 346,768,108 | 307,447,508 |
| Advance, deposits and prepayments | 1,241,249,131 | 710,399,295 |
| Cash and cash equivalents | 145,417,220 | 468,686,320 |
| Microfinance loans | - | - |
| **Total current assets** | **10,042,343,054** | **9,523,816,873** |
| **Total assets** | **14,982,028,787** | **14,320,977,605** |
| **Capital fund and liabilities** | | |
| Capital fund | 9,625,732,470 | 8,785,394,682 |
| Statutory reserve fund of microfinance | - | - |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| Zero coupon bond | - | - |
| Members' savings deposits | - | - |
| Term loans | - | - |
| Deferred income | - | - |
| Other long term liabilities | 360,980,920 | 342,787,948 |
| **Total non-current liabilities** | **360,980,920** | **342,787,948** |
| **Current liabilities** | | |
| Loan loss provision | - | - |
| Trade and other payables | 3,886,669,226 | 3,935,845,345 |
| Zero coupon bond | - | - |
| Members' savings deposits | - | - |
| Bank overdrafts | - | - |
| Term loans | - | - |
| Grants received in advance | - | - |
| Current tax liabilities | 1,108,646,172 | 1,256,949,629 |
| **Total current liabilities** | **4,995,315,398** | **5,192,794,975** |
| **Total liabilities** | **5,356,296,318** | **5,535,582,923** |
| **Total capital fund and liabilities** | **14,982,028,788** | **14,320,977,605** |

**33. Segmental financial information**

**BRAC**
**Statement of financial position**
**As at 30 June 2023**

| | Aarong Rural Craft Centre* | |
|---|---|---|
| | **30 June 2023** | **30 June 2022** |
| | Taka | Taka |
| **Assets** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 4,748,665,982 | 2,836,170,661 |
| Intangible assets | 48,494,750 | 27,470,617 |
| Investments in related undertakings | - | - |
| Investments in securities and others | - | - |
| Biological assets | - | - |
| **Total non-current assets** | **4,797,160,732** | **2,863,641,278** |
| **Current assets** | | |
| Investments in securities and others | - | - |
| Biological assets | - | - |
| Inventories | 8,037,283,750 | 5,132,583,366 |
| Grants and accounts receivable | 307,447,508 | 228,867,287 |
| Advance, deposits and prepayments | 710,399,295 | 3,106,503,360 |
| Cash and cash equivalents | 468,686,320 | 340,003,346 |
| Microfinance loans | - | - |
| **Total current assets** | **9,523,816,873** | **8,807,957,359** |
| **Total assets** | **14,320,977,605** | **11,671,598,637** |
| **Capital fund and liabilities** | | |
| Capital fund | 8,785,394,682 | 7,801,091,178 |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| Zero coupon bond | - | - |
| Members' savings deposits | - | - |
| Term loans | - | - |
| Deferred income | - | - |
| Other long term liabilities | 342,787,948 | 318,518,075 |
| **Total non-current liabilities** | **342,787,948** | **318,518,075** |
| **Current liabilities** | | |
| Loan loss provision | - | - |
| Liabilities for expenses and marketing | 3,935,845,345 | 1,663,061,026 |
| Zero coupon bond | - | - |
| Members' savings deposits | - | - |
| Bank overdrafts | - | - |
| Term loans | - | - |
| Grants received in advance | - | - |
| Provision for taxation | 1,256,949,629 | 1,888,928,358 |
| **Total current liabilities** | **5,192,794,975** | **3,551,989,384** |

# Appendix B

## Survey Questionnaire

### Consumer Perception of Aarong, Taaga, and Taaga Man

This survey is part of a BRAC University internship report exploring how sub-brands like Taaga and Taaga Man influence the brand image of Aarong. Your responses are anonymous and will be used for academic purposes only.

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**SCREENING & DEMOGRAPHICS**

Age Group *

- Under 18
- 18 - 22
- 23 - 26
- 27 - 30
- 31 - 40
- 41+

Gender *

- Male
- Female
- Prefer not to say

Occupation *

- Student
- Service Holder
- Business Owner
- Freelancer
- Homemaker
- Other

Monthly Personal Income (BDT) *

- No Income
- Below 10,000
- 10,000 - 20,000
- 20,000 - 40,000
- 40,000 - 60,000
- Above 60,000

**Brand Perception - Aarong**

Please rate the following statements about **Aarong** *
(SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree)

| | SD | D | N | A | SA |
|---|---|---|---|---|---|
| Aarong is a traditional brand | ○ | ○ | ○ | ○ | ○ |
| Aarong appeals more to older customers | ○ | ○ | ○ | ○ | ○ |
| Aarong's designs are suitable for everyday youth wear | ○ | ○ | ○ | ○ | ○ |
| Aarong offers premium quality | ○ | ○ | ○ | ○ | ○ |
| Aarong is innovative in fashion | ○ | ○ | ○ | ○ | ○ |

**FASHION CONSUMPTION & BRAND USAGE**

How often do you purchase fashion apparel? *

- Once every 3-6 months
- Once every 1-2 months
- Monthly
- Very frequently (multiple times in a month)

Which brands have you purchased from in the last 12 months? *

- Aarong
- Taaga / Taaga Man
- Yellow
- Sailor
- Ecstasy
- Other local brands

For which occasions do you usually buy Aarong products? *

- Festivals (Eid, Puja, etc.)
- Weddings / Special occasions
- Office / formal wear
- Casual / everyday wear
- I do not buy from Aarong

**AWARENESS & EXPERIENCE WITH TAAGA / TAAGA MAN**

Before this survey, were you aware of Taaga / Taaga Man? *

- Yes
- No

If yes, how did you first hear about Taaga / Taaga Man?

- Aarong Outlet
- Social Media
- Friends / Family
- Online Store
- Advertisement

Have you purchased from Taaga or Taaga Man? *

- Yes
- No

## MARKETING MIX EVALUATION (TAAGA / TAAGA MAN)

Product Attributes (SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree) *

| | SD | D | N | A | SA |
|---|---|---|---|---|---|
| Designs are modern and trendy | ◯ | ◯ | ◯ | ◯ | ◯ |
| Comfortable for everyday wear | ◯ | ◯ | ◯ | ◯ | ◯ |
| Suitable for youth lifestyle | ◯ | ◯ | ◯ | ◯ | ◯ |

Price Perception (SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree) *

| | SD | D | N | A | SA |
|---|---|---|---|---|---|
| Prices are reasonable for the quality | ◯ | ◯ | ◯ | ◯ | ◯ |
| Prices are more affordable than Aarong | ◯ | ◯ | ◯ | ◯ | ◯ |
| Prices match youth expectations | ◯ | ◯ | ◯ | ◯ | ◯ |

Place & Availability (SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree) *

| | SD | D | N | A | SA |
|---|---|---|---|---|---|
| Easy to find in stores | ◯ | ◯ | ◯ | ◯ | ◯ |
| Online availability is convenient | ◯ | ◯ | ◯ | ◯ | ◯ |

Promotion & Communication (SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree) *

| | SD | D | N | A | SA |
|---|---|---|---|---|---|
| Branding feels youthful | ◯ | ◯ | ◯ | ◯ | ◯ |
| Social media presence is appealing | ◯ | ◯ | ◯ | ◯ | ◯ |
| Promotions differentiate from Aarong | ◯ | ◯ | ◯ | ◯ | ◯ |

## BRAND EXTENSION EFFECTIVENESS

Taaga / Taaga Man feels different from Aarong *

| | 1 | 2 | 3 | 4 | 5 | |
|---|---|---|---|---|---|---|
| Strongly Disagree | ◯ | ◯ | ◯ | ◯ | ◯ | Strongly Agree |

Taaga / Taaga Man has modernized my perception of Aarong *

| | 1 | 2 | 3 | 4 | 5 | |
|---|---|---|---|---|---|---|
| Strongly Disagree | ◯ | ◯ | ◯ | ◯ | ◯ | Strongly Agree |

I would recommend Taaga / Taaga Man to others *

| | 1 | 2 | 3 | 4 | 5 | |
|---|---|---|---|---|---|---|
| Strongly Disagree | ◯ | ◯ | ◯ | ◯ | ◯ | Strongly Agree |

## COMPARATIVE PREFERENCE

Which brand best represents **youth fashion**? *

- ◯ Taaga/Taaga Man
- ◯ Yellow
- ◯ Sailor
- ◯ Ecstasy
- ◯ Aarong

If given equal price and availability, which would you prefer? *

- ◯ Taaga / Taaga Man
- ◯ Aarong
- ◯ Both
- ◯ Other brands

# Project Proposal

***The Taaga and Taaga Man Strategy: Analyzing Aarong's Successful Pivot from Traditional to Contemporary Youth-Focused Fashion***


Submitted By

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**21204043**

Submitted To

Supervisor - Fairuza Mehreen (Lecturer)

Co-Supervisor – Fabiha Enam (Senior Lecturer)

**BRAC Business School**


**Submission Date – 8th December, 2025**

**Problem Statement/ Research Objectives**

Aarong, a social enterprise of BRAC has been the leader of fashion retail industry of Bangladesh since its inception in 1978. They Primarily represent themselves as an ethnic brand empowering the rural artisans to rise above poverty (Aarong, 2025). Aarong holds a significant market share in the traditional lifestyle segment but their strong positioning in this segment led to a consumer perception of Aarong as a brand for traditional wear for special occasion targeting an older demographic.

Although Aarong has been dominating the market as a premium ethnic lifestyle brand, it has been missing in one of Bangladesh's most dynamic sectors, the mainstream youth fashion. The entire Bangladesh Textile Manufacturing Market is valued at USD 39.46 billion in 2025 and is projected to grow at a CAGR of 5.81% through 2030 (Mordor Intelligence, 2025). Within this market, the "Fashion & Apparel" segment has the largest share with approximately 67.6% total revenue which is driven by the growth of fashion-conscious youth population in the country (Mordor Intelligence, 2025).

This younger demographic, influenced by the global fashion trends and social media, seeks specific attributes in their clothing choices like, "Ethnic Fusion, "Everyday Essentials", and "Modern Ease", which are the core pillars of the Taaga Man philosophy (Aarong, 2025). These philosophies of Taaga Man are dynamically different from Aarong's own core brand image and identity. But it was done to make the brand appeal to a younger audience and to compete against a market led by brands like Yellow, Sailor and Ecstasy, who have successfully positioned themselves to target the urban youth demographic (Posh Garments, 2024). This strategy of creating separate brands like Taaga (for women) and Taaga Man (for man) ensures Aarong's core brand identity to stay intact within a very new and different market segment.

This report will analyze weather Aarong's brand extension strategy is successful in shifting the consumers perception and capturing the youth market, thereby expanding Aarong's market portfolio.

The research objectives are as follows:

- **To explore** the strategic rationale behind Aarong's decision to diversify its portfolio by launching Taaga and Taaga Man as separate, youth-focused sub-brands.
- **To analyze** the marketing mix (product, price, place, and promotion) of the sub-brands and how they differentiate from the parent brand Aarong to appeal to the target demographic.
- **To assess** the effectiveness of this brand extension strategy in modernizing Aarong's overall brand image and shifting consumer perception among the 18-30 age group.

**Background Information/ Preliminary Literature Review**

Bangladesh already has a well-established RMG sector which contributes a significant part to its economy. But in recent years fashion retail has seen a significant growth, generating approximately USD 1,200 million in revenue in 2024 with a projected growth rate of 10-15% compared to 2023 (ECDB, 2024). Rising disposable income, e-commerce and digitally sound young customers aged 18-30 are contributing factors of this growth (IJSAB, 2025).

Recent studies on consumer behavior shows that the young customers are not just price sensitive, but also are sensitive towards the quality of the product, comfort, unique and modern designs over traditional design aesthetics (SAPUB, 2016). They are drawn to brands who often offer a blend of ethnic fashion alongside western "fast fashion". This growing need of fast fashion has made brands more competitive and agile as they try to gain competitive advantage on one another through innovation in fashion and design and by fulfilling the growing needs of young, fashion sensitive consumers.

Aarong has been a household name and one of the most recognizable brands in the country (Apparel Resources, 2023). But their traditional perception has failed to attract the younger audience due to the segment wanting more innovative and modern products (Scribd, 2020). The introduction of sub brands Taaga and Taaga Man was their response to this new growing and lucrative market, creating a new perception within that audience by providing trendy, urban fashion offerings (Posh Garments, 2024).

This report will build on existing market analysis by focusing specifically on the brand architecture elements of Aarong's strategy.

**Preliminary Methodology**

For this research, both primary and secondary data sources will be incorporated to understand the market positioning, strategic intent and consumer perception of Taaga and Taaga Man.

**Primary Data:** Surveys will be performed on a sample size of 150, on young (18-30) consumers to collect primary data about their brand preferences, purchase behavior and perceptions of Aarong versus its youth-focused sub-brands and competitors.

**Secondary Data:** Official company website, e-commerce product catalogs and social media campaigns of Aarong, its sub brands and competitors will be used to map the product mix, price points and visual language of each brand. Along with previous research data and case studies done on Aarong and its sub brands. Industry publications like Apparel Resources, and academic articles will also be analyzed to understand the competitive landscape and consumer trends.

**Significance of The Issue**

The Bangladeshi youth fashion market has grown significantly due to rapid urbanization, increased disposable income and the influence of global fashion trends. The fashion and apparel segment are expected to grow in upcoming years due to the demands of trendy and comfortable outfits from these young audience. This market is dominated by youth centric brands like Yellow, Sailor and Ecstasy, leaving traditional brands like Aarong at risk of losing their grip on the industry.

Aarong initially lacked a direct connection with the mainstream youth market which created a gap in their portfolio. And it was essential for them to fill out this gap for many strategic reasons. For example, a dedicated sub brand like Taaga and Taaga Man allows Aarong to offer more urban and modern style outfits without harming their core brand identity. Their successful penetration of this segment not only diversified their product portfolio, but also reduced the risk of harming their core brand identity.

Moreover, as a social enterprise, Aarong's success is directly tied with their social mission. And expanding into a fast-moving market was crucial to sustain the livelihoods of over 65,000 artisans. By modernizing its offerings, Aarong is not only ensuring the viability of traditional Bangladeshi craftsmanship in a modern economy but also securing employment opportunities for rural artisans while meeting the demand of the younger urban consumers.

**Timeline of the Report**

| Steps | **Actions** | Timeline |
|---|---|---|
| 1 | Register for the course BUS400 Internship | Week 01 |
| 2 | Get Assignment of Supervisor and Co-supervisor and Internship Documents | Week 02 |
| 3 | Attend "Mandatory Internship Orientation Session" | Week 02 |
| 4 | Attend initial meeting with Supervisor | Week 02 |
| 5 | Submit an initial proposal on project part to supervisor | Week 05 |
| 6 | Receive feedback and finalize project proposal | Week 06 |
| 7 | Submit 1 st draft of the report (all three chapters) to supervisor and receive feedback. | Week 11 |
| 8 | Submit the 2 nd draft of the report (all three chapters) to the supervisor and receive feedback. | Week 12 |
| 9 | Submit the Final Report (all three chapters) to the supervisor and library and receive a Similarity Index Report from the library. | Week 14 |
| 10 | Defend/Present report | Week 15 |
| 11 | (If revisions are suggested) Submit the Revised Final Report to the Supervisor and library within 72 hours after the defence | Week 16 |

| | | |
|---|---|---|
| 12 | Receive your grade (if no revision – within 72 hours after the defence)<br>Receive your grade (if revisions – within 72 hours after the defense) | Week17<br>Week 18 |

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