

Report On
The Impact of Trust in Social Media Marketing on Brand Loyalty:
A Study of Consumer Brands of ACI Limited

By

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

Student's Full Name & Signature:

Shakib Ahamed Chowdhury
19104146

Supervisor's Full Name & Signature:

Ms. Tanzin Khan
Senior Lecturer, BRAC Business School
BRAC University

Letter of Transmittal

Ms. Tanzin Khan
Senior Lecturer,
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on 'The Impact of Trust in Social Media Marketing on Brand Loyalty: A Study of Consumer Brands of ACI Limited.'

Dear Madam,

I am writing to submit my internship report titled 'The Impact of Trust in Social Media Marketing on Brand Loyalty: A Study of Consumer Brands of ACI Limited.' This report is being submitted to fulfill a partial requirement for the completion of BUS400.

The primary objective of this study was to analyze the influence of trust in social media marketing on brand loyalty, specifically focusing on consumer brands affiliated with ACI Limited. The report explores the significance of trust in building brand loyalty within the context of social media marketing.

I believe this report will provide valuable insights into the impact of trust in social media marketing on brand loyalty, thereby assisting in developing effective marketing strategies for ACI Limited and other consumer brands.

Sincerely yours,

Shakib Ahamed Chowdhury
Student ID: 19104146
BRAC Business School
BRAC University
Date: May 18, 2023

Non-Disclosure Agreement

This agreement is made and entered into by and between ACI Limited and the undersigned student at Brac University Shakib Ahamed Chowdhury

Acknowledgment

I would like to extend my deepest gratitude and appreciation to my university supervisor, Ms. Tanzin Khan, for her invaluable guidance and unwavering support throughout my internship. Her vast expertise, insightful perspectives, and constructive feedback have played a pivotal role in shaping the content and structure of this report.

I am also immensely grateful to my organizational supervisor, Mr. Md. Imtiaz Ahmed Chowdhury, for providing me with the invaluable opportunity to intern at ACI Limited. His mentorship, patience, and willingness to share his extensive knowledge and experiences have profoundly enriched my understanding of the professional world and have been integral to my personal and professional growth.

I would like to sincerely thank the entire Consumer Brands team at ACI Limited for their warm welcome and for creating an environment conducive to learning during my internship. Their unwavering support, encouragement, and collaborative approach have made this internship experience truly rewarding.

Furthermore, I wish to convey my appreciation to my fellow interns and colleagues at ACI Limited. Their camaraderie, willingness to exchange ideas and collaborative spirit have made my time at the organization enjoyable and highly productive.

Lastly, I am deeply grateful to the management of ACI Limited and BRAC University for facilitating and approving this valuable internship opportunity. Their unwavering commitment to fostering academic and professional growth is truly commendable, and I am genuinely thankful for their invaluable support.

In conclusion, I would like to express my sincere thanks and appreciation to all individuals and entities who have contributed to my internship experience. Thank you.

Abstract

Social media platforms have become increasingly important for marketing strategies. Now, companies are able to communicate and engage with potential and actual customers in new and innovative ways with the assistance of this new technology. This study investigates the impact of brand trust and social media marketing (SMM) activities of Consumer Brands of ACI Limited on brand loyalty. The author analyzed gathered data using structural equation modeling based on an online survey of 67 individuals who follow various consumer brands of ACI Limited on social media. The findings showed that the only three dimensions included in SMM activities are customization, word-of-mouth, and trendiness. These social media marketing characteristics directly impact brand loyalty via brand trust.

Keywords: Social media marketing; brand loyalty; brand trust;

Table of Contents

Declaration.....	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	iv
Acknowledgment.....	v
Abstract.....	vi
Table of Contents	vii
List of Tables	xi
List of Figures.....	xii
List of Acronyms	xiv
Chapter 1 Overview of Internship.....	1
1.1 Student Information	1
1.2 Internship Information.....	1
1.2.1 Company Information.....	1
1.2.2 Company Supervisor’s Information.....	2
1.2.3 Job Scope	2
1.3 Internship Outcomes.....	3
1.3.1 Student’s Contribution to ACI Limited	3
1.3.2 Benefits to the Student.....	4
1.3.3 Difficulties	5
1.3.4 Recommendations.....	6

Chapter 2 Organization Part	7
2.1 Introduction.....	7
2.2 Overview of the Company.....	7
2.3 Management Practices	10
2.3.1 Leadership Style.....	10
2.3.2 Impact of Leadership Style on Goal and Objective Achievement.....	10
2.3.3 Organizational Hierarchy	11
2.3.4 Recruitment Process.....	12
2.3.5 Selection Process	14
2.3.6 Compensation System.....	14
2.3.7 Training and Development Initiatives	15
2.3.8 Performance Appraisal System.....	15
2.4 Marketing Practices.....	16
2.4.1 Marketing Strategies	16
2.4.2 Target Customers, Targeting and Positioning Strategy	19
2.4.2 Marketing Channels	20
2.4.3 New Product Development	20
2.4.4 Critical Marketing Issues and Gaps	21
2.5 Financial Performance and Accounting Practices.....	21
2.5.1 Finance Performance	21
2.5.1.1 Profitability Analysis	21

2.5.1.1.1 Gross Profit Margin	22
2.5.1.1.2 Profit After Tax Margin	22
2.5.1.1.3 Return on Equity	23
2.5.1.2 Liquidity Ratios	24
2.5.1.2.1 Current Ratio.....	24
2.5.1.2.2 Quick Ratio	25
2.5.1.3 Solvency.....	26
2.5.1.3.1 Debt-to-Equity Ratio.....	26
2.5.1.4 Efficiency Analysis.....	27
2.5.1.4.1 Inventory Turnover	27
2.5.1.5 Market-Value Analysis	28
2.5.1.5.1 Price-to-Earnings Ratio.....	29
2.5.2 Accounting Practices	30
2.5.2.1 Accounting Principles.....	30
2.5.2.2 Method of Accounting	30
2.5.2.3 Depreciation Methods.....	31
2.6 Operations Management and Information System Practices	31
2.7 Industry and Competitive Analysis.....	32
2.7.1 Industry Analysis	32
2.7.2 Competitive Analysis.....	34
2.8 Summary and Conclusions	35

2.9 Recommendations.....	35
Chapter 3 Project Part	37
3.1 Introduction.....	37
3.1.1 Literature Review.....	38
3.1.1.1 Social Media Marketing.....	38
3.1.1.2 Brand Trust	41
3.1.1.3 Brand Loyalty	43
3.1.2 Objective	44
3.1.3 Significance.....	44
3.2 Methodology	46
3.3 Findings and Analysis.....	46
3.3.1 Measurement Model Evaluation	46
3.3.2 Structural Model Evaluation	47
3.4 Summary and Conclusions	50
3.5 Implications	50
References.....	52
Appendix A.....	54

List of Tables

Table 1 Student Information	1
Table 2 Company Information	1
Table 3 Company Supervisor’s Information.....	2
Table 4 Basic Information of ACI.....	8
Table 5 List of Companies of ACI Limited	9
Table 6 Internal and External Sources	13
Table 7 Compensation & Benefit Packages.....	14
Table 8 Types of Training Program of ACI Limited	15
Table 9 Gross Profit Margin.....	22
Table 10 Profit After Tax Margin	22
Table 11 Return on Equity	23
Table 12 Current Ratio.....	24
Table 13 Quick Ratio	25
Table 14 Debt-to-Equity Ratio.....	26
Table 15 Inventory Turnover	27
Table 16 Price-to-Earnings Ratio.....	29
Table 17 Financial Ratios of ACI Limited.....	30
Table 18 Sample Characteristics	48
Table 19 Validity and Reliability Test	49
Table 20 Correlation Matrix.....	49
Table 21 SEM Results Summery	49

List of Figures

Figure 1 Organizational Hierarchy of ACI Limited	11
Figure 2 Steps of Recruitment Process	12
Figure 3 Manpower Planning and Job Analysis	13
Figure 4 Types of Sourcing.....	13
Figure 5 Savlon Disinfectant Spray (Free Pen Hand Sanitizer)	17
Figure 6 Shinex Floor Cleaner (Free 10 ltr Bucket)	17
Figure 7 Sponsored Event at an English Medium School	17
Figure 8 ACI Pure Salt endorsement with Ayman Sadiq	18
Figure 9 Display Outlet Sample.....	18
Figure 10 Savlon Hospital Branding.....	18
Figure 11 Savlon Guess the Score	19
Figure 12 Shinex আমার মসজিদ	19
Figure 13 ACI Pure Salt TVC 2015.....	20
Figure 14 Savlon Handwash Future in My Hand TVC	20
Figure 15 Distribution Channels	20
Figure 16 New Product Development Process	21
Figure 17 Gross Profit Margin.....	22
Figure 18 Profit After Tax Margin.....	23
Figure 19 Return on Equity.....	24
Figure 20 Current Ratio	25
Figure 21 Quick Ratio.....	26
Figure 22 Debt-to-Equity Ratio	27
Figure 23 Inventory Turnover.....	28
Figure 24 Price-to-Earnings Ratio	29

Figure 25 Porter's 5 Forces of ACI Limited33
Figure 26 Conceptual Framework45

List of Acronyms

RMIA	Risk Management & Internal Audit
MIS	Management Information Systems
TP	Trade Price
TO	Trade Offer
CP	Consumer Promotion
NPD	New Product Development
CB	Consumer Brands
HRD	Human Resource Development
SKU	Stock Keeping Unit
ACI	Advanced Chemical Industries
POS	Point of Sale
SMM	Social Media Marketing
CRM	Customer Relationship Management
ERP	Enterprise Resource Planning
WOM	Word-of-Mouth

Chapter 1

Overview of Internship

1.1 Student Information

Table 1 Student Information

Name	Shakib Ahamed Chowdhury
ID	19104146
Program	Bachelor of Business Administration (BBA)
Major	Marketing and Human Resource Management (Double Major)

1.2 Internship Information

1.2.1 Company Information

Table 2 Company Information

Period	January 5, 2023 - April 4, 2023
Company Name	Advanced Chemical Industries (ACI) Limited
Company Logo	
Department/Division	Consumer Brands
Address	Nina Kabbo (Level-11), 227/A Gulshan Tejgaon Link Road, Tejgaon, Dhaka-1208, Bangladesh

1.2.2 Company Supervisor's Information

Table 3 Company Supervisor's Information

Name	Md. Imtiaz Ahmed Chowdhury
Position	Marketing Manager

1.2.3 Job Scope

ACI is a prominent conglomerate that provides internships to students seeking practical experience in the marketing industry. As a marketing intern, the student felt tremendously fortunate to have the chance to collaborate directly with marketing professionals who are authorities in their fields.

As the student engaged in actual marketing activities, he was exposed to the marketeers' methods and approaches. He got the opportunity to ask questions, look for comments, and pick up insightful information for future professional endeavors.

The following duties were given to the student while he was an intern in the marketing department (Consumer Brands) at ACI Limited.

Market visit for data collection: In order to create informative insights, the job entails gathering data from several sources, including hospitals, retail stores, pharmacies, and saloons. This data is then used to identify market gaps and competitor conditions to aid the marketing manager in creating brand-wide strategies.

Facilitating communication and conducting surveys: Facilitating communication with internal and external stakeholders is one of the position's responsibilities. The intern has to conduct surveys to help the professionals to determine the feasibility of launching new products. This includes gathering feedback from the target-group-customers and personnel.

Auditing marketing activities: The job involves visiting sponsored events at schools and colleges to examine the marketing efforts of various toiletry product lines. This aids in determining areas that require improvement and evaluating the efficacy of the marketing methods implemented.

Preparing research reports: The intern prepared an in-depth research report for potential antiseptic product lines. The student conducted a qualitative analysis to learn more about the market, rivals, and potential customers.

Collaborating on product design: Working with marketing professionals, the position entails creating taglines and packaging for upcoming new product lines. This aids in appealing to the target market and developing a distinctive brand identity.

1.3 Internship Outcomes

1.3.1 Student's Contribution to ACI Limited

ACI Limited offered the student several opportunities to make valuable contributions to the company in various ways. Assigned to the Consumer Brands core marketing department, the student acquired knowledge and actively participated in marketing activities related to toiletries brands. The following section outlines the contributions made by the student during his internship at ACI Limited.

New Product Line Recommendation

The student provided a significant contribution to the company by suggesting potential new product lines for launch. In his recommendations, the student carefully considered criteria such as the market demand and profitability of various product lines, including antiseptics, baby wipes, and floor cleaners. The student conducted thorough research and analysis to determine the viability and potential success of each potential product line.

Packaging and Tagline Feedback

The student's insights and feedback may assist the marketing professionals in finalizing their decision regarding the packaging and tagline of multiple toiletries brands of ACI Limited. During his internship, the student collected various relevant packaging elements that could be used for the product and proposed multiple suitable taglines for the product of the Dish Wash brand. Additionally, the student surveyed the personnel of Consumer Brands to determine the most preferred tagline for the product of the Dish Wash brand.

Pohela Boishakh Event Execution

As an intern, the student successfully assisted ACI Limited in executing the Pohela Boishakh event. Employees of different departments participated in the "Pitha Utshob" of the event. The

student collaborated closely with other interns and department members to guarantee a successful event execution. The efforts of the student and the other interns were warmly welcomed, and they got praise for their roles in making the event a success.

Trade Price and Offer Determination Assistance

During the internship, the student significantly contributed to the company by gathering data on key market factors such as MRP, Trade Price, and Trade offer of competitors' products. By doing this, the student offered insightful information that marketing professionals could use to choose the proper MRP, TP, and TO for their products. The student was particularly drawn to brand categories such as antiseptic, floor cleaner, baby wipes, soap, detergent, and dish wash.

1.3.2 Benefits to the Student

Practical Experience in Marketing

The student acquired invaluable practical marketing expertise during his internship at ACI Limited. He was given a chance to engage in various marketing responsibilities, including developing new products, formulating advertising strategies, and conducting market research. Throughout the internship, the student actively observed and participated in activities such as brainstorming innovative product concepts, analyzing consumer preferences, collaborating with teams from different departments, creating marketing strategies, identifying target markets, observing advertising campaigns, and conducting market surveys. This extensive exposure significantly contributed to the intern's understanding of aligning marketing initiatives with broader business objectives.

Academic vs. Corporate: Bridging the Gap

After working as a marketing intern at ACI Limited, the student has a better knowledge of the distinctions between corporate and academic. Through his internship, the student acquired actual marketing experience, which aided in bridging the knowledge gap between academic theory and businesses' difficulties in the real world. The student had the opportunity to participate in and observe various marketing operations, including product development, market research, and advertising campaigns. The student can now relate a deeper understanding of the complexities and nuances of marketing in the corporate world to his academic studies since he has hands-on experience in various corporate marketing activities. Overall, the student's internship experience has helped him to connect the theoretical concepts learned in the classroom with practical applications in the corporate world.

Networking with Professionals

The internship tenure assisted the student in building a professional network and establishing relationships with industry professionals. The intern gained insights into industry trends and best practices and identified potential career opportunities through networking. The student expanded his knowledge and developed his skills in ways that may benefit his future career prospects by actively engaging with his colleagues and seeking opportunities to connect with industry professionals.

Understanding the Power of Asking

The intern gained valuable insights by asking questions. He identified areas for improvement, learned from experienced colleagues, and developed critical thinking skills. Challenging assumptions and seeking clarification added value to the team. Asking questions also helped build stronger relationships with mentors and colleagues, establishing the intern as a valuable team member. These connections may benefit the student's future career opportunities.

1.3.3 Difficulties

Work-Life Balance

The intern faced difficulties during his internship at ACI Limited, particularly in maintaining a work-life balance. Balancing the workload, meeting deadlines, and fulfilling personal obligations such as family commitments and leisure time proved to be a challenge. The constant pressure to meet project deadlines left little room for self-care and relaxation. Recognizing the importance of maintaining personal well-being and workplace productivity, the intern acknowledges the need for effective time management and aims to develop better strategies in the future. Despite the challenges, the intern appreciates the valuable learning opportunity the internship has provided, enhancing his professional skills and understanding of the company's operations. To foster a more supportive work environment, the intern suggests implementing activities that promote work-life balance among employees.

Frequent Market Visit

One of the difficulties encountered throughout the internship was the requirement for frequent market visits. These visits were essential for gathering data and insights but frequently took time and effort. As an intern, it was crucial to balance these visits with other commitments and obligations and make sure the visits were well-planned to maximize the time available. Despite

these difficulties, the frequent market visits offered priceless learning opportunities and aided in the growth of a deeper comprehension of the industry and its operations.

1.3.4 Recommendations

Early Salary Payments

A recommendation the student would present to ACI Limited as a marketing intern is adjusting the salary receiving date to earlier. Interns who depend on their wages to cover their expenditures may experience financial hardship if their pay is delayed. Their level of motivation and output may be affected, as well as how they perceive the company as a whole. In order to guarantee that interns receive their pay on time and can concentrate on their job without worrying about money, it is recommended that the salary receiving date be shifted to an earlier date, such as within the 5th of the month.

Advance Payment for Organizational Expenses

It was observed that the frequent market visits required spending money from personal wallets and later reimbursing the expenses through petty cash. Financial hardship may result in interns who may need more money on hand. It is advised that the company pay interns in advance prior to the market visits to help solve this problem. This solution would lessen any possible financial challenges and guarantee interns have enough money to complete the necessary responsibilities.

Branding Internship Program through Social Media

A recommendation for the company may be to use its social media channels for marketing its internship program by highlighting the interns. This can raise the program's exposure and awareness and attract prospects and interested candidates to pursue a career with the company. By displaying interns' accomplishments on social media, the business is committed to supporting the growth and development of emerging professionals. Additionally, this may favor the company's reputation and image in the eyes of present and potential customers and future interns. In general, this approach has the potential to be advantageous and cost-effective for the company in terms of promoting its internship program and enhancing its brand.

Chapter 2

Organization Part

2.1 Introduction

ACI Limited, in this chapter, presents a comprehensive outline delving into its organizational framework, encompassing marketing strategies, management practices, financial performance, accounting methodologies, operations management, information system practices, and an astute examination of the industry landscape and competitive analysis. This chapter's primary objective is to foster a profound comprehension of ACI Limited's operational dynamics, standing amidst competition, and meticulous evaluation of its strengths and weaknesses. The chapter is divided into several sections, each focusing on a distinct aspect of the business operations and procedures. By examining these different areas of the company, the report aims to provide a holistic view of ACI Limited and its performance and to identify areas for improvement and growth.

2.2 Overview of the Company

About ACI

Imperial Chemical Industries, a British multinational, established a branch in what was then East Pakistan. After liberation, the branch became a company called ICI Bangladesh Manufacturers Limited. In 1992, ICI divested its investment in Bangladesh to the management, and the company was renamed Advanced Chemical Industries (ACI) Limited.

ACI Limited, one of the major conglomerates in Bangladesh, operates throughout the country through its four diverse strategic business units. By offering cutting-edge and trustworthy pharmaceutical products, the first of these units, ACI Pharmaceuticals, seeks to improve the health of the Bangladeshi people.

The second unit, ACI Consumer Brands, improves consumers' everyday life by offering a wide variety of toiletries, hygiene items, salt, home care products, paints, flour, edible oil, food products, rice, tea, and international businesses. The third unit, ACI Agribusinesses, is Bangladesh's largest integrator in agriculture, fisheries, infrastructure development services, livestock, motorcycles, and farm mechanization. Finally, the fourth unit, ACI Retail Chain, is the country's largest retail chain, with 144 SHWAPNO outlets, including 34 recently

established express outlets, serving over 45,000 households daily. The company paid the value-added tax, customs duty, and corporate tax to the national exchequer totaling Taka 4,318 million for the 2019–2020 fiscal year.

Basic Information of ACI

Table 4 Basic Information of 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 Shares	72,576,787
Face Value	10
Year End	30 June

Note. Company Profile. (n.d.). ACI Limited. <https://www.aci-bd.com/about-us/company-profile.html>

Mission

The mission of ACI is to enhance the standard of living of individuals by utilizing knowledge, technology, and skills in a responsible manner. The company is dedicated to achieving excellence through its exceptional products, inventive methods, and motivated employees. ACI strives to provide its customers with the utmost satisfaction by maintaining the highest standards.

Vision

ACI has outlined its mission as follows:

ACI strives to offer consistently high-quality goods and services at reasonable prices in order to achieve its mission. The organization strives to achieve a leadership position in each of its business categories while encouraging employee development by rewarding innovation and promoting personal growth.

ACI is committed to enhancing productivity across all operations through the adoption of appropriate technology and the optimal use of resources. Additionally, the company seeks to promote inclusive growth by providing support to its suppliers and distributors in improving their efficiency.

ACI aims to achieve a superior ROI by efficiently utilizing its resources and core competencies. Overall, ACI's mission is to contribute to the betterment of society while fulfilling its responsibilities to shareholders and stakeholders.

Values

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

Companies of ACI Limited

Table 5 *List of Companies of ACI Limited*

Subsidiary Companies	ACI Formulations Ltd.
	Creative Communication Ltd.
	ACI Pure Flour Limited
	ACI Logistics Limited
	ACI Chemicals Ltd.
	ACI Motors Limited
	ACI Edible Oils Ltd.
	Premiaflex Plastics Ltd.
	ACI Agrolinks Ltd.
	ACI Biotech Limited

	ACI HealthCare Ltd.
	ACI Foods Limited
	Infolytx Bangladesh Limited
	ACI Salt Limited
	ACI Marine & Riverine Technologies Ltd.
Joint Venture Companies	Tetley ACI (Bangladesh) Ltd.
	Asian Consumer Care Pvt. Ltd.
	Colgate-Palmolive ACI Bangladesh Pvt. Limited.
	ACI CO-RO Bangladesh Ltd.
	ACI Godrej Agrovvet Pvt. Ltd.
Associate Company	Stochastic Logic Ltd.

Note. Company Profile. (n.d.). ACI Limited. <https://www.aci-bd.com/about-us/company-profile.html>

2.3 Management Practices

2.3.1 Leadership Style

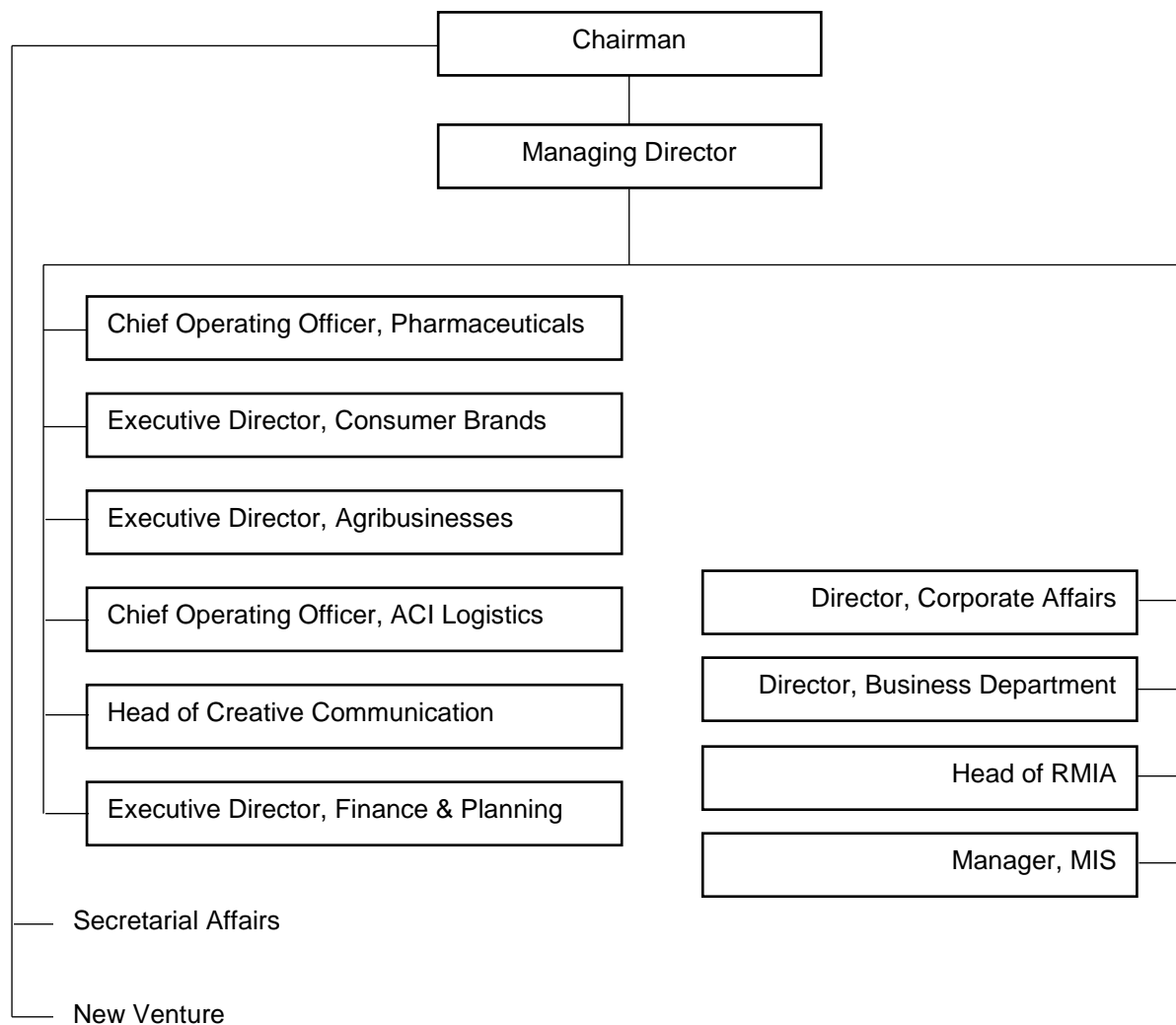
During the internship, the intern observed that ACI Limited's management style can be classified as democratic. The marketing manager frequently held meetings with team members, including brand and product executives, to discuss marketing strategies and plans. The manager actively sought input and feedback from team members and encouraged open communication. Furthermore, the marketing manager personally provided feedback to individual team members on their respective brand's marketing activities, indicating a hands-on approach to leadership. These findings imply that ACI Limited values employee involvement and collaboration in decision-making, characteristics of a democratic management approach.

2.3.2 Impact of Leadership Style on Goal and Objective Achievement

The accomplishment of ACI Limited's goals and objectives has been significantly impacted by its democratic leadership style. Employee empowerment, innovation, and continual development are all emphasized in the company's mission, vision, and values as crucial elements of a democratic leadership style. ACI Limited has created a culture of innovation and ongoing learning by promoting open communication and teamwork among its workers. This

has made it easier for the business to constantly deliver top-notch goods and services that satisfy the demands and expectations of its customers. Furthermore, the democratic leadership style has enabled ACI Limited to promote an environment of fairness and transparency, which has helped to build trust and loyalty among its employees, customers, and other stakeholders. Overall, the democratic leadership style has been essential to the success and growth of ACI Limited which assists the business in achieving its goal of improving people's quality of life by utilizing legitimate use of skills, technology, and knowledge.

2.3.3 Organizational Hierarchy



Note. Recruitment and Selection Process of ACI Limited, n.d.

Figure 1 Organizational Hierarchy of ACI Limited

2.3.4 Recruitment Process

ACI views recruiting as a constant, long-term commitment to developing a skilled workforce that can achieve the organization's objectives today and, in the future, rather than just filling open positions. A certain role's level and work duties determine the overall recruitment process.

Internal and external recruiting are the two types of hiring processes used by ACI. The process of locating and luring candidates from among those already employed by the company is known as Internal recruiting. External recruiting is finding and luring job applicants from outside the firm. ACI aims to fill open positions internally when they are created or available. Without a qualified internal applicant, the company turns to external hiring.

ACI Limited takes the following actions to find applicants for various positions:

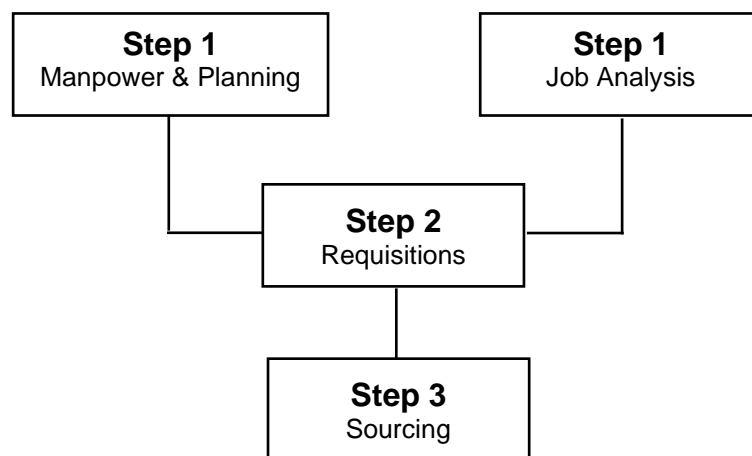
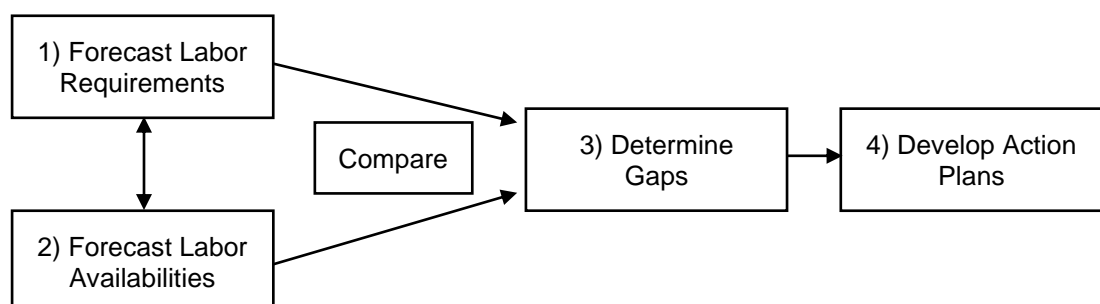


Figure 2 Steps of Recruitment Process

Step 1: Manpower Planning and Job Analysis

In ACI, the initial stage of the hiring process begins with a job analysis and manpower planning. ACI must have a plan in advance. ACI must regularly fill positions for various business divisions as the company expands.

The organization carries out the following tasks through manpower planning:



Note. Recruitment and Selection Process of ACI Limited, n.d.

Figure 3 Manpower Planning and Job Analysis

Step 2: Requisitions

All requests for requisitions are sent to ACI Limited's headquarters. The company's head office determines the potential positions for the various divisions each year as the budget planning process part.

Step 3: Sourcing

The HRD will determine the appropriate channels to inform candidates about the vacancies and find the best candidates once they have completed thorough workforce planning and job research. ACI's primary hiring sources are newspaper advertisements, university placement offices, employee recommendations, employment agencies, nominations, skill inventories, etc. But ACI Limited employs two (2) different sources.

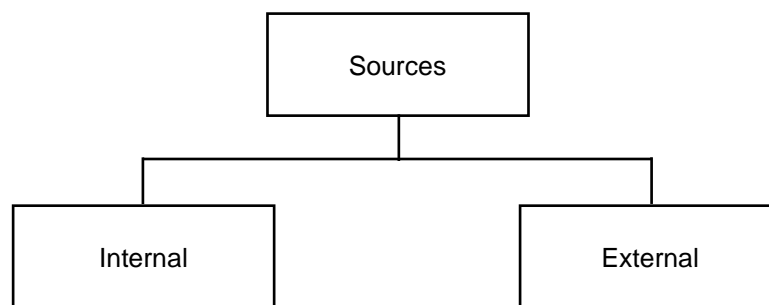


Figure 4 Types of Sourcing

Table 6 Internal and External Sources

Internal Sources	External Sources
Online CV bank	Advertisements
Job Posting	Unsolicited Applications
Succession Plan	Résumés received online
Nominations	Employee Reference and Networks
	Employment Agencies
	Internships
	University and Placement Offices
	Job Fairs

2.3.5 Selection Process

In ACI, selection refers to the examination and evaluation of job candidates that begins with the gathering resumes from candidates and concludes with the final selection. In the selection process, the organization also employs various assessment techniques.

The following stages make up ACI Limited's selection procedure:

Step 1: Application

Step 2: Short Listing

Step 3: Written Test

Step 4: Interview

Step 5: Assessment

Step 6: Salary Negotiation

Step 7: Offering a Position

2.3.6 Compensation System

Table 7 Compensation & Benefit Packages

Allowances		Incentives/Benefits	
Office Management Staff	Field Staff	Office Management Staff	Field Staff
<ul style="list-style-type: none"> • House Rent allowance • Medical allowance • Transport allowance • Lunch allowance • Utility allowance 	<ul style="list-style-type: none"> • House Rent allowance • Medical allowance • Transport allowance • Utility allowance • Quarterly/Yearly: <ul style="list-style-type: none"> ○ Yearly Leave Fare Assistance ○ Yearly workers participation Fund 	<ul style="list-style-type: none"> • Provident fund • Group Insurance Policy • Gratuity • Medical Benefits 	<ul style="list-style-type: none"> • Quarterly/ Yearly: <ul style="list-style-type: none"> ○ Yearly Leave Fare Assistance. ○ Yearly workers participation Fund ○ Quarterly sales incentive. (Not fixed)

	<ul style="list-style-type: none"> ○ Yearly performance Bonus ○ Yearly two festival bonuses 		<ul style="list-style-type: none"> ○ Yearly two festival bonuses ● Group Insurance Policy ● Gratuity ● Medical Benefits ● Provident Fund
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Note. Employee Compensation and Benefits Package of ACI Limited, n.d.

2.3.7 Training and Development Initiatives

Table 8 *Types of Training Program of ACI Limited*

Induction	On The Job
External Training	Foreign Training
Orientation Training	E-Learning
Off The Job	In House Training

ACI Limited places great importance on training and development initiatives for its employees. During the internship, the intern observed that ACI Limited provides a variety of training and development initiatives aimed at advancing workers' expertise and knowledge and supporting their career growth within the company. These programs include both internal and external training programs, mentoring and coaching, job rotation, and leadership development programs. Access to a number of online learning materials, including webinars and e-learning courses, is also made available by ACI Limited. The dedication of the company to the development of its employees is evident in its mission, vision, and values, which place significant emphasis on empowering employees and fostering a learning environment for their personal growth. ACI Limited demonstrates its commitment to developing its employees to take advantage of opportunities and challenges in the future through its training and development initiatives. Furthermore, these initiatives are crucial to the company's long-term growth and prosperity.

2.3.8 Performance Appraisal System

The intern had the opportunity to observe and gain insights into the performance appraisal system implemented by ACI Limited throughout the internship. ACI Limited has developed a comprehensive performance appraisal system aimed at evaluating and improving employee

performance, while also providing valuable feedback and guidance for career advancement. This system combines both quantitative and qualitative measures, encompassing various aspects such as work performance, skills, knowledge, as well as interpersonal and collaborative abilities. Utilizing a 360-degree feedback approach, input is gathered from the individual being appraised, as well as their colleagues, supervisor, and subordinates. To ensure accurate data collection, well-structured surveys, and interviews are conducted to identify strengths and areas for improvement. ACI Limited's performance appraisal system is aligned with the company's mission, vision, and values, demonstrating its dedication to continuous learning and development. The intern observed that this method ensures fair and unbiased evaluations of employee performance, standing out for its structured approach and transparent nature. ACI Limited's success and growth can largely be attributed to the effective utilization of this performance assessment method, which serves as a valuable tool for personnel development and performance enhancement.

2.4 Marketing Practices

2.4.1 Marketing Strategies

ACI Limited has always shown a pioneering mindset when it comes to using advanced marketing techniques to create a unique brand image and successfully cater to the needs of the public. The company's success and continuous growth can be attributed to its wide-reaching distribution network and unwavering dedication to fulfilling customer requirements. The forthcoming sections will provide detailed insights into the marketing strategies implemented by ACI Limited to accomplish its business goals.

Marketing strategies of ACI Limited are mentioned below:

Social Media Marketing: ACI Limited acknowledges the immense importance of social media marketing in building a robust brand image and promoting customer engagement. Consequently, each brand affiliated with the company maintains individual social media pages or accounts on platforms such as Facebook, Instagram, and YouTube. These online channels have facilitated the creation of compelling content, effective product advertisements, and direct engagement with customers. Moreover, ACI Limited's presence on social media platforms has provided opportunities to remain abreast of the latest marketing trends and technologies, ensuring competitiveness in the ever-evolving digital landscape.

Consumer Promotion Marketing: Bundling products together to offer attractive discounts or free products to customers is one of the most popular tactics employed by ACI Limited. For instance, customers may receive a free 50 ml bottle of Savlon Hand Sanitizer with the purchase of a 300 ml bottle of Savlon Disinfectant Spray. Additionally, ACI Limited also focuses on retailers by offering them free products for purchasing a certain SKU of the product. This strategy is not categorized under trade offers and is intended to encourage retailers to promote ACI Limited's products to their customers. Through these consumer promotion marketing tactics, ACI Limited has been able to enhance brand loyalty and increase customer satisfaction.



Figure 5 Savlon Disinfectant Spray (Free Pen Hand Sanitizer) Figure 6 Shinex Floor Cleaner (Free 10 ltr Bucket)

Event Sponsorship: The company has sponsored numerous events in various locations across Bangladesh, ranging from cultural and educational events to sports and entertainment events. For instance, several English medium schools in locations such as Gulshan, Boshundhara, Baily Road, and Mohammadpur were targeted for event sponsorship. By associating itself with such events, ACI Limited aims to create a positive brand image and establish itself as a company that supports and contributes to the community.



Figure 7 Sponsored Event at an English Medium School

Content Marketing: The company has collaborated with influencers and content creators to produce informative and entertaining content that highlights the features and benefits of its products. For instance, ACI Pure Salt endorsed Mr. Ayman Sadiq, founder of 10 Minute School, to create a video about the proper way to identify whether any salt contains iodine or not. Additionally, several ACI brands have collaborated with agencies to produce YouTube content and endorse influencers. ACI Limited has been able to build brand awareness, educate its customers, and create a loyal customer base through its content marketing efforts.



Figure 8 ACI Pure Salt endorsement with Ayman Sadiq

Retail Marketing: ACI Limited has actively participated in retail marketing, utilizing its potent brand reputation and extensive distribution network to connect with customers.



Figure 9 Display Outlet Sample



Figure 10 Savlon Hospital Branding

The company has used several techniques to market its goods in the retail sector, including creating display locations for some of its well-known brands, like Septex and ACI Salt. In order to raise brand recognition among customers, ACI's leading brand Savlon has branded several

hospitals with its logo and products. Through such actions, ACI Limited has improved its standing in the retail industry and gained an advantage over its competitors.

Marketing Campaign: The company has introduced some marketing initiatives that connect with the public and have a significant social impact. For instance, the Shinex campaign, আমার মসজিদ "My Mosque," which involved cleaning mosques across Dhaka using Shinex floor cleaner and donating a sizable quantity of Shinex products, helped people form favorable opinions of the company. Additionally, ACI Limited ran a promotion during the World Cup called "Savlon Guess the Score," where the top 5 competitors received prizes from the company. Such initiatives have been crucial in establishing the brand as trustworthy and socially conscious, improving sales and customer retention.



Figure 11 Savlon Guess the Score



Figure 12 Shinex আমার মসজিদ

2.4.2 Target Customers, Targeting and Positioning Strategy

ACI Limited provides a broad range of products tailored to various consumer groups. The organization uses a target marketing strategy to identify particular customer segments for each product category and create focused marketing campaigns. ACI Limited caters to a diverse range of customers, encompassing individuals from various age groups, different family income brackets, and a wide array of geographic locations. They also include individuals, households, businesses, and government organizations. The company's targeting approach focuses on providing customers value through outstanding customer service, competitive prices, and high-quality products. The positioning strategy of ACI Limited places a strong emphasis on its dedication to innovation, quality, and sustainability. The company promotes itself as a socially conscious brand that provides customers with cutting-edge and environmentally friendly items. ACI Limited has established a solid brand identity and

experienced consistent market development by utilizing its distinctive value proposition and customer-focused approach.

2.4.2 Marketing Channels

ACI Limited uses a variety of marketing channels to advertise its products, including conventional ones like print media, radio, and television, as well as cutting-edge digital ones like social media, email marketing, and search engine optimization. The retail chain stores developed by ACI Limited also act as a direct marketing channel for the company's goods. The company also takes part in a number of trade shows and other occasions, which offer chances for direct customer interaction and marketing. ACI Limited has effectively reached a larger audience and developed enduring relationships with customers by utilizing a range of marketing platforms.



Figure 13 ACI Pure Salt TVC 2015



Figure 14 Savlon Handwash Future in My Hand TVC

The product distribution channels that will be mentioned below are an essential part of ACI Limited's marketing strategy, and they include traditional distribution channels that help the company reach a wider customer base.



Figure 15 Distribution Channels

2.4.3 New Product Development

ACI Limited has always been a leader in creating new products that are advanced and up-to-date, meeting the changing needs of its customers. The company conducts thorough research before designing and testing new items to guarantee that the products are of the highest standard and satisfy customers' needs. ACI Limited also uses a variety of competitive tactics, including product diversification, price strategies, and strategic alliances with suppliers and distributors, to stay competitive in the market. ACI Limited's dedication to innovation and competitive tactics has allowed the business to maintain its position as a market leader and satisfy the

constantly shifting demands of its customers, even though particular examples of new product development are confidential.

The seven steps that ACI Limited uses for NPD are as follows:



Figure 16 New Product Development Process

2.4.4 Critical Marketing Issues and Gaps

Even though ACI Limited has successfully put forward innovative marketing strategies and built a solid brand identity for its consumer brands, some crucial marketing concerns and gaps demand attention. The need for more attention given to ACI Limited's marketing initiatives is one of the primary problems. The marketing efforts for ACI Limited as a whole could be better while marketing specialists are busy promoting numerous consumer brands. Additionally, the business lacks a legitimate, quality content Facebook page that could be used to interact with customers and advertise the company's goods and services. ACI Limited could strengthen the company's brand image and increase customer engagement and loyalty by addressing these gaps and focusing on marketing activities.

2.5 Financial Performance and Accounting Practices

2.5.1 Finance Performance

2.5.1.1 Profitability Analysis

Profitability analysis is vital for evaluating a business's financial performance and overall profitability. By examining ratios like return on assets, net profit margin, return on equity, and gross profit margin, one can assess revenue generation, cost structure, and asset and liability management. Identifying areas for profit growth, expense reduction, and sales improvement is possible through a comprehensive profitability review. This analysis plays a crucial role in assessing a company's financial health and growth potential for managers, analysts, and investors.

2.5.1.1.1 Gross Profit Margin

Table 9 *Gross Profit Margin*

Year	2018-19	2019-20	2020-21	2021-22
Gross Profit Margin (%)	45.36%	46.14%	44.20%	41.38%

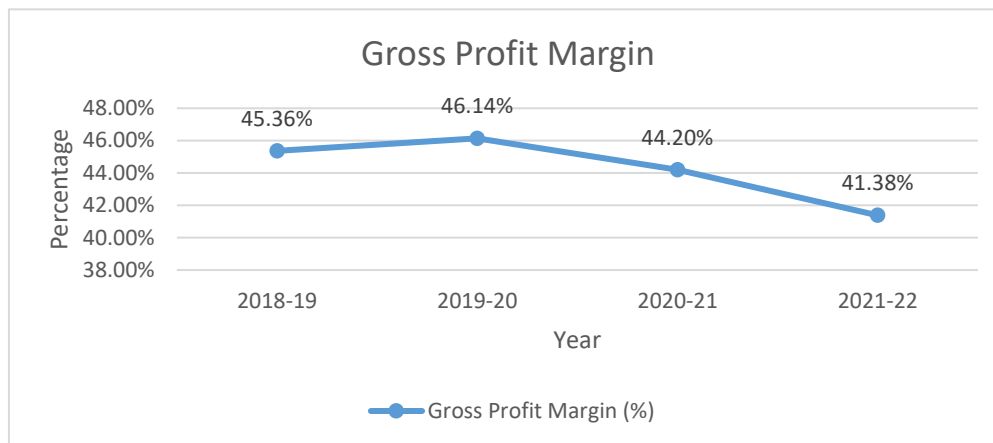


Figure 17 *Gross Profit Margin*

Based on the financial statements of ACI Limited, there have been fluctuations in the company's gross profit margin over the past four years. These ups and downs indicate that ACI Limited might be facing variations in the expenses related to its products or how it sets the prices. If the gross profit margin goes down, it could mean that the company is dealing with higher costs, like increased production expenses, or facing stronger competition in the market.

ACI Limited should be worried about the decrease in its gross profit margin over the past two years because it can harm the company's profitability and financial health. To address this issue, the company should investigate the reasons behind the decline and come up with strategies to improve its profitability going forward.

2.5.1.1.2 Profit After Tax Margin

Table 10 *Profit After Tax Margin*

Year	2018-19	2019-20	2020-21	2021-22
Profit After Tax Margin (%)	2.44%	7.41%	8.89%	7.87%

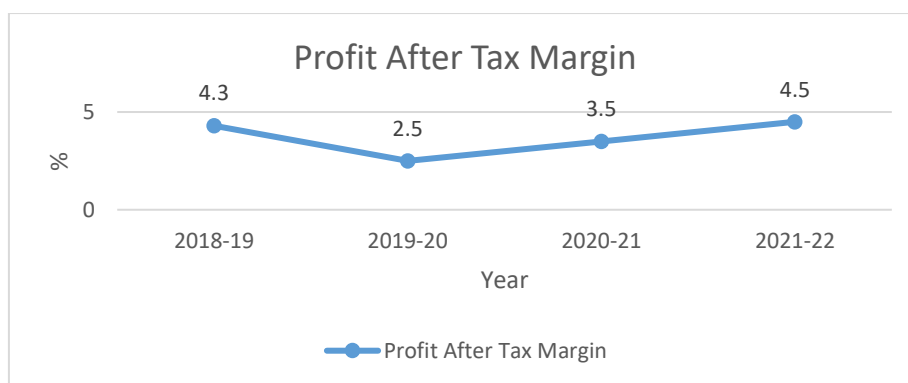


Figure 18 Profit After Tax Margin

The provided table illustrates ACI Limited's net profit after tax as a percentage of total revenue for the years 2018-19 through 2021-22. Over this four-year span, ACI Limited has consistently showcased enhanced profitability. This favorable trend signifies the company's adept handling of expenses and triumphant revenue generation.

Nevertheless, it is crucial to acknowledge that profitability can be impacted by a range of factors, such as shifts in market dynamics, the competitive environment, and internal variables unique to the company. Hence, it is advisable to conduct additional analysis to acquire a more profound comprehension of the fundamental factors that have influenced ACI Limited's profitability. This analysis will offer a comprehensive assessment of ACI Limited's financial performance and aid in identifying strategies to maintain and improve profitability in the future.

2.5.1.1.3 Return on Equity

Table 11 Return on Equity

Year	2018-19	2019-20	2020-21	2021-22
Return on Equity (%)	3.71	11.15	12.11	10.83

The fiscal years 2018-19, 2019-20, 2020-21, and 2021-22 depict the Return on Equity (ROE) figures for ACI Limited as illustrated in Figure 19. ROE serves as a profitability metric, highlighting the proportion of net income generated relative to the shareholders' equity.

The company's profitability has shown consistent improvement in recent years, as indicated by the ROE figure 19. However, it is important to note a slight decline in the most recent fiscal year. It should be acknowledged that ROE figures can vary depending on the specific industry

within which a company operates. Thus, a comprehensive assessment of ACI Limited's performance would require a comparison with other companies in the same industry.

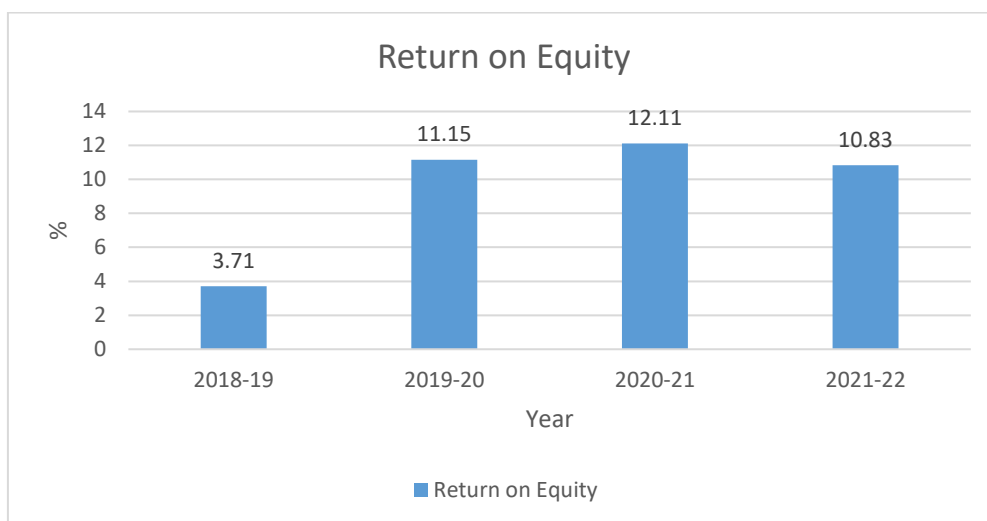


Figure 19 Return on Equity

2.5.1.2 Liquidity Ratios

The capacity of a company to fulfill its short-term obligations is determined by its liquidity ratios, which are financial metrics. These ratios indicate whether the company can meet its current liabilities with its current assets. Quick ratio and current ratio are the two liquidity ratios that are most frequently utilized. Quick ratio evaluates a company's capacity to settle its immediate debts using its most liquid assets. In contrast, current ratio gauges its capacity using its current assets. Because it sheds light on the financial health of an organization and short-term debt repayment capacity, the analysis of liquidity ratios is crucial for creditors and investors.

2.5.1.2.1 Current Ratio

Table 12 Current Ratio

Year	2018-19	2019-20	2020-21	2021-22
Current Ratio (Times)	1.13	1.12	1.17	1.19

The information depicts ACI Limited's current ratio numbers from 2018–19 to 2021–22. The current ratio is a liquidity ratio that assesses how well a company can use its current assets to

pay its short-term liabilities. A company can pay its short-term obligations better when its current ratio is higher.

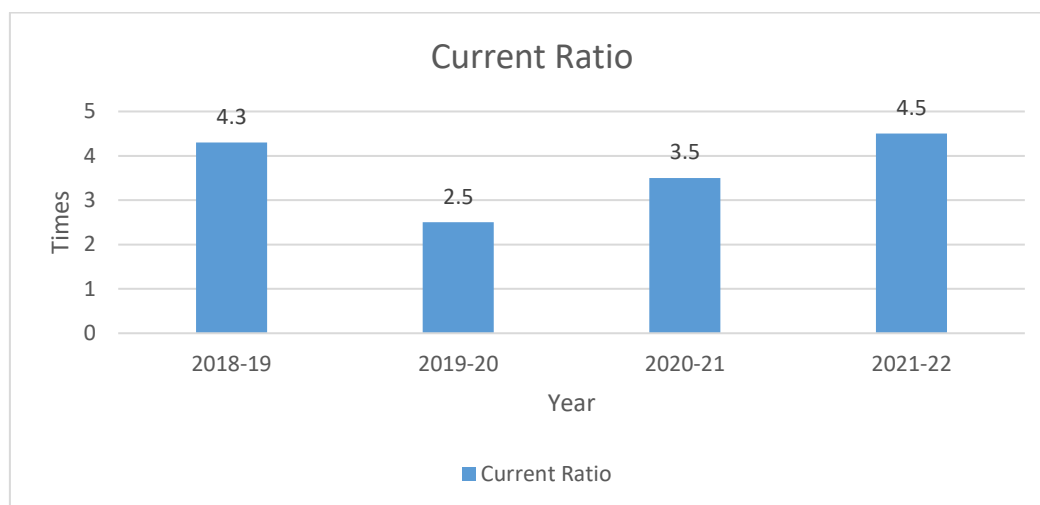


Figure 20 Current Ratio

The company's efficient management of its current assets, including cash, inventory, and accounts receivable, can be attributed to the rise in the current ratio. ACI Limited strengthened its liquidity position and lowered the danger of defaulting on its short-term commitments by retaining a higher level of current assets.

2.5.1.2.2 Quick Ratio

Table 13 Quick Ratio

Year	2018-19	2019-20	2020-21	2021-22
Quick Ratio (Times)	0.9	0.93	0.93	0.96

According to the data, ACI Limited's quick ratio has been consistent over the last four years, ranging from 0.9 in 2018–19 to 0.96 in 2021–22. A company's ability to meet short-term obligations using its most liquid assets is measured by the quick ratio.

A company may need to help fulfilling its short-term obligations using only its current assets if its quick ratio is less than 1.0. Although with a relatively small margin of safety, ACI Limited's quick ratio has remained above 0.9 over the previous four years, demonstrating that the company is can use its current assets to meet its short-term obligations.

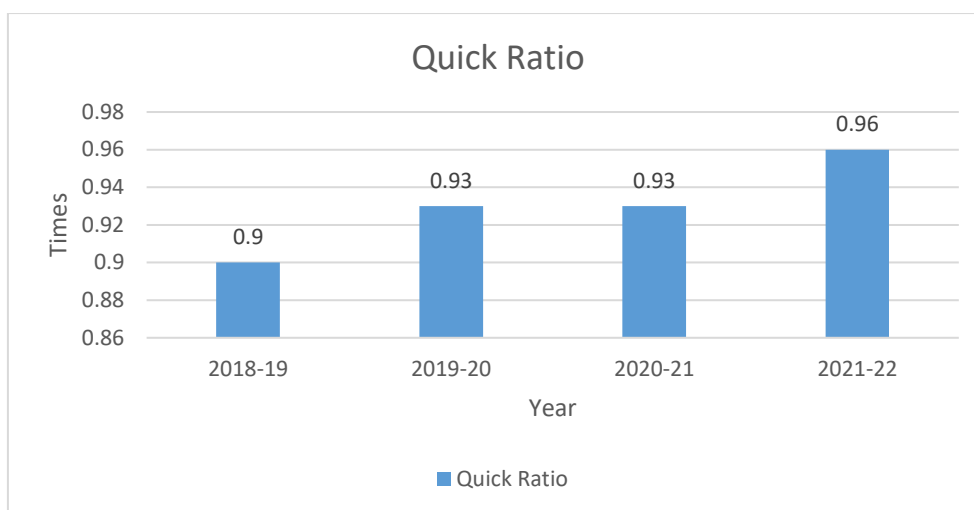


Figure 21 Quick Ratio

ACI Limited has been able to sustain a consistent level of liquidity over the previous four years, according to the quick ratio's overall trend. The quick ratio should be used in conjunction with other financial ratios and indicators to have a more comprehensive view of a company's financial health, as it just offers a glimpse of a company's liquidity status.

2.5.1.3 Solvency

Several important factors, including solvency, determine a company's capacity to fulfill its financial responsibilities. Assessing the company's long-term debt-paying capacity provides insight into the company's financial situation. Solvency ratios, which calculate the ratio of assets to liabilities, are used to assess a company's solvency. The ability to repay the debts of a company is indicated by its solvency ratio, which ranges from higher to lower. A lower ratio shows a company's susceptibility to default financial obligations. To lessen financial risks, creditors and investors must take into account a company's solvency before lending to or investing in it. In order to assess a company's long-term financial viability, its solvency must be considered.

2.5.1.3.1 Debt-to-Equity Ratio

Table 14 Debt-to-Equity Ratio

Year	2018-19	2019-20	2020-21	2021-22
Debt-to-Equity Ratio	1.85	1.87	1.63	1.70

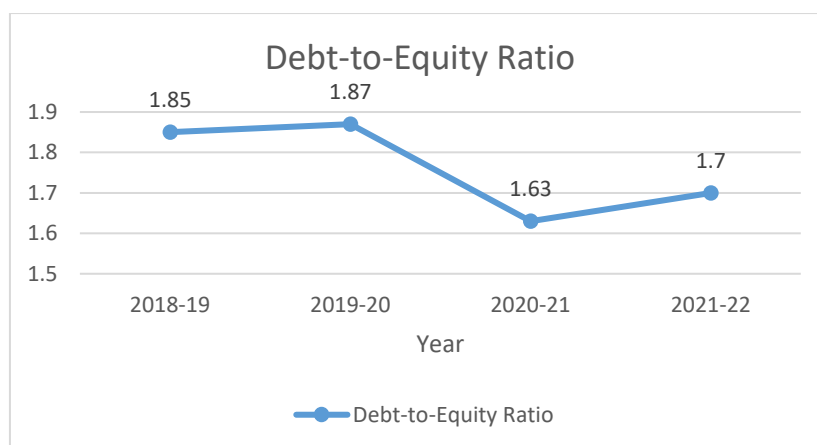


Figure 22 Debt-to-Equity Ratio

The D/E ratio of ACI Limited exhibited a relatively stable trend throughout a span of four years, with a slight increment observed in the most recent fiscal year (2021-22). A higher D/E ratio may imply that the company is significantly dependent as a means of financing its operations, thereby increasing its financial risk. Conversely, a lower debt-to-equity ratio specifies that the company possesses a comparatively lower level of debt in relation to its equity, suggesting reduced financial risk.

2.5.1.4 Efficiency Analysis

Efficiency analysis helps analysts to evaluate how well a company's operations and management produce profits. Finding inefficient regions and places for development requires evaluating essential performance measures, including revenue per employee, inventory turnover, and asset usage. Financial analysts can learn more about a company's overall health and spot possible red flags by looking at its efficiency ratios. Making informed judgments about potential investments, operational adjustments, and strategic planning may be done using this information. As a result, efficiency analysis is a crucial part of any thorough financial study, offering insightful information that can be used to guide a variety of financial decisions.

2.5.1.4.1 Inventory Turnover

Table 15 Inventory Turnover

Year	2018-19	2019-20	2020-21	2021-22
Inventory Turnover (Times)	2.25	2.39	2.44	2.39

The inventory turnover ratio for ACI Limited for the fiscal years 2018–19, 2019–20, 2020–21, and 2021–22 is displayed in the accompanying table. The inventory turnover ratio shows how frequently a company sells and replaces its goods over a certain time frame.

This indicates that ACI Limited has managed its inventory well since it has been able to replace and sell its inventory at a constant rate. A company selling its goods fast is indicated by a high inventory turnover ratio, which can result in higher earnings and cash flows.

It is significant to highlight that the industry and business model of a company may impact how inventory turnover percentages are interpreted. Therefore, to better understand ACI Limited's performance, it is advised to compare its inventory turnover ratio to that of its competitors in the same industry.

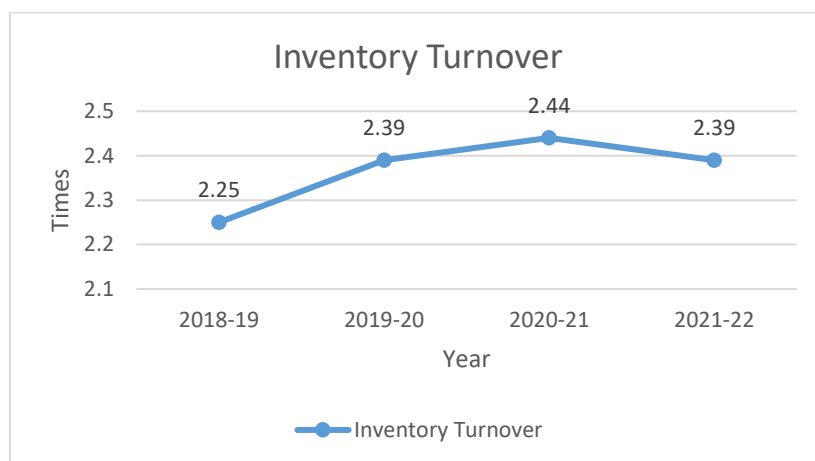


Figure 23 Inventory Turnover

2.5.1.5 Market-Value Analysis

The current market value of a company's liabilities, assets, and equity is evaluated using market-value analysis. The market environment and investor state of mind, which significantly influence a company's total value, are the foundation of this analysis. Financial analysts may assess a company's management performance, pinpoint development opportunities, and make wise investment decisions by looking at its market value. The market-value analysis is especially crucial for publicly listed companies, where the market value of their shares is a vital sign of their financial health. As a result, this kind of analysis is a crucial part of any thorough financial study since it provides relevant details on the potential and present financial situation of a company.

2.5.1.5.1 Price-to-Earnings Ratio

The given data represents the price-to-earnings (P/E) ratio of ACI Limited for the years 2018-19, 2019-20, 2020-21, and 2021-22. A company's stock valuation is determined by dividing its current stock price by its earnings per share (EPS), which yields the P/E ratio.

Table 16 Price-to-Earnings Ratio

Year	2018-19	2019-20	2020-21	2021-22
Price-to-Earnings Ratio	29.67	7.50	8.37	9.18



Figure 24 Price-to-Earnings Ratio

According to ACI Limited's P/E ratio for 2018–19, the market was prepared to pay BDT 29.67 for every earning. The implication is that the company's stock was highly priced in relation to its earnings during that year.

The P/E ratio dropped to 7.50 in 2019–20, after a sharp decline the year before. This fall may have been brought on by reduced earnings or a drop in this company's stock price.

The P/E ratio of ACI Limited rose but remained largely steady during the following years. The P/E ratio in 2020–2021 was 8.37, and in 2021–2022 it was 9.18, indicating that the market during those years was prepared to pay about 8–9 times the earnings for the company's shares.

A summary of ACI Limited's financial ratios is provided below (Table 17) for convenience.

Table 17 *Financial Ratios of ACI Limited*

Year	2018-19	2019-20	2020-21	2021-22
Gross Profit Margin (%)	45.36%	46.14%	44.20%	41.38%
Profit After Tax Margin (%)	2.44%	7.41%	8.89%	7.87%
Return On Equity (%)	3.71	11.15	12.11	10.83
Current Ratio (Times)	1.13	1.12	1.17	1.19
Quick Ratio (Times)	0.9	0.93	0.93	0.96
Debt-To-Equity Ratio	1.85	1.87	1.63	1.70
Inventory Turnover (Times)	2.25	2.39	2.44	2.39
Price-To-Earnings Ratio	29.67	7.50	8.37	9.18

2.5.2 Accounting Practices

2.5.2.1 Accounting Principles

ACI Limited must adhere to the accounting standards and guidelines set out by the regulatory bodies in Bangladesh because it is a publicly listed company in Bangladesh.

The regulatory body in charge of establishing accounting standards in Bangladesh is the Institute of Chartered Accountants of Bangladesh (ICAB). The International Accounting Standards Board (IASB)'s International Financial Reporting Standards (IFRS) have been approved by the ICAB as the basis for accounting standards in Bangladesh.

Furthermore, the financial reporting of companies listed on the stock exchange in Bangladesh is regulated and overseen by the Bangladesh Securities and Exchange Commission (BSEC). ACI Limited and other companies listed on the stock exchange in Bangladesh are required to adhere to the accounting standards set by the Institute of Chartered Accountants of Bangladesh (ICAB). These standards are developed in accordance with the International Financial Reporting Standards (IFRS) and must be followed diligently by listed companies to uphold their status as publicly traded entities.

2.5.2.2 Method of Accounting

ACI Limited follows the accrual basis of accounting, as evident from a thorough review of its financial statements. This finding is strengthened by the fact that the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted the International Financial Reporting

Standards (IFRS) as the primary framework for accounting standards in Bangladesh. It is worth noting that IFRS necessitates the implementation of accrual accounting. The use of accrual accounting allows ACI Limited to record revenue and expenses when they are earned and incurred, respectively, rather than when cash is received or paid. This method provides a more accurate representation of the company's financial position and performance over a period, as it considers all the transactions that have taken place, even if payment has not yet been made.

2.5.2.3 Depreciation Methods

ACI Limited follows the straight-line depreciation method for all of its equipment, plant and property, as stated in its annual report. Depreciation is initiated when an asset becomes available for use, and the depreciation rates range from 2.5% to 50%, based on the assets' projected useful lifetimes. Land and capital work-in-progress are not subject to depreciation. This depreciation policy has been consistently applied by the company in previous years. In the case of revalued items of equipment, plant, and property, their revalued amount is written off throughout the course of their anticipated remaining useful lives. The specific periods/years for the estimated useful lives of the initially recognized equipment, plant, and property are provided in the financial statements.

2.6 Operations Management and Information System Practices

ACI Limited utilizes information systems extensively for collecting, storing, processing, and sharing data with stakeholders and clients. The company has implemented several software systems and databases to streamline its operations, increase efficiency and improve decision-making processes.

One of the primary systems used by ACI Limited is its Enterprise Resource Planning (ERP) system. The ERP system unites different functions, including finance, sales, marketing, inventory management, and production, into a single platform. This allows the company to collect data from various sources and store it in a centralized database, facilitating access and analysis.

Customer Relationship Management (CRM) software is another tool ACI Limited uses to control customer contacts. The organization may gather and retain information about client preferences, behavior, and feedback using the CRM system, which is then utilized to enhance customer service and create new products and services.

For operations including document generation, email communication, and project management, ACI Limited uses office administration tools like the Microsoft Office suite in addition to the ERP and CRM systems.

To ensure that the goods and services of the company satisfy customer expectations and comply with legal requirements, the company has also developed several quality management methods. ACI Limited has put into practice the ISO 9001 standard for quality management, which calls for a systematic approach to detecting and resolving concerns with quality in all facets of business operations.

ACI Limited plans, executes, and monitors projects using project management tools like Microsoft Project for scheduling and resource allocation. To guarantee that projects are finished on schedule and within budget, the program aids in resource allocation and schedule management.

ACI Limited utilizes data analytics technologies like Tableau for operations management to analyze data and find patterns and trends that boost operational effectiveness. The business employs supply chain management software to streamline operations and guarantee prompt product delivery.

In order to streamline company processes, increase decision-making, and improve customer satisfaction, ACI Limited has developed several information systems and software tools. The company has maintained its competitiveness in Bangladesh's changing business climate because of its emphasis on quality control, scheduling, resource allocation, and operations management.

2.7 Industry and Competitive Analysis

2.7.1 Industry Analysis

Threat of New Entrants

Due to the high entry barriers, Bangladesh's pharmaceutical and consumer goods industries are relatively safe from new entrants. Strict government rules, significant initial capital expenditure, brand awareness, and economies of scale are a few of these obstacles. It is challenging for new competitors to compete because of ACI Limited's strong market presence and brand image.

Bargaining Power of Suppliers

For ACI Limited, suppliers have moderate bargaining power. Raw materials and other inputs are needed for the pharmaceutical and consumer products sectors and can be acquired from various sources. However, some ingredients, such as patented ones, might only be offered by specific vendors. Long-term ties with its suppliers have allowed ACI Limited to benefit from competitive prices and prompt deliveries.

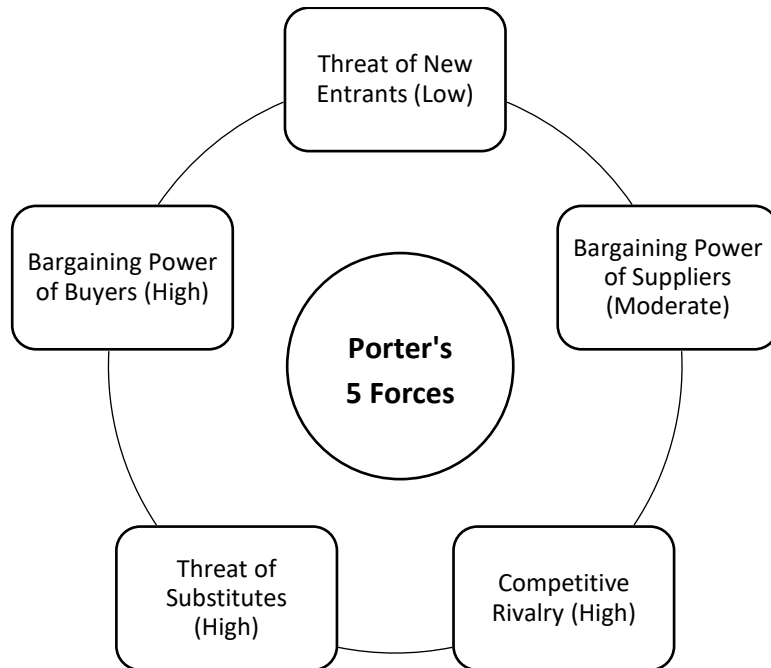


Figure 25 Porter's 5 Forces of ACI Limited

Bargaining Power of Buyers

Bangladesh's pharmaceutical and consumer products industries have the higher bargaining power of buyers. Many alternatives are available to consumers, and brand loyalty is low. To keep customers loyal, ACI Limited must consistently innovate and offer products with value.

Threat of Substitutes

For ACI Limited, the threat of substitutes is high. Customers can quickly switch to other brands or goods that provide the same advantages at a cheaper cost. Therefore, in order to maintain its market share, ACI Limited must set itself apart by providing distinctive and superior products.

Competitive Rivalry

Bangladesh's consumer goods and pharmaceutical industries are very competitive. Both domestic and foreign businesses compete with ACI Limited. The company's capacity to

distinguish its products, increase its market reach, and uphold brand loyalty are key factors in its success.

In conclusion, although Bangladesh's fast-moving consumer goods market is highly competitive, ACI Limited's market position is relatively solid because of its economies of scale, well-established distribution networks, and well-known brand.

2.7.2 Competitive Analysis

Various products are produced and distributed by ACI Limited. Finding the company's strengths, weaknesses, opportunities, and threats may be aided by doing a SWOT analysis.

Strengths

ACI Limited possesses a significant advantage through its extensive assortment of products, encompassing pharmaceuticals, consumer goods, agricultural products, and other sectors. The company maintains a strong market presence and garners a favorable reputation among its customers. Additionally, ACI Limited benefits from a well-established distribution network that facilitates widespread product accessibility to a substantial customer base. Another notable strength lies in the company's solid financial standing, empowering it to allocate resources toward research and development initiatives and pursue operational expansion.

Weaknesses

ACI Limited exhibits a notable weakness in its excessive reliance on a small number of core products, namely pesticides, and fertilizers, which contribute significantly to the company's overall revenue. Furthermore, the company confronts fierce competition within various product segments, potentially impacting its market share. Additionally, ACI Limited may encounter difficulties associated with disruptions in its supply chain and fluctuations in raw material prices.

Opportunities

ACI Limited possesses multiple avenues for growth and expansion. One such opportunity involves diversifying its product portfolio by venturing into emerging segments, such as personal care and hygiene products. Additionally, the company can extend its operations to international markets, with a particular focus on neighboring countries. Furthermore, the increasing demand for organic and sustainable products presents a favorable prospect for ACI Limited to introduce new offerings in these sectors.

Threats

The regulatory environment, especially in the pharmaceuticals sector, is one of the primary concerns that ACI Limited must contend with since it might impact how the firm conducts business. The business could have difficulties due to shifting consumer tastes and habits, particularly in the aftermath of the COVID-19 pandemic. Additionally, in many of its product categories, the company is up against fierce competition from both domestic and foreign players. Finally, the company might experience difficulties due to supply chain disruptions and changes in the price of raw materials, which could affect its profitability.

2.8 Summary and Conclusions

The chapter discusses several facets of ACI Limited, including marketing practices, management methods, financial performance, operations management, accounting procedures, information system practices, industry, and competitive analyses.

ACI Limited employs a hierarchical management structure and strongly emphasizes training and development initiatives. ACI Limited operates various marketing channels and has a well-known brand in terms of marketing strategies. The good financial condition and adherence to international accounting standards of ACI Limited are highlighted in the study. ACI Limited concentrates on effectiveness and quality in operations management, enhancing productivity via technology and automation. ACI Limited competes against domestic and foreign companies in Bangladesh's fast-moving consumer products market. However, it has held onto its market position thanks to its solid brand reputation, a wide range of products, and a well-established distribution network.

2.9 Recommendations

Recommendations and implications for ACI Limited based on internship findings are mentioned below:

Strengthen distribution coverage for consumer brands: Many of ACI Limited's consumer brands need to be more well-established, as the report suggests, and these brands need a wide distribution network to gain market share. ACI Limited should thus increase its investment in its distribution networks and ensure its products are accessible in all significant retail locations across Bangladesh. By doing this, the business will be able to promote its brand better and draw in more clients.

Foster partnerships with universities: ACI Limited should connect with universities throughout Bangladesh to draw top talent and foster innovation. The company may accomplish this by participating in job fairs and collaborating with university clubs. Such efforts will aid the business in luring the top minds in the nation, cultivating a pipeline of potential leaders, and maintaining an edge over rivals.

Leverage digital technologies: Companies nowadays must use digital technology to be competitive and relevant in the digital age. To reach its clients, ACI Limited has to make more significant investments in its digital capabilities and create cutting-edge digital marketing plans. The company could also consider investing in e-commerce platforms to make its items available online to expand its consumer base and enhance sales.

Focus on sustainability: ACI Limited needs to put more effort into sustainability and lessen its environmental impact to be a good corporate citizen. The company must invest in waste reduction, recycling, and eco-friendly production techniques. Such actions will help the company attract more environmentally concerned customers, and improve its brand reputation, in addition to assisting it in reducing its carbon footprint.

In conclusion, by implementing these suggestions, ACI Limited may strengthen its market position, draw in top talent, and develop into a more sustainable and ethical corporate citizen.

Chapter 3

Project Part

3.1 Introduction

Social media emergence has brought about significant transformations in marketing practices. This rapidly evolving marketing platform on social media, which reaches a staggering 2.77 billion internet users worldwide, has revolutionized the methods by which companies can connect, engage, and interact with their customers. In order to bolster their online presence, companies are investing in advanced technologies. Marketers anticipate a 71 percent increase in social media expenditure over the next five years, allocating a substantial portion of their marketing budget to this medium (CMO, 2018). Marketing professionals are integrating social media into their overall marketing strategies, recognizing it as a cost-effective platform that enables them to carry out comprehensive marketing initiatives with minimal effort (Kim & Ko, 2010).

SMM enhances digital marketing as well as traditional communication tools by monitoring and facilitating consumer collaborations, interactions, and engagements with the company along with its brands (Tuten & Solomon, 2017). It encompasses customers' perceptions regarding the company's marketing activities on social media platforms (Rahman & Yadav, 2018). Marketing managers are facing a challenge due to SMM, as it can significantly influence customer purchase decisions, behaviors, and intentions (Dann, 2010; Chen & Lin, 2019). Moreover, it plays a crucial role in building brands and establishing long-lasting customer relationships (Sano, 2014; Kim & Ko, 2010). Numerous benefits and opportunities for effective brand management are offered by social media platforms, but measuring the marketing managers' practice impact on social media remains a major challenge (Schultz & Peltier, 2013; Godey et al., 2016). Ko and Kim (2010) identify five key factors—entertainment, customization, trendiness, interaction, and word-of-mouth—influencing consumers' perspectives and characterizing SMM activities (Rahman & Yadav, 2018). These types of activities enhance consumers' experiences and directly impact purchase intentions, behaviors, and brand equity (Lin & Chen, 2019). Trust influences customer responses to numerous interactions in the realm of social media. Trust is crucial in terms of converting marketers' efforts into loyalty and equity and measuring the online activity impact. (Eren-Erdogmus & Tatar, 2016; Warner-Søderholm et al., 2018).

In spite of the increasing number of social media studies, the exploration of its effects on customer relationships and brand value still needs to be explored (Park & Seo, 2018). Previous social media research can be arranged into four (4) categories: electronic word-of-mouth, brand communities, product-harm crises, and network analysis (Volckner, Gensler Wiertz, and Liu-Thompkins, 2013). Rana, Algharabat, Dwivedi, and Alalwan (2017) further subdivide these categories into groups, including studies that focus on predicting advertising activities through social media, examining the social media role in customer relationship management, analyzing the social media's informative impact role on consumer behavior, exploring factors influencing social groups' consumer adoption, and investigating social media from an organizational perspective. Consequently, there is yet a dearth of research examining SMM through the branding literature lens (Godey et al., 2016).

3.1.1 Literature Review

3.1.1.1 Social Media Marketing

Social media is commonly defined as "a group of internet-based applications that leverage the ideological and technological foundations of Web 2.0, enabling the creation and exchange of user-generated content" (Haenlein & Kaplan, 2010, p. 61). The power of social media stems from its utilization of the Web 2.0 platform, which provides the necessary technical infrastructure for user engagement and facilitates the generation and distribution of content (Pitt, Shapiro, Berthon & Plangger, 2012). In the online context, the terms social media and social networks are often used interchangeably; however, there are distinctions between them. Social networking refers to the use of social media platforms as a means to connect with other individuals (Alalwan et al., 2017).

SMM and traditional marketing tactics are different concepts. SMM is a specialist area of online advertising (Godey et al., 2016). Depending on the researcher, the term "social media marketing" has a variety of definitions. There is no consensus definition of SMM as a result. SMM refers to the strategy of utilizing different social media platforms to promote a product or service from a business perspective (Hung & Khoa, 2022).

Social networks encompass various forms of virtual existence, including individual friendships, group communities, and business relationships between companies. When people go online, they seek to share their experiences, interests, establish relationships, and engage in discussions with others (Zaglia, 2013). The social network theory suggests that human

behaviors are intertwined within these online interpersonal connections (Granovetter, 1985). Consequently, the practices within social networks are likely to influence the behaviors of their members (Wierenga, van Bruggen, & Valck, 2009). The communication speed and the abundance of sources of information has attracted marketers to shift to social media platforms from traditional media in order to foster customer preferences toward brands and increase awareness (Duffett, 2015). Using social media platforms for marketing opens up new possibilities for brand communication. It empowers consumers, offering a personalized channel and platform for user-generated content along with social interaction (Chi, 2011).

SMM encompasses diverse interpretations as it evolves. Essentially, SMM involves utilizing social media platforms as effective marketing tools. It aims to create interactive communication channels, engage customers, and offer valuable content. This approach enables brands, products, or services to attract greater attention and stimulate consumer engagement. Furthermore, SMM fosters interactions facilitates the sharing of content and enables the rapid dissemination of information (Lu, Chang, & Yu, 2015). SMM primarily targets user responses towards a brand or social networking platforms, which can encompass perceptions, beliefs (Dwivedi et al., 2015; Chi, 2011), behavioral reactions like loyalty and purchase intention (Kim & Ko, 2012, 2010), word-of-mouth, as well as attitudinal responses such as satisfaction (Sano, 2014).

Therefore, SMM efforts can be characterized as effective means of marketing communication that actively engage consumers by tapping into their perceptions and comprehension of activities occurring on social media. These aspects encompass entertainment, trendiness, word-of-mouth, interaction, and customization (Kim & Ko, 2010, 2012; Lin & Chen, 2019; Rahman & Yadav, 2018).

The impact of SMM has been examined in numerous studies across different contexts. Kim and Ko (2012) explore the relationship between SMM and the three key drivers of customer equity—value equity, relationship equity, and brand equity—in the context of purchasing intentions toward luxury clothing brands. Their study identifies SMM activities such as trendiness, entertainment, interaction, word-of-mouth and customization. The study's findings showed that just three SMM initiatives—word-of-mouth, interaction, and entertainment—had a positive influence on purchase intentions to buy through the customer equity drivers of brand equity and value. Several studies have examined the influence of SMM factors on luxury brands. Sharma and Gautam (2017) provide support for the mediating role of purchase

intention and customer relationships in the context of SMM for luxury fashion brands (Gholipour, Farzianpour, Hosseini, Mohammadpour, & Arbatani, 2014). Godey et al. (2016) evaluated how SMM activities affected brand image and brand awareness, affecting customer behavior. The findings of the study provide evidence that interaction, entertainment, and trendiness significantly influence brand awareness and brand image. However, the impact of these factors varies across different ethnicities and countries. The study also confirms that SMM activities play a crucial role in fostering brand loyalty. Bilgin (2018) conducted a study focusing on the relationship between SMM, brand awareness, brand image, and brand loyalty, specifically examining the top five brands with high social media scores in Turkey. The findings of this study align with the conclusions drawn by Godey et al. (2016). Nonetheless, it puts forth the argument that SMM may not possess sufficient effectiveness in cultivating a positive brand image in the minds of consumers or fostering brand loyalty. This is because consumers who actively follow brands on social media already have a preconceived image in their minds and might even demonstrate loyalty towards it. Conversely, Ismail's (2017) study reveals that SMM activities can indeed enhance customer loyalty towards a brand and exert influence over brand perception and value consciousness. These findings shed light on the potential impact of SMM on consumer behavior and brand loyalty.

Sano (2014) examines the influence of SMM activities on consumer attitudes and behaviors in various contexts within the tourism industry. The SMM activities were evaluated based on four aspects: perceived risk, trendiness, customization, and interaction. The findings indicate that customization, among the SMM activities, holds the greatest significance in impacting customer satisfaction. Consequently, customer satisfaction strongly influences both purchase intention and word-of-mouth communication. This study sheds light on how SMM can influence consumer behaviors, as exemplified by their intentions to purchase or recommend the service. Both user-generated and firm-generated social media communication effectively enhance the brand image and overall evaluation of the brand, surpassing the effectiveness of traditional marketing tools such as advertising (Schafer, Schoenmueller, & Bruhn, 2012).

In a study conducted by Park and Seo (2018), an additional dimension of entertainment was introduced to the four dimensions identified by Sano (2014). The objective of their research was to evaluate the effects of SMM activities on brand equity and consumer responses, specifically focusing on electronic word-of-mouth and commitment to airlines. The findings of their study affirm the significance of all five activities. However, the relative importance was

found to be highest in trendiness, followed by customization. These dimensions were found to significantly impact both brand awareness and brand image.

Based on previous studies, it can be concluded that SMM activities encompass five dimensions: trendiness, customization, word-of-mouth, entertainment, and interaction (Godey et al., 2016; Kim & Ko, 2012; Gautam & Sharma, 2017; Mohammadpour et al., 2014). Entertainment relates to the pleasure and enjoyment derived from using social media platforms. Interaction represents the contribution of users to brands on social media, emphasizing the exchange of opinions. Trendiness reflects the timeliness and freshness of the information shared on social media. Customization signifies the extent to which services cater to individual customer preferences and demands (Park & Seo, 2018). Previously, word-of-mouth denoted informal communication among users, encompassing opinion sharing and recommendations (Sano, 2014). However, in more recent studies, this dimension has been replaced by perceived risk, which refers to the ability to alleviate consumer concerns and anxiety (Park & Seo, 2018). Additionally, Bilgin (2018) introduced advertisement as an important component of SMM activities, representing online advertising and promotional campaigns. Rahman and Yadav (2017) developed a scale to assess SMM activities in the e-commerce industry, replacing the entertainment dimension with the informative attribute. The relative importance of SMM activities can vary.

Several studies have reviewed SMM activity roles in cultivating a positive brand image and enhancing brand awareness, ultimately influencing consumer loyalty. However, these studies have primarily concentrated on either the tourism sector or the luxury fashion industry. Furthermore, a limited number of studies have explored the direct impact of SMM activities on consumer responses and how they can potentially alter user behavior.

3.1.1.2 Brand Trust

Trust is a construct that entails a deliberate process rooted in the object's consistent performance of its role and the interplay between rewards and costs (Cannon & Doney, 1997). When we talk about brand trust, we refer to the consumer's confidence in a brand's capability to fulfill its obligations. It encompasses the goodwill of the company, as it endeavors to prioritize the customer's best interests and enhance various trust dimensions, including dependability, safety, and consistency (Holbrook & Chaudhuri, 2001). Trust, in an uncertain context, exists as an inherent belief system that assures us that nobody is exploiting the

situation, especially when regulatory frameworks fail to guarantee expected conduct. Within virtual communities, where enforceable regulations are lacking, the significance of trust becomes even more pronounced (Ridings, Gefen, & Arinze, 2002).

Several studies have examined the concept of trust in the context of online platforms, particularly social media. These studies have explored how individuals' confidence in these platforms is influenced by their personality traits, which, in turn, shape their attitudes and actions. In a study conducted by Basmanova, Zhang, and Pentina (2013), they proposed that the alignment between the social media platform and a user's personality is connected to the level of trust in the site. The results of their study support the importance of trust in the world of social media since it connects with users' behavioral reactions such as their desire to use the social network in the future and their propensity to refer it to others.

A recent study conducted by Warner-Söderholm et al. (2018) investigated how users' trust perception is influenced by factors such as age, gender, and time spent on social media. The researchers measured trust using five dimensions: integrity, identification, competence, concern, and benevolence. The results indicated that users' integrity perceptions, which reflect their moral and ethical beliefs, varied based on the frequency of social media usage, age, and gender. Specifically, younger and female users exhibited higher expectations regarding integrity (Warner-Söderholm et al., 2018). Integrity is a facet of trust that is strongly associated with affective trust, which encompasses emotional connections and concern for the well-being of others. On the other hand, cognitive trust emphasizes weighing benefits against risks. Compared to traditional websites, the interactive nature of social media platforms fosters a greater emphasis on affective trust. (Calefato, Lanubile, & Novielli, 2015). These forms of communication, whether initiated by the company or generated by users, contribute to building brand trust and strengthening customer relationships (Arshad, Saleem, Hanan, Khadim, & Khadim, 2018). Moreover, Schmidt and Iyer (2015) propose that consumers perceive brand communities, compared to a company's conventional PR efforts, are more trustworthy in the tourism sector. It is important for firm-created content to align with the brand image. If the company overly adapts its language style to match customer preferences, it can negatively impact trust (Jakic, Wagner, & Meyer, 2017).

The online environment attributes are recognized as influential factors in shaping trust. In this regard, Park and Kim (2013) investigated the role of trust in the relationship between users' behavioral intentions and social commerce attributes. The study found evidence supporting the notion that users are more likely to trust social commerce platforms when they offer a favorable

online environment characterized by a positive reputation, effective communication, secure transactions, positive word-of-mouth referrals, ample size, and high-quality information. Similarly, Tatar and Eren-Erdogmus (2016) explored the impact of SMM within the tourism sector on brand loyalty and brand trust. The findings of their research affirmed that the social media experience plays a pivotal role in fostering trust. This experience is assessed based on factors such as a user-friendly and transparent website, interactive online features, website security, and collaborative opportunities.

In social media platforms, trust is built through consumer empowerment, which includes both structural and psychological conditions, according to Khong et al. (2013). Users perceive an enhanced ability to access content, share information, and engage in transactions on social media, thereby contributing to the development of trust. Consumers find common ground and exchange information with others who influence their decisions, thereby influencing their level of trust. Virtual communities play a significant role in this network effect, affecting both trust and trustworthiness. Consumers place a high level of trust in community members who are responsive and openly share personal experiences and information with others (Ridings et al., 2002). Social media platforms serve as a means for consumers to voluntarily share their personal experiences and information with others.

3.1.1.3 Brand Loyalty

Early perspectives on brand loyalty primarily focused on the behavioral dimension, which involved examining the purchasing patterns and the likelihood of repurchasing (Srinivasan, Anderson, & Ponnarolu, 2002). Nevertheless, relying solely on this perspective is insufficient to comprehensively measure loyalty, as solely examining purchasing behavior can be misleading. As a result, an attitudinal dimension of loyalty has been proposed, which takes into account consumers' psychological predispositions, including their attitudes, commitment, and preferences toward a brand. Attitudinal loyalty encompasses the underlying factors that drive repeat purchases (Eren-Erdogmus & Tatar, 2016). Considering these two viewpoints, brand loyalty is defined as a strong commitment to repeatedly purchase a brand in the future, regardless of situational influences (Holbrook & Chaudhuri, 2001). Based on this definition, behavioral loyalty is likely to result in a larger market share, while attitudinal loyalty contributes to a higher relative brand value (Goodwin, Celuch, & Taylor, 2004).

Several studies have explored the factors that contribute to brand loyalty in the online sphere, such as Khadim et al. (2018), Tatar & Eren-Erdogmus (2016), and Srinivasan et al. (2002).

Online loyalty drivers are different from those in traditional or offline contexts, and companies need to focus on various factors specific to the online realm to foster loyalty. These factors include interactivity, connectivity, customization, community, convenience, and cultivation (Srinivasan et al., 2002).

3.1.2 Objective

Broad Objectives

- The study's main objective is to examine the impact of trust in SMM on brand loyalty towards consumer brands of ACI Limited.

Specific Objectives:

- To assess the relationship between SMM activities and brand trust in the consumer brands of ACI Limited.
- To investigate the influence of SMM activities on brand loyalty towards consumer brands of ACI Limited.
- To examine the relationship between brand trust and brand loyalty towards consumer brands of ACI Limited.

3.1.3 Significance

This research aims to fill the existing research gap by examining the social media marketing efforts influencing consumers' favorable behaviors towards ACI Limited, explicitly focusing on brand loyalty.

The study acknowledges the significance of SMM by recognizing the increasing influence of digital platforms and the impact of these platforms on consumer behavior. Social media platforms are an essential part of people's lives, offering brands opportunities to engage with their target audience and establish relationships. Trust plays a vital role in this process, serving as the foundation for building positive connections between brands and consumers.

The understanding of how trust affects brand loyalty is crucial for businesses like ACI Limited, as it guides their marketing strategies and enables effective utilization of social media platforms. By examining this relationship in the specific context of ACI Limited's consumer brands, the study provides practical insights that inform decision-making and enhance marketing efforts.

The study's findings illuminate the effectiveness of social media marketing in fostering trust among consumers. They offer valuable information on the factors that contribute to trust-building, such as transparency, credibility, and engagement, which are essential for brands aiming to cultivate long-term relationships with their customers.

In summary, the study explores the correlation between trust in SMM and brand loyalty, focusing on consumer brands associated with ACI Limited. The findings provide valuable insights for ACI Limited and other businesses operating in similar contexts, empowering them to optimize their social media marketing strategies and strengthen customer loyalty.

Conceptual Framework and Hypotheses

The framework in Figure 26 concentrates on the connection between SMM efforts and customer responses; brand loyalty, and the mediating function of brand trust.

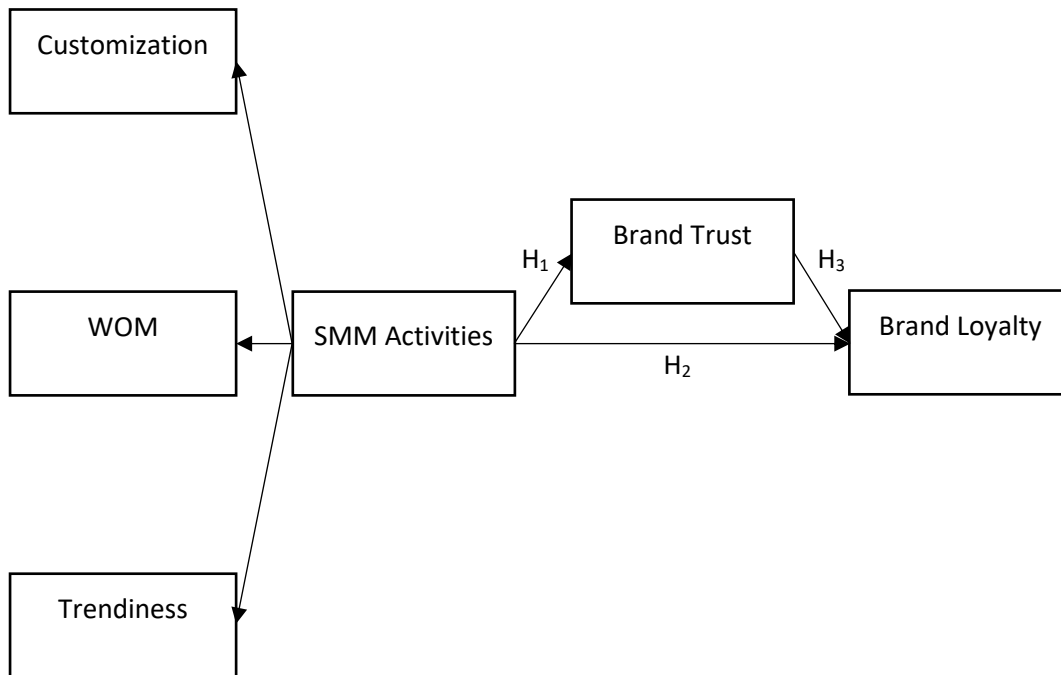


Figure 26 Conceptual Framework

Hypotheses 1 (H_1): SMM activities positively influence brand trust in the consumer brands of ACI Limited.

Hypotheses 2 (H_2): SMM activities positively influence brand loyalty towards consumer brands of ACI Limited.

Hypotheses 3 (H_3): Brand trust positively influences brand loyalty towards consumer brands of ACI Limited.

3.2 Methodology

Data collection

A self-administered online questionnaire was used to gather the study's primary data. The questions in the survey were developed using information from the existing literature. There are three primary sections to the questionnaire. The initial section of the survey focused on the confirmation, explicitly targeting social media followers of various consumer brands affiliated with ACI Limited. Four subsections comprise the second section, which measures the constructs utilized to test the hypotheses. The third section, on the other hand, gathered the personal information of the participants. The questionnaire was developed on Google Forms. The study targeted Bangladeshi social media users who follow different consumer brands of ACI Limited such as Savlon, Shinex, Freedom, Angelic, ACI Pure Salt, and ACIAerosol. The survey was conducted over a ten-day period from May 7, 2023 to May 16, 2023. The survey link was shared with selected users via messenger and email. Initially, the survey was resent to a separate group of individuals who follow the various social media sites for the consumer brands of ACI Limited due to the low response rate.

The time restrictions for presenting this report to the supervisor led to the selection of an 80-person sample size. 67 adequate responses in total were collected, including 39 males and 28 females, representing social media users from various educational levels, ages, and occupations. The majority (92.55%) of respondents are under 40 years old. An overview of the sample characteristics is given in Table 18. The participants were asked to choose one or more ACI Consumer Brands that they follow or like on social media. The majority (91%) of respondents were on Instagram and Facebook. A 5-point Likert scale was used to measure each variable, ranging from "1" (Strongly Disagree) to "5" (Strongly Agree). Brand trust was evaluated using a five-item scale adapted from Chahal and Rani (2017).

3.3 Findings and Analysis

3.3.1 Measurement Model Evaluation

Microsoft Excel and SPSS Statistics version 25.0 were used in this study to analyze the data. The reliability of the variables was evaluated utilizing Cronbach's alpha, which measures internal consistency. The findings, ranging from 0.717 to 0.927, indicate that all the variables exhibit a high level of reliability. Furthermore, the constructs demonstrated commendable

composite reliability of 0.7 and higher, backed by significant t-values, and all the standardized loadings exceeded 0.5. The summarized results shown in Table 19 demonstrate that the measurement model's convergent validity was verified for each construct. Additionally, the results depicted in Table 20 established satisfactory discriminant validity, with the average variance extracted (AVE) surpassing the squared inter-construct correlations loading.

In summary, the results from the analysis provide strong support for the measurement model, indicating robust standardized loadings, good composite reliability, significant t-values, strong convergent validity, and acceptable discriminant validity. These findings affirm the quality and appropriateness of the measurement instruments used in our study.

3.3.2 Structural Model Evaluation

The research model in this study consists of three main factors, and three paths are used to represent the relationships between these factors. SMM activities' influence on brand trust and loyalty was tested. The results showed that SMM activities have a direct and positive impact on both brand trust and brand loyalty. This means that when companies engage in SMM activities, it increases the trust customers have in the brand, as well as their loyalty towards the brand. Additionally, the analysis revealed that brand trust has a significant positive impact on brand loyalty. The study also found that brand trust serves as a partly mediating factor between SMM activity and brand loyalty. In other words, brand trust plays a role in explaining the relationship between SMM activities and brand loyalty. When controlling for brand trust, the direct relationship between SMM activities and brand loyalty becomes slightly weaker.

Table 18 *Sample Characteristics*

Demographics		
	Frequency	Percentage
Gender		
Male	39	58.2
Female	28	41.8
Other	0	0.0
Age		
18-19	6	8.96
20-29	38	56.72
30-39	10	14.93
40-49	8	11.94
50-59	4	5.97
60 ≤	1	1.49
Education		
Bachelor Degree	45	67.6
Master Degree	5	7.9
Other	16	24.4
Occupation		
Student	28	41.6
Employed	31	46.8
Non-employed	4	6.3
Housewife	4	5.3
Social Media Usage Period		
1 ≥ year	5	6.8
1-4 years	17	25.2
5-10 years	39	57.6
10+ years	7	10.4
Frequently visit (ACI Consumer Brand Page)		
Daily	0	0.0
Weekly	1	2.1
Monthly	3	4.9
Every 3 months	8	12.3
At need	52	77.5
Never	2	3.2
Social Media Site		
Facebook	53	79.1
LinkedIn	4	6.2
Instagram	8	11.9
YouTube	2	2.8

Source: Ebrahim, R. S. (2020)

Table 19 *Validity and Reliability Test*

Constructs	Mean	Std. dev.	Stand. Reg. weights	CR	Cronbach alpha
Social Media Marketing				0.71	0.717
Customization			0.932		0.781
I can find the information I need on ACI Limited's social media platforms	4.0	1.03			
ACI Limited offers personalized services through its social media channels	3.9	0.98			
WOM			0.619		0.845
I want to share information about ACI Limited's products from its social media with my friends	4.0	1.14			
I want to post content from ACI Limited's social media on my blog, Instagram, and Facebook	4.0	1.15			
Trendiness			0.498		0.861
The content displayed on ACI Limited's social media is up to date	4.4	0.99			
ACI Limited utilizes social media in a trendy manner	4.3	1.10			
Brand Trust				0.90	0.927
ACI Limited's promises are genuine	4.5	1.06	0.851		
ACI Limited is honest	4.5	0.99	0.855		
ACI Limited makes efforts to satisfy me	4.4	1.09	0.895		
ACI Limited prioritizes my happiness	4.4	1.04	0.883		
Brand Loyalty				0.84	0.874
I plan to continue purchasing the products provided by ACI Limited	4.6	0.92	0.824		
I am a loyal customer of ACI Limited	4.5	0.99	0.842		
I consider myself loyal to ACI Limited	4.6	0.93	0.834		

Source: Ebrahim, R. S. (2020)

Table 20 *Correlation Matrix*

Constructs	SMM	Brand Trust	Brand Loyalty	AVE
SMM	1			0.542
Brand Trust	0.20	1		0.855
Brand Loyalty	0.31	0.45	1	0.76

Table 21 *SEM Results Summery*

Constructs	Hypotheses	Relations	Standardized Path Estimate	Sig	
SMM	H ₁	SMM → BT	0.22***	0.000	Supported
	H ₂	SMM → BL	0.16*	0.006	Supported
BT	H ₃	BT → BL	0.21*	0.005	Supported

*** $p < 0.000$ (99%)

* $p < 0.05$ (95%)

3.4 Summary and Conclusions

The survey analysis reveals that brand loyalty is positively influenced by SMM; however, this influence is contingent upon the presence of trust. Specifically, the beneficial impact of SMM on brand loyalty becomes apparent only when consumers possess trust in the brand.

Trust plays a crucial function in comprehending the effects of SMM on brand loyalty. To optimize the effectiveness of their SMM campaigns, ACI Limited's marketers can prioritize the establishment of trust with consumers.

Outlined below are the primary findings from the report:

SMM exhibits a favorable impact on brand loyalty. Trust acts as a mediator in terms of the relationship between SMM and brand loyalty. Consumers who trust a brand are more susceptible to the influence of SMM messages. Marketers can foster trust among consumers by adopting transparent, honest, and authentic approaches in their social media marketing endeavors.

3.5 Implications

Theoretical

Effectively measuring along with conceptualizing SMM remains a difficult task (Godey et al., 2016). Numerous prior studies validating social media's five dimensions have supported the Ko and Kim (2012) measurement scale used for SMM activities. These dimensions collectively define the SMM activities that encourage users to engage with social media platforms. However, the outcomes of this study specifically identify only three (3) dimensions: word-of-mouth (WOM), customization and trendiness. Users actively participate in online platforms to receive the latest information and personalized services. Additionally, users also share their recommendations and experiences from the consumer perspective.

SMM with the three dimensions plays a role in enhancing brand loyalty in the online context (Srinivasan et al., 2002). Loyal customers with positive attitudes can be influenced by media that is trendy, up-to-date, and information-based in order to revisit online platforms of ACI Limited.

ACI Limited can leverage SMM activities by emphasizing social media trust since there is a direct connection between brand trust and SMM activities. In the conceptual model that has

been suggested, trust also functions as a mediator, partially mediating the relationship between brand loyalty and SMM activities. SMM is used as a tool of communication to draw in customers and provide useful brand information. Given concerns regarding information sharing and user privacy breaches, trust plays a pivotal role in users' adoption and level of engagement in social media (Pentina et al., 2013). Consequently, the digital material, which is created as a result of consumers' varied social media experiences, needs to be trusted by the consumers. Therefore, trust becomes apparent as a crucial element in maintaining long-term relationships and fostering positive brand associations. In relationship marketing, trust serves as a catalyst for building and sustaining long-lasting connections and as a stand-in for equity, resulting in the development of a distinctive and differentiated brand value that is imprinted in customers' minds.

Managerial

SMM plays a crucial role in online marketing strategies, enhancing brand performance and strengthening customer relationship marketing. It positively influences customer loyalty, leading to increased profits and sales. This study demonstrates SMM effectiveness in eliciting emotional, drawing behavioral and consumer responses. It highlights the primary strategies used by marketers to interact with consumers and provides insightful information about these strategies. Personalization of services based on customer preferences is a primary concern for companies. By identifying users within brand communities, companies can inspire and motivate them to take part in additional activities. Social media is one of the significant informational resources that influence customers' purchase decisions. ACI Limited should utilize social media and other online channels to share relevant, up-to-date, and fresh information with customers that encourages as well as motivates them to select their brand. Social media makes it easier for customers to sharing of opinions, experiences, and recommendations, greatly contributing to word-of-mouth marketing. Brand communities are fostered by effective social media marketing management, and customers rely on these communities for information during the decision-making process. This system of motivation eventually fosters user interactivity. However, the positive effects of these mechanisms depend on the customers' trust level in the online shared content. ACI Limited has to take control of online publications and digital content and be willing to exchange opinions and share experiences. To enhance the trustworthiness of the content generated, the company can invite customers to share their reasons behind choosing the brand of ACI Limited as well as provide suggestions for further developments and improvements.

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Appendix A.

The Impact of Trust in Social Media Marketing on Brand Loyalty of ACI Limited Questionnaire

Sex:	Male <input type="checkbox"/>	Female <input type="checkbox"/>	Others <input type="checkbox"/>			
Age:	18-19 <input type="checkbox"/>	20-29 <input type="checkbox"/>	30-39 <input type="checkbox"/>	40-49 <input type="checkbox"/>	50-59 <input type="checkbox"/>	60 ≤ <input type="checkbox"/>
Education:	Bachelor <input type="checkbox"/>	Master <input type="checkbox"/>	Other <input type="checkbox"/>			
Occupation:	Student <input type="checkbox"/>	Employed <input type="checkbox"/>	Non-employed <input type="checkbox"/>	Housewife <input type="checkbox"/>		
Social Media Usage Period:	1 ≥ year <input type="checkbox"/>	1-4 years <input type="checkbox"/>	5-10 years <input type="checkbox"/>	10+ years <input type="checkbox"/>		
Frequency of Social Media Visits (ACI Consumer Brand Page):	Daily <input type="checkbox"/>	Weekly <input type="checkbox"/>	Monthly <input type="checkbox"/>	Every 3 months <input type="checkbox"/>	At need <input type="checkbox"/>	Never <input type="checkbox"/>
Social Media Site:	Facebook <input type="checkbox"/>	Instagram <input type="checkbox"/>	LinkedIn <input type="checkbox"/>	YouTube <input type="checkbox"/>	Other <input type="checkbox"/>	

Scale: 1 – Strongly Disagree (*Indicates that the character is never manifested*)
 2 – Disagree (*Indicates that the character is seldom manifested*)
 3 – Neutral (*Indicates that the character is sometimes manifested*)
 4 – Agree (*Indicates that the character is often manifested*)
 5 – Strongly Agree (*Indicates that the character is always manifested*)

Constructs		Questions	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Social Media Marketing	Customization	I can find the information I need on ACI Limited's social media platforms					
		ACI Limited offers personalized services through its social media channels					
	WOM	I want to share information about ACI Limited's products from its social media with my friends					
		I want to post content from ACI Limited's social media on my blog, Instagram, and Facebook					
	Trendiness	The content displayed on ACI Limited's social media is up to date					
		ACI Limited utilizes social media in a trendy manner					
Brand Trust		ACI Limited's promises are genuine					
		ACI Limited is honest					
		ACI Limited makes efforts to satisfy me					
Brand Loyalty		ACI Limited prioritizes my happiness					
		I plan to continue purchasing the products provided by ACI Limited					
		I am a loyal customer of ACI Limited					
		I consider myself loyal to ACI Limited					



Advanced Chemical Industries Limited Statement of Financial Position

<i>In Taka</i>	Notes	30 June 2022	30 June 2021
Assets			
Property, plant and equipment	8	13,472,343,749	12,960,524,391
Right-of-use assets	9	392,248,564	506,002,819
Investments	10	3,267,746,264	3,139,924,178
Intangible assets	11	1,943,287	2,806,963
Biological assets	12	31,303,261	17,778,109
Deferred tax assets	23	47,610,979	88,780,615
Non-current assets		17,213,196,104	16,715,817,075
Inventories	13	7,187,024,570	6,773,319,558
Trade receivables	14	2,768,623,795	2,910,514,412
Other receivables	15	608,505,662	543,148,332
Inter-company receivables	16	26,285,592,138	20,142,238,769
Advances, deposits and prepayments	17	855,536,391	847,270,802
Cash and cash equivalents	18	794,546,169	1,672,219,768
Current assets		38,499,828,725	32,888,711,641
Total assets		55,713,024,829	49,604,528,716
Equity			
Share capital	19	725,767,870	631,102,500
Share premium		402,310,367	402,310,367
Reserves	20	5,114,365,043	5,165,967,572
Retained earnings		14,426,635,479	12,693,654,845
Total equity		20,669,078,759	18,893,035,284
Liabilities			
Employee benefits	21	1,210,619,893	1,123,745,409
Long term bank loan	22	1,068,989,867	1,044,719,565
Lease liabilities	9	305,309,929	378,647,480
Non-current liabilities		2,584,919,689	2,547,112,454
Bank overdraft	24	3,357,929,346	1,681,372,914
Loans and borrowings	25	20,344,561,395	17,068,609,497
Lease liabilities-current portion	9	116,945,226	175,644,292
Trade payables	26	1,325,614,745	1,371,346,761
Other payables	27	2,834,921,687	3,071,295,827
Unclaimed dividend account	28	82,815,625	118,208,225
Inter-company payables	29	3,999,748,153	4,269,065,083
Current tax liabilities	30	396,490,204	408,838,379
Current liabilities		32,459,026,381	28,164,380,978
Total liabilities		35,043,946,070	30,711,493,432
Total equity and liabilities		55,713,024,829	49,604,528,716
Net Asset Value (NAV) per share	37.3	284.79	260.32

The annexed notes 1 to 45 form an integral part of these financial statements.

Dr. Arif Dowla
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary
As per our report of same date.

(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kasem, FCA
Partner
Enrolment No: 845
DVC: 221026084545272170

Dhaka, 26 October 2022



Advanced Chemical Industries Limited Statement of Financial Position

In Taka	Note	30 June 2021	30 June 2020
Assets			
Property, plant and equipment	8	12,960,524,391	10,664,953,300
Right-of-use assets	9	506,002,819	499,939,927
Investments	10	3,139,924,178	2,950,640,117
Intangible assets	11	2,806,963	3,785,456
Biological assets	12	17,778,109	10,914,869
Deferred tax assets	23	88,780,615	214,067,035
Non-current assets		16,715,817,075	14,344,300,704
Inventories	13	6,773,319,558	4,976,119,509
Trade receivables	14	2,910,514,412	3,881,479,422
Other receivables	15	543,148,332	374,562,251
Inter-company receivables	16	20,142,238,769	19,146,539,217
Advances, deposits and prepayments	17	847,270,802	743,851,475
Cash and cash equivalents	18	1,672,219,768	787,826,245
Current assets		32,888,711,641	29,910,378,119
Total assets		49,604,528,716	44,254,678,823
Equity			
Share capital	19	631,102,500	573,729,555
Share premium		402,310,367	402,310,367
Reserves	20	5,165,967,572	3,511,867,965
Retained earnings		12,693,654,845	10,933,326,291
Total equity		18,893,035,284	15,421,234,178
Liabilities			
Employee benefits	21	1,123,745,409	1,081,292,596
Long term bank loan	22	1,044,719,565	571,815,927
Lease liabilities	9	378,647,480	388,549,474
Non-current liabilities		2,547,112,454	2,041,657,997
Bank overdraft	24	1,681,372,914	2,502,962,921
Loans and borrowings	25	17,068,609,497	12,134,376,165
Lease liabilities-current portion	9	175,644,292	141,728,247
Trade payables	26	1,371,346,761	1,497,795,622
Other payables	27	3,071,295,827	2,972,664,738
Unclaimed dividend account	28	118,208,225	160,950,794
Inter-company payables	29	4,269,065,083	6,838,688,727
Current tax liabilities	30	408,838,379	542,619,434
Current liabilities		28,164,380,978	26,791,786,648
Total liabilities		30,711,493,432	28,833,444,645
Total equity and liabilities		49,604,528,716	44,254,678,823
Net Asset Value (NAV) per share	37.3	299.37	244.35

The annexed notes 1 to 45 form an integral part of these financial statements.

Dr. Arif Dowl
Managing Director

Kamran Tanvirur Rahman
Director

Mohammad Mostafizur Rahman
Company Secretary

As per our report of same date.

(A. WAHAB & CO.)
Chartered Accountants
Kazi Md. Mahboob Kawem, FCA
Partner
Enrolment No: 845
DVC: 2111040845A5643373

Dhaka, 28 October 2021



Advanced Chemical Industries Limited Statement of Financial Position

<i>In Taka</i>	Note	30 June 2020	30 June 2019	1 July 2018
Assets			Restated*	Restated*
Property, plant and equipment	8	10,664,953,300	9,891,773,622	9,239,752,048
Right-of-use assets	9	499,939,927	562,498,775	625,570,201
Investments	10	2,950,640,117	2,644,630,237	2,558,852,523
Intangible assets	11	3,785,456	267,889	420,961
Biological assets	12	10,914,869	-	-
Deferred tax assets	23	214,067,035	86,566,880	-
Non-current assets		14,344,300,704	13,185,737,403	12,424,595,733
Inventories	13	4,976,119,509	5,476,073,385	5,112,920,562
Trade receivables	14	3,881,479,422	5,158,495,642	4,863,502,651
Other receivables	15	374,562,251	279,084,513	831,162,716
Inter-company receivables	16	19,146,539,217	14,925,700,916	10,316,025,950
Advances, deposits and prepayments	17	743,851,475	731,639,013	801,739,976
Cash and cash equivalents	18	787,826,245	992,956,408	1,081,128,975
Current assets		29,910,378,119	27,563,949,877	23,006,480,830
Total assets		44,254,678,823	40,749,687,280	35,431,076,563
Equity				
Share capital	19	573,729,555	498,895,265	482,024,411
Share premium		402,310,367	402,310,367	402,310,367
Reserves	20	3,511,867,965	3,633,116,809	3,543,672,366
Retained earnings		10,933,326,291	9,788,135,912	9,827,892,042
Total equity		15,421,234,178	14,322,458,353	14,255,899,186
Liabilities				
Employee benefits	21	1,081,292,596	941,229,157	807,636,638
Long term bank loan	22	571,815,927	567,627,935	141,353,004
Lease liabilities	9	388,549,474	431,905,865	487,707,103
Deferred tax liabilities	23	-	-	106,186,444
Non-current liabilities		2,041,657,997	1,940,762,957	1,542,883,191
Bank overdraft	24	2,502,962,921	2,633,244,019	2,374,634,769
Loans and borrowings	25	12,134,376,165	12,827,624,558	11,340,784,233
Lease liabilities-current portion	9	141,728,247	140,011,647	97,821,625
Trade payables	26	1,497,795,622	1,199,383,457	794,002,138
Other payables	27	3,133,615,532	2,755,802,022	2,352,363,174
Inter-company payables	28	6,838,688,727	4,549,730,210	2,272,416,036
Current tax liabilities	29	542,619,434	380,670,056	400,272,211
Current liabilities		26,791,786,648	24,486,465,970	19,632,294,186
Total liabilities		28,833,444,645	26,427,228,927	21,175,177,377
Total equity and liabilities		44,254,678,823	40,749,687,280	35,431,076,563
Net Asset Value (NAV) per share		268.79	249.64	248.48

*See Note-6.1: The Group has applied IFRS 16 using retrospective approach. Therefore, comparative information have been restated.
The annexed notes 1 to 44 form an integral part of these financial statements.

Managing Director

Director

Company Secretary

A F Nesaruddin, FCA
Senior Partner
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 9 November 2020