

Report On  
Impact of Trade Program Strategy on Sales Target Achievement in  
Square Toiletries Limited

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

BRAC Business School  
BRAC University October 2022

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## **Declaration**

It is herewith acknowledged that

1. This internship report submitted is my individual work while carrying out degree at BRAC University.
2. The report does not encompass factual previously issued or inscribed by a third party, except where this is properly cited through full and precise referencing.
3. The report does not comprise material which has been submitted nor recognized for any other degree or diploma at a university or other institute.
4. I have recognized all main foundations of help.

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

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**Sakibul Alam**

18104040

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

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**Ms. Rahma Akhter**

Senior Lecturer, BRAC Business School

BRAC University

## **Letter of Transmittal**

Ms. Rahma Akhter

Senior Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “Square Toiletries Limited”.

Dear Madam,

With due respect I would like to state that as a part of my academics for degree completion at BRAC University, I have completed my internship & submitting you this report.

I am very grateful for your kind advice & guidance during my internship period & while completing this report. It is a great honor & I consider myself fortunate that I got the opportunity to do my internship & report under your supervision. This report will provide insight of my role as an intern in the sales department at Square Toiletries Limited along with an overview of the organization & in-depth analysis on the topic “Impact of Trade Program Strategy on Sales Target Achievement in Square Toiletries Limited”.

I highly appreciate your guidance & advice for the accomplishment of this report. I hope & pray that the report will be up to your expectations.

Sincerely Yours,

---

Sakibul Alam

18104040

BRAC Business School

BRAC University

Date: October, 2022

## **Non-Disclosure Agreement**

This agreement is made and entered into by and between Square Toiletries Limited and the undersigned student at BRAC University, BRAC Business School.

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Sakibul Alam

## Acknowledgement

All my grateful praise to my Almighty creator Allah for giving me good health & stability to successfully finish my internship. This phenomenon would not even be possible without my almighty's grace.

I would like to thank Square Toiletries Limited management & sales team for enlightening me with the opportunity to be a part of their organization & providing me with the opportunity to work there as an intern. The internship program was exponential & give me a lot of aspect to enhance my learning curve,

Furthermore, my gratitude is to my supervisor Mr. Md. Marufur Rashid, Senior Executive, Sales Admin department, Square Toiletries Limited. He guided me over the whole internship program & provided me insight of every aspect of the company. He treated me like a colleague & helped me to grow exponentially in my three-month period.

Lastly, my highest appreciation goes to Ms. Rahma Akhter, Senior Lecturer, BRAC Business School for her guidance in every aspect of my report. This report is possible because of her step-by-step guidance & suggestions.

## Executive Summary

Square Toiletries Limited is one of the most reputed & prestigious fast moving consumer goods manufacturer & seller in Bangladesh. It is a concern of Square Group but its functions as a separate entity. As a FMCG manufacturer it hosts 20 different brands, from skin care to household cleaning products. It has hundreds of distributors all over Bangladesh & with the increasing number of customers their market has also grown exponentially.

This report will give insight of an intern's day to day activities in Square Toiletries Limited. The sales department of Square Toiletries has recently started hiring interns to give them the view of corporate life & how a sales department of a FMCG company works. This internship program gave employee-like experience rather than an internship.

Furthermore, this report will provide sight & overview on Square Toiletries Limited as an organization, its vision, mission, employee practices, their financial performance, marketing practices & many others. As an organization Square Toiletries is very flat & transparent as well as accountable. Due to good corporate practice & consumer-based products their products are competing with international brands.

Moreover, there will be in-depth analysis of the trade program strategies of Square Toiletries. It will provide insight on "Impact of Trade Program Strategy on Sales Target Achievement in Square Toiletries Limited". After conducting the research, it was perceptible that trade program strategies are a crucial part in achieving sales targets, it is used to gather the retailer's attraction as well as increase their purchase intensity to meet the sales quota. It was also seen that the sales department is not solely dependent on trade program strategies because other factors also play vital roles & trade programs always don't result in success. However, it is an important factor which has a significant impact in achieving sales targets.

**Keywords:** Sales, Trade, Stock Keeping Unit (SKU), Square Toiletries Limited (STL), Trade Price (TP), Effective Trade Price (ETP), Retailers.

## Table of Contents

|  |    |
|--|----|
| Chapter 1: Overview of the Internship.....                             | 1  |
| 1.1 Information of the Student: .....                                  | 1  |
| 1.2 Internship Information: .....                                      | 1  |
| 1.2.1 Information about the internship.....                            | 1  |
| 1.2.2 Information about the company supervisor.....                    | 1  |
| 1.2.3 Job Scope – Job Description, Duties & Responsibilities .....     | 2  |
| 1.3 Internship outcomes .....  | 2  |
| 1.3.1 Contribution to the company by the student .....                 | 2  |
| 1.3.2 Benefits to the student.....                                     | 3  |
| 1.3.3 Problems / Difficulties faced during the internship period ..... | 4  |
| 1.3.4 Recommendations to the company on future internships .....       | 5  |
| Chapter 2: The Organization.....                                       | 6  |
| 2.1 Introduction.....  | 6  |
| 2.2 Company Overview .....   | 6  |
| 2.2.1 Vision of STL .....  | 7  |
| 2.2.2 Mission of STL .....   | 7  |
| 2.2.3 Quality Policy of STL.....                                       | 7  |
| 2.2.4 STL Manufacturing Unit.....                                      | 8  |
| 2.2.5 Global Partners of STL .....                                     | 8  |
| 2.3 Management Practice.....   | 9  |
| 2.3.1 Leadership Style.....  | 9  |
| 2.3.2 Recruitment & Selection Process.....                             | 9  |
| 2.3.3 Compensation System.....   | 10 |
| 2.3.4 Training & Development Process .....                             | 10 |
| 2.3.5 Performance Appraisal System.....                                | 11 |
| 2.4 Marketing Practice .....   | 11 |
| 2.4.1 Marketing Strategy.....  | 11 |
| 2.4.2 Target customer, targeting & positioning strategy.....           | 13 |
| 2.4.3 Marketing Channels of STL.....                                   | 13 |
| 2.4.4 STL’s Branding activities .....                                  | 14 |
| 2.4.5 Advertising & promotion strategies by STL.....                   | 14 |
| 2.5 Financia Performance of STL from the year (2017-2021).....         | 14 |

|  |    |
|--|----|
| 2.5.1 Liquidity & Solvency Ratio of STL.....   | 15 |
| 2.5.2 Profitability Ratio of STL .....   | 16 |
| 2.5.3 Efficiency Ratio .....   | 17 |
| 2.6 Operation Management & Information System Practices in STL .....                       | 18 |
| 2.6.1 Administering the quality of products.....   | 18 |
| 2.6.2 Maintaining the resources .....  | 18 |
| 2.6.3 Management of the Information System.....  | 18 |
| 2.7 Industry & Competitive Analysis .....  | 19 |
| 2.7.1 Porter’s Five Forces Analysis for STL .....  | 19 |
| 2.7.2 SWOT Analysis .....  | 20 |
| 2.8 Summary & Conclusion.....  | 21 |
| 2.9 Recommendation for STL.....  | 22 |
| Chapter 3: The Project Part.....   | 23 |
| 3.1 Introduction.....  | 23 |
| 3.1.1 Literature Review.....   | 24 |
| 3.1.2 Objectives of the Report .....   | 26 |
| 3.1.3 Significance of the Report.....  | 26 |
| 3.2 Methodology .....  | 27 |
| 3.3 Findings & Analysis .....  | 29 |
| 3.3.1 Allocation of resources for trade program .....                                      | 29 |
| 3.3.2 Trade programs suitability for attaining the concentration of the retailers .....    | 29 |
| 3.3.3 Analysis of the intensity & effectiveness of trade program in Square Toiletries..... | 35 |
| 3.4 Summary & Conclusion.....  | 38 |
| 3.5 Recommendation .....   | 39 |
| References.....  | 40 |



## List of Figures

|  |    |
|--|----|
| Figure 1: STL Current Ratio of last 5 years.....   | 15 |
| Figure 2: STL Debt to Equity Ratio last 5 years.....                                       | 15 |
| Figure 3: STL Profit Margin of last 5 years.....   | 16 |
| Figure 4: STL Return on Asset of last 5 years.....   | 16 |
| Figure 5: STL Inventory Turnover of last 5 years .....                                     | 17 |
| Figure 6: STL Asset Turnover of last 5 years.....  | 17 |
| Figure 8: Experience of sales department employees.....                                    | 28 |
| Figure 7: Employees of STL Sales Department.....   | 28 |
| Figure 9: Trade Bonuses attain the focus of retailers.....                                 | 30 |
| Figure 10: Monetary incentives & retailers buying intensity.....                           | 32 |
| Figure 11: Retailers attracted to monetary incentives.....                                 | 32 |
| Figure 12: Importance of providing other incentives & gifts .....                          | 33 |
| Figure 13: Retailers attracted to other incentives & gifts .....                           | 34 |
| Figure 14: Retailers consideration of products who received light boxes & billboards ..... | 35 |
| Figure 15: How often trade programs should be introduced.....                              | 36 |
| Figure 16: Is the sales department dependent on trade programs .....                       | 36 |
| Figure 17: Is conducting trade program important to achieve sales target .....             | 37 |

## Chapter 1: Overview of the Internship

### 1.1 Information of the Student:

**Name:** Sakibul Alam  
**Student ID:** 18104040  
**Program:** Bachelor of Business Administration  
**Major:** Marketing

### 1.2 Internship Information:

#### 1.2.1 Information about the internship

**Duration:** 3 Months (31<sup>st</sup> May,2022 – 30<sup>th</sup> August,2022)  
**Name of the Company:** SQUARE Toiletries Limited  
**Department:** Sales Department  
**Company Address:** Rupayan Center (11th Floor). 72 Mohakhali CA Dhaka-1212

**Company Logo:**



#### 1.2.2 Information about the company supervisor

**Name:** Md. Marufur Rashid  
**Designation:** Senior Executive, Sales Admin, Square Toiletries Limited

### 1.2.3 Job Scope – Job Description, Duties & Responsibilities

Being a sales intern, my primary duty was to assist the Sales Admin & the Trade Marketing professionals in their regular tasks. The responsibilities I had to fulfil by being a sales intern at Square Toiletries Limited are mentioned beneath;

- Preparing tracking records on a regular basis by tracking the field force officers.
- Assessing information from field force as well as updating the Team Tracker service.
- Assisting in achieving the monthly sales target with Trade Marketing Executives through communicating the field force.
- Fast-forwarding claim settlement by maintaining communication with field officers.
- Performing any other tasks required by the supervisor & the management.

### 1.3 Internship outcomes

#### 1.3.1 Contribution to the company by the student

In the 3 months of my internship program at Square Toiletries Limited I have executed & accomplished various tasks as well as activities which were assigned by my supervisor along with the management. The activities are briefly mentioned below;

- **Tracking of Field Force Officers:** As an Intern I was assigned to the Sales Administration Executive, hence one of my primary responsibilities was to track the field force officers & give updates about their activity to my supervisor. For the tracking purpose of the field employees STL (Square Toiletries Limited) uses the team tracker system of Grameenphone. With the help of the Grameenphone Team Tracker I deliberately tracked the movement of approximately 1135 field officers. My goal was to find if they went to the market in time or not, or have they gone to some other places & are they following their particular assigned tour plan. Lastly, I had to create a summary of the officers I had tracked and report to my supervisor if any further action was necessary.
- **Updating Team Tracker Service:** Square Toiletries has a field force of approximately 1135 employees & in every month many of them get transferred from one market to another. Furthermore, every month new officers join & some leave the organization. My duty is to update the information of the officers in the team tracker system as well as adding

the new officers to keep them on track. On the other hand, I also had to troubleshoot the system because sometimes the managers find it difficult to log in to the system.

- **Maintaining Communication with Field Officers:** I had to maintain regular connection with the field officers with the Regional Sales Manager, Area Sales Manager & Territory Sales officer on a regular basis. Because I had to update them about their assigned track and market & remind them of their follow ups.
- **Assisting in Achieving Monthly Sales Target:** Another part of my responsibility was to maintain communication with the field force regarding the updated trade marketing programs. STL initiates different types of trade marketing programs all over the month as well as year & the field force needs to be updated about the program on a regular basis to maintain conformity & clarity with the head quarter. My job was to work as a communicating medium to bridge them with the updated trade marketing programs.
- **Maintaining Spreadsheet for Pending Claim Stock:** Square Toiletries Limited maintains a lot of third-party distributors all over the country & each month the distributor as well as the Territory Sales Officer sends paper of the pending claim stocks in the distributor point. My work was to organize & verify the paper along with managing the spreadsheet for the claimed stock papers. Moreover, if there were any failings or problems with the documents, I had to notify the officer for updating the documents.

### 1.3.2 Benefits to the student

The three months of my internship at Square Toiletries sales department substantially impacted my learning curve & gave me great experience about how to improve my career path. It was considerably a good decision to enroll myself in Square Toiletries for the purpose of an internship. STL is a concern of Square Group, one of the biggest conglomerates of Bangladesh. It gave me a greater exposure to the corporate work environment along with the glance of working in FMCG. Before working at STL sales department it was unclear to me how a sales department operates & function.

In the three-month period I learned how to formally communicate with the officials which enriched my communication skills. Furthermore, I had to make a lot of phone calls to communicate with the field force in a formal manner which improved my verbal & language skill. I also had to cope up with the rushing environment of the sales department & had to work with the deadlines

alongside meeting the necessity of fulfilling targets. On the other hand, working for one of the renowned FMCG organizations of the country helped me deliberately to gain knowledge about corporate culture. It increased my perseverance & time management because STL strictly follows a working schedule of (8:30 AM - 5:30 PM), hence I became more disciplined, organized as well as punctual.

The internship experience at Square Toiletries Limited taught me to be responsible & more cheerful in my work. At Square the interns are also treated like regular employees in every aspect, hence fitting into the working environment was formidable. In my three months working period there wasn't any day I had to work with Microsoft office suits, especially Microsoft Excel. This enabled me to enhance my soft skill & made me more confident in my work. I learned to perform various functions & calculations with the help of Microsoft Excel as well as office suits. It also increased my typing speed both in English & Bengali. The most intriguing part is that my fellow supervisor & the managers helped me to flourish my skills in every aspect. Moreover, along with soft skills I learned to be more efficient & result oriented within my work with every passing day. All in all, along with the enhancement of my soft skill as well as interpersonal skill, the encouraging attitude of my supervisor helped me to emerge my working capabilities.

### 1.3.3 Problems / Difficulties faced during the internship period

Working in a renowned big organization comes with its own benefits as well as difficulties as well as challenges. However, coping up with the challenges is ultimately part of the work life. I faced some difficulties in the early stage of my internship program & there are some problems which also need to be considered.

At first, I had difficulties communicating with my supervisor & the management, even though the environment & culture was really friendly but as a fresher I felt timorous. It took me a while to get along with the people & the environment. Secondly, I didn't have prior knowledge about how the FMCG sales department works, hence I was very much anxious when work was assigned to me. However, my supervisor was very encouraging & affectionate, that's why I learned very fast. Moreover, I had to make a lot of phone calls to the field force, at first, I was not that confident & there were also scarcity of telephone but soon enough I got the hang of it. All in all, the company has 9 hours working time from 8:30 AM to 5:30 AM & the timeline is maintained very strictly on a regular basis.

#### 1.3.4 Recommendations to the company on future internships

It was a great experience for a beginner like me to have the opportunity to do an internship in a renowned organization like Square Toiletries Limited. They offered an exponential atmosphere & environment as well as culture to learn in such a short duration. However, I have some recommendations. Firstly, they treat the interns really well & consider them like regular employees so their contribution to the organization should also be recognized in such a manner. Furthermore, my primary activity was tracking the field force employees, however I think that a better and more organized prospect can be made for the interns to learn more aspects of the sales department. If a n intern can learn about various aspect and work for different sections in the department one will have a clearer vision of the functionality of the department.

## Chapter 2: The Organization

### 2.1 Introduction

Samson H Chowdhury along with his three friends founded Square Group in 1958. From being a small firm over the years it has become a large conglomerate of 56,000 employees working all over the country. According to The Business Standard (2021) the revenue of Square Group is estimated at \$1.8 billion. Square Toiletries Limited is a concern of Square Group which functions separately as a private limited company. An overview of the company Square Toiletries Limited (STL), is provided in this chapter. Additionally, it covers STL's management procedures. Furthermore, this chapter will also give a view upon their marketing strategies. Here we will also briefly discuss the financial performance as well as accounting procedures maintained by STL. It will also cover STL's management of information systems and operations management methods. On the other hand, the market and the competition will also be analyzed. Finally, recommendations are included along with the summary and conclusions.

### 2.2 Company Overview

SQUARE Toiletries Limited is one of our country's largest fast moving consumer goods (FMCG) producers & it is well known to everyone. Meanwhile, Square Toiletries was founded in 1988 as a part or a division of Square Pharmaceutical Limited, but in the year 1994 it registered itself as a separate private limited company. Till that time STL has seen rapid growth in its product line as well as market share. In that context STL currently has & markets twenty different brands for different consumers & segments along with a product line of fifty, which also contains different stock keeping units (SKU). The products are basically manufactured in Rupshi & Pabna, where their factory is situated. Some major brands of the company are Meril, Kool, Senora, Chaka, Jui, Supermom, Zerocal, Xpel Aerosol, & Revive. All these brands have different sorts of products and many of the products have different sorts of SKU's. As a consumer brand SQUARE Toiletries Limited is serving its customers with skin care products, hygiene products & lastly home cleaning essentials for the last 34 years. Its products relentlessly cover children to adults & from male to female with sustainability & affordable price.

### 2.2.1 Vision of STL

We aspire to figure out the distinctive requirements of the customer and make an interpretation of those necessities into commodities which fulfils them as quality items, with elevated degree of services and reasonable cost range in a remarkable manner.

### 2.2.2 Mission of STL

- To treasure customer acquaintance as certainly considered one among our maximum valued possessions and thereby utilizing each attempt to recognize consumers` dynamic necessities to allow us in conveying greatest satisfaction.
- To provide customer commodities at less costly price with the aid of using strictly preserving uncompromising attitude with excellence. With constant R&D and innovation we try to make our merchandise complying with global first-rate standards.
- To keep congenial surroundings to construct and broaden the central asset of STL – its people. As nicely as to pursue a disproportionate stage of worker motivation and satisfaction.
- To essentially uphold the compulsion closer to the authorities and society with utmost moral requirements in addition to making each attempt for a social order without malpractices, anti-environmental behaviors, unethical and corrupt businesses practice.

### 2.2.3 Quality Policy of STL

For the well-being of the consumer, the employee as well as the society STL is very strict about their quality policy to maintain their image. Even though being a commercial organization, they believe it is their obligation to work for the welfare & sustainability of the society. That is why in every single activity STL actively reflects their core values;

- Devoted to make each endeavor to recognize customer desires to offer most delight and to gain marketplace leadership.
- Strive to constantly improve production technology and to hold the most effective degree of quality procedures in conventionality with the worldwide standard – ISO 9001: 2008.
- Dedicated to secure quality characteristics & goal through non-stop worker education and retaining congenial running environment.



### 2.2.4 STL Manufacturing Unit

Square Toiletries Limited manufacture their product through strict guidelines & they also maintain the international standard. Their constantly striving state of the art Research & Development facility ensures the quality standard of their commodities. The R&D department of STL has some core objectives to accomplish & those are;

- To set up a profound knowledge of the consumers, their compartment and needs of products.
- To increase the abilities to obtain, increase and follow technologies throughout STL`s huge collection of product groups.
- To collect the capacity of making `association` among consumers` wishes and what technologies can deliver.

### 2.2.5 Global Partners of STL

Square Toiletries Limited manufactures quality products not only for the domestic market but it also manufactures & exports its products in thirteen different countries around the world. If its international market is considered then UAE, UK, Australia, Malaysia & Germany accounts for its biggest export. STL is exporting 7 out of their 20 brands & 136 in total in SKU`s. These products are exported through collaboration with the foreign companies & STL has made formal agreement with these companies;

| <b>Countries</b> | <b>Companies</b> |
|------------------|------------------|
| Singapore        | Firmenich        |
| Malaysia         | Uniqema          |
| United Kingdom   | Clarient         |
| Germany          | Cognis, IFF      |

*Global Partners of STL*

## 2.3 Management Practice

### 2.3.1 Leadership Style

For an organization to achieve its desired outcomes having the right kind of leadership is crucial because it works as a paddle to move forward. According to Kristine (2021), leadership in the organization conveys the mission and vision, lays out the well thought out course of action, and motivates people to advance their abilities to satisfy the objectives lined up with the course of action and, at last take the organization forward. In STL two kinds of leadership styles are followed, one is democratic & another one is autocratic. Firstly, the democratic also known as participative leadership style is followed for making employees more creative & increase their abilities to take decisions. But this method is only used in the corporate headquarters & from the executive to the higher authority. On the other hand, autocratic leadership is followed in the field level otherwise it would be difficult to make the field employees as well as the new ones to fulfil their duty persistently. Moreover, for the effectiveness of executing plans both of the leadership styles are crucial.

### 2.3.2 Recruitment & Selection Process

The recruitment & the selection process of STL is primarily handled by the Human Resource department & they are responsible for selecting the right people for the right position. Because a proper course of recruitment guarantees that the everyday tasks of the organization are completed flawlessly (Talen Team, 2022). The recruitment process in STL basically starts with when there is a need for someone for a certain position. The STL HR department creates job descriptions and advertises in different job portals and media. However, in some cases they recruit people from internal reference to get people associated with their culture. They recruit people for marketing, hr, management information systems, field force officers, sales officers, executives & non-executive positions along with many more. STL maintains a dynamic multi step recruitment process to select the right candidate. At first, they take a written test, then the candidates need to go through three stages of interview to complete the recruitment process. Moreover, a medical test is also done to see if the candidate is fit for the job or not. STL notify the candidate and share necessary information through email, SMS & talking directly through phone calls. Lastly, SQUARE believes in equal opportunity for everyone.

### 2.3.3 Compensation System

The compensation system in SQUARE Toiletries Limited is basically done by the Human Resource department of STL which includes incentives, yearly increments, different kinds of benefits & bonuses. They evaluate the performance of the employees throughout the years & the employees of STL get some benefits which are unique to other organizations.

Based on the experience & seniority level the employees receive a basic salary every month. Furthermore, they also get house allowance, insurance & provident fund as well as many other performance incentives. Every employee enjoys a 10% percentage of increment each year based on their basic salary, which may vary for exponential performance. On the other hand, they also get a certain percentage of profit share at the end of each fiscal year. The employees of STL get two yearly bonuses along with paid leave once a year. Moreover, STL provides an Air-Conditioned transportation system for their employees which covers the whole Dhaka metropolitan area, on the other hand from the managerial to upper level receives their own private transports. Apart from that, from the upper level to the lower level each employee is provided fully subsidized lunch on a regular basis along with tea two times a day.

Health & wellbeing is really important for the employees to work with highest efficiency, hence all the employees of STL will receive 50% off at SQUARE Hospital for any kind of medical services as well as emergencies. Lastly, they get all the products of SQUARE group at Trade Price or at 25% discount for being a part of SQUARE Group.

### 2.3.4 Training & Development Process

Training & development is a crucial part for a company to get the desired outcome from their employees. Hence, two kinds of training methods are followed by STL, one is Quality Management System (QMS) training & on the other hand there is on the job training system. Both practices are followed for the new employees. However, because STL is an ISO certified company the employees need to attend training sessions & quality workshops all around the year. For maintaining the quality standard frequent audit is done to keep things in good maintenance.

### 2.3.5 Performance Appraisal System

Two types of appraisal system are adopted by STL, one is self-appraisal process & another is yearly appraisal process. In terms of the self-appraisal process the employees are given a form to rate themselves on a scale of 10. After that, they will be again rated by their line manager or supervisor as well as the head of the department. On the other hand, the yearly appraisal system goes on all around the year. This is basically arranged for the new employees because every new employee stays on a probation period of six months. Within that time the employee is evaluated by the supervisor & board until being initially permanent.

## 2.4 Marketing Practice

Marketing activity is very crucial for a business because it makes the potential consumer aware of the product offered by the company & engage them with the as well as help them to take the buying decision (Emeritus, 2022). As a company who produce FMCG goods STL manages various kinds of marketing activities. Here, we are going to discuss their marketing practices as well as their market.

### 2.4.1 Marketing Strategy

The aim of STL is to be the number one household & cosmetic manufacturer of Bangladesh at affordable price as well as maintaining the same SQUARE quality. From the very beginning STL has got a very good brand value as being a part of SQUARE group. However, it is not enough to succeed in the long run & STL has done great marketing as well as branding to come so far.

**Market Segmentation:** To be successful at marketing & creating a well-covered marketing strategy marketing segmentation is very crucial. STL market segmentation basically focuses on demographics. Their products are designed & marketed on the basis of people's age, gender, income levels. For instance, their Meril products are for the female consumers, but Meril Baby focuses on child segments. On the other hand, Kool is for male consumers of all ages. Lastly, these products are priced keeping in mind the middle-income people of our country.

**Marketing Mix:** Like any other FMCG company STL also uses 4 Ps of marketing to establish their marketing strategy. Marketing mix can help to reach a large portion of the audience & also helps to cover more topics in an organized manner. Here, we are going to discuss the 4 P's of STL;

***Product***

STL's products are basically good quality & well packaged convenience goods for skin care purpose as well as for the household use. The product contains two things, the core product & the packaging components.

***Price***

Pricing of the product is crucial & the most sensitive part of the marketing mix. One-way prices can give a competitive edge if done correctly or vice versa. The pricing of the products manufactured by STL are basically focused by keeping in mind the middle-income people of Bangladesh. Because as a developing country most of the people are middle income or below that's why the pricing is done in such a way so everyone can afford it.

***Place***

As the products of STL are fast moving consumer goods their availability needs to be very much everywhere. These products are available all over Bangladesh & can be found from local retail shops to the supermarket or super shops. Nowadays with the emergence of online marketplace, people can also buy the products from e-commerce websites.

***Promotion***

The promotional activity is done on a large scale & on different media by ST. To communicate the value of the products promotional activity is very important. STL not only advertise their products in different mediums but also run campaigns & sponsor many events to increase consumer engagement.

### 2.4.2 Target customer, targeting & positioning strategy

STL primarily produces & sells fast moving consumer products & they have like twenty of brands. For each brand they offer different sorts of products for their diverse customer base. They also provide different SKU of each product based on affordability & usage rate of the customer. The target market of the products of STL are basically people of all ages & in terms of income middle to lower income people are the highest customer. STL provides products which can help from skin care to household cleaning purposes.

There is fierce competition in the FMCG industry & there are big MNCs like Unilever, Marico & Reckitt Benkiser as direct competitors of STL to compete in Bangladesh. STL always focuses on competitive positioning to stay ahead of competition. They are always doing aggressive marketing to stay ahead of the competitor & the trade marketing department of STL designs various kinds of trade programs & bonuses for the retailers to get more emphasis on their products.

### 2.4.3 Marketing Channels of STL

To make the products available to the desired consumers as well as reaching the potential buyer STL has created different distribution & marketing channels. For making their product visible as well as feasible STL has authorized 261 distributors all around the country to make the availability of the product. These distributors sell the products or take them to the retailers with the help of STL's own field force. On the other hand, for getting online visibility STL's also placed their products in different online markets as well as e-commerce websites like Daraz, Chaldal, Panda Mart. Furthermore, for their promotional activity they no longer only rely on the newspaper, billboards & tv. With the help of their in-house media partner Mediacom Limited, they promote their product through different mediums like social media & they are also giving extensive emphasis on through the line marketing (TTL). Some of their advertisements are highly focused on creating social awareness like once a while meril soap promoted that only bright skin is not beautiful, every skin is beautiful.

#### 2.4.4 STL's Branding activities

Multi branding strategy is followed by SQUARE Toiletries Limited for its diverse product line. As it is already mentioned that STL hosts 20 different products with various SKUs which run under different brand names & are for different markets. For example, Kool offers shaving foam, aftershave lotion, aftershave gel, talcum powder & body spray for men. On the other hand, sepnil offers hand sanitizer, face mask, antibacterial soap & hand wash which targets different markets. Meril also offers soap, & body wash but it is targeted for different consumers. STL maintains a different branding strategy for its products. Where Kool tries to uphold manliness on the other hand Meril promotes care & sensitivity but sepnil promotes protection. All in all, different brands provide different messages to its customers.

#### 2.4.5 Advertising & promotion strategies by STL

STL follows two kinds of advertising & promotion strategy ATL (Above the line) & BTL (Below the line). They use both of them to acquire their desired customer. For getting the attention of customers they use ATL like advertising their products on television, billboards, newspaper & especially cooperative marketing with retailers to get desired shelf in stores & shops. On the other hand, for BTL they post customized ads of their products in e-commerce platforms like Shajgoj, Chaldal. Furthermore, they also sponsor events for increasing consumer engagement like Meril Prothom Alo Puroshkar, Kool T20 series & various events. The BTL they use is basically for making consumers aware of their products & it is not for specific reasons like conversion. However, their ATL is for making consumers purchase the product & make conversion because these kinds of promotions are created by keeping in mind a specific target.

### 2.5 Financia Performance of STL from the year (2017-2021)

Financial performance is measure to see how a company is doing with its capital & what is the condition it is in. It also measures the economic ailment of an organization as well as work management along with financial position. From the financial statement of STL of last five years from 2017 to 2021 we are going to see its profitability as well as other measurements in terms of its asset;

### 2.5.1 Liquidity & Solvency Ratio of STL

Liquidity ratios can be a very useful financial indicator in terms of assessing the company's ability to settle its current debts & liabilities. In terms of paying debts the company should have greater margin of safety than its debts.

#### **Current Ratio:**

Current ratio signifies companies capability to repay its short term debt within a year. Here, if the ratio is more than 1 that represents the asset is greater than debts.

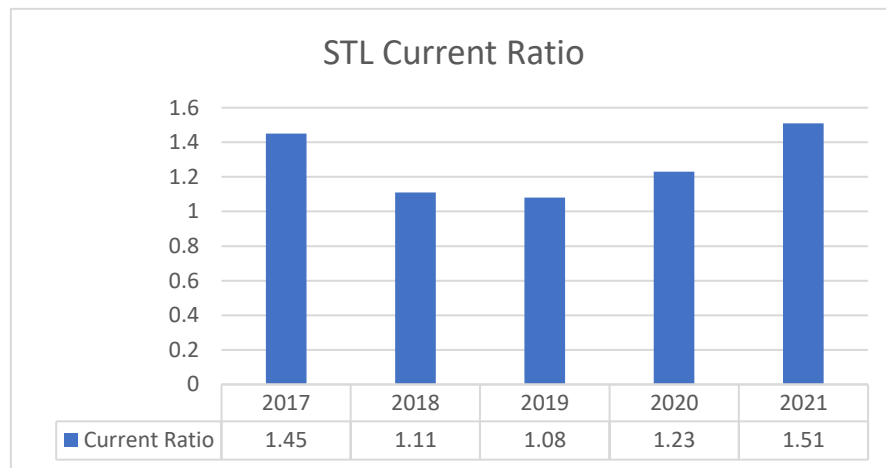


Figure 1: STL Current Ratio of last 5 years

#### **Debt to Equity Ratio:**

This ratio measures if the company have greater debt than the asset the owners have put in to the business. Here the leverage of the company is measure by the amount of debt the company is using against its equity. A ratio less than 1 is considered a good equity ratio.

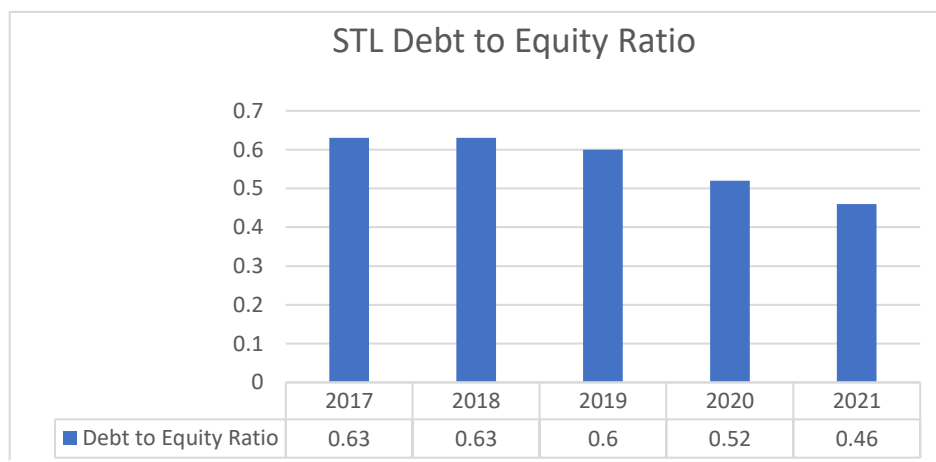


Figure 2: STL Debt to Equity Ratio last 5 years



### 2.5.2 Profitability Ratio of STL

It is entitled with the company's ability to make profit with its sales & by encompassing its operating costs in a time period. Stakeholders basically uses profitability ratio to measure the performance & see how profitable the business is.

#### ***Profit Margin:***

It is basically the earnings of the company in relation to its revenue. The profitability of a company can be measured with the help of profit margin.

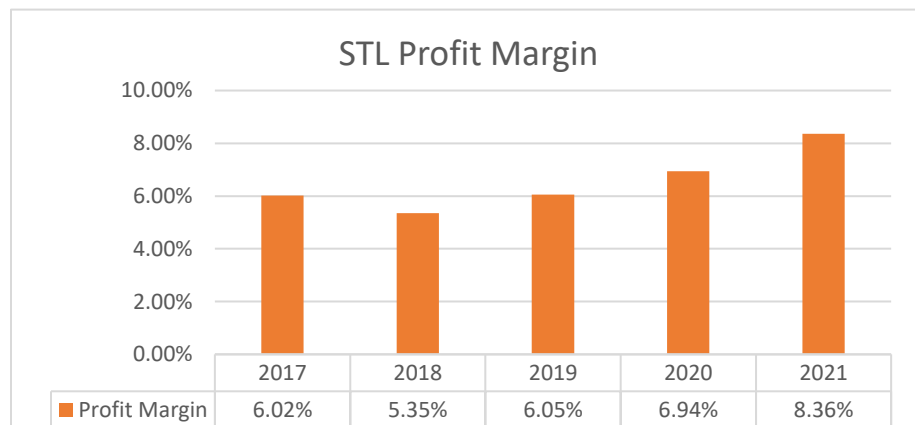


Figure 3: STL Profit Margin of last 5 years

#### ***Return on Asset:***

Return on Asset (ROA) is a measurement for estimating how successfully a business utilizes its resources for bringing in cash. ROA is used by investors and financial managers to evaluate an organization's financial or monetary state. A powerful pointer for charting an organization's appearance is return on asset.

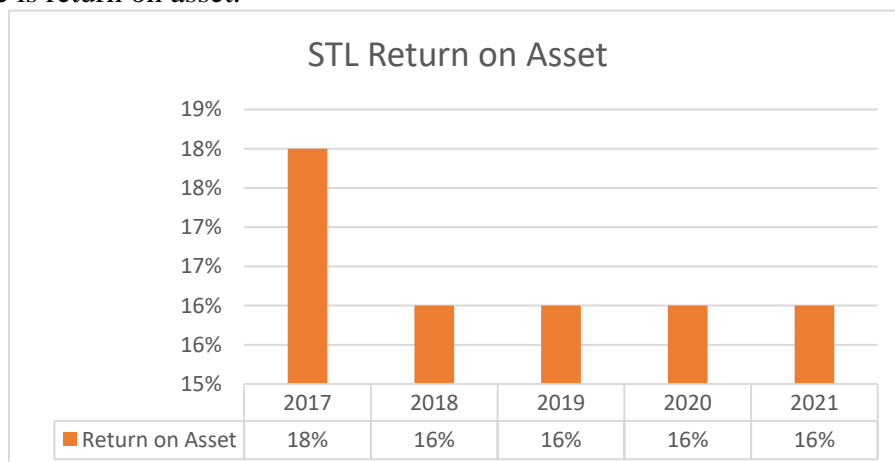


Figure 4: STL Return on Asset of last 5 years

### 2.5.3 Efficiency Ratio

To know how well a business can exploit with its assets as well as money efficiency ratio can be a key indicator for that. A company can maximize its profit & minimize its cost when it is running efficiently & using its assets in optimum level & that can be measured through efficiency ratio.

#### ***Inventory Turnover:***

In a year the times the inventory of a company is turned is known as inventory turnover. Since it lessens the cost of capacity and other holding charges, a high turnover is desired. It is important to analyze the proportions of organizations that are engaged with a similar industry. Low turnover might be an indication of terrible deals, overabundance stock or primitive managerial decisions.

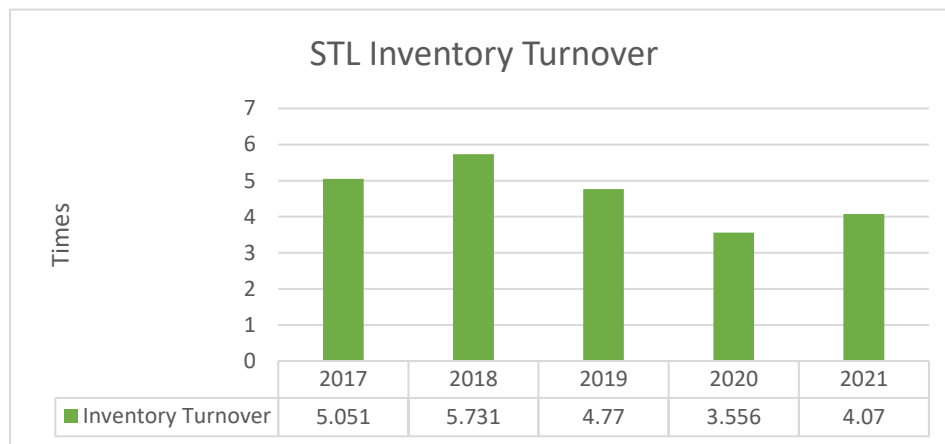


Figure 5: STL Inventory Turnover of last 5 years

#### ***Asset Turnover Ratio:***

By asset turnover ratio we can measure the effectiveness that shows with how much productivity the organization is operating with its resources for getting turnover on their assets. In more specific way how, many times there asst is turned over after doing business.

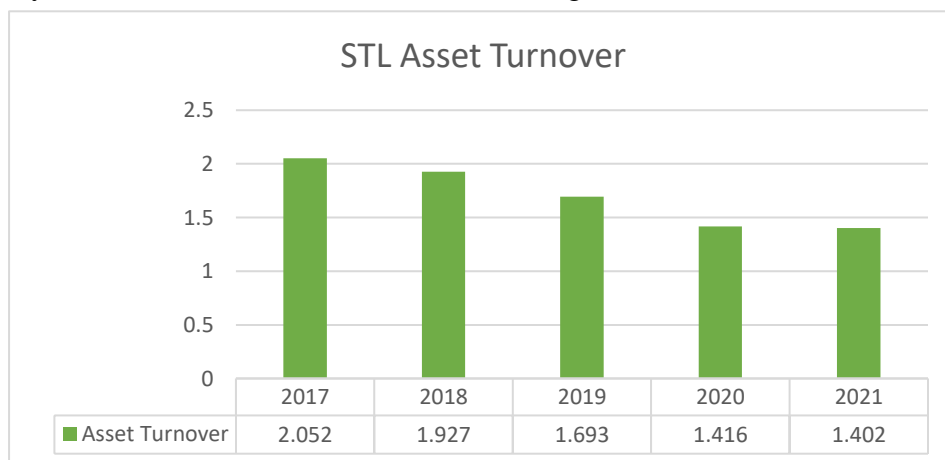


Figure 6: STL Asset Turnover of last 5 years

## 2.6 Operation Management & Information System Practices in STL

Operation management entitles the planning, supervising & maintaining the organizational procedure to initiate the desired feasible profit by maximizing production & minimizing costs & expenses. It is responsible for overseeing the company's operation and making the projects more efficient as well as effective. In STL the operation department buys, produces & handover products to the desired consumers based on their capabilities. On the other hand, the MIS department is entitled to the work of processing the information system which is given by the sales & commercial team. Here, we are going to discuss about the operation management & information system practices acquired by STL;

### 2.6.1 Administering the quality of products

STL is an international standard ISO 9001:2015 & ISO 22716:2007 certified company. Hence, STL needs to maintain the quality of its product to a certain extent. To maintain the quality of their product they maintain a department which is called Quality Control & the department is always engaged in maintaining the quality, testing the products as well as performing research & development to increase the quality of the product to increase the standard. Every time a batch of product is made it is strictly regulated by the quality control department & the raw materials are also deliberately examined.

### 2.6.2 Maintaining the resources

The products of STL are manufactured & packaged in their two facilities one is in Pabna & another one is in Rupshi. They use high-tech cutting-edge technologies & machineries to manufacture & package the product to reach a certain quality point as well as passing the quality control test. All the machineries are maintained as well as examined on a regular basis so they can provide optimum level of performance.

### 2.6.3 Management of the Information System

Data management is very crucial for a company to see & maintain the effectiveness of the plans & actions. In STL this task is handled by the MIS department. The MIS department handles & sorts all the data & information provided by the commercial & sales force. The data of MIS is sorted and saved to SPA to maintain the accuracy & transparency of the information. All the data is gathered then processed in a workable scheme then it is hand overed to the executives to analyze

the information in their desired manner & the information is also used to make managerial decisions.

## 2.7 Industry & Competitive Analysis

### 2.7.1 Porter's Five Forces Analysis for STL

- **Industry rivalry among existing competitors:** STL needs to work through extreme competition as a FMCG producer with both domestic & MNC's. The local competitors of STL are Kohinoor chemicals, Keya cosmetics, and ACI. On the other hand, there are also big MNC's with immense resources & brand value like Unilever, Reckitt Benkiser, Merico are its top competitors. These companies produce & sell similar kinds of products in the market.
- **Bargaining power of suppliers:** As there is no scarcity of suppliers STL faces low bargaining power of suppliers in terms of procuring the raw materials. However, they need to negotiate with the suppliers to get the product at a low price as well as keeping their cost low.
- **Bargaining power of buyers:** As there are many companies in the market who are offering similar kinds of products, hence switching cost is low to none. That's why the bargaining power of consumers is very high for STL's products. So, to keep competitive advantage STL tries to provide products at a lower price to the consumers.
- **Threat of new entrants:** The fast-moving consumer goods industry for cosmetics requires a lot of resources & brand value to flourish. So, it can be said that the threat of new entrants is comparatively moderate for STL because it has intense brand value & superior quality. Furthermore, brand loyalty plays a vital role in the FMCG industry & in terms of convenience goods.
- **Threat of substitute products:** This threat is moderate because any big company with sufficient resources can come up with similar kinds of products. However, STL has a R&D department which is always working on improving the product quality as well as coming up with newer products.

### 2.7.2 SWOT Analysis

|  |  |
|--|--|
| <p><b>Strength</b></p> <ul style="list-style-type: none"> <li>• Comparatively lower price.</li> <li>• Strong Brand Loyalty.</li> <li>• Brand Reputation.</li> <li>• Immense financial resources.</li> <li>• Strong distribution channel.</li> </ul>  | <p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>• The R&amp;D department is primitive.</li> <li>• Confined product line.</li> <li>• Lack of new product development.</li> <li>• Inadequate brand revitalization.</li> <li>• Inner operation problems.</li> </ul> |
| <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>• Can increase market share by increasing the product line.</li> <li>• Can expand the market with international certification.</li> <li>• Create its own ecommerce platform.</li> <li>• Meeting the increasing demand of buyers.</li> </ul> | <p><b>Threat</b></p> <ul style="list-style-type: none"> <li>• Many companies sell similar products.</li> <li>• Consumers switching costs are very low.</li> <li>• New trends &amp; shift in consumers preference.</li> <li>• Barrier to entry is low.</li> </ul>               |

*SWOT Analysis of STL*

## 2.8 Summary & Conclusion

SQUARE Toiletries Limited is one of our countries most renowned & prestigious FMCG manufacturers & it has gained this position through dedication as well as perseverance over many years. As a company or as a brand the product of STL always has been consumer centric & their main goal is to provide quality products at affordable price that is why their slogan is “We care for you”. Furthermore, people of this country have faith in the product of SQUARE group hence the tagline of STL is “Expect the Same SQUARE Quality”. Till now we can have the view that STL is highly interested in consumer needs & wants, that's how their products are designed & marketed. In contrast they are providing quality products at a very affordable price. As an organization STL is very flat & their culture as well as employee practice is top of the mark. They are very lenient in terms of recruiting their employees & their working environment and accountability is transparent. To keep their working environment up to date with the latest scenario they often provide training & for motivation they provide several bonuses & incentives to their employees. On the other hand, the way they communicate the value of the products to the customers as well as their marketing strategy is appreciable. They emphasize & handle each of their brands with highest proficiency even though they have to focus on several brands. We know that SQUARE is highly accountable to their stakeholders & STL is not out of it. Every year they provide their stakeholders with the financial reports & statistical analysis which gives them the view how the organization is functioning. Even though STL faces fierce competition & have several difficult environments to manage as an organization it is very organized & fluent. The managerial practice & operation of STL is very organized, however like any other organization it sometimes needs to adjust with the difficulties. All in all, even with the weakness & threats STL has many opportunities to be the market leader in Bangladesh & established its market on an international level.

## 2.9 Recommendation for STL

Being a part of STL was indeed a great experience for a beginner like me because the most exponential thing was that they treat the interns like part of their team & as colleagues. In that period, I worked for the sales team & it gave me in hand experience of how a sales department of a FMCG works. Even though the experience was great, however in some aspect I want to suggest some criterion which they might find useful;

- They should have a more structured & organized work plan for the interns which will help the intern as well as the managers for accomplishing tasks.
- The working schedule is very tight & strict which the employees may find difficult to cope up with as human beings, hence there should be a minimum gap when employees can think to make more progress in their work.
- Feedback should be given to the interns like other employees every time they have accomplished a work & the end result of the work should be shared with them.
- The organization is very flat which is a good thing, but there should be more managerial positions entitled with experience with the employees.
- The internship experience can be more delightful & the learning curve will be more antagonistic if the interns are given the opportunity to network with other departments on a regular basis.

## Chapter 3: The Project Part

### **“Impact of Trade Program Strategy on Sales Target Achievement in Square Toiletries Limited.”**

#### 3.1 Introduction

The FMCG industry is one of the most competitive markets in terms of serving consumers. For maintaining competitive edge over other companies or competitors a firm needs to show diligence not only in its work but also in its offerings. In Terms of selling and distribution providing superior value to the consumers is important, however the game changes when it comes to the retailers. To be more specific in a broader sense, to take one's product to the consumers a firm needs to convince the retailers to take their products first hand. The reason is the end consumers don't purchase their desired product directly from the company, they visit their local shops or stores to get it. Hence, to get the shelf in a retail premises a company needs to think about satisfying the retailer first to capture the desired shelf space. This course of action is completed through trade program strategy.

Trade program strategy is primarily engrossed for the retailers or distributors rather than focusing on the consumers (The Economic Times, 2022). It is also emphasized as B2B marketing where the manufacturer provides incentives as well as benefits to the retailers to make their product chain more available & make the promotion more effective. As a FMCG manufacturer STL also practices this strategy to attract the retailers to make their product available to the end consumers. Hence, STL promotes & arranges various trade programs all year around to keep the attraction of the retailers to keep their products on the shelves. These programs are given specific names by the trade marketing department like Aponjon Program, Appayon program, Grishmer Anondo program, Halkatha program, Jamai ador program & many more. All the programs are designed not only by keeping the retailers in mind but to make these programs the sales department critically analyze the trade offers which their competitors are providing. The information for their analysis is gathered from the field & they are quite confidential. Moreover, these programs see the light of success by the hard work and dedication of the 1135 field force employees, who go to the retailers directly to get the purchase order & convince them.



In the time of my internship at STL I got the chance to work with the trade marketing executives to promote the trade marketing program through communicating with the field force employees. I also assisted the executives in execution of the trade marketing programs to achieve the overall monthly sales target. It intrigued me by a long shot that how fascinatingly the trade programs are designed as well as executed & it's also playing a big role in achieving the monthly sales target. Therefore, I will be discussing the trade program strategies conducted by STL & taking the insight from the sales department employees in terms of the impact of trade programs in achieving sales targets.

### 3.1.1 Literature Review

For any company the sales department is the powerhouse which generates the revenue & brings money to keep the company running. The trade programs enable a company's products to stand out in the market, take the desired market share & increase the market structure (Ceuta Healthcare, 2021). Even being misunderstood by many marketers in the 80s, however in the 90s trade marketing & trade programs became an important piece in the game because slowly retailers gained the power to promote brands (Corina, 2021). The selling prospect to retailers in Square Toiletries limited solely depends on the trade program strategies. But in the digital era and increase of distribution channels 50% of the trade marketing programs fail & companies spend a fortune in the trade programs (Arsene, 2020).

The promoting activity through trade programs or trade marketing is one stage further & one phase more difficult than traditional consumer marketing or proposition because the goal of trade program strategy is to increase the demand level accordance with brand promotion (Intelicle, 2021). The biggest issue in the trade program strategy is that only the retailers are taken into consideration but retailers can't sell the products if the end consumers don't buy the products which is attached solely with the demand. However, retailers play a vital role in selling to the end consumers because they can do the last-minute marketing for the company & convince the consumers to purchase the products. Because of various categories in products & different companies are offering similar goods retailer can show the competitiveness of one's products (Sevin,2022). STL tries to get their desired shelf space through their price offering by the trade marketing department. But the scenario changes when a consumer buys from a super shop & the

conversion is done through pos system, here retailers don't have anything to accomplish. On the other hand, to meet the demand of the product's trade program strategy is very important & it gives you an instant edge over the competitors (Hilson,2021). To make the trade programs work doing market research is very crucial followed by having the glimpse of pricing details as well as offers of competitors. In managing trade programs competitor analysis helps to be more proactive & enhance the ability to take right decision & offering (Gumusten, 2022). Hence, in STL they collect the information of their competitor & adjust their trade program on a regular basis. Because in the world of buying & selling, in the market everyone prefers the best deal available. It not only helps to boost the selling's of the products but also make it available & boost the brand as well. Trade programs as well as marketing create a value to the retailers & make them feel special by creating a good & long-lasting relationship.

The trade program strategy is basically B2B marketing in nature which is for retailers & wholesalers & it surges demands for supply chain (Gilbert, 2019). To compete in the FMCG industry it is the most used method & every company has adopted it since the 90s. For data analysis STL highly depends on their MIS department to provide them with sufficient insight. To make the strategy successful, doing good market research & competitive analysis is very important because the main purpose of this program is to create superior value in B2B than competitors (Master Class, 2022). To get the most out of the programs the design should be data driven and highly associated with the product offering (Sonntag, 2021).

### 3.1.2 Objectives of the Report

The principal objective of the report is to find out how the trade program strategy is impacting in terms of achieving sales targets at Square Toiletries Limited.

Specific Objectives:

- To figure out the process of allocation of resources for trade programs.
- To recognize possible trade programs suitability for attaining the concentration of the retailers.
- To analyze the intensity & effectiveness of trade programs in Square Toiletries Limited.

The first specific objective will help to understand how resources are allocated to conduct the trade programs in the sales department because without the budgeting & resources designing programs won't be possible. Secondly, the second objective will help to understand the strategies which are implemented to run the trade programs. Lastly, by analyzing the intensity & the effectiveness we can figure out how it is helping in achieving sales targets.

### 3.1.3 Significance of the Report

By conducting this study, we can shed light & give overview on the trade program strategies which are implemented by Square Toiletries Limited & how it is impacting in sales target achievement. Furthermore, we will see how the trade strategies are formed & implemented by the sales department. The report will also help to understand why their trade strategies are so important in achieving their desired market sales. This might also help the organization to improve their trading strategies and make their operation more fluent & attractive their desired targets. All in all, this will give them a descriptive as well as comprehensive idea on the subject.

## 3.2 Methodology

To conduct the study & complete the objectives several approaches were taken to achieve the awaited outcomes or result. To find the information for the objectives most of the data collected for this study are from inside of the organization itself. So, the information is gathered through interviewing & doing surveys in STL corporate head office sales department employees. Hence, it can be said that the report is principally based on primary research & basically a qualitative approach to the data collection was applied. The qualitative approach of data collection refers to collecting data through description & conceptual findings which is carried by interviews, questionnaire & observation (Ivan, 2021). Hence, interviews of the executives were taken of the sales department & a questionnaire was made to collect their responses followed by close observation of their work on a regular basis in my internship period.

To find out how the resource allocation & budgeting is done prior to shedding view on first objective, the executives who conducted the trade programs were interviewed for collecting the information. They provided insights about how they receive the budget for the trade programs & utilize the resources.

Secondly, for recognizing & identifying the trade programs & second objective, three particular executives who design the trade programs as well as the marketing plans were interviewed thoroughly followed by collecting information through surveys. The reason is that these three executives design the trade programs according to the information they receive from the MIS department & based on the data of previous year.

On the other hand, after the trade program is designed the whole sales department of STL works for its implementation & making it a success. So, for analyzing the intensity & effectiveness of the program & for the sake of objective three a survey was conducted among the 23 employees who work in the sales department of Square Toiletries corporate headquarter. The survey was conducted through a google form & the respondent instigated their opinions through the form. The data shown in the report are generally collected from interviewing & by conducting surveys in the STL corporate headquarters sales department.

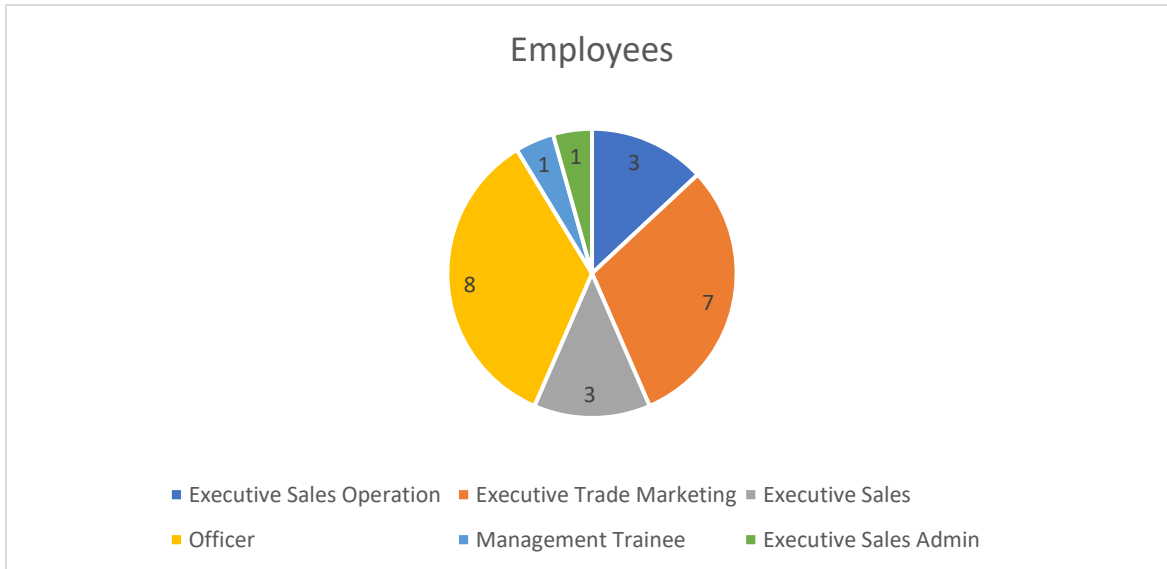


Figure 8: Employees of STL Sales Department

Figure-7 shows the employees who work in the sales department in STL. There are executives in sales operations, trade marketing, sales, admin, management trainee & followed by their officers. These employees work in STL in regular basis & work for the execution & fluency of sales department.

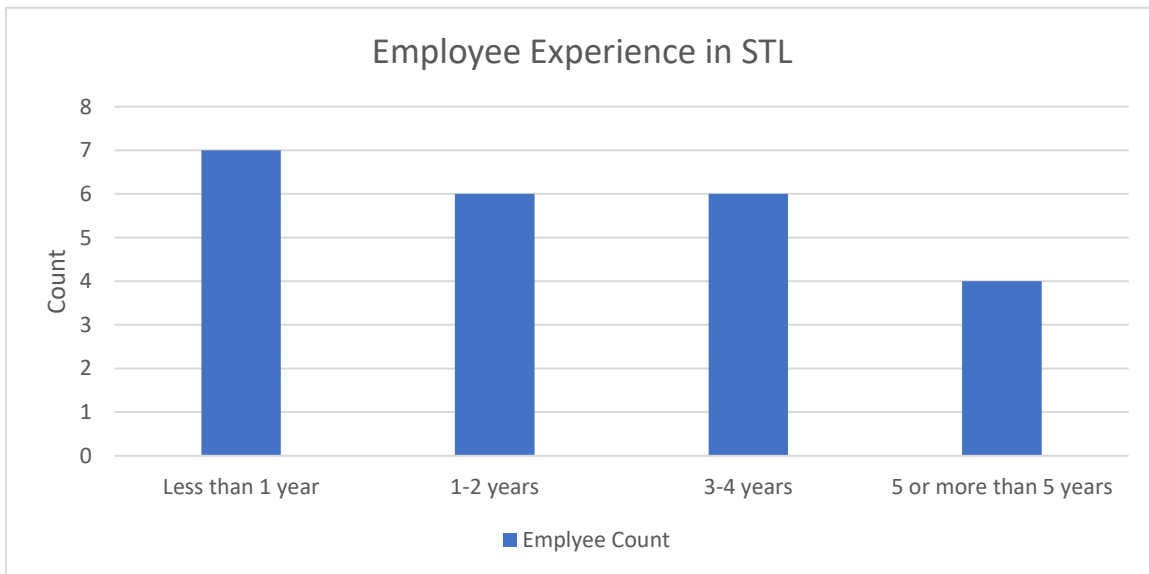


Figure 7: Experience of sales department employees

Figure-8 on the other hand shows the experience level of the employees whose admiration were studied for the outcome of this report. There are 7 employees who are new to the department & have experience less than 1 year in STL. However, some have prior experience in salesmanship in STL.

### 3.3 Findings & Analysis

#### 3.3.1 Allocation of resources for trade program

After conducting interviews with the executives at STL it was very clear that the allocation of resources is very important for designing & implementing the trade program. The budget for the trade program strategy for the sales department is provided by the higher officials like the head of sales. The budget is given on a monthly, quarterly & yearly basis. The budget is then divided into different segments of trade programs. The quarterly & monthly budget is basically for the trade programs which are monetary benefit based. On the other hand, the trade program which provides gifts & other incentives to the retailers receive its budget every month & the budget & incentives can be changed any time even on a weekly basis.

The budget of the trade programs is given to ensure growth & development of sales. Hence, the budget is given by studying the reports of the previous year of the same month & quarter. To ensure growth of each SKU they increase the sales target along with increasing the trade program budget by 20% for each time period. This helps to increase the market size & selling's of products. All the products & SKU are divided into separate units like toiletries products, health & hygiene products. This is done so the sales officer can ensure the sale of these products more strategically. The trade programs are also different so the sales force is also divided for the strategic units. So, some sales officers work for the toiletry's products & rest work for the health & hygiene products.

#### 3.3.2 Trade programs suitability for attaining the concentration of the retailers

##### 3.3.2.1 Trade Bonus

Trade bonus is applicable when a retailer purchases a product bundle in one invoice. Here two factors play a very important role one is trade price (TP) & another is effective trade price (ETP). TP is the price in which the company is selling the product to the retailer & ETP is the price in which the retailer is getting the product. In this case let's say the trade price of one soap is 20 Taka, so the price of 12 pieces will be 240 Taka & 20 takas will be the TP. But due to the normal bonus when the retailer buys 12 pieces of soap, they get 13 soaps at the price of 12 soaps. Hence, the price of soaps in which the retailers get is at  $(240 \text{ Taka} / 13 \text{ soaps}) = 18.46 \text{ taka}$ , this is the ETP. The lower ETP is the higher retailers can earn from selling a product. The retailers consider the brands which provide them the lowest ETP & can sell them in good MRP (Maximum Retail Price).

### ***Normal Bonus***

It is the simplest form of benefits provided by the sales department of STL & it is also the most primary one. In the normal bonus, what they do is, if a retailer buys like a dozen or a bundle of a SKU in one purchase, they will get one product free. For example, if there is a bonus provided on like soap, if a retailer buys 12 pieces of soap in one invoice the retailer will get one additional soap free. That means at the price of 12 the retailer is getting 13 soaps. Hence, they are purchasing a single product at a lower price than the company is offering. This convinces the retailer to purchase a bundle rather than in pieces which helps to grab more attention & boost sales.

### ***Slab Bonus***

A slab bonus decreases the ETP more than the normal bonus & brings in more benefit to the retailer. In this case if a retailer purchases more than like 36 pieces of soap, the retailer will get 3 soaps as part of normal bonus. On the other hand, in addition to the slab bonus the retailer will also receive 3 more soaps as part of slab bonus. This is applicable for certain products only. This strategy attracts basically the big retailers to purchase more products because at the price of 36 products the retailer is getting 39 pieces of products which means more drop in ETP & higher benefit for them.

For measuring the suitability of the Trade bonus program, the respondents were asked, do they agree that trade bonuses help to attain the focus of retailers toward their products. The responses were taken through a five-point likert scale.

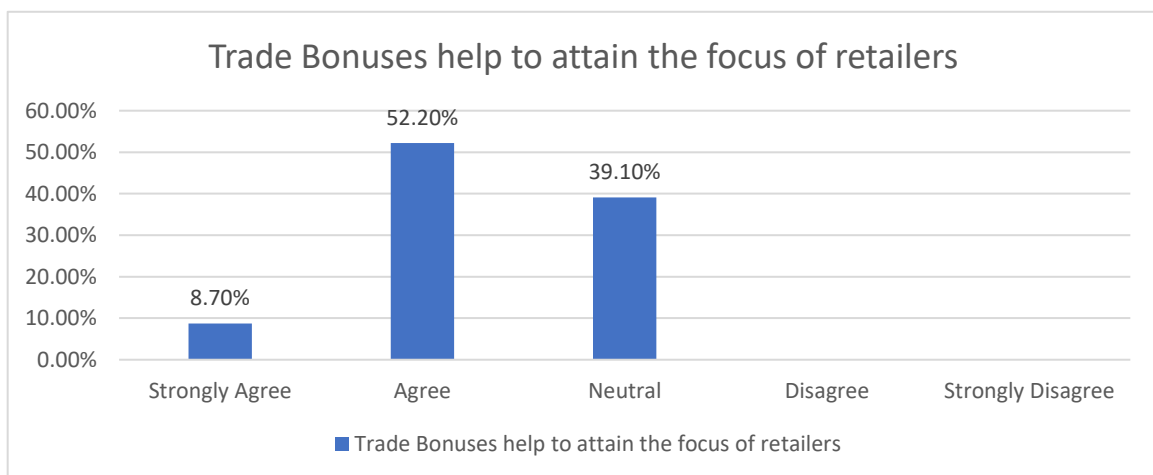


Figure 9: Trade Bonuses attain the focus of retailers

From the figure, we can see that 52.20% of the responded agrees that they have a positive approach to the Trade Bonus system & they agreed that it helps to attain the focus of retailers. On the other hand, 8.70% strongly agreed to the trade program however 39.10% were neutral. This shows a very good insight that trade bonuses can grab attention of the retailers to purchase the products of STL & it is crucial to achieve sales target.

### *3.3.2.2 Monetary Trade Incentives*

It basically provides monetary incentives to the retailers rather than providing bonuses or slabs benefits. However, this kind of program is available for a limited period of time. It is done to boost up sales & in terms of introduction of new products or product development. This program can range from monthly to quarterly basis.

#### ***Program Trade Incentives***

These monetary incentives programs basically provide direct monetary incentives to the retailers if they fulfil the monthly purchasing target or the quarterly purchasing target. By considering the purchasing intensity the trade marketing executives create incentive plans for the retailers. If a retailer purchases that particular amount of product on a monthly or quarterly basis, the retailer can collect direct monetary incentives like 1% to 5% depending on the incentive program they have fulfilled. Later, they can collect the money or equivalent number of products from the distribution point. This is basically used to attract the big retailers & wholesalers to make more invoices by providing monetary benefits.

#### ***Bundle Trade Incentives***

It is used in terms of when a product sale is experiencing a shortfall or new products need to get shelves in retail. It helps in business development & getting desired shelves as well. Here, for a SKU a bundle is created it can be of like 30-piece, 72 pieces. If the retailer buys the bundle, they will receive monetary incentive which they later can receive from the distribution point or can also get a product of STL of that equivalent amount. However, they can pick from selected products only.



For understanding the importance of Monetary Trade incentives & whether it encourages retailers to buy more products or not to fill out the quota & receiving monetary bonus, the respondents were asked if they believe that by providing monetary trade incentives the retailers were encouraged to often buy extra products or not.



Figure 10: Monetary incentives & retailers buying intensity

Here, it can be seen that the retailers in the case of 39.10% times purchases more products to fill out the quota & receive the monetary incentives. Followed by 34.80% of the respondents who think that retailers always try to invoice more products if monetary incentives are involved. The willingness of retailers to fill out quotas is very good for achieving sales targets.

Furthermore, it was also important to understand what sort of retailers get more engaged in filling out the quotas for monetary trade incentives. So, they were asked what sort of retailers are mostly attracted to monetary incentives.

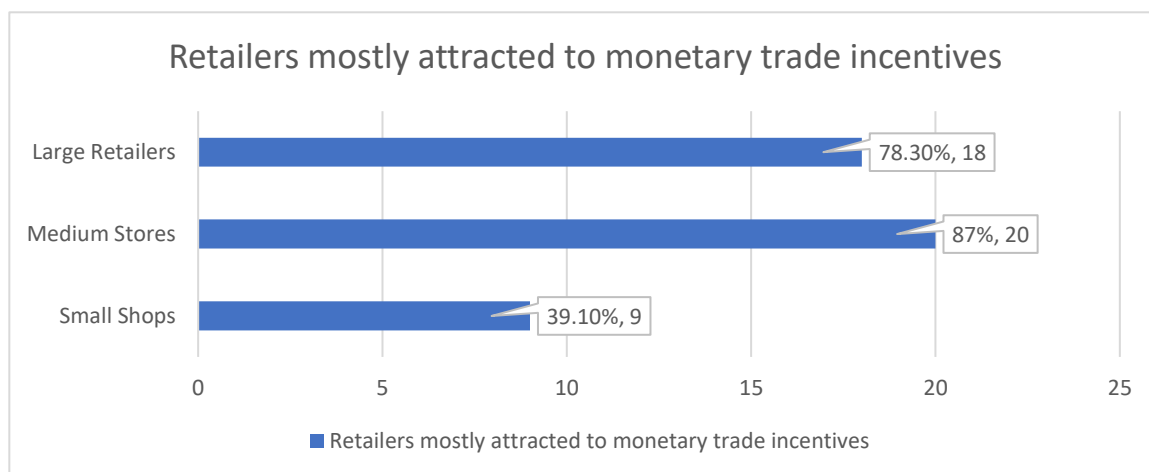


Figure 11: Retailers attracted to monetary incentives

By seeing Figure-11, it can be understood that 18 respondents mean 78.30% thinks large retailers are mostly attracted to the Monetary trade incentives followed by 87% medium stores which is recognized by 20 respondents. The reason can be these sorts of quotas can be filled by the large retailers & medium size shops. But small shops are not that enabled.

### 3.3.2.3 Motivation with Other Incentives

Just like normal bonus & slab bonus where retailers are given the same product as bonus, in terms of motivation with other incentives the retailers are given some sorts of gifts in return. To illustrate, where after buying a bundle of product in one invoice the retailer receives a bonus as products, in other incentive programs they receive plastic bowl, bucket, stools, T-shirts & many other things as part of their bonus. These gifts are used to increase their intention to purchase extra products.

To see the importance of other incentives the respondents were asked Is it important to provide other incentives like plastic bowls, buckets, stools etc rather than trade bonuses.

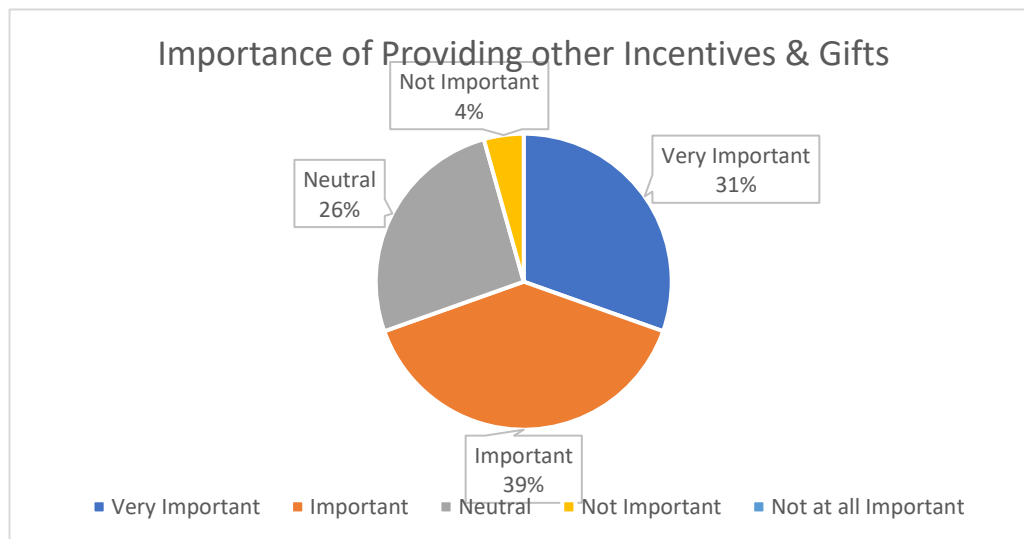


Figure 12: Importance of providing other incentives & gifts

Here, it can be seen that 39% of the respondent thinks it is important to provide other incentives & gifts followed by 31% who thinks it is very important. Even though 26% are neutral & 4% thinks it is not that important. But we can say majority thinks providing this kind of benefit is crucial for sale target achievement.

For that reason, it is important to know by providing these small gift items & other incentives which kind of retailers they attract to purchase their product & they were asked that which kind of retailers are attracted to these schemes.

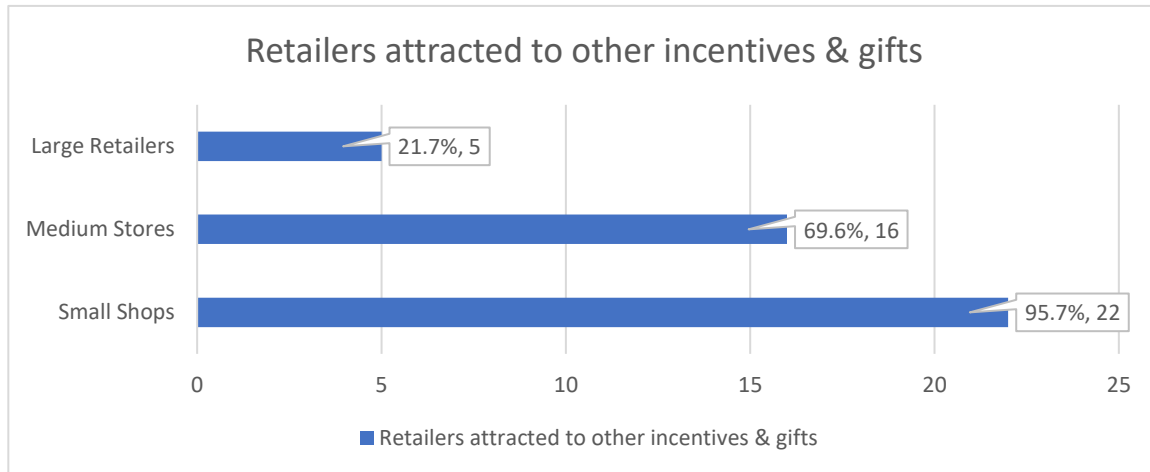


Figure 13: Retailers attracted to other incentives & gifts

By looking at the responses it can be estimated that mostly small shop owners attracted to other incentive & gift programs. Among the respondents 22 of them which accounts for 95.7% believes small shops are mostly attracted to this kind of programs because the quota is low to fill-up followed by the medium size stores. But large retailers don't find it that much attractive.

#### 3.3.2.4 Cooperative benefit

The cooperative benefits STL's trade department provides to its retailers are similar to cooperative marketing strategies. Cooperative marketing is basically agreement between two businesses, where businesses provide mutual benefits to each other in terms of selling products & reaching the desired audience (Team,2022). STL provides a similar kind of special benefit to the retailers to sell their products.

The trade department of STL also directly works with the retailers to market & merchandise their products. STL provides light box & billboards to the retailers to advertise for the company & sell their products. The intriguing part is that STL pays the electric bill on a monthly basis for the retailer's light boxes along with the installation benefit. For the exchange of this benefit the retailer provides shelf space & lets STL merchandise their products in the retailer shop. The retailer works as both promoter & seller for STL.

To find the eligibility of their cooperative benefits regarding increase of purchase from the retailers end the respondent were asked, do they agree that shops who are provided with light boxes & billboards consider their products more & do greater invoice. Then the responses were taken through likert scale.

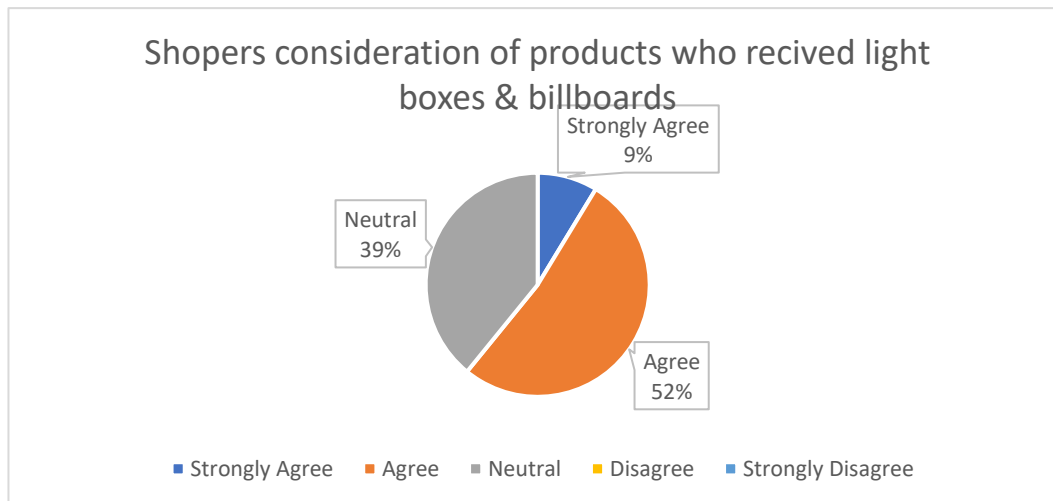


Figure 14: Retailers consideration of products who received light boxes & billboards

By considering the responses we can see majority like 52% of the respondent's agree that the retailers who were given light boxes & billboards consider there products more & are more confident in selling & retailing products of STL. However, 39% of the respondent are neutral in this matter. But we can say that this intention of consideration results in greater sell & response from the retailers.

### 3.3.3 Analysis of the intensity & effectiveness of trade program in Square Toiletries

To determine the success of trade program strategies in terms of achieving desired sales few factors need to be highly considered. To understand the readiness of trade programs its intensity, dependency in generating sales, its importance along with the changes it brings is really crucial to understand.

To measure the intensity of trade programs the respondent was asked how often trade programs need to be introduced to fill the sales quotas, followed by how dependent the sales department is to trade program in achieving sales targets.

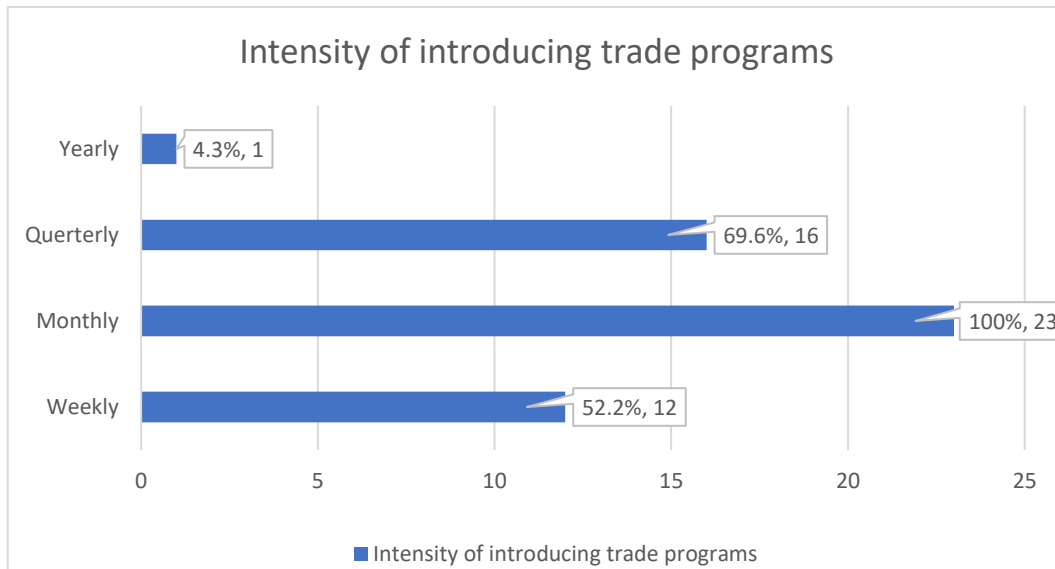


Figure 15: How often trade programs should be introduced

From Figure-15, it can be seen that trade programs are introduced highest in monthly basis because the newer the strategy the more it attracts the interest of retailers. A fresh & deliberate idea is essential to survive in competitive market that is why continuous development of strategy is important.

Furthermore, to see the dependency and do the sales department really depend on the trade program strategies to achieve sales targets, the respondent was asked if the sales department relies on trade programs to generate sales & achieve their desired outcomes. The responses were taken through a likert scale.

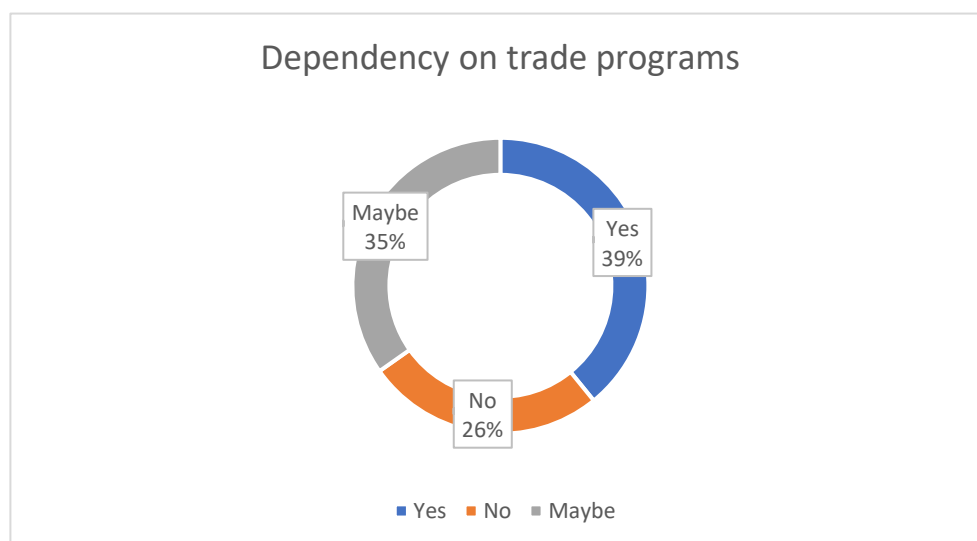


Figure 16: Is the sales department dependent on trade programs

By looking at Figure-16, it can be said that we are getting a mixed response. 39% is showing that the sales department relies on trade programs to achieve sales targets followed by 35% who don't have a clear view & 26% are saying not only trade programs are enough. The reason is due to change in distribution channels 50% of the trade marketing programs fail but companies spend a fortune in the trade programs (Arsene, 2020). The brand value, consumers' perception of the products is also important in this case because retailers won't keep products which consumers are not willing to consider.

However, in despite of the other factors the respondents were asked if they find it important to conduct trade programs to achieve sales targets.

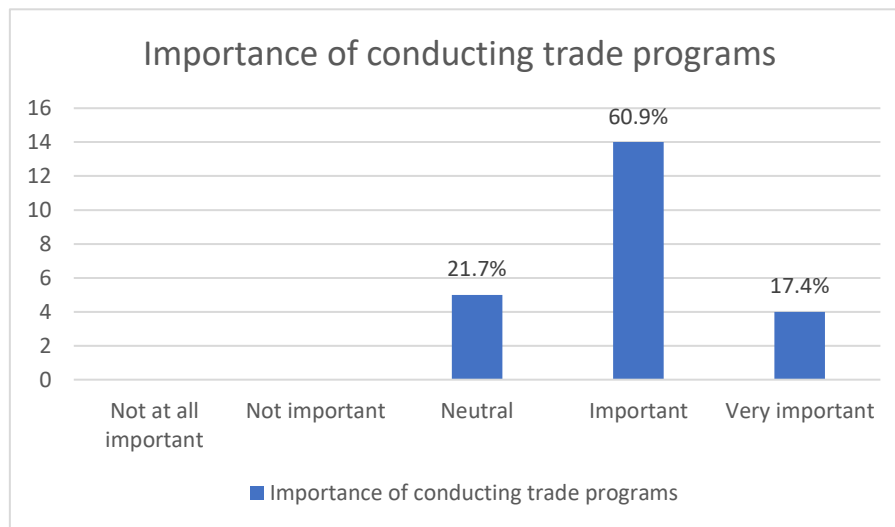


Figure 17: Is conducting trade program important to achieve sales target

Even though the success of trade programs relies on various factors and the success is not guaranteed but still most of the respondents like 60.9% think that it is important to conduct trade programs to achieve sales target, the reason is it is a good strategy to have in terms of working in a competitive market. Followed by that, 17.4% think it is very important when it comes to achieve desired sales target. So, it can be argued that majority agrees that trade program strategy is important in terms of achieving sales target in STL.

### 3.4 Summary & Conclusion

As a company who produces & sells FMCG products Square Toiletries Limited deserves praise for how it is giving competition to giant MNC's. It is very much difficult to compete in a market where the consumer's switching cost is so low or close to none. The standardized approach STL uses to grab the attention of its retailers to deliver its products to end consumers is really astonishing. Their trade program strategies are fully aligned with their sales objective & it deliberately helps them in terms of achieving their desired sales target. Even though there are lots of factors to consider in terms of achieving sales objectives like companies' image, brand value, consumers perception and many more, apart from those the trade program strategies STL sales department conducts also plays a significant role in terms of their sales activity.

### 3.5 Recommendation

Since Square Toiletries Limited is one of our countries most reputed & trustworthy companies along with it is providing valuable & quality products to its consumers for the last two decades. It is adequately experienced & efficient in conducting its operations. A company operating so long & competing in the market with such big MNCs is established in itself. However, despite so much capability & effectiveness they should also consider new methods to conduct their business as well as sales. They should also build their brands not only in the mind of consumers but also highly focus on the retailers as well. Conducting & formulating frequent trade program strategies is a good initiative to achieve their desired sales but if a strategy is used that frequently it can be obsolete within a period of time. Following their trade programs, they should also focus on merchandising their products to all sorts of retailers, it not only attracts retailers but can also help building a beautiful outlook toward their products. They can also retail their products through their own platform because now many companies are focusing on establishing their own retail chain as well as building their own ecommerce platforms. In a competitive market like fast moving consumer goods staying focused & first mover advantage can be a good thing to have.



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