### Report On

# Building Brand Equity and Effectiveness of Distribution Channel of ACI Pure Salt

By

Kaniz Fatema Keya 20204092

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

Bachelor of Business Administration

BRAC Business School
BRAC University
May 2023

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### **Declaration**

It is hereby declared that

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

Student's Full Name & Signature:		
	Kaniz Fatema Keya 20204092	_
Supervisor's Full Name & Signature	e:	_

Ms. Fabiha Enam
Senior Lecturer
BRAC Business School
BRAC University

**Letter of Transmittal** 

Ms. Fabiha Enam

Senior Lecturer

**BRAC Business School** 

**BRAC** University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on Building Brand Equity and Effectiveness of

Distribution Channel of ACI Pure Salt.

Dear Madam,

I am very pleased to submit my internship report titled, Building Brand Equity Effectiveness of

**Distribution Channel of ACI Pure Salt** for your kind information.

I have tried my level best to complete the report by including all the necessary information and

explanation to make the report informative while maintaining the guideline and standard

provided by BRAC Business School. This report outlines the lessons I have learned and the

company interactions I had during my three months long internship.

I would not be able to finish this report without your guidance and cooperation. I hope that the

report will fulfill your expectations.

Sincerely yours,

Kaniz Fatema Keya

20204092

**BRAC Business School** 

**BRAC** University

Date: 03 May 2023

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Non-	<b>Disc</b>	losure	Agreen	<b>nent</b>
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[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between ACI Limited and the undersigned student at BRAC University ......

### Acknowledgement

I would like to acknowledge my utmost gratitude to everyone that has guided me thoroughly to complete my internship report. First and foremost, I would like to thank Almighty Allah for giving me the strength to complete this report timely.

My profound appreciation and admiration to Ms. Fabiha Enam, Senior Lecturer at the BRAC Business School, who served as my honorary faculty advisor and whose directions and instructions proved to be beneficial when composing my report. Her ongoing assistance and helpful recommendations have been very beneficial to the creation of this report.

This report would not have been possible without the tremendous help and support of many people. I want to sincerely thank each and every one of them.

Additionally, I would like to express my sincere gratitude to my organizational Supervisor Mohammad Mazharul Islam, my mentors Maria Sultana, Raihanur Rezwan. Despite having a very hectic schedule, they have always been patient enough to explain me how work is being done, assisted me in various tasks and provided me information to write the report.

Also, I want to thank my coworkers and fellow interns, for helping me to overcome the numerous obstacles I have encountered so far. Their effort has made the internship report even more informative.

### **Executive Summary**

I have been working as an intern in ACI Consumer Brand as a part of my BBA degree. I have completed this report within these three months staring from February to April. This report contains my working experience in the organization, my major activities, my acquired knowledge, learning, implementation of academic lesson. This report has been written in three parts successively.

In the first part, there is a highlight of my overall experiences at the organization. Activities that I have done within these three month and how I made a contribution on the going marketing process of the product. Also, my job description, duties, responsibilities, timeline of my internship. The problems I have faced and recommendations to the organization to overcome those. This part illustrates, how my knowledge of the Fast-Moving Consumer Goods industry has been shaped by my experience and education, and how the business process is actually being operated and taken away by the sincere and efficient people.

The second part is all about the company overview ACI Limited. Its history, business units, values, mission, visons, SWOT analysis of the company. The departments that are responsible for the whole organization to run into the market.

In the final part of the paper, there is a detailed elaboration of the Brand Equity and Placement of ACI Consumer Brands product, ACI Pure Salt. This part consists of the introduction of the products, literature review, broad objective including some specific objectives where I have been trying to explain the brand building process by analyzing the findings of the survey and placement of the product by collecting data while visiting market place. Lastly, I concluded the report by stating some recommendation for the brand.

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### **List of Acronyms:**

ACI Advanced Chemical Industries

ICI Imperial Chemical Industries

HRD Human Resource Department

MD Managing Director

NDDS Novel Drug Delivery Systems

BIM Bangladesh Institute of Management

DCCI Dhaka Chamber of Commerce & Industries

IPDP Institution of Professional Development Program

PAT Profit After Tax

QMS Quality Management System

MIS Management Information System

CBBE Consumer Based Brand equity

SKU Stock Keeping Unit

MT Modern Trade

USP Unique Selling Point

SR Shop Representative

### **Chapter 1**

## **Overview of Internship**

### 1.1 Student Information

Name: Kaniz Fatema Keya

Student ID: 20204092

Program: Bachelor of Business Administration

Major: Marketing

Minor: Computer Information System

### 1.2 Internship Information

### 1.2.1 Company Information

Period: 3 months (1 February 2023 – 30 April 2023)

Company Name: Advanced Chemical Industry (ACI)

Department: Marketing

Address: Novo Tower, Level 6, 270 Tejgaon I/A

### 1.2.2 Internship company supervisor's information

Name: Mohammad Mazharul Islam

Position: Product Group Manager

E-mail: mazharul@aci-bd.com

#### 1.2.3 Job Scope (Job description, duties, responsibilities)

I have worked as a marketing Inter in ACI Consumer Brands. My major responsibility was to work on **Brand Management**.

I have also participated in different activities during my internship days. These are:

- Working on product development including packaging. Conducting secondary research on how the product line can be extended.
- Generating new business idea by gathering all the necessary information on that particular business idea. Such as: Market size, market share, consumption rate and pattern, revenue of previous years.
- Traveling marketplaces to keep an eye on the actions of rival businesses, analyze the state of the market, and suggest workable solutions together with an effective marketing strategy.
- Making convincing, attractive and infographic PPT presentation on these informations.
- Maintaining the social media platform of ACI Pure Salt, create proposal about new content on how to be more engaged in social media, how to attract potential consumers by social media engagement.
- Prepare presentation on the cumulative marketing activities by the competitors on a monthly base.
- Also keeping my mentors updated about the social media activities of the competitors of ACI Pure Salt. These includes: the post number of the competitors page, new promotion, incentives provided by the competing brands, keeping a track on the number of dynamic post and static post.
- Coordinating with the Supervisor to design and implement an acceptable marketing plan and strategy for a given product.
- Preparing presentations on effective marketing activities of existing product to create brand value and more reach.

### 1.3 Internship Outcomes

#### 1.3.1 Benefits to the student

This Internship opportunity has allowed me to work in an actual corporate world. Where I was able to apply the knowledge, I have gained during my four years of undergrad life. I have been extremely benefited by the internship in these three months.

- The experience helped me to relate and coordinating the topics I have covered in my courses by practically implementing them in work and witnessed the real-life exposure in FMCG industry.
- During these three months I have developed my communication skills, time management, leadership skills, presentation skills.
- I have achieved a standard level of my technical skills which was not up to the mark before internship.
- I have been introduced to Excel in a more deliberate way, as a result, excel is now a useful tool in my toolbox for organizing daily sales reports and other related tasks.
- I can add this experience to my resume which will definitely add value.
- While completing various types of tasks, I got to determine decide type of job is best fit for me which will eventually help me to pursue my future career.
- Lastly, working in ACI for three months helped me to create a great network with people from different institutions.

#### 1.3.2 Problems/ Difficulties:

It was a great journey for me to complete the internship in ACI Limited. However, besides having a joyful and illuminative journey during my internship, I have also faced some difficulties in these three months. They are:

- Obtaining specific information was difficult due to secrecy and the lack of an annual report.
- Office hour was not very convenient. It became so difficult to balance personal life and professional life.
- Not providing transportation facilities to the interns has affected me immensely.

- Visiting market randomly without any specific address in completely new area for the whole week was very difficult.
- Facing the Modern trade manager and retailer and taking pictures while visiting the market place was a big safety issue as I was not given any ID card.
- Demanding information on different project which was totally inaccessible.

#### 1.3.3 Recommendations:

- A proper orientation should be performed to introduce the intern to the other employees so that they may help the intern adjusting to their new surroundings and coworkers, the environment, rules and regulation of the organization.
- There is a room for improvement for engaging interns into more formal works of the organization.
- They should bring changes in working method of the executives for nurturing the creativity among them.

### Chapter 2

### **Organizational Part**

#### 2.1 Introduction

The organization called British Multinational Imperial Chemical Industries started their business in East Pakistan by opening a branch. Later after the liberation war of Bangladesh, the company was transformed into ICI Bangladesh Manufacturers Limited. Later after several years in 1992 ICI sold the investment to the local management and started its journey as Advanced Chemical Industries (ACI).

In its four business segments: pharmaceuticals, consumer goods and electronics, agriculture, and retail, it sells a total of 39 types of goods. The conglomerate has 12 production facilities, 14

subsidiaries, 4 joint venture and associate firms, and a market value of Tk 1500 crore. It also generates Tk 6300 crore in annual income.

### 2.2 Overview of ACI Limited

Logo	ACI
Full Name:	Advanced Chemical Industries Ltd.
Incorporation Date:	24 January 1973
Registration no:	C-3885
Company Type:	Public Limited
Number of employees:	10,233
Authorized Capital:	1,500,000,000
Issued and paid Capital:	725,767,870
No of share:	72,576,787
Face value:	10
Year End:	30 June
Website:	https://www.aci-bd.com/

### 2.2.1 Business Segments:

- 1. <u>Pharmaceutical:</u> ACI Pharmaceuticals offers a wide variety of goods in different dosage forms, including tablets, capsules, dry powder, liquid, cream, gel, ointment, ophthalmic, and injectable. These products come from all of the main therapeutic groups. Novel drug delivery systems. (NDDS) is cutting-edge facility performed by the ACI Pharma. They are constantly meeting the requirement of domestic and foreign demand very efficiently.
- 2. <u>Consumer Brands:</u> ACI Consumer Brands was established in 1995 with ACI Aerosol and Savlon as its two principal brands. These are two of the most profitable and well known

products on the market, which eventually led them to a great success. ACI has launched its "ACI Pure" brand into the basic food industry. ACI has made substantial investments in cutting-edge production facilities for everyday kitchen essentials with the goal of offering Bangladeshi consumers the purest food products at competitive prices. With the internationally renowned product lines of Colgate, Nivea, and Dabur, ACI Consumer Brands is effectively meeting consumer demand for foreign products in the household and personal care categories. Tetley, the top-selling tea brand in the world, is now offered to Bangladeshi consumers thanks to effective distribution and promotion by ACI Consumer Brands.

- 3. <u>ACI Agribusiness</u>: ACI Agribusiness is active as the biggest integrator in agriculture, livestock, and fishing in Bangladesh. There are several divisions like Animal Health, Seed, Fertilizer, Agri-machinery, and Crop Protection. Seed supplies Hybrid Rice, vegetable and Maize seeds, Fertilizer Supplies Micronutrient and Foiler fertilizer, Agri-machineries supplies Tractors, Power Tiller and Harvester and Animal Health supplies high quality Nutritional, Veterinary and Poultry medicines and vaccines are the services that are provided by CC and PH. Partnership with R and D companies and research institute gives them an advantage to test the product thoroughly before launching.
- 4. <u>ACI Logistic:</u> Shwapno is one of the top retail brand in Bangladesh. This has been operating by ACI Logistic since 2008. Shwapno has already become the largest retail chain in this region. The purpose of entering in this sector was to create a bridge between the farmer and the consumers. They have been serving around 35000 households each day. They are progressing with the true vision of improving the life of their consumers at the same the lives of the farmers. Shwapno has been a leading proponent of a healthy lifestyle, running numerous initiatives on food safety and nutrition. Today, 65% of Shwapno's fresh produce is purchased directly from farmers, thanks to ACI Logistics' development of a sourcing network with growers across the nation to ensure it carries only the freshest fruits, vegetables, fish, and meat.

#### 2.2.2 Joint Venture and Subsidiaries:

- 1. ACI formulation Limited (ACI FL)
- 2. ACI Salt Limited
- 3. ACI Pure Flour Limited
- 4. ACI Foods Limited
- 5. ACI Edible Oils Limited
- 6. Premiaflex Plastics Limited
- 7. Creative Communications Limited
- 8. ACI Motors Limited
- 9. ACI HealthCare Limited
- 10. ACI Chemicals Limited
- 11. ACI Logistic Limited
- 12. ACI Godrej Agrovet Private Limited
- 13. Tetley ACI (Bangladesh)Limited
- 14. Asian Consumers Care (Pvt.) Limited

#### 2.2.3 Mission of ACI Limited:

ACI's Mission is to enrich the quality of life of the people through responsible application of knowledge, technology and skills. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees, to provide the highest level of satisfaction to their customers.

#### 2.2.4 Vision of ACI Limited:

To realize the Mission, ACI will:

- Provide products and services of high and consistent quality, ensuring value for money to their customers.
- Endeavour to attain a position of leadership in each category of their businesses.
- Develop their employees by encouraging empowerment and rewarding innovation.

- Promote an environment for learning and personal growth.
- Attain a high level of productivity in all their operations through effective utilisation of resources and adoption of appropriate technology.
- Promote inclusive growth by encouraging and assisting their distributors and suppliers in improving efficiency.
- Ensure superior return on investment through judicious use of resources and efficient operations, utilising their core competencies.

#### 2.2.5 Values of ACI Limited:

- Quality
- Customer Focus
- Innovation
- Fairness
- Transparency
- Continuous Improvement

### 2.3 Management Practices:

### 2.3.1 Leadership Style:

It is very crucial for the organization to maintain a fixed leadership style. A strong leadership influences the productivity of the employees and helps to improve communication. ACI Limited is an organization who broadly follow democratic leadership style. While taking any significant decision, leader always seek for opinion from the employees. They create opportunity for employee involvement to create an alignment between the employee and the leaders where both parties connect with the mission and vision of the organization. In this case, when there need to take any significant decision, the leaders are always in charge of taking the final decision after collecting employee's ideas, opinions, reviews. So, decisions are basically driven by the employees in ACI Limited.

This leadership style has been facilitating ACI Limited in many ways. This style of leadership encourages the employees to work on their creativity, look for insight of any situation and frequent engagement in every aspect of the organization. As a result, employees always consider themselves as a significant part of the organization which is very beneficial in high job satisfaction, low turnover. Since, employees here collaborate to accomplish the organizational objective in line with the same mission and vision, this practice of leadership driving ACI Limited to their desired destination.

Human Resource department plays a significant role to ensure the best fit employees and the job. Employees are valuable asset for any organization. HR department conduct a systematic process to encourage the employee to be connected to the organizational culture for the betterment of the company. ACI HR is very has clear vision to make sure create a working environment where they can foster the creativity of the employees.

#### 2.3.2 Recruiting and Selection Process:

ACI HR department practice contemporary HR policy which is an adoption of modern HR policy for recruitment and selection, and Manpower planning and succession planning. In terms of recruiting and selection, ACI HR department has to go through some set of steps.

Source of candidate can be external and internal. Circulars posted on notice boards, interns, the HR CV Bank, and job rotation or transfer are some internal sources that have an impact on the hiring process. Examples of external sources include the ACI Limited website, media adverts (BD Jobs), unsolicited application files, and employment agencies. ACI Limited basically conduct a job analysis as a recruiting planning.

#### **Selection Process:**

The structure of the selecting procedure in this company is set in stone. They practice several steps before finalizing the candidate as an employee. The general method that is being followed in every case is:

- Written Test: In this test short listed candidates have to sit for a written exam. The
  question of this exam is divided into few parts. Such as: Analytical part, general
  knowledge, Subject based knowledge part.
- **Interview:** Candidates who get selected in the written part, then have to sit for a viva. In the board room, Marketing managers of the respected department conduct the interview.
- **Presentation:** In the final step, candidates who were chosen by the marketing managers get an assignment based on a business-related topic.

According to the HRD, there are some essential assessments that they look for in a candidate. These are: Leadership skills, ability to work in team, decision making strength, risk taker, planning and organizing, adaptability, verbal and writing communication skills.

### 2.3.3 Compensation System:

Compensation and benefits have a big impact on how motivated and productive people are at work, which makes them crucial factors in a company's commitment to employee satisfaction. In ACI Limited offers compensation in a form of financial and non-financial.

Salary, annual increment, gratuity, wages, fringe benefits, health and medical allowance, lunch facilities, festival bonus, provident fund, home and car loan these are included in financial compensation.

#### The Gross Salary is the sum of:

Basic Salary	60%
House Rent	30%
Medical Allowance	5%
Conveyance	5%
Total	100%

Dignity, recognition, employee empowerment, achievement. These are some of the forms of non-financial compensation. They offer a supportive work environment that allows people to reach their full potential as well as performance-based career advancement. They host different events like: Family-day, cricket tournament, badminton tournament. These events also work as a relationship building bridge among the staff.

#### 2.3.4 Training and Development initiatives:

ACI's training and development initiatives are concentrated on improving its human capital to achieve business excellence by expanding the workforce's bandwidth. ACI HRD uses the greatest innovation-based training materials and module to uphold its corporate principles. Types of training program offered by ACI Limited:

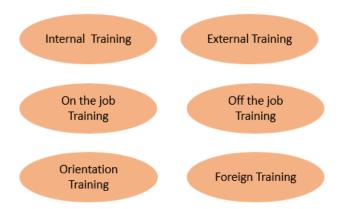


Figure 1: Different types of training program

<u>Internal Training:</u> Most of the training programs that are offered to the employees by the training and development department are offered by their internal trainers. They design and conduct the training as per need of the employees.

<u>External Training:</u> ACI Limited provides the facility to get trained from other institutions also. Institutions like: IPDP, IBA, BUET, Bangladesh Japan Training institution, BIM, DCCI has corporate agreement with ACI Limited.

On the job training: The learning and development department immediately arranges on-the-job training when an employee requests it due to a talent shortage.

Off the job training: Besides, conducting on the job training ACI training and development team provides off the job training also to improve the efficiency of the employees.

<u>Orientation Training:</u> This training is compulsory for the newly joined employees. Employees with and without experience need to attend this training. Whether the employee is in entry level or in managerial position.

<u>Foreign Training</u>: This training is done in two ways. The first is sending personnel to overseas training facilities for instruction, and the second is hiring foreign faculty members as instructors.

#### 2.3.5 Performance Appraisal System:

#### Regular Sales Bonus:

Employees receive a portion of their yearly success at the end of the year, which is added to their wages. The company's aims and each employee's personal ambitions are aligned through this project.

#### Performance Bonus:

These incentives are determined by comparing the targets that were set for them at the beginning of the month to how well they performed against those targets by the conclusion of the month.

#### Executives and Managers Appraisal:

The appraisal strategy used here is a bottom-up approach. In this way of appraisal, managers appraisal basically depends on executive's performance.

#### Graphic rating scale:

Finding out an employee's performance level is done using this appraisal method. The rating for each employee ranges from 1 to 9.

### 2.4 Marketing Practices

### 2.4.1 Marketing Strategy:

A company's overall plan for reaching out to potential customers and converting them into buyers of their goods or services is referred to as a marketing strategy.

The primary goal of ACI Limited is to satisfy consumer by offering high-quality goods. The only way to thrive in this fiercely competitive industry is to please consumers by attending to their demands.

#### 2.4.2 Positioning Strategy:

The purpose of the organization is made evident through brand positioning. Additionally, it explains to the target market why the company is better than all competitors and what makes its products and services distinctive. It also has an impact on pricing, promotion, and sales tactics.

ACI pioneered the idea of 100% halal soap and captured 14% of the market in its first year, growing steadily over time. Consumers in the area used subpar salt in the past. Later, they introduced white salt, which is good for human health, to the market. Mass consumers embraced the tagline they introduced: "ACI salt helps developing merit- we dream of a meritorious Bangladesh."

### 2.4.3 Advertising & Promotions:

Promotions and advertising play a crucial role in bringing the product and service to the attention of the target market. Additionally, it is vital to explain to them the advantages of selecting that good or service. One of Bangladesh's oldest businesses is ACI. They are adept at efficiently promoting their goods. They employ a variety of promotional strategies to boost sales, including print and online advertising, sales promotion, special offers, social media campaigns, and sponsorship of events.

#### 2.4.5 New Product Development:

The primary driving force behind the development of each new product is to provide value to customers. In order to meet the rising consumer demand for innovation and new technology, it is necessary to develop new or existing items.

The wants and demands of the consumers are changing quickly with the times. Organizations will fall behind if they are unable to adapt. ACI Agribusinesses are dedicated to promoting the growth and well-being of the nation's cattle. As a result, a number of cutting-edge technologies are provided, including robotic vaccination, dairy vaccination, animal pharmaceuticals, advanced calf health management, reproductive health management, animal genetics, diagnostic laboratories, and clinics. ACI Agribusinesses collaborate with the full cattle, poultry, and aquaculture value chains to advance the livestock industry using technology.

### 2.5 Financial Performance and Accounting Practices:

The key role in managing the operations of financial and accounting services is played by ACI's finance and planning department. In terms of financial and accounting procedures, it oversees both ACI Limited as a whole and its subsidiaries. Management of new business, risk and insurance, credit, and accounts payable are some of the major topics of activity. The mission of Finance is to "become the most valuable business partner possible."

### 2.5.1 Financial Highlights and Analysis of ACI Limited (2019-2020)

Turnover Contribution by Business Unit in the year of 2019-2020:

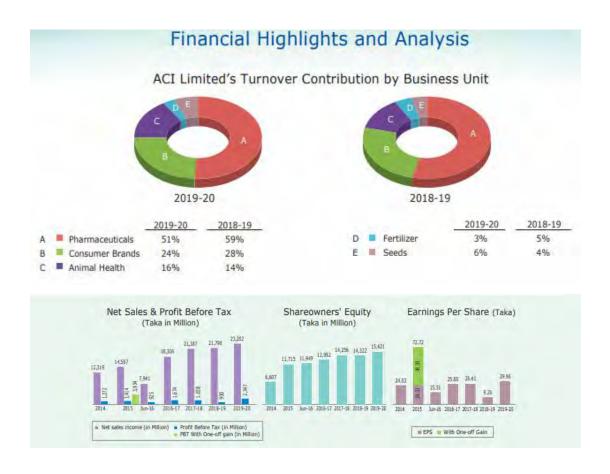


Figure 2: Turnover contribution by business unis of the year 2019-2020

### 2.5.2 Financial Results of ACI Limited in the 2019-2020:

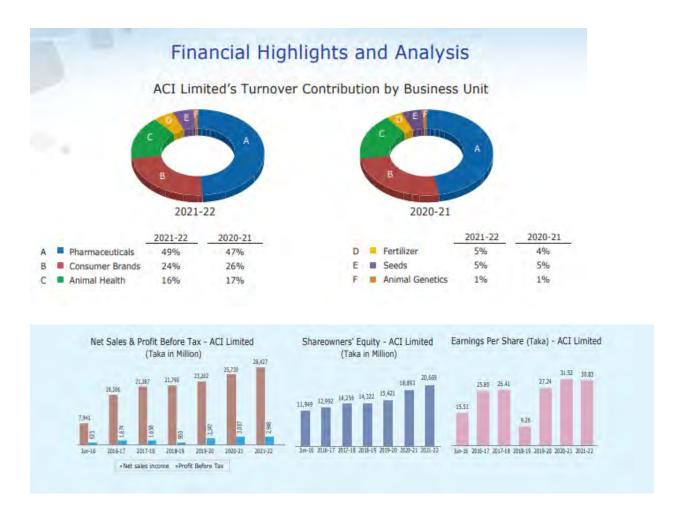
ACI Limited's total revenue for the fiscal year that ended on June 30, 2020, was Taka 23,202 million, compared to Taka 21,796 million for the prior year. Due to a larger proportionate sale of high margin products, the gross profit margin grew to 46.14% in the current year from 45.36% in the prior comparative year. Operating profit was Taka 3,221 million and profit after tax (PAT) was Taka 1,719 million in the current year, resulting in Taka 29.96 in earnings per share.

Particulars.	July 2019- June 2020	July 2018- June 2019	July 2017- June 2018	July 2016- June 2017	June 2016 (six month)	December 2015	December 2014
Net Turnover	23,202	21,796	21,387	18,306	7,941	14,567	12,319
Gross profit	10,705	9,886	9,242	8,196	3,561	6,262	5,171
Profit before tax	2,347	900	1,658	1,674	925	3,934	1,272
Profit after tax	1,719	531	1,317	1,244	680	3,184	951
Earnings per share (Taka)	29.96	9.26	22.96	25.80	15.51	72.72	24.02
Issued & paid capital	574	499	482	438	398	398	344
Shareowners' equity	15,421	14,322	14,256	12,992	11,949	11,715	6,607
Net asset per share (Taka)	268.79	249.64	248.48	269.54	299.96	294.08	192.09
Number of employees	8,364	9,147	9,053	8,364	7,275	7,090	6,930
Total contribution to National Exchequer	4,318	3,770	3,625	3,302	1,340	2,626	2,158

Figure 3: Key Operating and Financial information of 2019-2020

### 2.5.3 Financial Highlights and Analysis of ACI Limited (2021-2022)

<u>Turnover Contribution by Business Unit in the year of 2021-2022:</u>



#### 2.5.4 Financial Results of ACI Limited in the 2021-2022:

ACI Limited's overall revenue for the fiscal year that ended on June 30, 2022, was Taka 28,427 million, up from Taka 25,730 million the previous year. In the current year, the gross profit margin dropped from 44.20% in the prior comparative year to 41.38% as a result of higher costs brought on by rising global market prices and the strengthening of the US dollar relative to the local currency. Additionally, a rising share of sales of products with relatively low profit margins also played a role in the decline of the gross profit margin. Operating profit was Taka 3,436 million and profit after tax (PAT) was Taka 2,238 million in the current year, resulting in Taka 30.83 in earnings per share.

Particulars	July 2021- June 2022	July 2020- June 2021	July 2019- June 2020	July 2018- June 2019	July 2017- June 2018	June 2016 June 2017
Turnover (net)	28,427	25,730	23,202	21,796	21,387	18,306
Gross profit	11,763	11,372	10,705	9,886	9,242	8,196
Profit before tax	2,948	3,087	2,347	900	1,658	1,674
Profit after tax	2,238	2,288	1,719	531	1,317	1,244
Earnings per share (Taka)	30.83	31.52	27.24	9.26	26.41	25.80
Issued & paid capital	726	631	574	499	482	438
Shareowners' equity	20,669	18,893	15,421	14,322	14,256	12,992
Net asset per share (Taka)	284.79	260.32	244.35	249.64	248.48	269.54
Net Operating Cash Flows Per Share (NOCFPS)	25.79	17.78	71.18	25,44	0.27	(17.75)
Number of employees	10,233	9,380	8,364	9,147	9,053	8,364
Total contribution to National Exchequer	5,087	4,829	4,318	3,770	3,625	3,302

Figure 5: Key Operating and Financial information of 2021-2022

### 2.6 Operations Management and Information System Practices:

### 2.6.1 Distribution department:

In order to choose distribution facilities, the distribution department uses a very systematic approach. With the goal of providing excellent services to ACI consumers, it has strategically placed 26 distribution locations across the country of Bangladesh and is also expanding its distribution network to cover all areas. They keep a minimum of 150 cars and over 500 competently trained personnel for delivery. The distribution system operates automatically and digitally to handle the high volume of different items coming from diverse sources. Only by combining this modern operation with multi-level skills has it been feasible to efficiently manage

hundreds of items. In ACI's distribution system, the ISO 9001-2008 Quality Management System (QMS) is closely adhered to from beginning to end.



Figure 6: Distribution centers of ACI Limited

### 2.6.3 MIS Department:

The total IT support for the business is made sure by ACI's MIS section. This section oversees the efficient running of software, hardware troubleshooting, and commercial databases pertaining to sales and inventory. Programmers and software developers with knowledge and expertise make up the MIS department. To help the management make wise decisions, MIS provides tailored reports and data analysis.

### 2.7 Industry and Competitive analysis:

### 2.7.1 SWOT Analysis of ACI Limited

ACI Limited can be examined its current position and enhance its future performances in contrast to its competitors by using SWOT analysis.

#### Strength

- High quality product certification (ISO 9001)-ACI is the first Bangladeshi company who got ISO 9001 for its quality management system in 1995
- Professional and effective creative and marketing team
- Good brand image- ACI creates a good brand image on consumer brain and is has loyal customer base
- Maintain market growth

#### Weaknesses

- High employee turnover rate
- Pricing high
- Poor distribution channel
- Unavailability of product in market
- Higher cost on bringing new products

#### **Opportunities**

- Large employee base- ACI LTD has 10000+ employee support. IF they can manage this employee base efficiently
- Growing demand
- Introducing new variety of products

#### **Threats**

- Low market barriers- Anyone can enter in the market of ACI and become
- competitors

- Negotiation power of customers are increasing- Because of the many
- Competitors, customers have high bargaining power
- Change in world economy.

#### 2.7.2 Porter's Five Forces Model

Threat of new entrants: As ACI LTD is one of the oldest and most prominent groups of businesses in Bangladesh, it has already made a name for itself by offering the highest-quality services and goods. Additionally, they are well known internationally, which is a significant asset for them. However, as fresh talent emerges, new ideas and an increase in promotional activities present a danger to ACI. Therefore, there is a moderate threat of new competitors.

#### Competitive Rivalry:

- Number of Competitors: Major competitors of ACI Limited are Bashundhora
   Group, City Group, Beximco Square Group, Meghna Group of Industries.
- Characteristics of products: Though market is growing most of the competitors of ACI Limited are very reactive as products are undifferentiated.
- Products other than what ACI Limited offers
- Industry growth rate: The industry growth rate is moving fast
- Also, will invest here because of their trustworthy product. So, the competitive rivalry is low.

Bargaining Power of Buyers: Considering the industry already has businesses that are similar. Customers therefore have a variety of options for switching from a certain brand's product to one that is more convenient for them. Since practically every business in this sector constantly introduces new products, consumers are getting the most value for their money, increasing their negotiating strength.

<u>Bargaining power of suppliers:</u> knowing that the running industry. Suppliers are therefore nearly ubiquitous for businesses in the same industry. There are few suppliers and cheap switching costs, few suppliers can maintain consistency and material quality. Considering how fiercely

competitive the market is. So, the supplier's negotiating power is great in order to find quality suppliers for the company.

<u>Threat of Substitute Products:</u> Threats of substitute products are high for ACI as the products are undifferentiated and competitors are highly reactive. There are substitute of every product they produce such as salt, flour, oil, tea etc.

#### 2.8 Conclusion:

ACI Limited has been serving both national and international consumers with utmost sincerity and dedication. ACI Limited has created a prestigious position as one the most dynamic and profitable organization in the market since the foundation in 1968 by M. Anis Ud Dowla. Now ACI is a family of 10,233 who are working for the betterment of the people of this country. The market value of ACI Limited is Tk 1500 crore and a revenue of Tk 6300 crore. This giant conglomerate has 14 subsidiaries, 4 joint venture and associate companies, and 12 manufacturing plants. They are unique and valuable since they ensure top quality products, which sets them apart from other businesses. In addition to affordability, it is admirable that they use a motto that emphasizes the quality of each product to draw in a broad audience. If they can get past their weaknesses, they have a wonderful chance to develop.

#### 2.9 Recommendation:

- The consumer brands of ACI should ensure the brand value by engaging in a variety of attractive trade offers and marketing initiatives, it should also concentrate on supporting other products of consumer brands. Since, ACI is not a brand of Savlon and Aerosol only.
- In order to make products easily accessible and to make sure consumer retention and
  prevent them from changing their brand preferences, a consistent delivery system for the
  products should be maintained. It is necessary to properly monitor sales representatives
  and distributors. They must maintain a balance between supply and demand in the
  market.

- They should more focus on work life balance. Since they are very eager of the betterment of employees, they should also focus on this issue.
- A proper planning and implementation should be conducted to utilize their resources in most effective and efficient way.
- They should adopt and implement new marketing tactics and use the opportunities of digital marketing.

# Chapter 3

Project Part

Building Brand Equity and Distribution of ACI Pure Salt



#### 3.1 Introduction:

ACI is a firm believer in the old adage that A sound mind goes with a sound body. The young generation, who will eventually lead the country, must grow up with both. With this conviction, ACI launched its "ACI Pure" brand and entered the commodity food industry. ACI Pure Salt is one of the most familiar and valuable products of ACI Pure brand as a part of consumer brands.

On June 13, 2004, ACI Salt Limited was incorporated as a private limited company under the Companies Act, 1994. Utilizing cutting-edge vacuum evaporation process technology, the Company's goal is to provide 100% edible salt for human use. The business has been providing the nation with superior grade edible salt with 100% purity for many years. The consumer must constantly feel healthy, nourished, and of high quality when using this necessary item. In accordance with that viewpoint, ACI Pure Salt is processed using a fully automatic machine that uses vacuum evaporated technology. This product has the clearly distinguishable qualities of being 100% pure, free flowing, crystal white, and perfectly iodized, and it is packaged in appealing food-grade flexible packages to help ensure a bright future generation.

To maintain a good brand image and effective distribution system to reach the product to the consumers, ACI Pure Salt team is working effortlessly. Building brand equity and proper distribution is the core of this brand. Several planning, processing and implementation take place to make sure to build a strong brand image and broad distribution of the product.



Figure 7: ACI Pure Salt Brand Value

#### 3.1.1 Literature Review:

The most important nutrient for humans, after water, is salt. Since salt is a common ingredient in cooking, we are all familiar with it. Not merely for cooking, salt is used. There are further uses for it as well. Salt is necessary for several bodily processes in the kidneys, adrenal glands, liver, heart, and other organs. For fluid equilibrium, healthy muscle and nerve function, and everyone, salt is essential. Free-flowing table salt, rock salt, sea salt, or kosher salt are frequent forms of it at the table or in the kitchen. (Brazier, 2017)

In the Edible Salt Market, ACI Salt Limited began doing business in 2004. ACI Salt has nearly 8 times in the past ten years secured the top brand position in the salt market. Utilizing cutting-edge vacuum evaporation technology, ACI Pure Salt Company seeks to manufacture just 100% edible salt. ACI has offered premium-grade edible salt that is 100 percent pure ever since it was founded. Thus, the brand gained notoriety on a global scale. (Tahmid, 2022)

Consumer's interactions with a brand are the foundation of brand equity, which is a long-term phenomenon. Marketers use the phrase "brand equity" to express the "value" of a brand. Brand equity does not refer to the monetary worth of a brand. Instead, consumer perception and favorable or unfavorable customer experiences govern it. Brands with strong customer-based brand equity may offer the company other benefits outside those that are directly tied to the products itself, like aiding in the recruitment or retention of better personnel, attracting more investors' interest, and winning over shareholders' support. (Keller, 2013)

Proper distribution is one of the core factors to run a successful business. An effective distribution strategy increases the likelihood that the business will outsell its rivals in terms of sales of its goods. The business with bigger margins will be better able to withstand raw material price increases and survive longer in challenging market conditions than its rivals if it expands its product line more quickly and widely than its rivals at lower prices.

# 3.1.2 Objectives

## **Broad Objective:**

The broad objective of this report is to find out the utilization of the marketing activities to build brand equity and effectiveness of distribution management.

## Specific Objectives:

- Detail research on marketing activities of ACI Pure Salt
- To find out how promotional strategies and marketing activities effect on building brand equity by using CBBE Model.
- Find out the product availability in different areas.

## 3.1.3 Significance:

This study consists of authentic and exquisite information regarding ACI Limited. The report shows the accurate scenario of the brand building activities of ACI Pure Salt and the current situation, problem and opportunities of the distribution with real life experience and observation. This report will help to reflect the overall condition of ACI Pure Salt and will indicate the room for improvement and seize the opportunity to lead the market.

# 3.2 Methodology

#### **Primary Source:**

- While compiling the project section of this report, I consulted a variety of primary sources. I was able to provide sufficient information for this report because to the observation and experience I gathered over my entire internship period.
- I was also able to gather information by the conversations and Q&A session I had with my supervisor, mentors, and other fellow executive of the department. I have also obtained necessary information from all the market visits I have done within these 3 months.

• Also, I have conduced a survey on brand equity by using google form. For this survey sample size was 25.

#### **Secondary Sources:**

- ACI Limited Website
- Annual Report of ACI Limited
- Previous documents and report on ACI Limited
- Previous study on Brand Equity and Product Distribution

# 3.3 Finding and Analysis:

## 3.3.1 Detail research on marketing activities of ACI Pure Salt

<u>Product:</u> ACI Pure Salt offers good packaging, which aids in positioning in the minds of customers. The packaging for ACI Pure Salt features a logo, positioning statement, and expiration date.

Available packet size:

- 1kg packet
- 500gm packet
- 750gm jar
- 100gm jar

<u>Price</u>: Pricing strategy is very significance for any brand. Brands acceptance among consumers depends on this. Salt is product that we use in our daily life. To make it more reasonable to the consumers and to compete with the major competitor of the market ACI Pure Salt offer a minimum price. Here, consumer's willingness to pay for the product had a great impact also to set the price of ACI Pure Salt.

```
1 \text{kg} = 42 \text{ Tk}
```

500gm = 22 Tk

750 gm = 40 Tk

100gm = 15 Tk

<u>Place</u>: The distribution channel of ACI Pure Salt is active all over the country. They have their own distribution points in every big city.

ACI Pure Salt has a distribution channel all over the country. In almost every district ACI Pure Salt has their distribution points. Product is distributed to retailers, moderntrade, and other businesses from sub depots at each regional distribution point.

<u>Promotion:</u> The promotion of ACI employs certain tactics. 'Push' and 'Pull' are very well-known promotional strategy. ACI Pure Salt use both of them as their promotional strategy. Between these two they focus more on 'Push' strategy.

**Push:** To generate consumer demand for this product, ACI Pure Salt employs sales force and trade marketing efforts which is sales promotion method. The product is promoted by the producer to the wholesaler, the wholesaler to the retailer, and the retailer to the consumer for purchase.

**Pull:** Pull is a marketing tactic that relies heavily on consumer promotion and advertising to generate demand for the product. This approach is not frequently used by ACI Pure Salt. Such as: broadcasting advertising in television, newspaper, social media.

Some of the marketing activities of ACI Pure Salt:



Figure 8: Bazar Branding & Billboard Display at multiple busy places & L shape- Pop Up on Electronic Media



Figure 9: Onnonno Medhabi Campaign & Digital Campaign

ACI Pure Salt assume that this salt helps to develop the mental health of the children. Following that point of view, ACI has launched different types of campaign to align with their product value. Such as:

#### **Tuntun Toitoi:**

ACI Pure Salt brings a Cartoon Series Tuntun Toitoi. This show has separate YouTube channel. With music and games, Tuntun accompanies Toitoi with family and friends on this beautiful journey for all the beautiful children. Since, Through this show they are teaching them good manners and moral values.

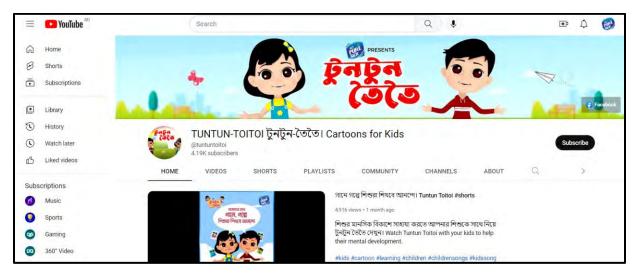


Figure 10: Web Cartoon series Tuntun Toitoi

## Launching of Brain Building App:

ACI brings Kids Brain Builder app for intellectual development of children aged 3-12 years. Which will help child's intellectual development through fun puzzles, challenges, language science fun games.

There is another app called "Medhabir Supernova". This app is for 6th-10th class students. Where the entire syllabus is arranged in a simple story-like manner.



Figure 11: Kids Brain Building App & Medhabir Supernova App

#### Recent Promotion on Iodine Test:

According to ACI Pure Salt, vacuum evaporated technology is used to manufacture ACI Pure Salt, which has the distinguishing qualities of being 100% pure, free flowing, crystal white, and perfectly iodized. It is packaged in appealing food-grade flexible containers. To make sure the transparency between the product and the consumers ACI Pure Salt has created an educational video where they taught the audience the authentic and proper way to testing iodine and find it by themselves whether ACI Pure Salt is iodized or not. This testing process is done in 5 steps. All these steps are approved by BSCIC, IPHN, unicef, USAID.



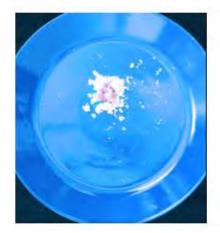




Figure 12: Awareness campaign on Iodine Test

The main purpose of the campaign was to spread awareness to prevent any kind of rumors. This awareness raising video was released on Their official facebook page. This video has reached to about 1 million people within a month.

## Achievement:

Best Brand Awards: By winning the Best Brand Award for the Salt Category for the eleventh consecutive year, ACI PURE Salt has reached a new milestone. The brand also surpassed the previous record of holding the 14th position across all categories to be named Bangladesh's 13th greatest brand overall, breaking the previous mark. The Bangladesh Brand Forum launched the Best Brand Award, which revealed the 38 categories of Bangladesh's most popular brands based on the results of a thorough nationwide NielsenIQ survey.

Global Recognition: The third volume of the "Pack Your Life" book has brought ACI Pure Salt acclaim on a global scale for its superb package design.

<u>Certification:</u> ACI Salt Ltd. has received the OHSAS 18001:2007 accreditation for the Occupational Health and Safety Management System for the Salt Industry in Bangladesh for the first time ever from Bureau Veritas (Bangladesh Pvt) Ltd. OHSAS 18001 is a series of assessments for occupational health and safety management systems.



Figure 13: Brand Equity Pyramid

# 3.3.2 To find out how promotional strategies and marketing activities effect on building brand equity by using CBBE Model:

The Customer-Based Brand Equity (CBBE) Model, commonly referred to as Keller's Brand Equity Model, is structured like a pyramid to demonstrate the underlying theory of brand equity. In order to build a powerful brand, one must produce perfect brand encounters or experiences in order to project the appropriate brand image.

## 3.3.2.1 Findings from survey:

CBBE Model is consist of 4 basic level. These level help to measure the consumer's perception towards the brand. These are:

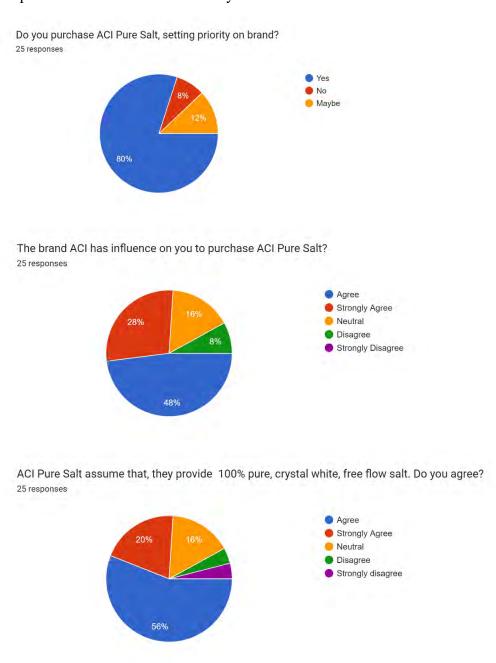
- Brand Identity
- Brand Meaning
- Brand Response
- Resonance

The aim of this project part is to find out the Brand Equity of ACI Pure Salt by conducting a survey based on 25 people who are currently using ACI Pure Salt.

# **Brand Identity:**

This element is a crucial part of a brand. The foundation of the brand is affected by this element. It distinguishes the brand from others in consumers mind and make a clear vision of the brand's unique selling point.

Survey responses to measure Brand Identity of ACI Pure Salt:

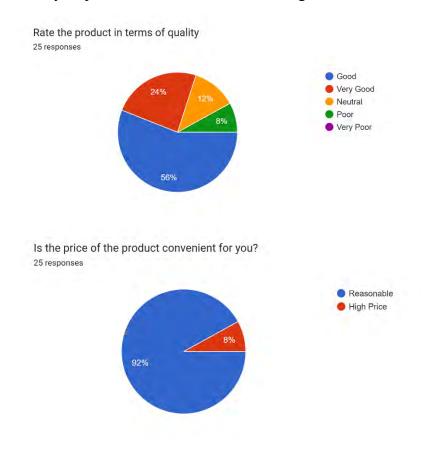


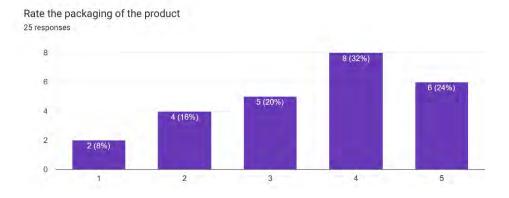
**Interpretation:** There were 3 questions asked to the respondent for identifying the strength of the identity of ACI Pure Salt. It is seen that, 80% of the participate responded that, they purchase ACI Pure Salt. While at the same time 48% of the people are considering buying the product as it is a brand of ACI Limited. Most importantly, 56% of the respondent is aware of and satisfied with the unique selling point of the product which is crystal white, free flow, iodized salt. This is indicating the distinguish position of ACI Pure Salt.

Therefore, it is obvious that the majority of people share this opinion, they think of ACI pure salt as a strong brand, and as a result of this belief, they choose to buy ACI pure salt which proves a better identity of the brand.

<u>Brand Meaning:</u> This is the second level of the CBBE pyramid. Customers are given deeper insight into the brand through this level. It provides details on the principles of the business, as well as the standards and characteristics of the goods it sells. Brand performance is a key element of brand meaning.

Survey responses to measure Brand Meaning of ACI Pure Salt:



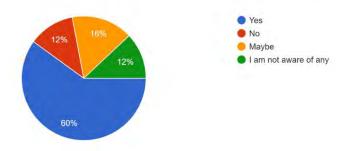


**Interpretation:** To examine the in depth meaning of ACI Pure Salt of the consumer, they needed that answer 4 question related to product quality, price, place, packaging. It was found that, majority of the people which is 56% are satisfied with the quality of the product. This is the most significant attributes of any product. Also, only 8% of the participants think that price of the product is not reasonable, while rest of the participant is satisfied with the price they are paying. In the case of packaging design people have mix reaction. Though 32% of the respondent which is the highest rate among the responses voted 4 in scale of 5.

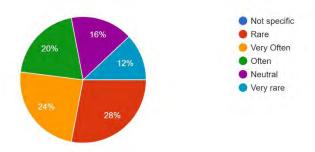
It is proven that ACI Pure Salt has successfully created a greater meaning with better attributes to its target market.

<u>Brand Response</u>: In the third level of CBBE model there is Brand Response. Here, consumers are in a response stage where they react toward a brand's presence as well as its performance and appearance. The answer is expressed in terms of judgments first, followed by feelings. Positive brand perception is a major success for a company.

Does the achievement and certification of ACI Pure Salt drive you to purchase the product? 25 responses



How much the promotional activities of ACI Pure Salt influence your buying decision? 25 responses

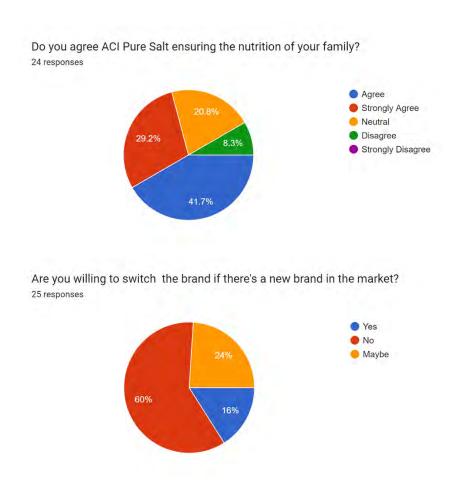


Interpretation: Consumers response is very crucial for the brand. To examine the response of the consumers of ACI Pure Salt there were 2 questions. One was related to the feeling about the achievement of the product and another one was based on the effectiveness of promotional activities. The achievement of the brands gives confidence, satisfaction and good feeling to the majority of the consumers which is 60%. Though, response about the achievement was very convincing, but promotional activity related response was not very appreciating. Only 24% population thinks their feelings for the brand is driven by promotional activities which is a poor score to meet the consumers expectations and to maintain consumer retention.

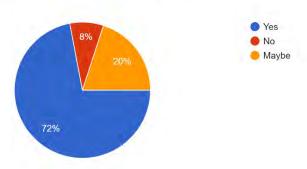
Therefore, we can say, in the level of Brand Response ACI Pure Salt needs to do better since consumers responses towards brand is good might be but not up to the mark.

## Resonance:

The highest level of CBBE pyramid is Resonance. This illustrates the bonding between the brand and consumers that grows with time, product satisfaction, fulfilled expectations. Achieving brand resonance is the ultimate thing a brand can desire since brand resonance increase the consumer engagement with the brand. Consumers who are satisfied with a brand may suggest it to their friends and relatives. Additionally, it fosters a sense of brand loyalty, which may encourage customers to buy from the desired business rather than one of its rivals.



Will you recommend the brand to your family and friends? 25 responses



Interpretation: In the last segment of identifying brand equity, we find brand resonance. To examine the resonance of ACI Pure Salt, 3 significant questions were asked. The first question was related to product satisfaction, mostly the in-depth relationship with the brand. 48% of the respondent which is the majority population agreed that ACI Pure Salt is ensuring the nutrition of their family. Accepting the benefits of the product by its target market is the utmost success a brand can achieve. To measure the brand loyalty, we asked if they would switch the brand if there is a new entrant. Surprisingly 60% of the total respondent replied with no. This percentage shows the strong brand loyalty and brand association towards ACI Pure Salt. Also, to complete the overall resonance of the product, 70% of the respondent are willing to suggest the product to their family and friends.

So, it is visible that, over the time ACI Pure Salt has achieved the ultimate Brand Resonance by building a loyal consumer base.

We can conclude this part by saying that, it is proven that ACI Pure Salt has been succeeding as strong brand by none other than its users. They have a strong brand identity with an elaborate and effective brand meaning which eventually led them to achieve the resonance.

# 3.3.3 Findings of the product availability in different areas:

Placement is the process of making a product accessible everywhere a buyer might want to buy it. Stores, retailers, and superstores are important since they are where goods are displayed and sold. All around the nation, ACI Pure Salt is distributed. There are ACI Pure Salt distribution

locations practically everywhere. Salt is distributed to retailers, superstores, and other businesses from sub depots at each regional distribution point.

Regional Distribution Points are: Dhaka, Narayanganj, Comilla, Dinajpur, Faridpur, Jessore, Rangpur, Bogra, Rajshahi, Mymensingh, Tangail, Gazipur, Chittagong, Bandarban, Maijdi, Cox's Bazar, Kushtia, Khulna, Sreemangal, Sylhet, Chandpur.

#### 3.3.3.1 Distribution flow of ACI Pure Salt:

Initial production of ACI pure salt takes place at a factory, after which half of the product is transferred directly to distribution centers, followed by retailers using rental vehicles, and the remaining product is sent to depots for storage. If there is a requirement, go from the depots to the distribution site to the retailers after the distribution hub. The business has a few privately owned vehicles. In addition, they combine company-owned automobiles with those that were borrowed for the procedure.

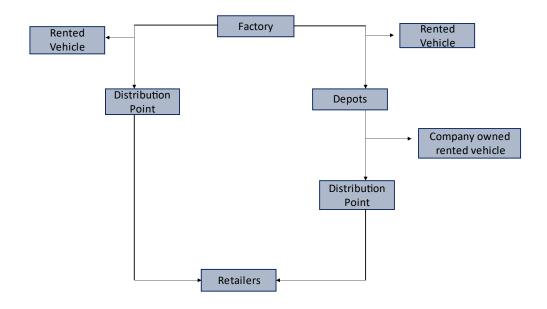


Figure 14: Distribution flow of ACI Pure Salt

# 3.3.3.2 Findings of the Market Visit:

I have visited more than 30 outlets of Modern Trade in 10 different areas of Dhaka city. These areas are: Azimpur, Malibagh, Rampura, Green Road, Farmgate, Dhanmondi, Mohammadpur, Mirpur, Gulshan, Uttora.

My concern towards the market visit was to look for the available SKU of ACI Pure Salt, and other competitors. Also, to make report of the total RMS to find out which brand is leading the specific area. Major market players and competitors of ACI Pure Salt is Molla Salt, Fresh Premium Salt, Confidence Salt, Teer Premium Iodized Salt.

#### Observations:

#### <u>Azimpur</u>

No of					
MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	12	84	0	0	0
MT 2	10	24	4	10	0
MT 3	12	41	57	0	0
Total	34	149	61	10	0

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 3rd

#### <u>Malibag</u>

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	42	58	0	0	0
MT 2	56	40	0	10	26
MT 3	44	25	0	0	34
Total	142	123	0	10	60

Market Leader: ACI Pure Salt

## Position of ACI Pure Salt: 1st

# Rampura

No of					
MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	37	38		25	0
MT 2	32	27		12	23
MT 3	31	62		0	0
Total	100	127	0	37	23

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 2nd

## Green Road

No of					
MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	22	27	30	0	0
MT 2	0	30	0	0	0
MT 3	62	53	0	74	4
Total	84	110	30	74	4

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 2nd

## **Farmgate**

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	34	43	0	0	0
MT 2	29	150	132	0	28
MT 3	36	44	6	0	42
Total	99	237	138	0	70

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: Third

# **Dhanmondi**

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	96	166	6	18	5
MT 2	60	84	0	0	27
MT 3	188	154	0	0	37
Total	344	404	6	18	69

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 2<sup>nd</sup>

# Mohammadpur

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	33	31	0	4	26
MT 2	13	1	0	14	37
MT 3	18	12	0	0	8
Total	64	44	0	18	71

Market Leader: ACI Pure Salt

Position of ACI Pure Salt: 1st

# <u>Mirpur</u>

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	60	45	0	35	54
MT 2	40	45	0	18	32
MT 3	23	26	0	0	18
Total	123	116	0	53	104

Market Leader: ACI Pure Salt

Position of ACI Pure Salt: 1st

#### Gulshan

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	113	184	0	0	97
MT 2	21	42	17	0	0
MT 3	18	17	0	0	14
Total	152	243	17	0	111

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 2nd

#### Uttora

No of MT	ACI	Fresh	Molla	Confidence	Teer
MT 1	22	24	12	10	20
MT 2	0	48	18	8	0
MT 3	38	47	0	42	0
Total	60	119	30	60	20

Market Leader: Fresh Premium Salt

Position of ACI Pure Salt: 2nd

Here, we see from the mentioned data which has been collected from several market visit that, Fresh Premium Salt is leading the market in 7 area out of 10. On the other hand, ACI has been leading the rest of the 3 area which are: Mirpur, Mohammadpur, Malibag. In some area ACI Pure Salt even placed 3<sup>rd</sup> in the line. This data shows the weak and ineffectiveness side of ACI Pure Salt distribution and Supply Chain Management. While my visit in some area, in a conversation some of the store manager also complaint about the product unavailability of ACI Pure Salt.

From this market visits data it is clear that, though ACI Pure Salt is determined to reach their product to the mass people, but their distribution channel and Supply Chain Management is not associating with the mission accordingly.

#### 3.3.3.3 Reason Behind inefficient distribution channel:

- ACI Pure Salt failed to distinguish itself from other brands. As a result, consumers and potential consumers do not specifically demand for the product and replace the product very easily while it is unavailable.
- Less incentives and promo offer can be a significant reason behind this situation since other brands are very active to provide incentives in order to create good relationship with the retailers.
- Budget compression for the distribution and promotion is another major reason not to be able to lead the market.
- Less innovation, weak implementation of Pull promotional strategy and not focusing of Push promotional strategy.

## 3.4 Conclusion

This report analyzes the strength of Brand Equity and effectiveness of the Distribution Channel and Supply Chain Management of ACI Pure Salt. Building brand equity and effective distribution channels are core factors of a brand. In this age of consumer-based branding, it is very crucial for the marketers to keep updated with the market environment. It is perceived that, ACI Pure Salt is offering their product for the betterment of its target market by initiating different activities.

Through the survey we have learned that ACI Pure Salt has already created identity in consumers mind by their USP. Product attributes, achievement and brand value of ACI has brought success for ACI Pure Salt. However, this success is being obstructed in many cases by their poor performance of distribution channel and lack focus of consumer based promotional activities.

## 3.5 Recommendation:

• Since they are currently focusing on sales promotion mostly, they should do it in a quite manner. There should be a proper planning and budget allocation. They need to create a

data base to be connected with the retailers in a regular basis. This data base will help them to keep track of every retailers, the incentives they are getting, any complain and other related information.

- More efficient SR should be appointed. As a result, these SR will visit the MT and retails shop more often will obtain the information on current situation of the market. SR can also create an efficient intervening between the company and the retailer.
- Promotional activities should be considered in a large scale. Brand can not survive in long run without expressing itself to the target customers. Frequent promotional activities should be appeared on television, radio, newspaper and social media to raise brand awareness among consumers. Also, to deliver the brief information about the product, its benefits and what is new about the product to get a distinguish position and to compete with the major player of the market.

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