



**Internship Report on:**

**The Success of BATA stores densely depend on choosing location.**



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**The Success of BATA stores densely depend on choosing location.**

**Course Code: BUS400**

**Prepared for:**

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**Date of Submission: 3<sup>rd</sup> September, 2018**

## Letter of Transmittal

Date: 3rd September, 2018

Ahmed Abir Choudhury  
Lecturer,  
BRAC Business School  
BRAC University 66, Mohakhali,  
Dhaka 1212, Bangladesh.

**Subject:** Internship report on, “The Success of BATA stores densely depend on choosing location.”

Dear Sir,

With due respect, I would like to state that, getting an opportunity to work in an MNC like BATA is a golden chance for to me learn and realize the working environment.

The insights I get while working under the retail division’s real estate department is unforgettable. In this organization I get the opportunity to deal with the landlords of Bata, the district managers and get the hint of real business world and the behavior of the people. I will consider this as my privilege to work in such an organization where they believed in my capabilities and let me handle many sensitive issues. Through this report I tried to show my experience of Bata Bangladesh Ltd.

I therefor convey my gratitude to you for your overall support, cooperation and valuable advices while preparing this report. Without your supervision this could not turn into a beautiful end. I sincerely hope it will meet your expectations. And this report is not flawless, but I would request you to accept it with your thoughtful consideration.

Sincerely,  
Lutfunnaher Ahmed Labonno  
ID: 14304104  
BRAC Business School

## Letter of Endorsement

This to certify that Lutfunnaher Ahmed Labonno, bearing ID – 1430414, is a regular student of BRAC Business School, BRAC University and has completed the internship report titled “The Success of BATA stores densely depend on choosing location” under my supervision. Her internship placement was at Bata Shoe Company (Bangladesh) Limited. I am pleased to state that she was a responsible and diligent throughout her internship tenure and preparing this report as well. She created a clear image of her responsibilities and learning in the report. The data and findings presented in the report seemed to be authentic. Though it has some minor slip-ups, it is of a kind which can be used by others for any further researchers want to work on this particular topic.

I wish her every success in life.

Ahmed Abir Choudhury  
Lecturer,  
BRAC Business School  
BRAC University

## Acknowledgement:

In the very beginning, I am grateful towards the Almighty for allowing me to finish my graduation and accomplishing this report is the last nail of towards it. My deepest gratitude towards my internship advisor Ahmed Abir Choudhury, Lecturer of BRAC Business School, BRAC University for giving his ultimate support to finish this report on time.

I would like to express my gratitude towards my internship on site supervisor Sadia Afroz Shimu, Senior Real Estate Officer for letting me learn how to cope up in the corporate world. She taught me, how to deal person in the corporate world, and many other tasks which I could carry with me for long time. Moreover, I would like to thank the whole retail department for letting me feel very comfortable in the organization.

Then I want to thank Mr. Mustafa Hafizul Hayat Ansary, former Retail Statistic Officer who is now working as District Manager for his continuous support for the whole time. He helped me with the necessary data and information.

Last but not the least I would like to thank my family for their continuous love and blessings towards me. Lastly I want to thank my friends, who were always there for me. Without their support I wouldn't be able to reach this stage of my life.

## Executive Summary:

Bata Show Company (Bangladesh) Ltd. first started their business in 1962 which was the first Multi National Company in our country. Now a day a huge number of people thinks Bata is a local company because of their organizational activity. They are continuously launching new programs to adopt our local as much as possible. As CSR they work with “Mojar School”, they donate educational aid; organize different competitions like Art competition.

As an intern I got the chance to see the organizational workflow of an MNC, and how every department is working to keep the organization in balance. I worked under the retail department’s Real estate Department where I had to handle to agreements of Bata. I had to work with the district managers, the landlords.

Many organizations don’t have separate real estate department, but Bata has 236 stores and many godowns and in total more than 350 landlords. Out of 236 stores only 10 stores are owned by Bata. Now, I want to add from the perspective of a general people, Bata is a company which is available every corner of our country. Now this availability depends on the rented stores of Bata, and these landlords are very much important for Bata. And for easily accessible Bata stores for customers, it needs planning for before opening new store.

So, in my report basically shows the importance of choosing the location of a store for having business success as well as fulfilling the demand of the customers.

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## Body of the report

### I – Part 1 of the Report (organizational Overview)

#### BATA as an Organization

BATA Bangladesh Ltd (Picture)



Pic: Dhamrai Factory



Pic: Head office in Tongi

In 2018, there is numerous MNC's working in our country. As a developing country, Bangladesh is considered as a booming business sector. Around 50 MNC's currently working in our country, but BATA Bangladesh is the first Multinational Company who

entered into our market. Before our liberation war, in 1962 Bata entered into Bangladesh. Our grandparents wore high durable Bata ‘Naughty Boy’ shoes in their childhood. Now Bata has more than 2000 line with keeping in mind of customer’s comfort, durable, stylish design.

Bata has founded in 1894 at Zlin, Czechoslovakia. Tomáš Baťa is the founder of one of the world’s biggest multinational retailers, manufacturer and distributors of Footwear and accessories. And previously in Bermuda, and currently the head quarter of Bata is in the city of Lausanne, Switzerland. There are 4 business units operates world wide – Bata Europe, Bata Emerging Market, Bata Branded Business, Bata North America. Bata Bangladesh is included in Bata Emerging Market. In our country it is operated as a European- Bangladeshi company.

Bata serves 1 million consumers in a day in 5300 stores in 68 countries around the world. Bata Bangladesh has currently 236 stores operating in the country. World’s only shoe Museum owns by Bata in Canada. Basically, if you are roaming in your area then you will be seeing Bata outlet in your area. Currently Bata Shoe Company Ltd. operates in two manufacturing industry- Tongi and Dhamrai.

It has sold 14 billion pairs of shoes in all these years, and in 2017 it sold 9.5 million pairs shoes in our country. In 1985 Bata got enlisted in Dhaka Stock Exchange (DSE) which has 51-49% share with Bangladesh Government. In 2017 the retail channel had almost turnover of 5.94 billion taka which is 5% growth against last year. In 2017 Bata open 16 new stores, and renovated 35 potential stores. And these stores created additional BDT 73.1 million turnover in the year end. And more than 800 new lines were introduced before the biggest festival Eid ul Fitre in 2017. Even in 2018 with June, Bata opened 10 new stores in different places.

**Vision of Bata Bangladesh Ltd:**

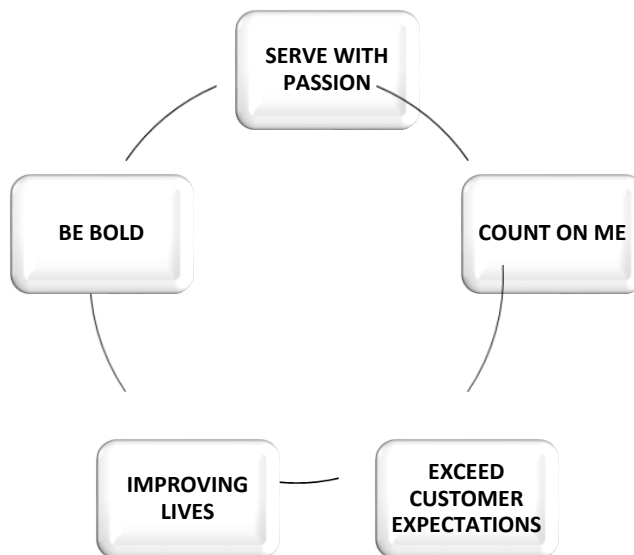
To make great shoes accessible to everyone

**Mission of Bata Bangladesh Ltd:**



**Values of Bata Bangladesh Ltd:**

Their products have to make customers look good and feel great. They become their customer's choice by offering a personal shopping experience to create long standing customer relationships. Bata has five values which are integral parts of their way of working.



**Management Team of BATA**

Name	Designation
Mr. Chitpan Kanhasiri	Managing Director
Mr. Muhammad Sohail Aslam	Finance Director
Mr. Lee Sin Kee	Retail Manager
Mr. Patricio Andres Alegria Oteiza	Chief Collection & Product Development Manager
Mr. Jalil Ahamed Chowdhury	General Manager of Supply Chain
Mr. Omar Faisal Chowdhury	General Manager, Non Retail
Mr. A. A. Md. Arfanul Hoque	Asst. General Manager, Merchandising
Mr. Md. Hasim Reza	Company Secretary
Mr. Syed Zahidul Islam	General Manager Human Resource
Mr. Md. Humayun Kabir	Head of Internal Audit

## Departments of BATA Bangladesh

There are 10 different departments working as a team to run the organization. As a MNC, the environment of this organization is very much synthesized.

Finance

Retail

Human Resource

Product Development

Non Retail

Supply Chain

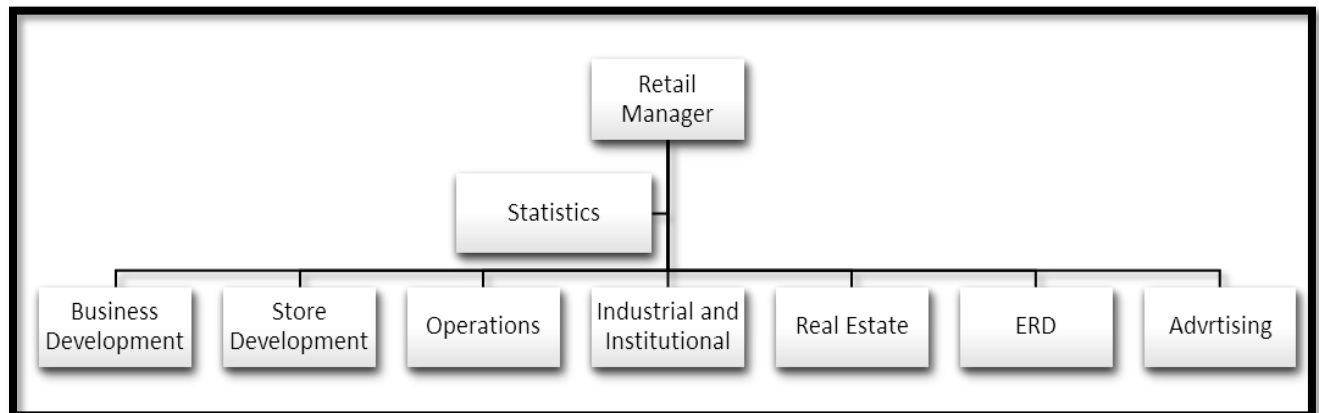
Marchendising

Internal Audit

Management Information System

E-Commerce

Among all the departments the Retail division is the biggest from all. There are few wings departments who are working under the retail department. Real estate is one of the wings of retail, and I am working under this department. The importance of Real Estate Department for Bata Shoe Co. Ltd is immeasurable.



## **Real Estate Department of BATA Bangladesh**

Bata Shoe Company has its own stores to sell their product lines. It is an organized retail line where customers would be able to get all the Bata products and the brands whose products are being sold in our country under the umbrella of BATA. These stores' location plays a very important role in the success of a business. Because before opening a store, the demography of the location has to be judged, and based on that the type of store will be decided.

For managing this location issue there are different departments in Bata. Store Operation, Business Development & Real Estate Department are three departments work together and manage the store and the employees of the stores.

### **Business Operation:**

Currently there are 3 business development managers working in BATA and they are divided with their individual districts. They have several responsibilities which is followed by the retail manager. They need to prepare monthly action plan to ensure over 100% achievement in pairs, Turnover & profit, achieve profit target for individual store against the turnover and they have to meet the target. To achieve target, they have to start various programs, training the sales persons are one of them. Ensuring area managers are continuously regrouping the merchandise within respective areas, then study and report competitors actions. Maintain the communication line of the store managers, district managers to retail managers.

### **Business Development:**

This department directly connected with the real estate department. The business development manager finds out new location suitable for the new outlets as per business plan and targets. They also do analysis about the demography of the location, and possible business success after opening the store. Then negotiate with the landlords about the location rent and other issues. Take different initiative to increase the business, making policies to create a strong bond with the landlords.

### **Real Estate Department:**

From potential market analysis to paying rents and keeping good relationship with the landlords, everything included in the tasks of real estate department. As Bata has 236 stores operating in our country, among them only 10 stores are owned by Bata. Rest of the stores is rented stores. And dealing with all these landlords time to time, communicating with them, meet them; greet them, paying their rents and commissions solving their issues regarding the rent. At the end of an agreement, renewal of the agreement is another bid task of the real estate department. Usually the agreements are made for 2-10years; the process of renewal is lengthy as there are several documents are needed for renewal as well as new agreements, so it takes time. Along with the stores there are godowns/warehouses, ERD stores, and in the special occasions like Eid-UI-Fitre they take extra godowns for business purposes. Bata has around 350 landlords and each of them connected with Bata through Real Estate department.



The process of Real Estate dept. for opening a new store:





## My Responsibilities during Internship in BATA:

In Bata Bangladesh Ltd. I worked 3 months in Real Estate Department under direct supervision of Sadia Afroz Shimu, Senior Real Estate Officer. I consider myself lucky to work with her and learn different skills about handling people and communication with the different stallholders. My supervisor's direct reporting boss is Chitpan Kanhasiri, Managing Director of Bata Bangladesh. Along with Mr. Chitpan, the Retail Manager, Mr. Lee Sin Kee also looks after real estate issues. In this department I was the only intern working and I had different responsibilities to fulfill.

- Dealing with the landlords for business purposes – interacting them in person, talking over the phone regarding different issues (rent payment, bank accounts detail documents)
- Updating Real estate database – One database includes landlord's details information along with the store details, rent amount, lease period etc. I had to sort all the new agreements, renewal agreements, godowns agreements in their specific folders. Along the agreements, each store had different folders for keep track of every cheque disbursement, all the formal letter conversation etc.
- Creating the base of Metro Rail Project “Opportunity outsets with Metrorail” – As metro rail is going to introduced first time in our country and there will be 6 different lines of metro rail. Bata is planning to open new stores in the crowded metro stations where they don't have any existing stores. This project was presented in front of the Asian Region Head. I made the project under the supervision of Business development Manager.
- Making extra godowns agreements, Letter to Landlords one month before Eid Ul Fitre I had to constantly communicate with the district managers, landlords for necessary information to create extra godowns agreements. Signing the agreements by both parties then paying them the rent etc.
- Maintaining the agreements with Legal Department – I had to work with Legal department and accounts department of Bata for business purpose.
- Writing letters to landlords from BATA Real Estate – all kind of letter which included chronological letter, renewal letter, terminology letter also translating the letters from landlords etc.

## **Business Types of BATA**

Bata Shoe Co. has mainly two types of stores operating in our country. Before opening a store, the Store Development Department and Operation decides whether it would be a Family store or a City Store based on the location. And among all family store and city stores, now only one Clearance Store operates in our country, where all the discounted shoes are sold.

### **City Stores**

City stores are basically offering immense range of current fashionable footwear and accessories for urban customers. These stores are situated in the centers of the cities. Among 62 city stores of Bata 33 stores are situated in Dhaka Metropolitan area, and rest of the City stores are situated in Chittagong, Sylhet and Mymensingh metropolitan area. These stores are established in the center of the area, and offers high quality products with a higher price range which will be exclusive shoe lines with complementary accessories with a suitable shopping environment for the target customers.

### **Family Stores**

Bata Shoe co. is renowned as a family brand from the very beginning. They offer a broad line for daily life fashion line footwear. Here, both local and international brands will be placed for the target customers. And mainly these products will be less expensive than the city store products. All the products of family store will be placed based on the price, quality and durability. There are 172 family stores running inside our country.

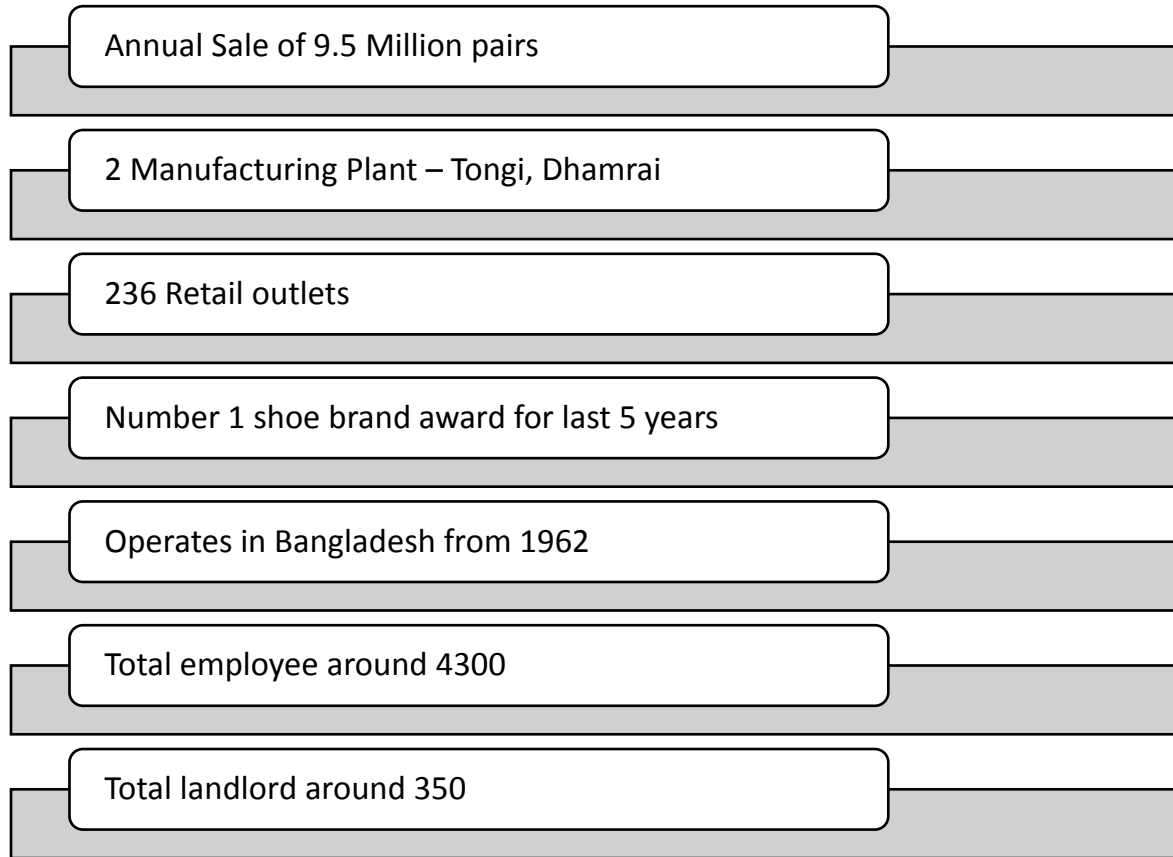
### BATA Products:

Bata along with its own articles it gives a platform to many international brands to sell their products under the Bata umbrella. There are 12 brands who reach their products in different countries through Bata; who don't have their own flagship stores in those countries like Bangladesh. As an international team, it has diversified idea to develop new fashionable and comfortable footwear and accessories for men, women, and children. Almost half of the product line Bata imports and sells under franchising.



Power, Bubble-Gummers, Marie-Claire, Sandak, North-Star are the most renowned brands of Bata. The international brands like Nike, Hush Puppies, Addidas, Dr. School, and Comfit are sold under licensed agreement. From women and children section 40% and from only men collection 60% sales come to Bata. Only Hush Puppies has two licensed stores in our country, one in Bashundhara City Shopping mall, another one in Jamnua Future Park Shopping Complex in Dhaka city. Sakib Al Hasan and his family is our brand ambassador for 2018, based on the Bata theme as a family brand.

**Bata Bangladesh Co. Ltd from a bird's eye view**



## II- Part 2 of the Report

### 1. Introduction to the report/study

#### Rationale of the study

It is very important for the retail stores to know where to open new stores. Retail stores are usually known for giving a wide exposure of specific product distribution. And to meet the demand of the local customers and having organizational success choosing the location of the store is very important.

#### Statement of the Problems

While working in the real estate department of Bata, one issue emerged in my mind. Everyone in this country know Bata for their product, it is generalized idea of everyone that only the high-quality product is the only variable working for Bata's success. But availability of Bata product is another important key for getting success. And this availability is ensured by the business development, and real estate department. For ensuring the importance based on few questions I have done this research.

- ✓ Do location of the store and success of Bata have any relationship between them?
- ✓ Is location choosing plays important role in Bata's business success?

#### Scope and Delimitation of the Study

(Ghani, January 2004) There are immense of shoe companies in our country running their business. Some of them are new and some of them are already an established brand. And among all the companies, Bata Bangladesh Ltd took the first step in our country to run their business as a shoe company. Now all total there are 236 stores of Bata, and among them their success varies from store to store. And as per our research we have taken top 20 stores and did a research on their store managers.

Though the store size is 236, but to do the research I had to take the top successful business stores for last 4 years. So, I took top 20 stores and the size of the population is a limitation of the research.

## Objective of the Study

To narrate the importance of the real estate department in a Multinational Company like Bata and the vital role of this department. Usually based on the store location the type of the store whether it would be a family store or a city store is being decided. The change in the demographic location heavily impacts on the business of BATA stores.

## 2. Review of the Related Literature

(Ghani, January 2004) Accomplishment in retail originates from individual responsibility. The store must be physically included. In Bata owned stores, even in the rented stores, the district managers ensure to visit by themselves at least once every two weeks. Each district managers have at least 12-15 stores under their supervision. Organizations then again, frequently have non-attendant proprietors. The store administrator in an office might be an uninterested relative who needs responsibility.

Moreover Mr. Jawaid said in context of Pakistan, Bata offer its product to middle and upper middle-class segments. The core customers of Bata are a family with four children. Bata doesn't want to compete with Servis (a Pakistani shoe company started in 1928), which has richer customer segment. (Ghani, January 2004)

On this point I would like to add, now a days Bata is giving its shade to many exclusive brands like Hush Puppies, Adidas, Nike, Marie Claire etc. which are targeting the higher middle class to upper class people of our country. Moreover, in most of the time these branded shoes are not available in the family stores.

Where Mr. Jawaid also said in his article, that among the 4 category products of Bata, category A is for the higher-class people who prefers premium shoes. And most of the time these shoes are located in the stores in the main fashionable markets of major cities. For example, he said in Lahore, Pakistan they had six stores for premium shoes in Liberty Market, the Mall, and the Defence Society in Lahore. (Ghani, January 2004) Like this, in our country all the category A products are available in the City stores, like the Uttara South City store in Jashimuddin Road,

Uttara Dhaka, the Bashundhara City store, Jamuna Future Park store, Gulshan Avenue City store etc.

(ALI DURMUS ,\*, 2014 ) This article about the importance of the location choosing for opening a warehouse which is published in Turkey. In this article the writers said, location choosing in turkey has different methodology for analyzing, such as AHP, TOPSIS, ELECTRE II and ELECTRE III etc. In this study they said the process of choosing location for a warehouse is almost same to any other industry, which is the reason I am trying to relate this study with my research. Mr. Durmus and Mr. Turk said there are several factors play while choosing a location. They are: vicinity to customers, reasonable real estate cost, access to interstate highways, availability of skilled workers, reasonable cost of doing business etc. (ALI DURMUS ,\*, 2014 )

(Ismail DURAK, December. 2017) said, warehouse and distribution established within greater Los Angeles found higher rent for properties that were larger in size, in closer to the market and production locations, had better highways and closer to blue collar workers. In this case, Bata has to keep in mind about the size of the store while deciding the location of the store because the rent will be depending on this. Next, the closeness with the center of the location or the service sector and the residential sectors. And here the blue-collar workers should be replaced with the customers.

## Methodology of the Study:

This section of the report describes the way of collecting data, the source of data, number of the respondents and the types of respondents. Also, the usage of the research questionnaire, and applicable graphics, tables etc.

As there were only 20 respondents this research has been done over the telephone. They are the top 20 successful store managers of 2017 from all over Bangladesh. And I called everyone; it took more than 10/15 minutes to finish each conversation.

### Research Design:

This particular research is not finished by random respondents; all the respondents are the store managers of Bata stores. This research is done for analyzing the importance of real estate department in a multi-national company like Bata.

Because most of the companies if they do not have many retail outlets, or branches they won't have any real estate department. Usually in other company's business development department does similar kind of job. But these tasks are important for any organization.

The survey method I chose was traditional Telephone, and it was the most efficient and time and saving method for me. I could post the questionnaire through mail, or I could email them. But then the issue of flexibility, response rate and time constrains could create unwanted situations. For example, while taking the survey over the telephone if they faced any problems understanding the questions, I made them clear again and again. But if I sent those questionnaires through email, mail then it wouldn't be possible for me to realize where they are facing problems to understand the questions. Plus, the store managers are really very busy, and they have to take care the store and the stuffs as well. So, if I had to send the questionnaire through mail, then I have to wait for the response for long and that would spend more money. So, after realizing all these facts I decided to do this research through telephone.



## **Respondents and sampling:**

### **Population:**

To run this research, I needed a group of people, and after analyzing few factors I found the stores managers can give us the most authentic and realistic view of the situation. Because, this research will be solely helpful for Bata and other organization, they will get to realize the importance of selecting Location. This is one of the top factors of production. If the company has retail stores, then choosing location is obviously playing important role in their business.

### **Sample:**

In most of the research selecting the sample and the procedure of choosing sample is important. Before choosing the sample, they are being filtered by few categories. But in my research, I didn't have to filter the sample, I took the top 20 store list and asked conducted my research.

For analyzing the success, I could take response from 236 store managers so that the response number could be huge and the analysis could be more precise. But all of them are not successful in their business. So, I choose top 20 stores of last 4years. From last 4 years top 20 list, many stores could not hold their places in top 20 in every year. But I took the top 20 stores of 2017 and conducted the research on the store managers.

### **Research Instruments/ Questionnaire:**

I have 22 questions in my questionnaire. At the beginning I found 10 individual variables which effect the decision while choosing the location. But to run in the SPSS, I organized them and created 5 variables including one dependent variables.

All of my questions are close ended questions and every question was created through Likert Scale. As I didn't have to measure the (demography) gender, age, income of the respondents so I didn't include any nominal or ordinal questions.

### **Pretest:**

Before doing the research on the store manager I get it checked and fill up the questionnaire by the Business development manager, the statistic officer and the senior real estate manager (my supervisor).

**Collection and statistical treatment of the data:**

The data are all collected through primary data collection who are responsible for behind becoming the top 20 stores all over the country.

I have done the research on the Microsoft Excel but for analyzing the data I used SPSS. Unfortunately, after doing the analysis, I have found the full model is not significant.

## Analysis and the interpretation of the data:

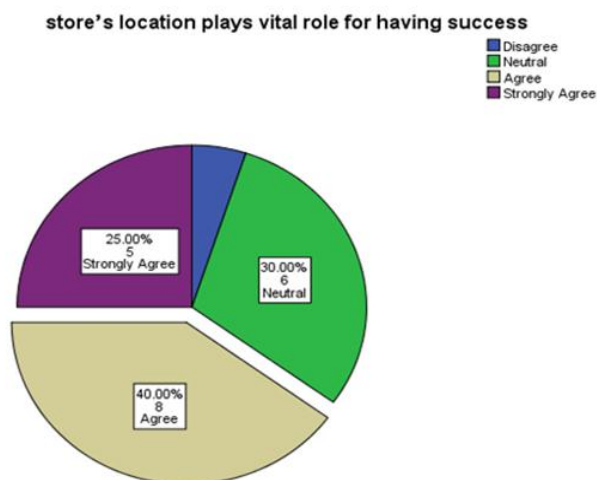
As this survey was done on the store managers of Bata Stores, so the demographic information was excluded on this research. This research was mainly focused on the independent variables which was affecting on the success of Bata stores. In total I got 20 respondents for my research. All of them were male respondents.

All of them are well known about their store management, store stuffs and the business. each of the store has an individual business target against the turnover to achieve and they can realize any difference in the sales pattern very easily.

My survey was done by SPSS and as the respondent number is very low in terms of doing any research, I chose to show all the results analysis through Frequency Distribution. So that it will be easier to understand the variables and the relationship between them.

While working I realized there are some important factors who play vital role while choosing a location for opening a new shop. These factors were analyzed through research.

### 1. Convenient location:



Here we can see, out of 100% respondent 25% are strongly agreeing and 40% are agreeing with the fact that store's location is playing vital role for having success.



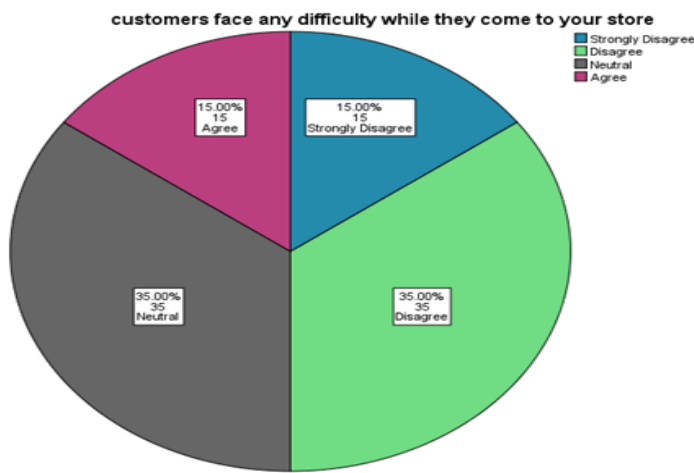
On this bar chart we can see that, in total 20 respondent, almost 10 agreed, and 4 strongly agreed on this fact that, “Story type is decided based on the location of the store.”



Total 25% respondent were neutral about the easily accessibility for the local target market.



After analyzing this fact, we can see though some stores are having success in their individual stores but in some of the stores the local target market sometimes may face difficulties while reaching the stores.

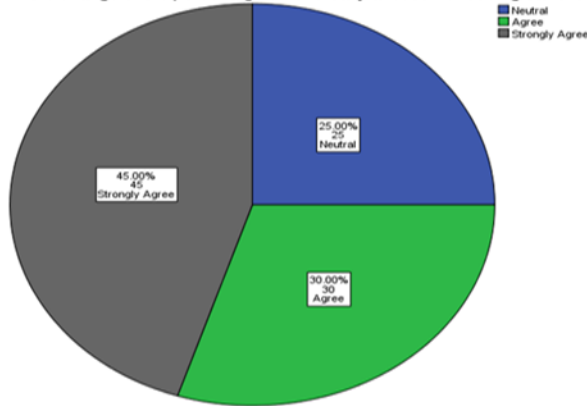


Out of 20, 15 respondents answered negatively on this matter. Because if customers will face barriers while coming to the outlets, in future they will try to avoid this place. Like, the customers who use public transport has to change transport several times to go to Gulshan outlet.

After analyzing individual feedback, we can say in all 6 questions more than 65-70% respondent's answers prove that convenient location is very important while choosing any location before opening any Bata outlet.

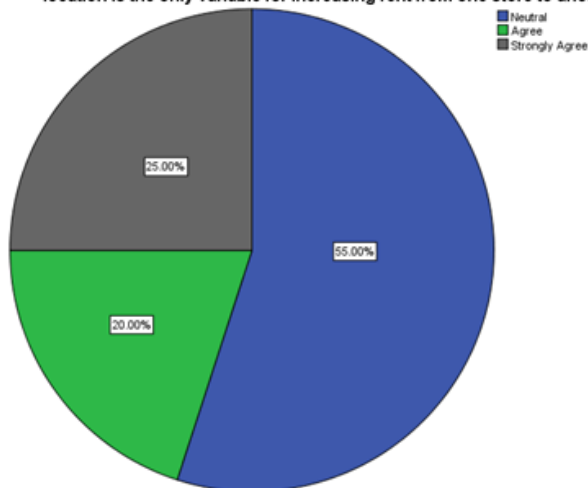
## 2. Rent & Parking Area:

the change of the percentage of rent really effect on choosing store location



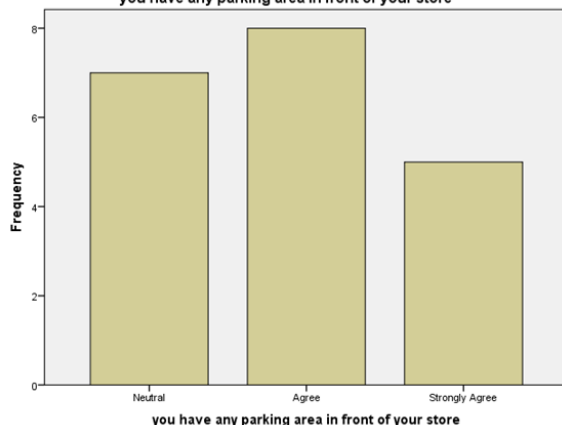
The change of the location of the store massively impact on the rent of the stores. The rent of Bashundhara City store is not equivalent of the rent of Gazipur, or even the rent of Mirpur stores. And 45% respondent strongly agreed with this term.

location is the only variable for increasing rent from one store to another

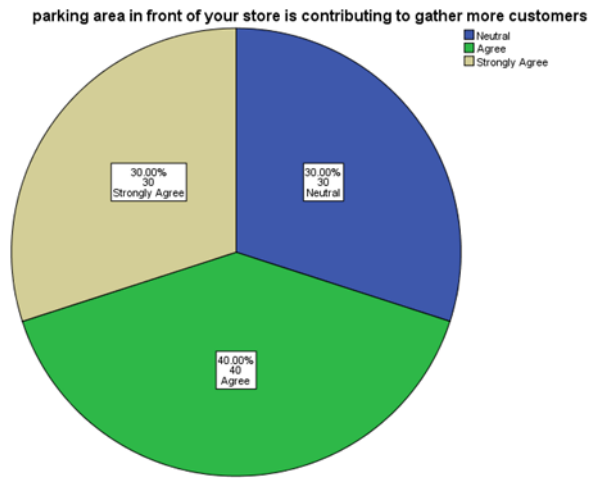


Here, we can see among all the store managers 55% were neutral on, location is the only variable for increasing rent from one store to another. Because there are many more reasons for increasing rent. The size(sft) of the store another factor which effects on the rent.

you have any parking area in front of your store

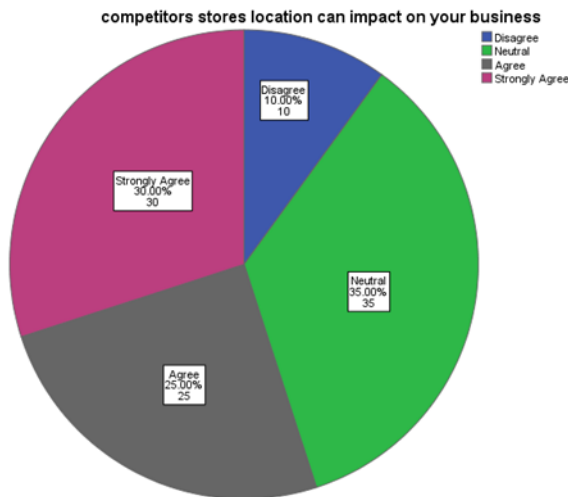


There are few stores who have parking issues, sometimes which creates barriers for customers like who is driving his vehicles, or public transportations (rickshaws, CNGs).

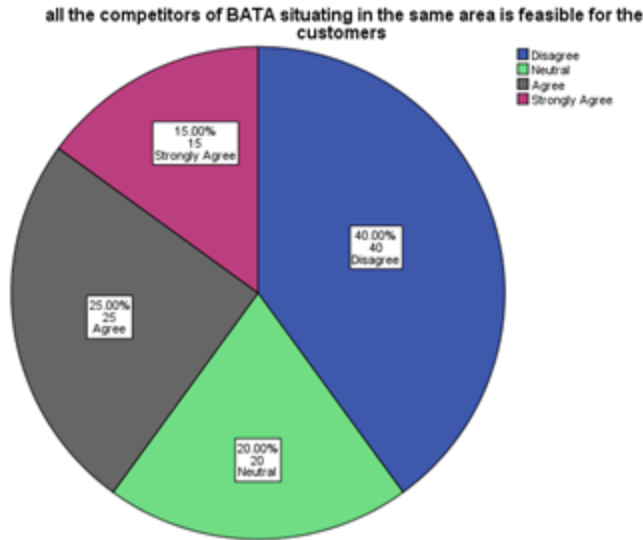


Yes, if the store has parking area then customers tends to visit more than other stores. In the analysis we can see, 70% respondents agreed on this issue.

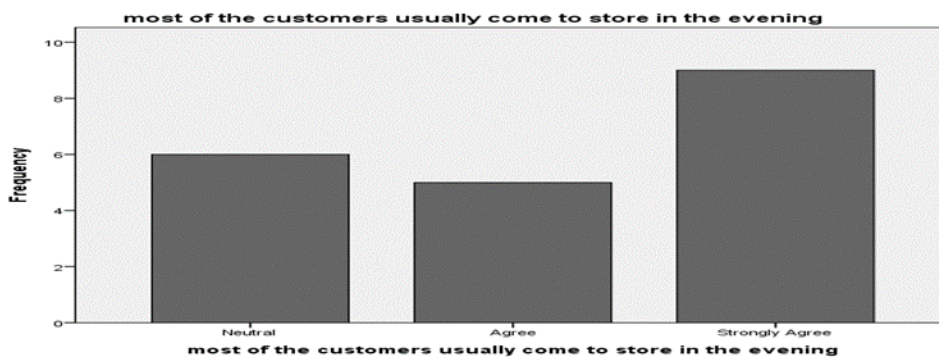
### 3. Competitors & Customer Demography:



Before opening any store, it is mandatory to analyze the competitors store position and their business success. It falls under the job description of the business development manager to analyze major competitors (Apex, Bay, Lotto etc.) store location.



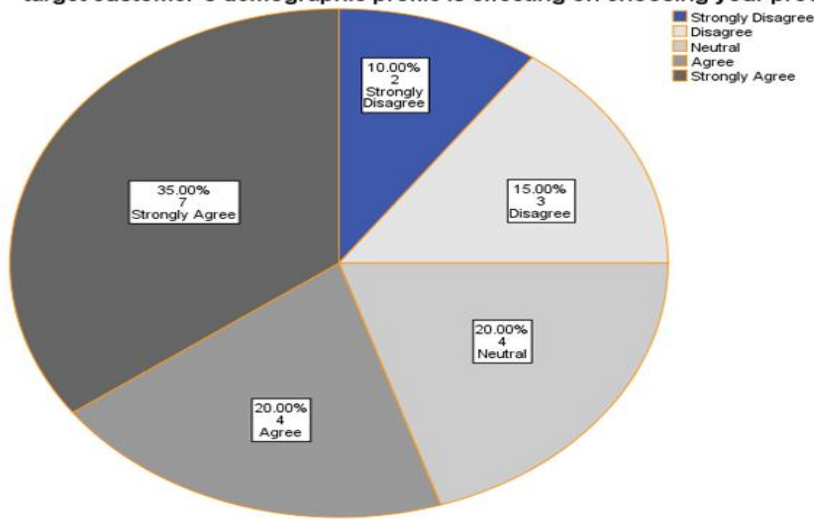
From the business perspective all competitor shows stores situating in the same area may not be helpful for the businessmen to gain targeted success. But if a customer can have all the stores in the same place, it will be easier for them to compare, choose and buy the shoes.



Based on the hypothesis I asked this question to the store managers, 70% of them gave positive response and said most of the customers starts coming after the afternoon. Around 7pm - 9pm is the top most rushed hour in the stores.

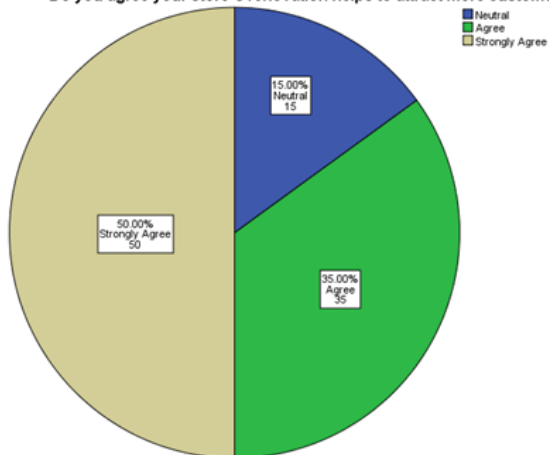


target customer's demographic profile is effecting on choosing your products



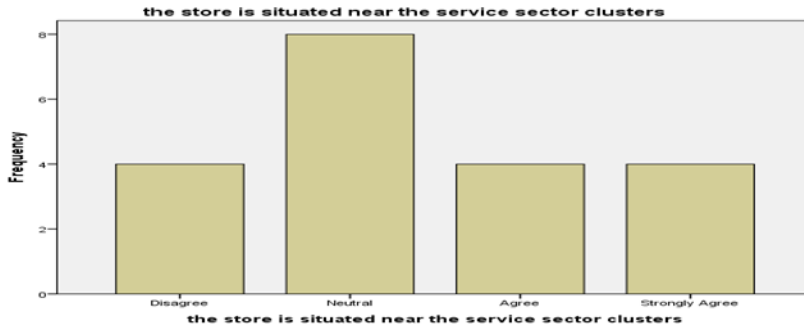
In most of the cases target customers demography effects while choosing the products for the stores. The Operation managers analyze the demography of the local target market, and based on that they choose the merchandise and place in the store based on the type of the store (family, city) and that type is decided before opening based on the demography of the location.

Do you agree your store's renovation helps to attract more customers



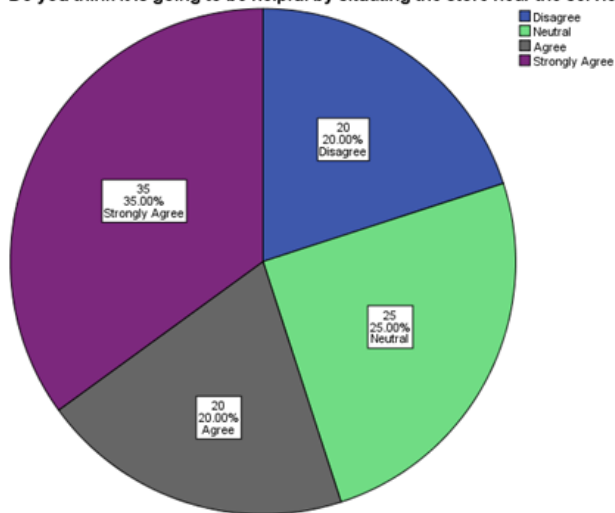
We can see the result from this pie chart, that 85% respondent agreed; renovation helps to attract more customers. It is proven by achieving the sales target. And each year from the Global Head Office each Country Head get order for a certain amount number of stores to renovate. This year Bata Bangladesh renovate 22 stores within before Eid-UI-Fitre.

**4. Service Sector Cluster:**

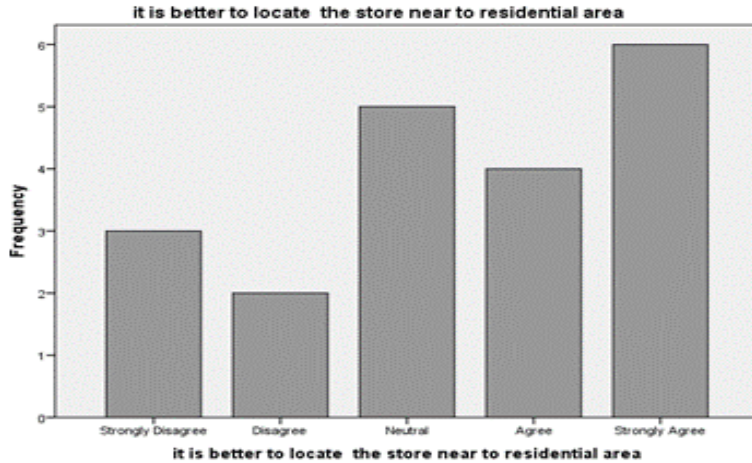


In the research it is seen that, if the store is not near service sector it that won't affect that much for achieving business success. 40% respondents were neutral and 20% disagreed on, the store is situated near the service sector cluster.

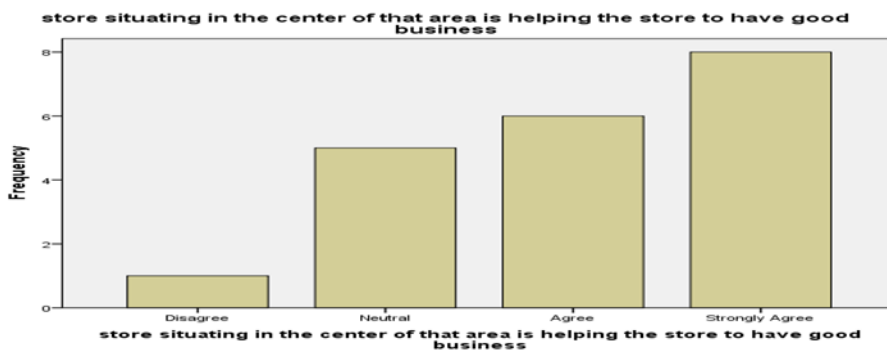
Do you think it is going to be helpful by situating the store near the service sector



As it was proved, evening is the most rushed hour, and all the job holders return to home at that time so, before doing research it was an assumption that it would be better to establish a store in the service sector area. But after watching the result we get to see that, it doesn't always help a store to earn success by locating it in the service sector area.

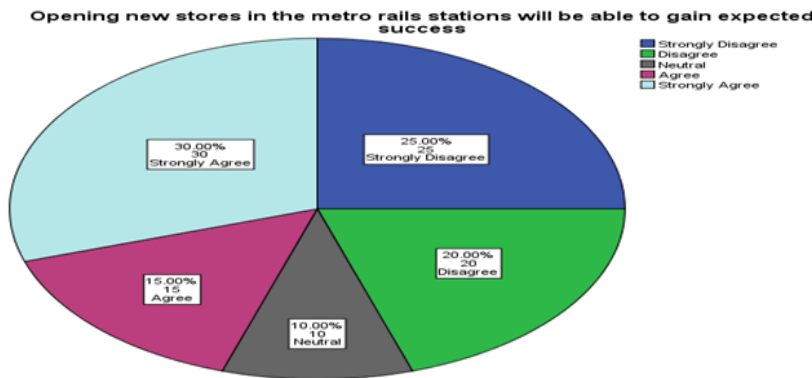
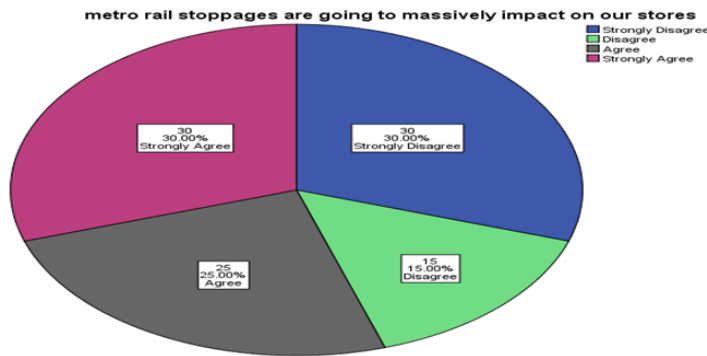


In this part, we get to see 10% respondent said it is better to locate the store near the residential area, and 5% of them were disagreeing this fact. Some of the stores like the stores in Uttara are situated near the residential area. And they are doing amazing in the business. Again, the store in Jamuna Future Park Shopping Complex, Gulshan Avenue, Bashundhara Shopping Complex these are in the commercial area, and they are in the top 5 successful stores in 2018.



By these two questions we get to know that more than half of the respondent's answers said if the store is situated in the center of the city, it is easier for them to attract more customers and earn profit.

**5. Metro Rail Regions:**



Metro rail is going to be introduced in our country for the very first time, and the preparation has been started. So, the stores which are inside the Dhaka city and the metro rail line is going to cross their area, is getting affected by this construction work. But there are some stores situated outside of Dhaka city in our list top 20 successful stores. So, the metro rail is not affecting them like the stores in Mirpur, Uttara etc.

Moreover, Bata is planning to open new stores in those metro rail stations where Bata don't have any existing store.

## Findings of the Study:

- The store managers are well known about their stores. They have to continuously check on the sales percentage of their articles.
- Based on the location the articles have been chosen, the family stores have the medium, affordable footwear and accessories. For middle income people which are mostly situated in the sub-urban areas or outside of Dhaka.
- There are 5 flagship stores of Bata and all the City stores are located inside of Dhaka city. Here, customers will get the international branded shoes under the umbrella of Bata.
- A customer will never see all the Bata products under one roof. From the distribution center of Bata, the products get divided in different regions. So, if anyone after visiting one outlet thinks one checked all the recent products then one is obviously wrong.
- Change of location, the size of the store impact on the rent.
- The landlords are very much respected by the company. Because of their place Bata is running their stores in the demanded locations.
- If the store is situated in the service sector then the customers rushed onto the store in the evening. While returning their home, they go to buy their necessary products. And in Bata outlets one will find not only foot wares but also different fashionable accessories.
- If the store has enough parking space option then it creates more value. For example, the store situated in Tongi bazar, in Dhaka- Tangail road has no parking space; it has less customers than the store which is situated in Jashimuddin More, Uttara Dhaka.
- The main competitor's stores play vital role in the business. From one point it is good, because then all the stores feel competition among themselves, and they try to give their best. They want to give their best service to the customers, they want to make their store most beautiful than the competitors stores.

**Recommendation:**

- In the real estate department, the works are really hazardous. Handling more than 350 landlords, and the store managers, solving their issues are really hard. Here everything communication is done manually, one to one conversation. It has to be changed.
- If they can build a website where all the store managers will write down their issues and the district managers will be able to see those issues, and the real estate managers will also see those issues at that time. Then it will be easier for everyone to keep them updated about the issues.
- Moreover, if they start using a website, all the issues will be written and documented in one place. Now, sometimes, if there is rush of store managers with lots of issues, then one might miss any stores issue which was an emergency.
- Bata should start programs where the real estate will continuously keep communicating with the landlords. For example- every month choosing any 5 landlords and acknowledge their contribution by sending thank you gifts. By this they will feel importance in Bata Shoe Company.
- Bata should give some special privilege to the Bata employees while buying the Bata products. By this the employees will feel more connected to their workplace. As
- The communication of Bata employees with the landlord should be more organized. For the meeting purposes Bata should organize transportation facility for them. If the employees are traveling then company should provide transport facility. Even if the landlords are coming, the organization should organize the transportation as the head office is in Tongi, which is out of Dhaka city.

## Conclusion:

Here, this research has been done to make people realize the importance of the real estate department, and the importance of choosing a perfect location to earn good business. Because, if the store location is not convenient then the customers will not feel interested to visit that outlet, rather than going to that store they will find some other stores which are convenient for them. Again, in the end I will repeat if the department can use any website specialized for them it will help them to work more efficiently. And finally, I would say, dealing with the landlords and the store managers, district managers are not an easy job, continuously listening their issues and solving those needs patience. There is no families in our country who haven't use any Bata products in their life, but due to the entrance of more competitors maybe Bata is not doing the same business as before. but still now Bata stays in everyone's heart.

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## Appendix:

The top 20 store list of Bata in 2017: this has been taken from the Bata Statistics department. This has been done by counting the sales turnover at the end of the year.

51215 BASUNDHARA MALL, CITY
51416 JAMUNA FUTURE PARK, CITY
51425 GULSHAN AVENUE, CITY
51424 UTTARA SOUTH, CITY
51434 GULSHAN - 2, CITY
51201 218 N.E.ROAD, CITY
51301 FARMGATE, FAMILY 1
51402 TONGI DESTINATION STORE
51436 UTTARA, CITY 3
51305 MIRPUR SECTION-1, FAMILY
51342 MIRPUR SECTION-10, FAMILY
52122 MACHINERY MARKET, FAMILY
51417 TONGI CLEARANCE STORE
52136 NASIRABAD, CITY
51103 SADARGHAT, FAMILY
51101 6, B.B AVENUE, FAMILY
53128 BOGRA FAMILY - I
51202 109 N.E ROAD, FAMILY
53206 RANGPUR FAMILY - I
52110 O. R. NIZAM ROAD. CITY



### The questionnaire of the survey:

		1	2	3	4	5
<b>QUESTIONS</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
location	1	store's location plays vital role for having success				
	2	store type is decided based on the location of the store				
Parking area	3	you have any parking area in front of your store				
	4	parking area in front of your store is contributing to gather more customers				
transportation	5	the store is easily accessible to the local target market				
	6	customers can use any road vehicles to reach your store				
Barriers	7	convenient store location is encouraging customers to have Bata products				
	8	customers face any difficulty while they come to your store				
Service sector cluster	9	the store is situated near the service sector clusters				
	10	Do you think it is going to be helpful by situating the store near the service sector				
	11	it is better to locate the store near to residential area				
Distance from the center of the town	12	the store situated near the center of the town				
	13	store situating in the center of that area is helping the store to have good business				
Customer profile/ demography,	14	most of the customers usually come to store in the evening				
	15	target customer's demographic profile is effecting on choosing your products				
	16	Do you agree your store's renovation helps to attract more customers				
Rent	17	the change of the percentage of rent really effect on choosing store location				
	18	location is the only variable for increasing rent from one store to another				
Competitors	19	competitors stores location can impact on your business				
	20	all the competitors of BATA situating in the same area is feasible for the customers?				
Metro rails- regions	21	metro rail stoppages are going to massively impact on our stores				
	22	Opening new stores in the metro rails stations will be able to gain expected success				