

Report Title

Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group

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

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Declaration

It is hereby declared that,

1. The internship report submitted is my 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 any material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Acknowledgement

First of all, I would like to thank almighty Allah for providing me the strength and ability to conclude the report successfully. I am very much grateful for the support which was given by my Academic supervisor Dr. Salehuddin Ahmed, who guided me for preparing report during my internship period. In absence of his help, it would have been very tough to complete this report. Furthermore, I am thankful to Mr. Joseph Amit Gomes Amit Gomes for helping me a lot during my internship period.

Mr. Abdullah Al Zakaria helped me a lot as he is the first senior assistant director of Walton Bangladesh. He provided me lots of useful information. On the other hand, Mr. Shahriar Mujtahid Palash is the business analyst of SINGER Bangladesh who provided me so many information related on networking channels. I am so much grateful to them. I tried to incorporate all the necessary information in my research.

I am also thankful to Ador, Rishad, Katha, Ria, Shumona, Afnan, Bantee, Saad, Samantha for their overall guidance, valuable suggestions and motivations. With the help of their participation, I was able to conduct essential interviews to complete my research.

Finally, Thanks to my parents and family without their support, it would not have been possible for me to be this determined and committed towards my responsibilities. Their support has enlightened my student life and career.

Executive Summary

The topic of the study paper is “Factors influencing the sustainable distribution networking designing in an organization: A case of Walton Group.”

This topic has been chosen to investigate distribution networking channels of Walton Bangladesh by factors analysis and the study also identify various risky factors. This study is presented in six separate chapters. The first chapter- “Introduction” comprises background, scope of study, objective, and contribution of study and the organization of the study. The background of the study that was discussed earlier has the basic concept and purpose of the study with supporting information from previous studies about factors which influence the networking policies. The scope of the study has discussed the area that will be covered by this work with a clear boundary. The Objectives identifies the main aim of the study along with three objectives, where diagnosis about the key factors influencing distribution networking system. The contribution of the study focused on the ability of the research to remove gap in existing researches and who will get benefit by this study. Subsequently, the second chapter- “Literature Review”, provides the detailed relevant information and documented evidences from previous studies with Harvard in-text citation. On next, the third chapter- An Overview on networking channel of Bangladesh present regarding the relevant issue. Afterward, the fourth chapter- “Research Method” describes the operation and activities including research approach, population and sample, sampling technique, questionnaire design, data sources, and data analysis technique of the study. After that, the fifth chapter- “Data Analysis, Results & Findings” has explored the findings of this study in appropriate table and data analysis contains proper heading and description. Frequency, percentage distribution and mean of respondents” results are identified in this chapter. Finally, the sixth chapter- “Recommendation and Conclusion” is presented with overall recommendations and suggestions on findings, area of further research and improvement of the study. It’s noteworthy that, there are two more sections at the last portion of this study; these are “Reference” and “Appendices”. The reference section starts in a new page having the list of previous works, studies and sources arranged in alphabetical order according to Harvard referencing style. And lastly, the appendices present the questionnaire that was given to the respondents for collecting their responses.

Letter of Transmittal

September 25, 2020

Dr. Salehuddin Ahmed
Professor, BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of a report on case study.

Dear Sir:

With due respect, I would like to inform you that, it is a privilege and great pleasure for me to submit a report of a case study on **“Factors influencing the sustainable distribution network designing in an organization: A case study of Walton Group”**, as it is an obligatory requirement to achieve Masters of Business Administration (MBA) degree under the curriculum of BRAC University.

It has been worthwhile experience for me undertaking such a comprehensive task as well as my foremost exposure to the dynamic world. I have tried my best to satisfy my academic requirements as well as the other part for which I was assigned.

Yours Sincerely,

.....
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Chapter-1: Introduction

1.0 Introduction

Distribution networking system is a process of supply chain. It is mainly the facilities of transportation system of inventories where goods are delivered. Customers receive the goods through distribution networking system. It is an intermediate point between customers and manufacturer. To make a fast delivery of a product it plays a vital role where fast networking is also essential. Location to the customer and infrastructure quality are two of the most important aspects of a distribution network. Decentralization is a type of it which works for different types of product.

To make a successful business system efficient distribution networking channel and operation is necessary. It is also consider as strategic planning component of an organization. Distribution network is such a channel which maintains a network from initial level to end level. The flow of goods service including the delivery of all products into customer network is the main challenge of it. To maintain entire distribution network a company must need to how it will be managed through employees, equipment, information, data transformation systems, technology and transportation systems. Without knowing it properly to maintain a connection throughout the country is impossible for a business. So, it plays a vital role to maintain a communication.

For example, by using technology Amazon made their distribution network so strong. They are now using robotic network to maintain networking channel all over the world. They are using robotic controlled warehouse across the world including tracing system of their freight. The also represent a new innovation by using technology as people can depends on the technology. Amazon is massive global retailer so they needed such a technology as they can extend their business across the world. Already it has 1215 distribution channels in 21 countries as of July 2020.

1.1 Objective of the Study

This study is on “Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group”. This study aims to get into a critical diagnosis about the key factors. The objective of this case study is to describe sustainable distribution-designing network of Walton. In depth, investigation of distribution network designing of Walton with the help of my case study and analyze relevant theoretical concepts from various sources. The purpose of the case study is to help in bringing the understanding difficult issues that can extend experience or add strength to the existing knowledge through previous investigations. Also this case study focus on the location of manufacturing operations, the number and location of distribution centers and the re-configuration of the company’s customer base (mass merchants, department stores, specialty retailers and online businesses) and showing the comparison with SINGER Bangladesh in terms of networking system.

Overall the main objective of this dissertation can be summarized as follow-

- To determine the factors of a sustainable designing network strategy of Walton
- To identify relevant theoretical concept
- To analyze the location of manufacturing operations, the number of distribution centers
- Coming up with recommendations for the processes

1.2 Scope of the Study

The endeavor of this study was to understand the general behavior of network system of Bangladesh, especially among companies, retailers, dealers and customers. A network is communication factor which build up communication among them. Only a strong network is good for companies which affect in the business. Very few studies have been conducted so far concerning networking strategy in Bangladesh. Thus, the study is expected to enrich the existing behavioral literature by presenting evidence on the behavioral issues of supply chain. Industries with similar characteristics in the country and elsewhere in the world can follow the findings and recommendations offered in this study in planning their strategies. Besides, small companies can update their future policies and strategies in accordance with their knowledge of the factors influencing of the networking policies.

1.3 Limitation of the Study

As with any other research, the present study has some limitations. This study was necessarily limited in scope as well as practical research limitations are:

- Limitation that has been identified that a distribution network mainly is maintained by self-governing computer system. Data is transmitted through hardware and software systems. To maintain a big channel the strategy should be organized. A loose connection system can make a gap about all information. So to know their actual policy is difficult.
- The study is based on only within Walton Bangladesh, so the results may not be universally acceptable.
- It was tough to collect information from people those are completely unknown and conservative to share proper information related to that content. It was also difficult to collect demographic information as it is not found to disclose.

1.4 Contribution of the Study

1.4.1 Theoretical Contribution

Although this study has conducted at a smaller setting, it will help to eliminate the existing gap created in previous researches on distribution network pattern. Besides this research may also contribute to find particular issue related to behaviors of suppliers and various risky factors analysis. The study indicates factors those are considered important by companies while maintaining channels.

1.4.2 Practical Contribution

Distribution networking system very popular to maintain connection inside country and also outside country. In this context, the results of the study could be beneficial to companies of Bangladesh. Moreover, findings of this research will also be useful to suppliers, retailer, dealers and consumers in understanding companies inclination and thus, enabling them in improving their services. Further, the research can also have important practical implications for government regulators in the market of Bangladesh.

1.5 Organization of the Study

Now a days Walton is now a highly growing company. And now business are successfully running and expanding properly. In Bangladesh Walton is the highest taxpayer in our country which help to increase our economy. It achieved highest taxpayer's award in 2015. Even it is the largest manufacturer companies in our country. In terms of refrigerators Walton takes the maximum market share in economy. In our country Walton also try to manufacture first smart phones and tablets. Walton maintains high distribution designing system so Walton Bangladesh is suitable for this case study.

Chapter-2: Literature Review

2.0 Introduction

Businesses, markets and above all technologies in accelerated and constant evolution for many decades have come to create an environment of which dynamics, challenges and opportunities are unprecedented in history. According to the literature (although each reference in the literature is usually biased toward its own focus of study). Also supporting literature review, information for this research will be drawn from various publications and academic journals such as academy of management review and journal of distribution networking management.

2.1 Theoretical Literature Review

Distribution networking management has a very important role in the modern firms, and is an important area for academic research as well, due to its centrality in a firm's success (Niall, 2012). Some researchers highlighted that networking management has a different nature compared with other areas in management research, as it states both physical and human elements of the firm (Jiménez and Lorente, 2001). Marketing specialists analyzed about distribution networking channels and designs. Berman in 1999, Kim in 1996, Delton in 1997, Frazier in 1999, Kotler in 2003, Rosenbloom in 1999, Stern in 2006, Gudonaviciene and Alijosiene in 2008 analyzed about networking channels. Obaji in 2011 provided an excellent theories in his research which designed a superior networking channel in distribution, explaining with effective tasks. There are so many theories which provided specialists. Coughlin, Anderson, Stern and El-Ansary provided product consumption and service theories in industrial perspective in 2001. This research draws a relation among wholesalers, distributor, retailers etc. In 2002 Anderson and Coughlan established a concept of comprising the distribution systems. Gundlach in 2006 provided a concept about controlling of distribution network system. Stren et al in 2006 provided a concept which is related to transfer goods and service to the customers and provided some mechanism about it. Kotler & Keller provided a theory which is related with marketing distribution channels. La Londe, Grabner & Robeson conduct a study over distribution management, materials management and logistic in 1993. Last forty years researchers want to develop networking channels as it can help to maintain a communication across the world. Cf. Dwyer & Oh, in 1988, John & Weitz in 1988, Fein & Anderson in 1997, Shevani, Frazeir & Challaglla in 2007 researched about the relationship and coordination of networking systems, how to deal with it, the methodology and also controlling policies are researched. Service quality has been defined as the effort exerted by a firm to satisfy customers' expectations (Pandelis et al., 2009; Tsaur et al., 2004). Quality improvement provides firms with the opportunity to bridge the gap between what they are capable of offering and

what customers demand (Lytle and Timmerman, 2006). This could be achieved by improving the process and outcome at the same time as researchers advised (Tsaour et al., 2004). Superior operations capabilities increase the efficiency in the delivery system as well as reducing the operations cost to achieve competitive advantage (Day, 1994; Prithwiraj et al., 2008). The variability in service firms degrades the performance of service delivery systems, and also results in operational inefficiencies (Van, 2011; Kimand Oh, 2008). Variability can arise from a number of sources, including times for delivery; different transactions demanded by customers; variation in skills of consumers, who will need different levels of guidance; effort exerted by customers in interacting with the firm; and differing customer opinion on what constitutes fair and reasonable treatment (Frei, 2006)

2.2 Practical Theories

Many researchers tried to conceptualize the service operations performance according to two dimensions, first relating to financial/monetary gain such as profit and market share enhancement and/or cost reduction while the second relating to non- financial value gain like product/service quality enhancement, delivery performance, customer and employee satisfaction, and community impact. Network quality defined by Edvardsson as “the firm’s effort that is given in order to meet and satisfy the expectations and requirements which customers anticipate “(Pandelis et al., 2009; Tsaour et al., 2004). Improving on quality provides firms with the opportunity to bridge the gap between what they are capable of offering and what customers demand. This could be achieved by improving the process and outcome at the same time as researchers advised (Tsaour et al., 2004)

2.3 Conclusion

Distribution network is the key factor to make a profit. Distribution networking system handles multi programs. So, many studies are done on it. There is evidence showing that analysts revise their assessment of a company slowly, even in case there is a strong indication proving that assessment is no longer correct. Analysts are often confident in areas that they have knowledge. Thus, studies in distribution network have shown a major contributing factor as phenomenon of supply chain management.

Chapter-3: Overview on Walton Group of Bangladesh

3.0 Introduction

Walton is Bangladeshi based company. It is in Kaliakair, Gazipur, Bangladesh. Walton motors, Walton mobiles, Walton electronics are its subsidiaries. Now a days it produces electronics, computers, motor vehicles and telecommunications products. The Micro-Tech Corporation is at Chandra, Gazipur. Manufacturing, assembling and R&D plants are there. The products are mobiles, televisions, home appliances, lights, air conditioner, battery, charger fans etc. Walton is a highly growing company which also impacts on our economy.

3.1 History of Walton Group Bangladesh

Walton is a group of industries. Walton was founded by S.M Nurul Alam Rezvi. In 1977 it was established as group of industries. Walton group diversified into electronics, automobiles and steel. After 1970s Walton started working with steel and electronics after 2000s Walton starting working with automobiles. Now a days Walton is now a highly growing company. And now business are successfully running and expanding properly. In Bangladesh Walton is the highest taxpayer in our country which help to increase our economy. It achieved highest taxpayer's award in 2015. Even it is the largest manufacturer companies in our country. In terms of refrigerators Walton takes the maximum market share in economy. In our country Walton also try to manufacture first smart phones and tablets. That is why it is established Walton Digi-Tech Industries and labeled "made in Bangladesh" which arrived in January, 2018. Walton launched computer and laptop manufacturing plant on January 18, 2018. There are various types of models of electronics and automotive goods for import which Walton manufactured. It has also 4500 distribution channels. 5% mobile phones, 80% refrigerators, 30% televisions and 6% motorcycles are produced and assembled here. Including Walton group makes a plan to manufacture ventilators.

3.2 Networking Channel of Walton

Walton group mainly manage their networking system which has two parts:

- Supplier to Warehouse Chain
- Warehouse to Customer Point Chain

3.2.1 Supplier to warehouse chain

Several steps are done in the supply chain system. Primarily they select suppliers who actually provide raw materials for goods. Then the sample of the goods are collected from the suppliers which is called sourcing. Then management approval is necessary. After that commercial department opens LC for shipment. Then inspection reports are completed.

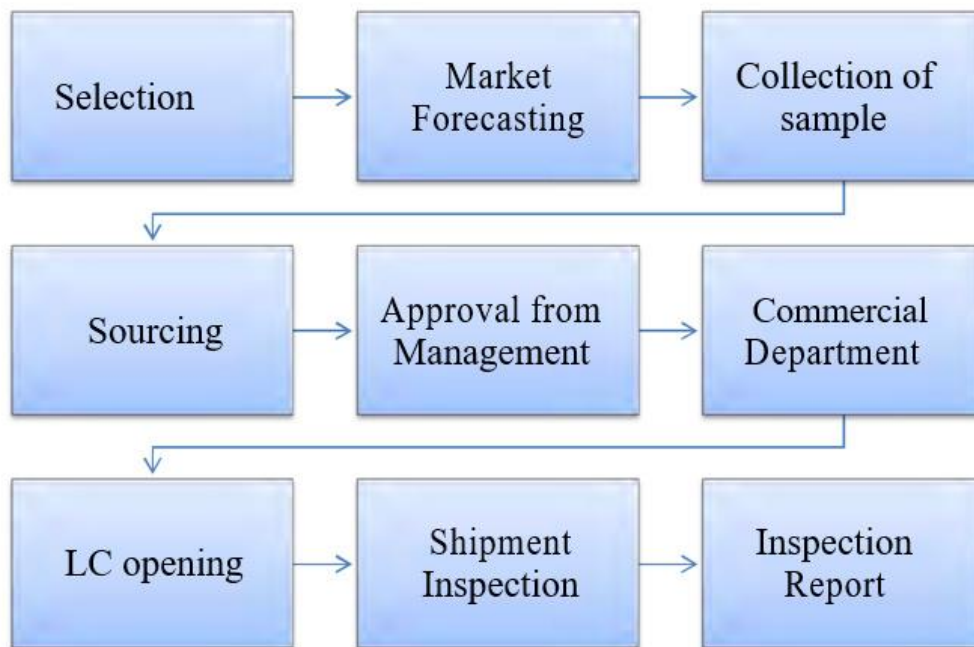


Figure: Walton networking systems with suppliers

□ SOURCING

Walton always maintain a good relationship with suppliers in China. Suppliers are requested to send their sample. Quality control team check all the sample and take the decision about taking order or not. If there is error they ignore the product and again ask for new sample. If it is okay then they select the sample for ordering. This is the process of sourcing.

□ **APPROVAL FROM MANAGEMENT**

Management approval is necessary for ordering raw materials. To conduct the further process management approval is necessary. Special requirements are considered in further step.

□ **COMMERCIAL DEPARTMENT**

Commercial department is so important to manage communication. Many projects are selected from this department. This projects are done with an agreement in this phase. Documentations should be purely done of all the contracts.

□ **LC OPENING**

Continuously LC is opened in the commercial department. Though the banks whole process are done. LC opening is not an easy process. It is also an international process which is used widely. LC is mainly a contract between suppliers and company. Here payment, transportations, date of delivery of products, quotes everything is mentioned clearly.

□ **SHIPMENT INSPECTION AND INSPECTION REPORT**

As LC is ordering process shipment is processed after opening LC. Quality control team always ready for inspection of the products of shipment. After getting positive report from inspection team shipment accepted. After that importing part starts. If the inspection report is negative then shipment is cancel from the company side & suppliers change the products or cancel the order from company side. So positive result turns goods into warehouse and negative result turns goods back to the suppliers' store.

3.2.1 Warehouse to customer point chain

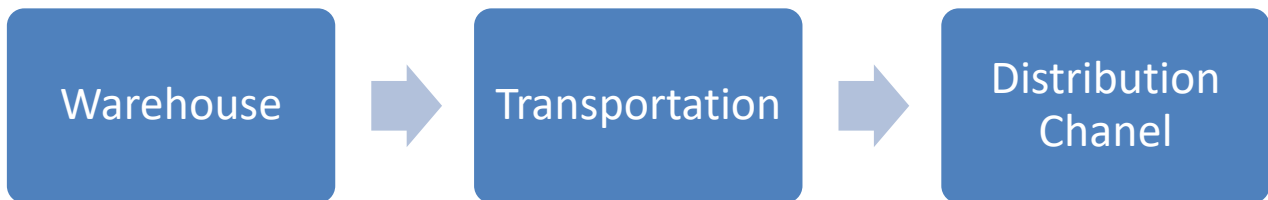
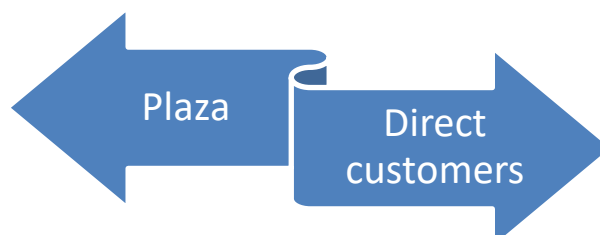


Fig 7.3 Distribution of products

After shipment products are manufactured in the industry. Then products are stored in the warehouse. VAT and the process of costing are completed from Walton warehouse. So, after that product are ready to sell.

There are 2 types of distribution channels controls by Walton:

- Plaza
- Direct customers



3.3 Corporate Philosophy:

Corporate philosophy of Walton is discussed here:

3.3.1 Walton Vision

To be the most accepted and appreciated family company in the country.

3.3.2 Walton Mission

To improve the quality of life of the people by providing comforts and services at reasonable prices.

3.3.3 Walton Values

+ Consumers

Live up to the expectations of a responsible organization by contributing to the improvement in the quality of life of our customers through outstanding product & services.

+ Employees

To respect each other as individuals and encourage cross functional team work while providing opportunities for career development.

+ Shareholders

To provide a reasonable return to shareholders while safeguarding their investment.

+ Suppliers

To develop suppliers to be partners in progress and share our growth with them.

+ Competitors

To respect competitors and recognize their contribution to market value.

+ Community

To conduct business by conforming to the ethics of our country and share the social responsibility of the less fortunate.

3.3.4 Walton Objectives

- To be the market leader in their product range and market segment.
- To provide consumers with the best service & shopping experience in the country.
- To provide consumers with products of latest technology.
- To develop employees to achieve their real potential.
- To provide shareholders with steady asset growth and return on investment above the industry norm.
- To grow revenue and profits at a rate above the industry norm.

3.3.5 Board Composition

The Board comprises of nine members, a good blend of executives and non-executives and independent Directors having diverse and professional skills and experiences. The non-executives and independent Directors are from varied businesses and other background and their experience enables them to execute independent judgments on the Board where their views carry substantial weight in the decision making. They contribute to the Company's strategy and policy formulation in addition to maintaining its performance as well as its executive management.

3.3.6 Responsibilities of the Board

The Board is collectively responsible to the Company's shareholders as laid down in its Articles of Association and the relevant laws and Regulations. The Board directions are taken at its meetings held as per the Articles of Association. The Company Secretary calls the meetings of the Board and Board Committees, prepares the agenda in consultation with the Chairman of the Board of Directors, the Chairman of various Committees and the Managing Director. The Agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, are circulated well in advance of the Meetings. All Board members are entitled to raise other issues. The Company Secretary is basically accountable to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with Directors and Key Person.

3.4 Brands & Products

3.4.1 PRODUCTS

- Air Conditioners
- Air Coolers
- Computers
- Deep Freezers
- Electric Oven
- Fan
- Gas Burners
- IPS
- Irons
- Kitchen Appliances
- Microwave Ovens
- Water Heater
- Refrigerators
- Sewing Machines
- Televisions
- Voltage Stabilizers
- Washing Machines
- Water Purifiers

Fridge

Side by side No-frost, Top mounted No-frost, Bottom mounted No-frost, Direct cool Top mounted, Direct cool Bottom mounted, Direct cool.

TV

Ultra slim HD LED TV, HD LED TV, Smart 3D TV, FHD LED TV, FHD Smart LED TV.

Air Conditioner

Split Type Air Conditioner

Washing Machine

Fully Automatic Front loading, Semi-Automatic Top loading, Fully Automatic Top loading.

Microwave Oven

Convection oven, Combi-grill oven, Solo oven

Kitchen Appliance

Professional Multi-Chopper, Stainless Steel Toaster, Coffee Maker, Electric Kettle, Rice cooker, Sandwich maker, Heavy Duty Mixer Grinder, Pressure Cooker, Singer Ruti Tawa(Non Stick), Fry Pan(Non Stick), Korai (Non Stick), Toaster, Blender, Hand Mixer, Preethi Nitro, Preethi Eco Twin, Preethi Eco Chef, Preethi Spice, Preethi Steele, Preethi Trio, Food Processor.

Sewing Machine

Electric Sewing Machine, Mechanical Sewing Machine, Industrial Sewing Machine

Computer

Desktop, Laptop

3.4.2 Product Diversification

Since its inception in Bangladesh, the name Walton has been synonymous with sewing machine. Although sewing machines are Walton's core business but the Management realized that this product alone could not substantiate growth for longer periods. This realization led to diversification into numerous product ranges. Thus, the transformation of Walton from a single product sewing machine company into a multi-product consumer durable company began in 1985 for further growth and expansion.

This diversification into consumer durables has continued unabated. At different times Walton has introduced Refrigerators, LCD/LED TV, Color Televisions, Furniture, Air Conditioners, Fans, Washing Machines, Irons, Microwave Ovens, Rice Cookers, Instant Power supply, DVD Players, Room Heaters, Air Coolers, Kitchen Appliances, Laptop, Desktop Computers, Generators, Blue Ray DVD Players. Walton, as part of its diversification program, ventured into the manufacturing and marketing.

3.5 New Role of Walton Bangladesh

3.5.1 Retailer

Gradual transformation of Walton Shops started back in 2006 as part of its multi-branding strategy. The main focus of this strategy is to make available varied world-famous brands under the same product category for providing customers a variety of choice under the same roof. As such Walton Shops now offer world famous brands like BEKO, Grundig, Apple, Samsung, Siemens, Skyworth, Videocon, Preethi, Singtech, Dell, Toshiba, Prestige, Lifestraw and many more alongside with Walton.

3.5.2 Dealer

Despite offering the largest retail chain for Consumer Electronics and Home Appliance industry in the country, around 300 dealers are located across the country to make Consumer Electronics & Home Appliances of Walton and other brands, Walton Cables and Sewing Machines available to more consumers.

3.6 Networking Channels

Walton sales network are divided in four media:

3.6.1 Walton Plaza

These specific types are shops are located in high-class areas to grab the attention of premium customers. It is a retail network, which offers wide variety of product of all capacity and units. Till now there are 22 shops available all over the country of this type. Generally, the shops are located core business areas.

3.6.2 Walton Plus

These forms of retail network are available for all sorts of customers. These are generally category shops, existing in all the districts of Bangladesh. Currently, the total number of Walton Pro shops is 357.

3.6.3 Walton Pro

The wholesale network of Walton is called Walton Pro and this network is managed by authorized dealers. Dealers buy product from company with a certain amount of discount initially and then resale to consumers. Currently, Walton Bangladesh has 400 dealers all over the country.

3.6.4 Corporate Sales

For the Bulk orders and the corporate clients, Walton uses the Corporate Sales network. The Assistant Manager of Corporate Sale is the all in all in charge of this network.

3.6.5 Shop Category

Walton has seven categories of shops, which are categorized based on their generated revenue per year. The categories are –

1. Super
2. A
3. B
4. C
6. D
7. E
8. F

This categorization varies from year to year. At beginning of a year unique revenue targets are decided for all categories of shops. If the shops are able to fulfill those targets they fall under their predetermined categories. If not, they are allocated a category based on their revenue target.

3.7 Corporate social responsibility (CSR)

Walton Bangladesh is working with a moral obligation for uplifting the overall wellbeing of the country. As a member of the community, Walton takes its roles very seriously and as per its ability to make the lives of peoples more comfortable. This spirit of the company is reflected in its flexible payment schemes, which help the citizen of the country to buy comfort, and convenience products at an affordable price. To suit the needs of the customers the company offers a wide variety of products.

Walton being a compassionate and benevolent company receives many requests for assistance from

philanthropic institutions, which, after being evaluated by individuals, are passed on, to the Management Committee for their consideration. In selecting a project, the company not only believes in taking a long term view for maximizing its effectiveness but also believes that Walton will be an integral part of the Bangladesh picture for generation to come.

Some of the ongoing CSR projects undertaken by the company are-

✓ **WALTON ACADEMY**

The Academy is a personification of Walton's social commitment, and it resolves to bring the company closer to the people and community.

The Academy:

- Extends its services to the women of the society for generation of income
- keeps the art of machine sewing alive and well
- Helps the teachers of Franchise Schools to make a reasonable income from the fees while they give hands on training on sewing, embroidery, stitching, and cutting to the students.
- Creates an opportunity for students who pass out successfully to open their own Franchise Schools in their community, thereby keeping the cycle of sewing - learning - income generation.

Training program for the destitute women including the students in school and colleges and different non-governmental organizations and institutions is an on-going process and at the end of training session, they are normally provided Sewing Machine absolutely free of cost.

3.8 Comparison between “Walton Bangladesh” and “Singer Bangladesh”

To find out the comparison between Walton Bangladesh and Singer Bangladesh is one of the objectives of this case study.

Walton is the biggest manufacturing company in Bangladesh. It produces so many electronics products and already it has earned a good reputation in the market. On the other hand, Singer is recognized as a multinational company which has manufacturing brunch in Bangladesh. It also produces electronics products like Walton Bangladesh. Singer Bangladesh is one of the good competitors like ECO+, Transcom etc. which also produces electronics goods. Walton follows 4 types of marketing polices in terms of distribution but SINGER follows 2 types of marketing policies in terms of distribution. Furthermore, SINGER has individual manufacturing plants of products where Walton has less manufacturing plants than SINGER. Moreover, SINGER operates their channels for distribution by using their own units. Such as: Complete Business Unit (SKU), Semi Knock Down (SKD), Semi Break Down (SBD). Compared with SINGER, Walton operates their channels by using their own strategy like Walton Pro, Walton Plus, Corporate Sales and Retailer Shop. Walton individually connect with their suppliers however SINGER made their own business unit. In that case, SINGER plays a good role than Walton. Cause if a communication maintains through business unit, it is possible to track all things like data, information etc. The communication system become so strong. But Walton Bangladesh has department to track all those things not following any business unit like SINGER Bangladesh. Walton take minimum time to reach goods from warehouse to location point. Because they maintain high transportation cost and try to provide highest facility in transportations. On the other hand, SINGER takes at least 2 days' time to reach goods from factory to location points in terms of transportation. So, Walton plays a good role in that case. As SINGER is a multinational company and singer has so many electrical products than Walton, it maintains a great global network. SINGER has strong global communication which is significant for any business. Walton is a Bangladeshi company but globally it is doing well now and now it is trying to maintain network over the world. That is why they are preparing for new projects which is stopped for this year only for pandemic Covid-19. Walton also tries to be strong in distribution networking channels.

3.9 Conclusion

Walton Bangladesh is currently a large, diversified company and it is trying to spread their network globally. It is one of the most successful companies of Bangladesh. With uncompromised focus on service excellence and the countrywide existence, Walton established itself as successful company over the years. It has so many projects to be done. This projects will be started soon. All projects are right now pending for a certain time due to Covid-19. But after the pandemic they will start their project to maximize their business globally and will make their business strong. Some automatic system will be included to track distribution channels which has not started yet. As they are doing well their main motive is to keep their position like this way. As a result, they got satisfactory rewards from Government in every year.

Chapter-4: Research Methodology

4.0 Research Method

This research on “Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group” mostly adopts qualitative techniques to find out the answers to the research questions. The data to be collected for preparing the overall paper is based on a semi- structured questionnaire with the heading of “Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group”. The semi structured questionnaire allows flexibility to data collection procedure and do some in depth analysis. Beside the qualitative techniques, some quantitative techniques are also used for deeper analysis and comprehension. The use of lighter scale in the questionnaire involves qualitative description of a limited number of aspects of a thing. Which will allow doing some quantitative analysis as well. The rating is based on five points Liker-type scale of performance ranging from 1 (most important) to 5 (least important).

It is descriptive research. Descriptive surveys are concerned with identifying the phenomenon whose variance one wishes to describe. Survey is concerned with particular characteristics of specific population of subjects either at a fixed point in time or varying time for comparative purposes. Description design gives an accurate profile of persons, events or situations. The design uses questionnaires as the main instrument of data collection and enables the researcher to generalize the findings to a larger population.

4.1 Population, Sample Design & Sample Size

The target population of this study was the sustainable distribution network. Since the study was concerned with the factors affecting the suitable distribution network of Walton so all individual questions were asked those who know about the brand. The method that is used to select the sample size is stratified sampling method.

The sample size is 100. The sample size are categorized into two different groups. The groups are: Student and business Personnel. All questions were MCQ type. The location of the study was also from Dhaka city.

4.2 Data Collection Procedure

To carry out the proposed study, both primary and secondary sources are utilized. But this paper's main finding, analysis and recommendation's part is going to be based on the primary data by which I will try to reflect the real scenario of distribution networking systems.

4.2.1 Primary Data

For the purpose of preparing this paper on factors affecting sustainable distribution network. To collect data from two category people such as students & business personnel. For this paper data has been collected from 20 people. The data collected for preparing the overall paper is based on a semi-structured questionnaire with the heading of "Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group"

4.2.1.1 Questionnaire

The study was mainly concerned with collection of primary data using questionnaires. The data has been collected from 20 people of two different homogeneous group. While conducting the survey, questionnaire has been distributed using online platform and offline platform through students and business personnel. Data has been collected from the respondents following purposive sampling technique. The survey questionnaire has been organized in four sections. The first part of the questionnaire includes demographic information of the respondents characterized by their gender, age, level of education, occupation, basic information etc. The second section of the questionnaire consists of information related to supply chain factors to identify behavior of respondents such as their trading/business experiences, sources of fund, maintaining channels, online channels etc. The third section of the questionnaire asked respondents to rate the relative importance of a number of variables (items), in fourth section of the questionnaire asked respondent to rate about the risk factor and ways of minimizing those risky factors.

4.2.2 Secondary Data

For some parts of this study various data are not collected directly from those two category people. Besides that data were collected from secondary sources. Such as Papers published in journals, online and manuals and other sources of secondary data.

4.3 Summary

In general, theory is built and tested based on two different approaches: induction and deduction. When deductive approach is employed, researchers start with the existing theory and logical relationships among concepts, and then continue to find proper evidences. In this study, exploring the factors influencing to maintain networking channels. The study starts with reviewing the theories in general, to get the theoretical and conceptual context as well as empirical findings of previous researches, from which the research model and hypotheses are proposed. Then, the questions used in interviews and questionnaires are prepared.

Chapter-5: Factors Analysis, Data Analysis, Results & Findings

5.0 Introduction

This study was conducted to identify the factors that affect investment decision by investors in capital market. The research is based on Dhaka Stock Exchange. A sample of 112 was targeted and the same number of questionnaires was issued to different groups of sample and collect data from them. For some error in the reply and not having involvement of all that's why 100 questionnaires was selected for analysis data and findings. The study is made by use of descriptive statistics as well as factor analysis and the results were presented in frequency tables, percentages and charts with appropriate explanations.

5.1 Factors to Consider When Choosing a Distribution Channel

In Walton to distribute goods various channels are maintained. Each channels has it is own advantages and also disadvantages. All these channels depends on so many factors. Walton always consider all those factors for company growth.

The following factors are discussed in below:

1. Market Factors:

- Customers
- Competition
- Existing channels of distribution

2. Products Factors:

- Perishability
- Nature of the products
- Technicality
- Seasonality
- Varsity offered
- Unit value

3. Company Factors:

- Financial strength
- The extend of control desired
- Reputation of the company

- Marketing policies
- Past experience

4. Channels related Factors:

- The ability of channels
- Financial strength of channels
- Ability to provide sales services

5. Environmental Factors:

- Economic situation
- Legal factors
- Fiscal Structure

1. Market Factors:

Factors are discussed in below:

□ Customers:

For any business customers are precious. The target of any channel have to distribute products to the customers. All customers have products requirements so if the requirements fulfill then the products are ready to distribute as customer requirements.

- If the products cannot reach to the customers then channels need to massive improvement for business purpose as customers are large in number.
- If the products can reach to the customers then channels need to slightly improvement or the growing network most probably alright.

□ Competition:

In terms of competition everything should be thought in long run. Competitors always try to compete in every channels. Walton has so many competitors. Singer, ECO+, Transom & Samsung are the main competitors. All competitors using their network channels as it works years after years that means in a long run. So, Walton chooses that network channels which is actually suitable for them and also can compete in long run. Always company makes sure that their policy is the best in terms of networking distribution channels over the long run compared with the competition.

□ **Existing Channels of Distribution:**

Existing functions always work with strength & weakness, advantages & disadvantages including suitability of channels & non suitability of channels. The channels are also selected in terms of benefits of Walton. Relative advantage must be considered.

2. Product Factors:

□ **Perishability:**

For extremely perishable products direct marketing need to be done as the channels become short. Because short channels are suitable in that case. Different products bear different messages. If the products are not able to convey message to the customers then company takes different initiatives for that product to introduce its ability of work. So, different channels play different roles for different products.

□ **Nature of the products:**

Consumer maximum buy minimum number of goods. That means the demand of minimum number goods are high. So, channels need to be strong and also the channels must be used in wide range. The selling points start from retailer shop. Nature of products is important in terms of selling. Because some products are needed in small quantity and some are needed in large quantity. All are depends on demand of customer requirements as well as products of the nature.

□ **Technicality:**

Technical products need high technical support and also high safety. Technical support only provide the manufacturer. Technical goods are like computer hardware, software, equipment, automatic machine etc. So, these types of products Walton sale directly. In that case from warehouse products are supplied.

□ **Seasonality:**

Seasonal products have seasonal demand so in that case network set up for different season. Seasonal products like the demand of fridge is increased during EID seasons, world cup time or any special tournaments time.

□ **Variety Offered:**

Walton offers so many consumers goods so it has a strong product line up. For different products different routes and channels are required.

□ **Unit Value:**

The products which have high unit price that is directly sales from factory and the product which cost is low that sales from the retailer shop which need longer distribution channels compared with high unit priced products.

3. Company Factors:

□ **Company's Financial Strength:**

A company like Walton always want to establish them financially strong in market which is a good strength. To establish new channels financial establishment is necessary. People are influenced by financial stability. Those companies are not so much stable in financially they only focused on existing channels but Walton already grabs the market so it always seek for new network besides existing networks.

□ **The extent of control desired:**

To make channels are difficult equally to control channels. The channels which is so long to maintain those are difficult to control. On the other hand, the channels which are not so long it is easy to maintain. For examples the goods or raw material which export from outside of the country to maintain that process are tough. But to buy raw materials from own country is quite easy. So, this is fact to know the control of all channels.

□ **Reputation of the company:**

Walton is established company and also it has a great reputation. To maintain channels strong reputation is also necessary. Cause due to reputation channels associated with strong companies.

□ **Company's marketing policies:**

Every company has their own marketing policies like Walton. Channels are strongly influenced in terms of marketing.

□ **Past Experience:**

Previous experience is important to manage distribution network. Walton is an experienced company and also dealing with other channels of distribution considering past experiences.

4. Channel related factors:

□ **The ability of the channels:**

A channel needs to distribute products in wide range. A channel even can promote the unknown products. A company always consider their ability before distributing the products.

□ **The financial strength of the channels:**

A channel need to strong in terms of finance. The channels which are strong financially can distribute all the goods so well and the networking system is so fast. Walton pay the cash to the manufacture instant that is why it is financially established and the strength is high.

□ **Ability to provide after sales service:**

Sales services must be provided on the base of long term. This is a requirement kind of. The important question is that who the provider is. Ability of the service must be in sustained manner and also in an effective way.

5. Environmental Factors:

□ **Economic Situation:**

Current economic situation effects all the economics venture. A company also aware in economic condition because it contributes economically to a country. During an economic boom, the sales of all the products will naturally good and channels of distribution will be more than willing to take up distribution of products. So, this factors to be considered while deciding network distribution channels.

□ **Legal Factors:**

Walton has legal activities in terms of communication. The communication channels must be legal. All communications should be done according to law. In terms of law certain types of agreement must be clarified between distributors and company which already maintained by Walton.

□ **Fiscal Structure:**

A government economically gets helping through fiscal structure. Government earn money through fiscal structure. Tax is common term in transportation. Therefore, Walton maintains this matters so clearly and their reputation is good in paying taxes to maintain channel distribution.

5.2 Data Analysis:

For this case study some survey questions were asked some students and business personnel. This is the method of collecting data. Here is the questions:

5.2 Online Survey on distribution networking channel of Walton: Part-1

5.2.1 Academic Qualification

1. What is your Gender? *
 - Male
 - Female
 - Not to say

• Gender	Male	Female	Prefer not to say
Percentage (%)	81%	18%	1%

Table 5.2.1: Gender Distribution

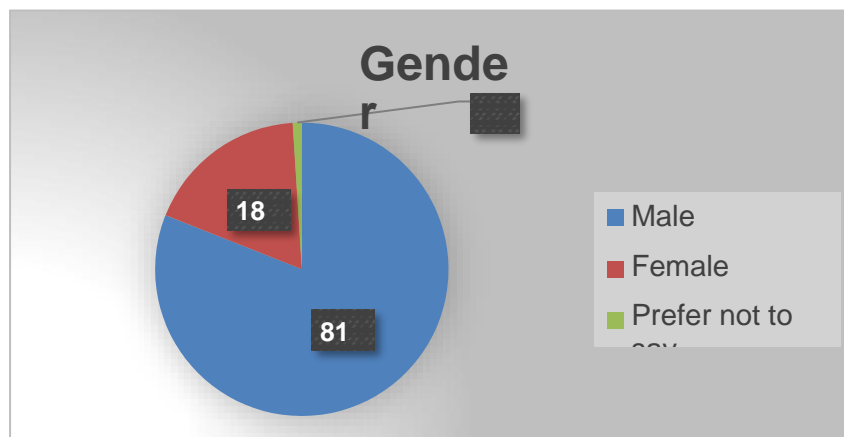


Figure 5.2.1: Gender Distributions

Research Findings

As the findings show, 81% are the male and 18% are the female where 1% are not prefer to say.

5.2.1 Age Bracket of Respondents

2. What is your age? *

- Below 35
- 35 to 45
- Above 45

Age	No of respondents
Below 35	42
35 to 45	39
Above 45	16

Table 5.2.2: Age Bracket of Respondents

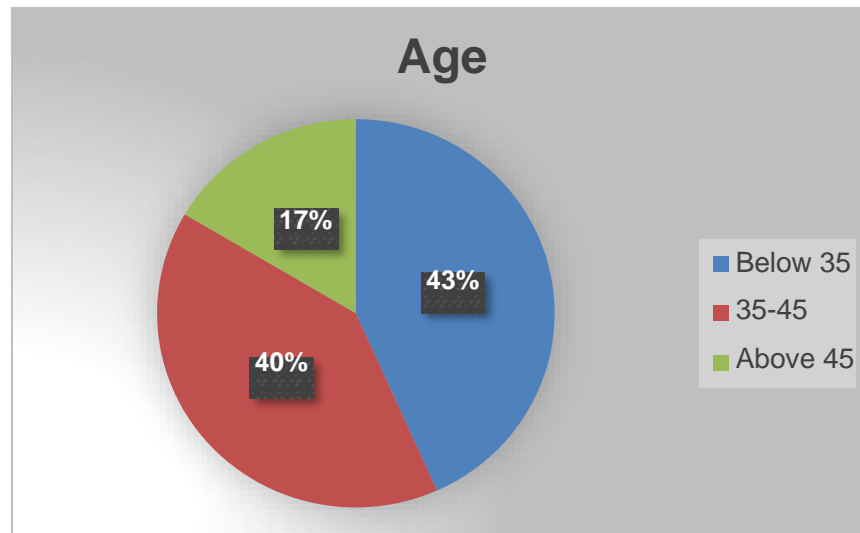


Figure 5.2.3: Age Bracket of Respondents

Research Findings

The findings show that 43% of the respondents were below 35 years of age, 40% of the respondents were between 35 and 45 years while 17% were above 45 years of age. 3 of the respondents don't disclose their age related information. This showed that most of the respondents were in their prime ages where investing their savings could be considered.

5.2.2 Academic Qualification

3. What is your educational level? *
- S.S.C.
 - H.S.C
 - Graduate
 - Post Graduate

Education level	No. of respondents
SSC	2
HSC	4
Graduate	49
Post-Graduate	45

Table 5.2.3 : Education Level

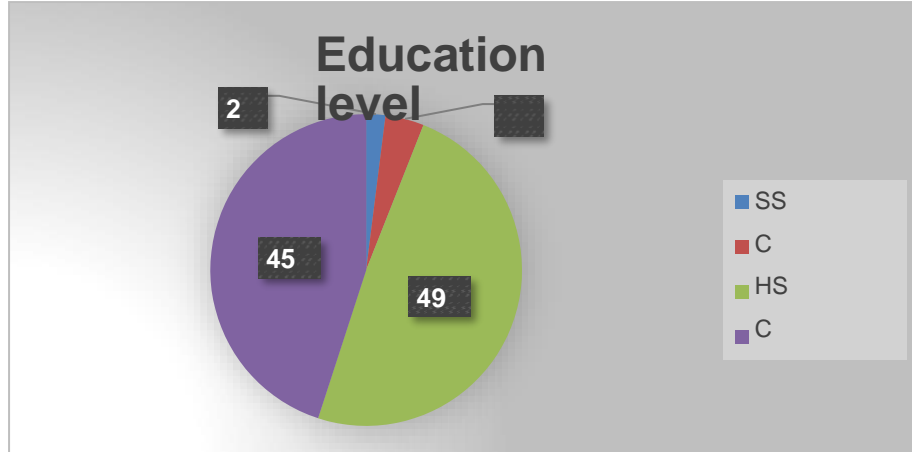


Figure 5.2.2: Education Level

Research Findings

From the findings 2 of the total respondents were in SSC level, 4 of the total respondents were HSC, 49 of the total respondents were graduates while 45 had post graduate qualifications. The findings illustrate that the respondents were quite well off in terms of education and likely to be.

5.2.3 Profession of Respondents

4. What is your occupation? *

- Student
- Business
- Service holder
- Others

Profession	No of respondents
Student	22
Business	31
Service Holder	26
Others	21

Table 5.2.4 : Profession of Respondents

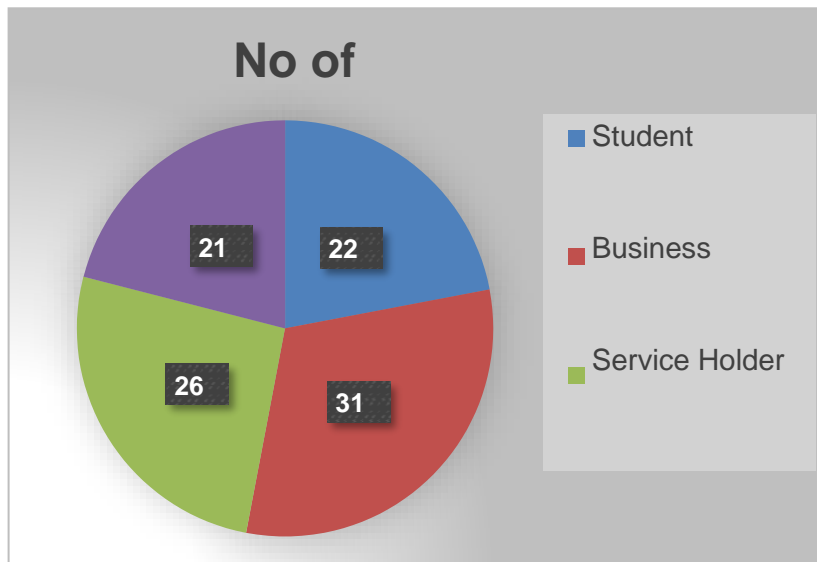


Figure 5.2.4: Profession of Respondents

Research Findings

The findings show that 26% of the respondents were service holder, 22% of the respondents were students, and 31% were business personnel and 21% of the other profession.

5.2.4 Respondents of products

5. Which item/items do you prefer to buy from Walton? (Choose one or multiple) *

- Electronics
- Machineries
- Agricultural
- Others

Profession	No of respondents
Electronics	25
Machineries	33
Agricultural	24
Others	18

Table 5.2.5: Respondents of products

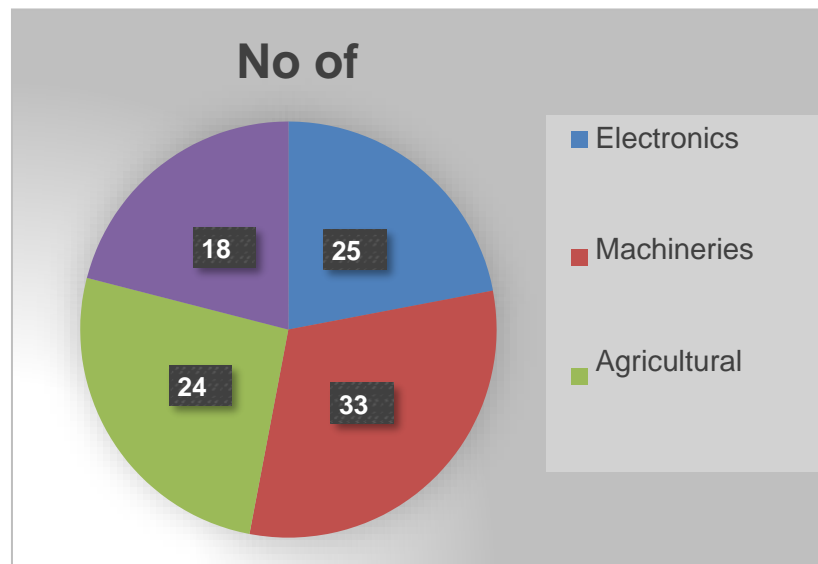


Figure 5.2.5: Respondents of products

Research Findings

The findings show that 25% of the respondents were electronics, 33% of the respondents were machineries, and 24% were agricultural.

5.2.6 Customer satisfaction

6. Are you satisfied customer of Walton? *

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

Customer satisfaction	No of Respondents
Highly satisfied	46
Satisfied	11
Neutral	15
Dissatisfied	19
Higly Dissatisfied	9

Table 5.2.6: Customer Satisfaction

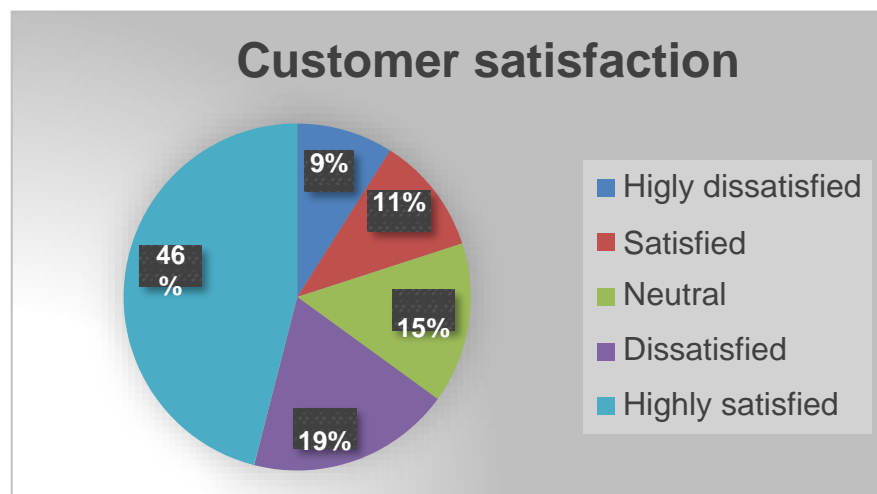


Figure 5.2.6 : Customer Satisfaction

Research Findings:

Table shows that 11% satisfied, 15% neutral, 19% dissatisfied, 46% higly satisfied and 9% highly dissatisfied customers.

5.3 Online survey: Part-2

Say whether the factors listed in the following table will be considered important when deciding to maintain networking. Mark against your correct response.

1. Unimportant
2. Less important
3. Moderate important
4. High important
5. Very high important

Factors	1	2	3	4	5
Reputation of a company				●	
Diversification of networking channels			●		
Size of a company			●		
Expected earnings from a distribution sector				●	
Company's transportation strategy			●		
Past networking performance of a company				●	
Delivery policy			●		
Price movement of a company			●		
The current market price			●		
Level of risk in the market				●	
The number of suppliers			●		
The reliability of the market		●			
Taxation policies on gain or loss in routing					●
Government holdings shares in a company					●
Quality of the products or services				●	
The number of companies in the market					●

This was the part of survey. The answer “Moderate important” was got maximum number of preference among all. Reputation of a company holds high importance. Also companies transportation policy should be strong as it al got high importance. Taxation and government holdings got very high important which is really true.

Chapter-6: Recommendation and Conclusion

6.1 Summary of the Study

Throughout the research it clearly shows that the networking distribution system of Walton Bangladesh which depends on various factors and these factors mainly maintain to get the proper information. Research methodological hypothesis used to determine the comparison of factors with each other and maintain to give decision.

6.2 Major Findings

- Products are standard but the delivery routes are not so standard.
- Logistic costs are so high. To maintain this cost is not so easy.
- Supply chain team must be strong and they need to provide satisfactory performance towards customers.
- Warranty cost need to be increased.
- Walton has a big market but online activities are not so good. Need to give proper focus on it.
- Walton need to make more advertisement for media.
- Dealers are changed so frequently.
- Minimum digitalization facility.
- Still price makes conflict with other competitors.

6.3 Recommendation

- Walton should make rational decisions in their dealings with suppliers.
- It should focus on most influential factors when they invest in distribution sector.
- Mid-level managers can take expert opinion or management opinion in their investment decision making process.
- Walton should aware on update information about networking channel.
- Walton should follow government rules and regulation in terms of investment decision.
- Employees should increase their knowledge level on financial literacy.
- Walton should focus on digitalization process in case of networking.

6.4 Conclusion

The main purpose of this was to identify the factors those affect in networking channels. The objective of the research was to find out the influential factors those have a role to determine the channels. This research also help to identify various risk related to networking and this risk factors minimization process.

Various factors were found in this research those influence in the distribution channels. This research has identified several factors in the selection process, not necessarily that all the variables will influence the factors in the same way and same extent. Some of these factors greatly influence the channels and some factors have great importance and some others have moderate importance on it.

6.5 Further Research Scope

This study aims to examine the factors and how these factors effect on networking channels in Walton. Though I have given utmost effort to prepare this but there are some limitations of the study. Such are as follows-This study was carried out among students who wanted to know about supply chain system of an organization. Many of them had difficulties in comprehending statements drafted in operation terms. Further research can be done where only those who are actively participating to develop networking channels to determine the factors that influence in the routing and delivery system. It will be important if further research is carried over a longer duration to determine the impact of improved knowledge on sustainable distribution networking system.

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Appendix

BRAC University

Student Information:

Nishat Jahan

ID No: 18164079

Finance, BRAC University

Data Collection Questionnaire on

“Factors influencing the sustainable distribution network designing in an organization: A case study of Walton group”

Dear Respondent,

Thank you for showing your interest in this work.

This survey is being conducted as a part of academic research to have an understanding on the “Factors influencing the sustainable network designing in an organization: A case study of Walton Group.” The purpose of questionnaires is to gather information from you on the factors that influence in the distribution channels. Please complete the questions by putting a tick against the preferred responses. The information you provide will be treated in confidence and for research purpose only.

We highly appreciate your support and cooperation in making this research initiative successful.

Thank you.

Questionnaire

Part A: Basic Information about Share Market Investors

Name of the Respondent: _____

1. What is your Gender? *

- Male
- Female
- Not to say

2. What is your age? *

- Below 35
- 35 to 45
- Above 45

3. What is your educational level? *

- S.S.C.
- H.S.C
- Graduate
- Post Graduate

4. What is your occupation? *

- Student
- Business
- Service holder
- Others

5. Which item/items do you prefer to buy from Walton? (Choose one or multiple) *

- Electronics
- Machineries
- Agricultural
- Others

6. Are you satisfied customer of Walton? *

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

7. What do you think for which product Walton is popular? *

- Television
- Fridge
- Woven
- Iron
- Mobile
- Others

8. How is the service of Walton? *

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

9. How is the price range of Walton? *

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

10. Walton maintains a high network inside the country. What do you think? *

- Agreed
- Disagreed
- Neutral

Part B: Factors Influence in Distribution Channels

Say whether the factors listed in the following table will be considered important when deciding to maintain networking. Tick against your correct response.

1. Unimportant
2. Less important
3. Moderate important
4. High important
5. Very high important

Factors	1	2	3	4	5
Reputation of a company					
Level of investment diversification					
Size of a company					
Expected earnings from a company					
Company's transportation strategy					
Past networking performance of a company					
Delivery policy					
Price movement of a company					
The current market price					
Level of risk in the market					
The number of suppliers					
The reliability of the market					
Taxation policies on gain or loss in routing					
Government holdings shares in a company					
Quality of the products or services					
The number of companies in the market					