#### **BRAC** University



# INTERNSHIP AFFILIATION REPORT ON

'Practices of Marketing and Human Resource on AP Business Inc

Delta Town Truck Stop'

# **Supervised By:**

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# **Letter of Transmittal**

Date: July 19, 2013

Syeda Shaharbanu Shabazi Senior lecturer BRAC Business School, BRAC University

Subject: Submission of Internship affiliation report.

Dear Madam,

With due respect, I would like to thank you for assigning me to prepare the internship affiliation report. It's a great pleasure for me to have the opportunity to work on "Practices of Marketing mix on AP business Inc". The report contains a comprehensive practical knowledge about the marketing mix of AP Business Inc.

I would be very happy to provide you with any clarification regarding the report. I have tried my best to come out with a good one. Would you please kindly accept my paper and oblige me thereby.

Thank you

Sincerely yours

Eshita Newaz

ID: 09104093

**BRAC Business School** 

Major: Marketing

# **Acknowledgement**

First of all, I would like to thank the almighty Allah who has given me the required knowledge and the power to finish this report. Then I would like to thank Syeda Shaharbanu Shabazi, internship supervisor, for assigning me to prepare internship affiliation report on "Practices marketing mix of AP Business Inc". His continuous support and re-enforcement has encouraged me to do the work properly.

I would like to express my special gratitude to my supervisor, under whom I have completed my three months internship program. I am also thankful to employees of Delta Town Truck Stop for their co-operation and necessary support. Although being in extreme workloads in office they tried to provide me necessary information when I asked them.

It was a great opportunity to do internship in such an organization like AP business Inc. I always felt that I was under guidance of highly qualified and experienced personnel. The experiences I have gathered will be very beneficial in my career.

# **Executive Summary**

Shell is one of the biggest companies in United States. They are very much passionate about their product and prices. They are doing basically the franchise business all over the United States. We have three different locations under this Shell Company own by Soheil Malik. By keeping hell's rule and regulation safe and sound we are running our store. Our main product is motor oil, fuels and tobacco.

The report is all about their market analysis changing price of fuel and diesel. Most of the customers are more serious about choosing brand. An intense competition is going on in the market between the gas and fuel price among the other truck stop of other company. As a franchise business they have to consider the product quality and have to present their situation. Therefore, the outcomes of the analysis are shown in brief in the report. As this business situated far from town side so all the outgoing trucks come for diesel here which bring good profit for the business. 'Delta Town Truck Stop' is very famous for souvenir and accessories so that customers are getting those in cheap prices. Store manager helped me to know about every single matters happing in the store. Considering the competitors they increase and decrease the price of fuel and diesel. The most important job is to convincing customer about new product and makes them buy that product. Though Delta town Truck Stop selling tobacco as a wholesale in less price but they selling diesel and fuel in little higher price because of travel spot.

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# **Company overview**

#### **Introduction:**

Shell Oil Company is the largest multinational company in the world. The core products of this company are oil and energy. There are 22000 employees are working under this Shell company. Shell is known as America's largest oil and gas producer, natural gas marketers, gasoline marketers and petrochemical manufacturers'. Shell is considering as the market leader in the United States. There are several gas stations under this company operating whole business. Royal Dutch Shell consider as the parent company of Shell. The current revenue of this company according to 2008 report is US\$2.147 billion. Under this company there are some branches brought by different owners like ours.

Our owner Soheil Malik brought a shell's franchise and he is operating whole business by his employees following rules and regulation of shell. Under AP business he own four different stores in four different places and among them 'Delta Town Truck Stop' is the biggest one. This store basically more focused on tobacco outlet and cigarettes then other products. It also has liquor section, jewelry section and souvenir accessory of Louisiana and Texas.



#### **History:**

The Royal Dutch Group established the American Gasoline to sell gasoline along the pacific coast in 1912. They use to buy oil product properties from Roxanna Petroleum in Oklahoma. In 1915 it first continues its refinery process which was a model for other refinery plants in the United States.

Shell started formalized chemical products in 1928 from refining gas which turns into industry of polymer and catalysts to consumer product. From 1931 Shell creates a new way to promotes itself as world's first plant to use natural gas to make ammonia. As a well known company it is in the highest profit margin level.

'Delta Town Truck Stop' has started its journey in 2004 with different owner named Raghu. That time this store has totally different business style. They had their focus only towards liquor sections. Inside they only have liquors as a main product and they also have small chicken restaurant with it. The profit was really low and that owner could not able to run the business. Therefore he sold his store to Soheil Malik in 2009 and he reestablished this store mainly on tobacco outlet. Then the business boomed and now almost twenty different country stores are the regular wholesale customer of this store. The reason is 'Delta Town Truck Stop' is giving the low price of tobacco then the other tobacco outlet. So that profit margin goes up from 20,000 to 40,000 per month and establishment of new business succeed in Louisiana-Texas.



#### **Product and Service Offering:**

Shell offering the simplest way of product consumptions. For example by changing light bulbs you can make a big difference in energy consumption and cost. Besides their product they offer many kinds of reward cards for the drivers on the road. For example if you link your MasterCard, an extra 5 cents off per gallon for every \$100 you spend at qualifying home improvement stores. Their gift card are giving you chance to win a great amount of money. Shell tide to offer oils, fuels financial services, dynamic business all over the world. It has its own online store for its huge customers.

'Delta Town Truck Stop' is providing the best gasoline to their customer and they also secure their customers by their brand value. 'Delta Town Truck Stop' is also offering tobacco on fewer prices as because of Louisiana State. As most of the casinos and permission of 24 hour consuming liquor is legal in Louisiana so liquor sells also huge in amount here. They are also offering imported beer, cigars and souvenirs which attract customers most.



#### Operational network organ gram:

Shell Petroleum Development Company of Nigeria (SPDC) is the leader of modern petroleum industry in Nigeria. SPDC operates more than 6,000 kilometers of flow lines and pipelines. 95% employees working in this plant are Nigerians. They deal with Nigeria on every aspect of sustainable development and the economic performance. For this joint venture SPDC is capable to produce 1 million barrels of oil per day on an average. Through this commitment and investment SPDC is spreading and improving the quality of life that exists in the Niger Delta.

'Delta Town Truck Stop' is one of the biggest stores in Louisiana. They are operating fuel, gas, tobacco and different souvenirs for the customers. Fuel automatically ordered by manager in regular basis.

There are eight employees working under the owner of the store. They all follow one manager's decisions and activities. All of employees have different working time schedule developed by store manager Mohammed Islam.

#### Visions for the future:

The core product of 'Delta Town Truck Stop' is tobacco which is very essential for daily lives. It is helping this to stand on strong platform. In the same area their landlord is building a new three star hotel for the traveler. Therefore, 'Delta Town Truck Stop' is prepared to provide tobacco and liquor for the customer. It will be a great change for the Ap business Inc to earn more than 5000 per month extra.

Their main goal is to innovate new ways to meet rising demand of the modern era. They are also link with the people and the planet by meeting future energy challenges. Their energy efficient fuels and lubricants are also working for goods around the world with safety and efficiency.



Chapter: 2

# **Job description**

Name of Job: Assistant Manager

#### **Specific responsibilities:**

This business owned by a single owner which is a franchise business of Shell Company. As a regular employee I have to make order of products and fuel in a regular basis. The core responsibility is to cooperate with the manager and customer. Ordering product and keeping up with prices is one my core duty. In order to compete with our multibillion dollar competitors I have to keep up my pricing of my entire product in regular basis. Tobacco and spirits is our main focus because of we are the second whole biggest whole seller in Vinton Louisiana alone with the fuel.

Drivers just have to charge in the cash counter then we approve them for fill up the gas as much as they need. Therefore in every morning our manager orders gas and diesel for next delivery.



Difference between the tobacco price of 'Delta Town Truck Stop' and other country stores is huge. This price chart below will describe the price difference

Tobacco Name	Delta town truck stop	Other country store
Marlboro 100	\$4.87	\$5.99
Marlboro special blend 100	\$3.59	\$4.29
Marlboro silver 100	\$4.87	\$5.99
Cigars each	\$9.99	\$22.00
All other cigarettes	10% less than regular price	Regular price

Average cost and selling price of regular, supper gas and diesel:

T 73	Regular GAS	Super GAS	DIESEL
COST	\$3.06	\$3.59	\$3.51
SELLING PRICE	\$3.15	\$3.89	\$3.64

This is the average cost and selling price of regular, supper gas and diesel. This cost is actually varies upon everyday crude oil price. They receive the shit of cost price of all the gases every morning, then they decide what price we are going to set on those fuel.



#### **Different Aspect of Job performance:**

Job performance mostly related to the organization outcomes and variables. Each employee has to maintain their job performance for the brand image of the company. As our store is very conscious about their product so we have to keep clear report of every single data.

According to the market of the United States gasoline and diesel price is changes every day. Our diesel comes from the company called west Louisiana petroleum authorized from Shell. My job is to make sure call them every day in the morning to get my gasoline diesel price and decide whether I go up or down in my selling price in our store. Here was my performance came across and got rewarded form Shell Company.

#### **Critical observation and recommendation:**

When I came to the store as my main focus was how to bring the customer into our store because there is a big Giant company situated in front of us. When I brought customer in the store then my second performance was how to convince them to buy our product so I would recommend so everybody in retail business must focus on bringing new customer to the business. This is what I did and that's how I am becoming from an intern to as a supervisor.

Chapter: 3



#### **Methodology:**

The methodology used in conducting the research work on 'Delta town Truck Stop' major emphasis on its tobacco outlet. There are two types of data.

#### A. Primary data:

Collection of primary data was conducted by visiting various retail outlets for the preparation of the thesis report.

- Personal Interview
- Questionnaire.

#### B. Secondary data:

The sources from which secondary data was collected

In the research I collect all my information from **both primary and secondary data**. All the information of 'Delta Town Truck Stop' is primary and all the information about Shell Company is comes from secondary data.

**Objective of study:** 



- To know about the product of Shell Company
- To know the peck period of promotion activities of sales.
- To know the customer choice and preferences.
- Customer handling
- To determine good sales, promotion activities and public relation.

#### **Store Management in the Marketing Mix**

In the following section of the work, the authors first of all describe the different aspects of the Marketing Mix in general and how it is possible to introduce mobile technologies within this framework. However, the diverse impacts of this business on Customer Relationship Management (CRM) are discussed. The latter includes a description marketing mix as well as an analysis of the customer importance in the marketing management of today.

**Marketing Mix** 



The objective is to enlighten the position of store management within the Marketing Mix framework. Therefore, a definition is borrowed from QuickMBA, online knowledge resource for business administration [QuickMBA, 2004]. According to them, the major marketing management decisions can be classified in one of the following four categories, known as the **4 P's of marketing** or the **Marketing Mix**. They are the variables that marketing managers can control in order to best satisfy customers in the target marketplace.

- Product physical product or service offered to the consumer, the former also referring to any services or conveniences that are part of the offering. Product decisions include aspects such as function, appearance, packaging, service, warranty, etc.
- Price Pricing decisions should take into account profit margins and the probable pricing response of competitors. Pricing includes not only the list price, but also discounts, financing, and other options such as leasing.
- Place (distribution) Place (or placement) decisions are those associated with channels of distribution that serve as the means for getting the product to the target customers. The distribution system performs transactional, logistical, and facilitating functions. Distribution decisions include market coverage, channel member selection, logistics, and levels of service.
- Promotion Promotion decisions are those related to communicating and selling to potential consumers. Since these costs can be large in proportion to the product price, a break-even analysis should be performed when making promotion decisions. It is useful to know the value of a customer in order to determine whether additional customers are worth the cost of acquiring them. Promotion decisions involve advertising, public relations, media types, etc.

Shell Company attempts to generate a positive response in the target market place by blending these four Marketing Mix variables in an optimal manner.



Product	Price	Place	Promotion
Mark	Û		
Advertisement	Personal selling	Public relation	Direct marketing



**Effect of the Marketing mix on Delta Town Truck Stop:** 

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According to W.J. Stanton, "Marketing mix is a combination of four elements such as product, pricing structure, distribution system & promotional activities used to satisfy the needs of an organization's target market & at the same time achieves its marketing objectives."

Shell Company is following the same price of the product all over the world. Delta town truck stop basically selling all kind of tobaccos and their one of core business depends on the fuel. As their business is situated in the travel spot beside high way so people who are travelling always take gas from this gas station. For that reason they are doing good business. Delta town truck stop is always busy for these travelling customers. However Place playing a vital role in their business to pull up the price of the product. They are selling the entire product in a little higher price from the other country store to the travel customer. On the other hand, they are also selling tobacco as a whole sale to certain customers who are doing business in the country stores. So here we can observe the Marketing Mix where the 4 p are interrelated to each other.

#### **SCOPE OF STUDY:**



Scope of study on Delta Town Truck Stop, the area of the study is the store itself. In the duration of study and project period, I observed that the market response of shell Product is in good position. The Sales promotion policy of our company is affected due to competitor's Marketing strategy.

I was following my manager during product ordering and customer selling to know the response of current promotion packs given by company to retailers in the market. Through this project, I will come to know that which type of promotional scheme outlets want.



# Limitation



The major limitation of the study was that the depth study in the subject could not be done because of limited time and different time schedule of manager.

#### The other limitations are:

- The company doesn't say publicly all the data & the internal data are kept confidential.
- Though every sincere & possible effort has been made to collect the data, some customers were awkward in providing the actual data.
- The project is done in Delta Town Truck Stop may not represent the figure of the whole United States.
- Doing job along is one of the limitations of this study. Problem sharing and consulting is lack behind during the study.

## **Recommendations and Conclusion**



In this competitive world of business sector has trenched its wings wide enough to cover any kind of financial services anywhere in this world. The major task for the Store is to survive in the competitive environment by managing its assets and liabilities in an efficient way.

This report concentrated on the marketing mix of Delta Town Truck Stop and through survey identified some indicating and valuable information relating to their finance that could make business procedure more efficient and also with the help of my recommendation, the Store's financial portfolio could be improved rather than now. Although Shell is the most promising company in United States, Every time Store is proving itself by its efficient management.

With the current performance of the store and with the little improvement in managing their product pricing as it changes frequently and purchases extra product for extra sale.

As a student of Marketing I have to know all things related to marketing. This report helps me to know about the customer service as well as marketing mix related activities. I think this experience will also help me to develop my career.

# **References:**



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