

INTERNSHIP REPORT

PROPOSED GTM STRATEGY

(RAHIMAFROOZ GLOBATT LIMITED)



Enriching Lives with Your Trust

Internship Report on Proposed GTM Strategy for the SMF Battery of RGL in Bangladesh

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Letter of Transmittal

May 29, 2016

Ms. Iffat Rarannum

Lecturer, BRAC Business School

BRAC University

Subject: Submission of Internship Report on Rahimafrooz Globatt Limited.

Dear Madam,

I would like to draw your kind attention towards the submission of my Internship Report. The Report title “Proposed GTM strategy for the SMF Battery of RGL in Bangladesh” was authorized by you on 21 March, 2016 and assigned to me as a partial requirement for the completion of the internship program (BUS 400).

I am confident that, this report will help you to understand the Internal and external factors of Rahimafrooz Globatt Ltd and their SMF battery. I have tried my best to follow your guidelines in preparing this report. I have presented what I do believe to be most important information to make this report as specific and coherent as possible.

I expect that this report will fulfill your requirements. I would really appreciate if you would enlighten me with your thoughts and views regarding the report. Also, if you wish to enquire about any aspect of my report, I would gladly answer your queries. Thank you for your kind consideration and guidance. I hope my effort would satisfy you.

Sincerely yours

Md,Sazzad Hossain

ID: 12304068

BRAC Business School, BRAC University

Acknowledgement

First of all, I wish to express utmost gratitude to Almighty Allah for bestowing upon me the strength, intellect and perseverance required to complete this report. I am also thankful to my family because they have given so much inspiration and support to me that I am short of words in expressing my gratitude. In the completion of this internship report, I would like to thank a few people for their whole-hearted support and guidance.

I would like to convey my heartiest appreciation to Ms. Iffat Tarannum, Lecturer, BRAC Business School, BRAC University, for her valuable guidance and thoughtful advices. Without her help, it would not have been possible to complete this report. I thank her for letting me to choose this topic and providing with her guidance and support which bring out an outcome of this report. I appreciate her co-operation and sacrifice of valuable time.

I have many thanks to make. When preparing this report, my respected supervisor from Rahimafrooz Globatt Limited Mr. Shohel Haider Choudhury (Head of Marketing and sales, Rahimafrooz Globatt LTD) provided important information and invaluable comments on each of the sections of the report. He greatly improved the reliability of the text. A special thanks goes to Mr. Tanzib Morshed, (Officer, logistic) , who has played a pivotal role throughout my entire internship tenure and whose encouragement, support and advice smoothed the way for this report. I humbly acknowledge the incessant flow of help, support and care I received from the whole team at the marketing department - Mr. Mainul Karim, Mr. Al Amin, Mr. Redwanul Islam - are to name just a few of them. Finally, I would like to acknowledge the contributions made by my friends and seniors, who helped me by sharing their experiences and encouraged me greatly. While preparing this report, if any error of fact, omission or emphasis occurred, those are solely my responsibilities.

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Executive Summery

Rahimafrooz Bangladesh Limited is the pioneer of the battery business in Bangladesh. They are selling battery in Bangladesh from 1954. Though we do not purchase battery on a regular basis still it is a necessary product in our day to day life. Battery is an electrical and high-tech product. Majority of the countries started using advanced maintenance battery from the early 2000 but still there is no company in Bangladesh which is manufacturing or selling maintenance free battery in Bangladesh. Rahimafrooz is the first and the only company who take the initiative to produce and sale this high-tech battery in Bangladesh. The author of this report tried to highlight some important points regarding the introduction of SMF battery in Bangladesh. In this study, an effort was made to understand the best possible way to design and implement the GTM strategy for the maintenance free battery in the local market of Bangladesh, with a specific focus on the Maintenance free battery of Rahimafrooz Globatt Limited. It also tried to understand the price of SMF battery which would be suitable for the SMF battery of RGL. In this reports author suggested a pricing strategy for the SMF battery of RGL and gave the reasons for the suggested pricing strategy. To introduce a new product, selecting the best distribution channel is very important and thus the author gave some recommendation about the best possible distribution channel and showed the logics for supporting the recommended distribution channel. Promotional activities are the most important aspect of marketing while a company is going to introduce a completely new product in a market. In this study the author tried to find out the best possible promotional activities for introducing SMF battery in Bangladesh. Some surveys have been done to identify the most effective promotional activities to introduce SMF battery. Throughout the report author tried to do design a best GTM strategy for the SMF battery which is going to be introduced in Bangladesh by RGL.

Introduction to the Report:

3.1 Origin of the Report:

This report has been originated to fulfill a partial requirement of the internship program attended by the author. The author is a graduating student of the BRAC Business School, BRAC University and has been assigned as an intern in the Marketing Department of Rahimafrooz Globatt Limited (RGL). In accordance with the specific requirements of the program, the author has completed the 12 weeks period of the internship attachment with the organization. This report is hereby submitted as the internship report of the author. The report has been prepared under the supervision of the Academic Advisor, Ms. Iffat Tarannum, Lecturer, BRAC Business School, BRAC University and according to the instructions and guidance of the Official supervisor, Mr. Shohel Haider Choudhury, Head of Marketing and sales, Rahimafrooz Globatt Limited.

3.2 Scope of the Report:

The scope of this report can be defined from multiple perspectives:

- From the channel perspective, this report is entirely focused on the distribution channel on Rahimafrooz Globatt Limited, consisting of dealers located in the local market of Bangladesh.
- From the geographical perspective, the research conducted for this report has been limited within the geographical boundary of Bangladesh.
- From the product perspective, the report concentrated mainly on the Maintenance Free battery of Rahimafrooz Globatt Limited and their major competitors in the available formats
- The time-frame of this report spans from January, 2016 to April, 2016. It is actually the duration of the internship tenure of the author. All the data regarding market situation and sales have been collected within this period of time.

3.3 Limitations:

To write this report I had some limitations for which I had to face some difficulties. The main limitations that I faced in writing this report are stated below.

❖ **Time Limitations:**

To write this report I did not get enough time. If I could get more time then I could make this report more elaborate and informative.

❖ **Organization was reluctant to provide some information:**

I worked for Rahimafrooz Globatt Limited as an Intern. Rahimafrooz Globatt Limited considers their Intern as an outsider. So they usually do not provide sensitive and important information to their interns. So I could not get some important information from them as they were reluctant to provide. For example, they were reluctant to provide the detail information about their dealers which they consider as sensitive information. Like these I could not get many more information from Rahimafrooz Globatt Limited because of their reluctance.

❖ **Lack of projects visit:**

If I could visit their dealer's office then I could manage some information about their Consumer as the ultimate customers deal with their dealers not with Rahimafrooz Globatt Limited. As Rahimafrooz was reluctant to provide information about their dealers I could not visits their offices. Due to this reason I could not get much information about the ultimate Consumer of Rahimafrooz Globatt Limited

❖ **Lack of secondary data:**

As battery business is not a common business in Bangladesh so there are only a few company is doing business in this sector in Bangladesh. So there are a very few research work has been done for the battery industry of Bangladesh. Due to this reason I could not get sufficient help from the secondary data resource.

3.4 Methodology:

Methodology describes the manner in which data is collected, analyzed and interpreted. The data that will present in this report would collect from primary and secondary data source. The sources are mentioned below.

Primary Data Source:

In this paper, the primary data source would be raw data gathering from own observation. The primary data source that will be used in this report is data obtained through involvement with the organization. We also collected data from interview session and consultation. The ways in which I collected the primary data are given bellow.

- **Interview:** I took several interviews. Sometimes I took interview of the top ranked employees of RGL to know the managerial aspect of the marketing policy of RGL and sometimes I took interview of mid level and entry level employees to have a better understanding about the implementation of those strategies taken by the top level management.
- **Observation:** As I was working in their office so it was a great opportunity for me to observe the activity that was going inside the office. In this process I have collected information about the way the employees deal with the dealers and how they interact with each other about the ongoing marketing process of Rahimafrooz Globatt Limited.
- **Survey:** To get some important information from the customer I did two different surveys. At first I did a survey to know that what percentage of Bangladeshi know the advantages of SMF battery and to know the perception of people about Rahimafrooz Bangladesh Limited, about the introduction of the SMF battery in the local market. Finally I did another survey to know the appropriate marketing activities for the introduction of SMF battery in Bangladesh.

Secondary Data Source:

Secondary data collected from some authentic online sources. To give a better look of this paper, information is also collected from internet and some online article. Many important data has been collected from the secondary sources.

Objective of the Report:

General Objective: Proposing the a suitable Go to Market Strategy for the SMF battery of RGL in Bangladesh

Specific Objective:

Analyzing Internal Factors: Analyzing the internal factors of Rahimafrooz Bangladesh Limited.

Analyzing the Market: Understanding the target consumers behavior and their demand

Identifying the Positioning Strategy: Understanding and proposing the best possible positioning strategy for the SMF battery of RGL.

Proposing the Pricing Strategy: identifying and proposing the best pricing strategy for the SMF battery of RGL.

Proposing the Channel Strategy: Identification and proposing the best possible distribution channel for the for the SMF battery of RGL was one of the most important objective of the report

Designing the Promotional Activities: Developing the most effective promotional tools for the SMF battery of RGL was one of the most important objectives of this report.

PART I

OVERVIEW OF THE ORGANIZATION

1. Rahimafrooz Bangladesh Limited:

Rahimafrooz, founded in 1954 by Late A. C. Abdur Rahim as a trading company in Chittagong, is one of the largest business groups in Bangladesh. It consists of nine SBUs and several other affiliations. Rahimafrooz operates in three broad domains: automotive aftermarket, power and energy, and retail chain. It sells tires, batteries, lubricants, emergency power products, diesel as well as gas generators, lighting products, electrical accessories, solar systems, energy solutions using compressed natural gas, and power rectifiers. The Group also runs 'Agora' the first retail chain in Bangladesh. The Group has strengthened its market leadership at home while reaching out to international markets. Ranging from automotive aftermarket products, energy and power solutions, to a retail chain. Through Rahimafrooz IPS, UPS and Voltage Stabilizer, the Company enjoys clear leadership of the emergency power products market. It also markets home and industrial lighting products from General Electric USA (GE) and electrical accessories from Hager (France). Rahimafrooz, in 2001, made a breakthrough in the urban lifestyles by launching one of very few retail chains in the country – Agora. The Group operates a non-profit organization Rural Services Foundation (RSF) through which the solar home systems reach the customers in the rural areas of Bangladesh (Rahimafrooz Bangladesh Limited, 2016)

The SBUs of Rahimafrooz Bangladesh Limited are given Bellow.

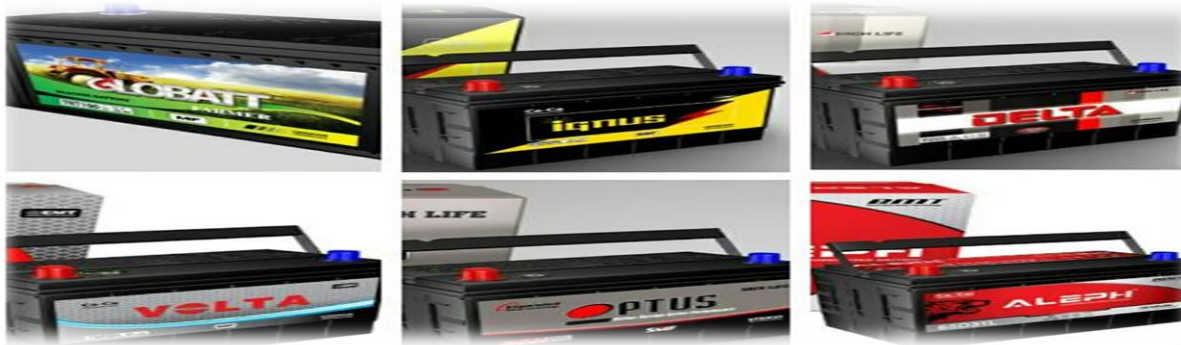
1. Rahimafrooz Accumulators Limited (RAL)
2. Rahimafrooz Batteries Limited (RBL)
3. Rahimafrooz CIC Agro Limited (RCAL)
4. Rahimafrooz Distribution Limited (RDL)
5. Rahimafrooz Energy Service Limited (RESL)
6. Rahimafrooz Gastech Limited (RAGT)
7. Rahimafrooz Renewable Energy Limited (RREL)
8. Rahimafrooz Superstores Limited (RSL)
9. Rahimafrooz Globatt Limited (RGL)

1.1.Rahimafrooz Globatt Limited:

Rahimafrooz Globatt Ltd (RGL) is the global wing of Rahimafrooz group. As part of excelling two decades of international market experience and aspiring to become a truly global company, this state of the art Maintenance Free (MF) and Sealed Maintenance Free (SMF) battery manufacturing plant was established in the year 2009. In recognition to its quality management system, RGL has received ISO 9001:2008 Certification from Orion Registrar, Inc., USA. The manufacturing process of RGL ensures highest level of environment sustainability. Recently they have entered to the local market of Bangladesh with their SMF battery (Rahimafrooz Globatt Limited, 2016)

1.2.Brands of Rahimafrooz Globatt Limited:

Several battery brands are owned by RGL. Their main brands are Globatt and Volta but besides of these two brands they have some other brands. Even within Globatt they have four sub brands. These are Globatt-Race, Globatt-Ace, Globatt Pace and Globatt Inva.



Picture: Brands of RGL

Product: The product of RGL is Maintenance free battery. Maintenance free battery means there is no need (nor possibility) to check the level of electrolyte or to top up water lost due to electrolysis, reducing inspection and maintenance. Because of calcium added to its plates to reduce water loss, a sealed battery recharges much quicker than a flooded lead acid battery. (Battery Stuff, 2016)

PART II

JOB DESCRIPTION

2. Job Description:

I was assigned at the corporate office of Rahimafrooz Globatt Limited to complete my internship program. During my three months internship program I enjoyed the work but most importantly I learned how to work under pressure with great responsibilities. Throughout this time I have got the opportunity to work with different people of Rahimafrooz Globatt Limited. As I was in the marketing department, I have worked with their various kinds of marketing activities in both the local and international market. Basically all of my activities were associated with Globatt battery which means I was involved with the marketing activities of Globatt battery which is a SMF battery. As an intern I had no specific responsibilities. I had to work for different segment of the Marketing department of RGL in different times. The activities that I had to perform within the three months are given bellow.

2.1 Assisting the CRM department: In the marketing department of RGL there is a separate unit who take care the Customer Relationship management activities. In some cases I had to assist this department. The way I assist them are given bellow,

- **Collection of Data:** I had to collect lots of data related to different types of customers. To collect the data some time I had to visit the shop of the retailers of RGL.
- **Communication with the corporate Client:** Whenever RGL made some good proposal for their corporate client I had to communicate with them and had to give a description about the new proposal.
- **Relationship with the Clients:** At the very beginning of the year I had visited many corporate clients for sending greeting on behalf of RGL marketing team.

2.2 Collecting Data about international market: I had collect different data about the international market of RGL. Sometimes I had collected some data about the Country representative of RGL.

2.3 Market Visit: I had visited the local market along with the seals personals of RGL. Market visit is a regular activity of RGL marketing department and it is also very important for connecting with the market. As an intern of the marketing department of RGL I had to visit the market of RGL.

2.4 Assisting Social media marketing Department: sometimes I had assisted the social media marketing department by collecting and delivering information regarding the current social Hype.

2.5 Observation: Working at Rahimafrooz Globatt Limited, corporate Office was a great experience for me. I have learnt many things from them. It was very interesting working at ACI Limited. The people there are really nice and talented. The things that I have noticed and observed are:

- Work environment is very friendly and employees are co-operative
- Employees are active and sincere to their assigned job responsibilities
- Work is never left pending for the next day unless it is absolutely necessary
- Even sometimes they work in Saturday even though Saturday is off day as per company policy.
- Sometimes they do not get weekend as they work Sunday to Thursday and go for the field visit in Friday and Saturday.
- They work for the longest hours than the other departments.

PART III

GTM STRATEGY FOR THE SMF

BATTERY OF RGL IN BANGLADESH

Proposed Go to Market Strategy for the SMF Battery of RGL in Bangladesh:

Rahimafrooz Globatt Limited is going to introduce sealed maintenance free battery in the local market of Bangladesh which is a completely new product in the context of Bangladesh. The main purpose of this report is to propose a Go to Market strategy for the SMF battery of RGL. A go-to-market strategy (GTM strategy) is an action plan that specifies how a company will reach customers and achieve competitive advantage. The purpose of a GTM strategy is to provide a blueprint for delivering a product or service to the end customer, taking into account such factors as pricing, distribution and promotion.

To the successful development and implementation of a GTM strategy have a good knowledge about the internal and external factors of the organization is very important. To get a proper knowledge about the internal factors I did a SWOT analysis which will permit me to understand the internal factors and external factors in some extent. I also did a market analysis which includes the target consumer behavior to understand the external factor properly.

Now the SWOT and the market analysis are given bellow.

4.1 SWOT analysis of Rahimafrooz Bangladesh Limited:

SWOT analysis is an important and popular management tool used to determine the action to be taken for achieving organizational goal. SWOT is an acronym that stands for strength, weakness, opportunities and threat. As we know that strength and weakness are internal aspects of a company. Just like goodwill of a company. Reputation of a company can also be treated as internal factor. On the other hand opportunity and weakness can be treated as company's external factor. Organization can change their internal factor by taking some appropriate action but it cannot change the external factor as it is not in the hand of the organization.

4.1.1 Strength:

Strength is one of most important element of SWOT analysis. Strength describes the positive attributes, tangible and intangible internal environment of an organization. The success and profit of a product and organization is fully depends on Companies strength. Company's Strength can be goodwill and reputation in the market. The main strengths of Rahimafrooz Bangladesh limited are given bellow.

- ❖ **Goodwill:** For the Rahimafrooz Bangladesh limited, goodwill in the market is their main strength. We can see that whatever sector they have entered they become one of the best in that sectors. For example, they entered to the battery sector they have become the best battery producer in Bangladesh, they entered to the IPS, UPS sector they become one of the best IPS, UPS producer in Bangladesh, they entered to the Superstore sector, undoubtedly Agora is the best superstore in Bangladesh. So this sort of success in all the sectors that they have entered created a very strong goodwill for Rahimafrooz Bangladesh Ltd.
- ❖ **Skilled and loyal employees:** Rahimafrooz Bangladesh has a bunch of employees who are highly skilled and loyal toward the organization. They have some good quality marketers who are doing excellent in marketing, they have sufficient amount of CA, FCMA in their Accounts and finance department, and their engineers are also very skilled who closely monitor the production of Rahimafrooz Bangladesh Limited. When a company have these types of skilled employees in their office who are loyal then that become a source of strength for the company.
- ❖ **Quality Product:** Rahimafrooz never compromise with quality of the product. When they produce any kind of product they makes sure that the product has the best quality. High quality product is another source of strength for Rahimafrooz.
- ❖ **Experience:** Rahimafrooz is doing business in the battery market of Bangladesh from 1954. They are present in this market for more than 60 years. So we can say that Rahimafrooz is the most experienced player in the battery market of Bangladesh.

4.1.2 Weakness:

Like other companies Rahimafrooz Bangladesh also have some weaknesses. The main weaknesses that Rahimafrooz should focus to overcome are given bellow.

- ❖ **Location of the factory:** One of the biggest factories of Rahimafrooz is located in Ishwardi EPZ. In terms of SMF battery most of the customers of Rahimafrooz lives in Dhaka, Chittagong or Sylhet which are far from their factory. So they are spending a big amount for the transportation cost due to their location of the factory.
- ❖ **Country of origin:** Rahimafrooz is a Bangladeshi company so they have to use the name of Bangladesh in their product. Bangladesh is not well known for technological product.

So, it is very difficult for Rahimafrooz Globatt Limited to compete with companies which are from developed countries. Even in Bangladesh people do not prefer local brand for the technological product. So the country of origin is a big problem for Rahimafrooz Globatt Limited.

- ❖ **Lack of marketing activity:** In terms of marketing Rahimafrooz is not that much aggressive. That is why many small companies could enter to the local market while Rahimafrooz has the best brand value.

4.1.3 Opportunities:

Opportunities are external factors that represent reasons your business is likely to prosper. An opportunity can create a huge change for a business to success. It is very important to find out opportunities of Rahimafrooz batteries limited because these opportunities can be a represent of future success. Now we will see what opportunities of Rahimafrooz Bangladesh limited currently have.

- ❖ **Growing demand of the local market:** The economic condition of Bangladesh is improving. So the purchasing power of Bangladeshi people are also increasing, when the purchasing power of a country increase the demand of the car also increase. This increase demand of the car can create some opportunities for Rahimafrooz Bangladesh.
- ❖ **Introduction of the Maintenance free battery in the Local market:** Rahimafrooz is the only company who offer SMF in the battery market of Bangladesh. So in this case they are not facing any competition which is a very big opportunity.

4.1.4 Threat:

Threats are external factors which can create huge damage for the organization. Every organization has to be very careful about their potential threats. Like other companies Rahimafrooz also has threat. The main threats of Rahimafrooz Bangladesh limited are given bellow.

- ❖ **Increasing Number of Competitors:** The number of competitors in battery market of Bangladesh is gradually increasing and the small companies are increasing their market share day by day which is a big threat for Rahimafrooz Bangladesh limited. The competitors are taking different actions to attract battery dealers which can increase their

market share and if they can increase their market share then Rahimafrooz Batteries limited have to lose their market share. Moreover, there is still room for the new companies to enter to this market and if some other new companies enter to this market then it would be a big problem for Rahimafrooz Batteries limited.

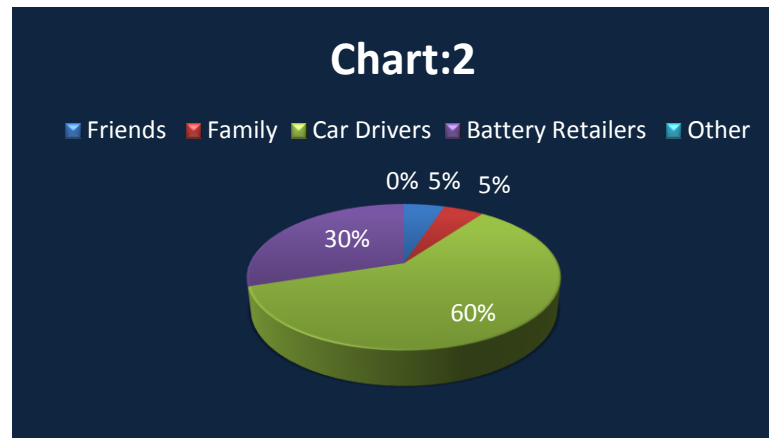
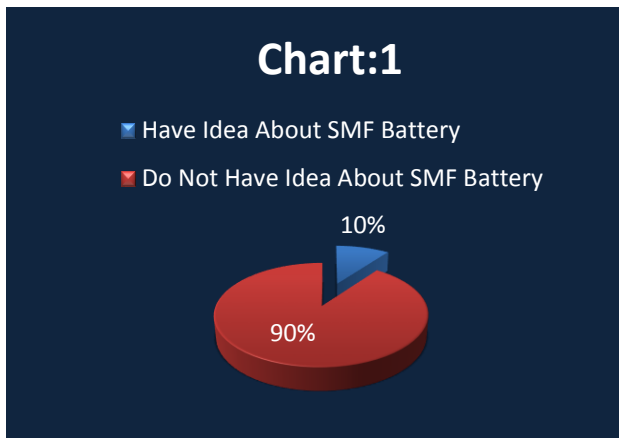
❖ **Decreasing Load shedding:** Load shedding is decreasing in Bangladesh which is decreasing the demand of battery in the local market. When the load shedding was high then the demand of IPS and battery was very high but due to the decreasing load shedding the demand of IPS and battery are decreasing.

Target Market Analysis:

The size of the battery market of Bangladesh is not small. According to the information collected by Rahimafrooz Marketing team the monthly demand of battery in Bangladesh is near able 500000. So the annual demand is 6 million, which is not a small amount. But RGL cannot target the whole market. The target market of RGL for its SMF battery is the private car users, the users of IPS and some corporate clients because for the small vehicles, tracks and buses SMF battery would not be a cost effective choice.

Consumer Behavior:

Before going to select the GTM strategy every company needs to know the behavior pattern of the consumers. That is what here I tried to show some aspect of the consumer behavior related to battery market. First of all I found that almost every consumer of battery do not have any idea about SMF battery in fact they do not have any idea about any kind of battery.

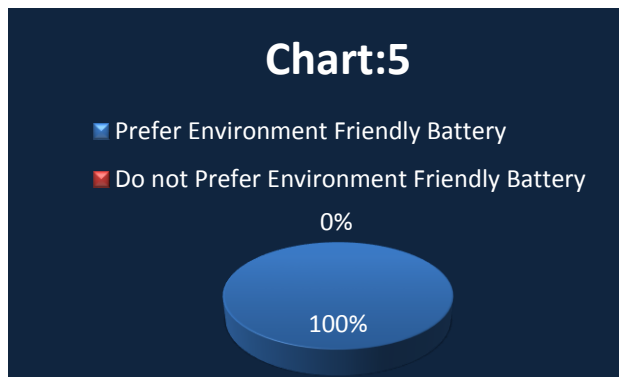
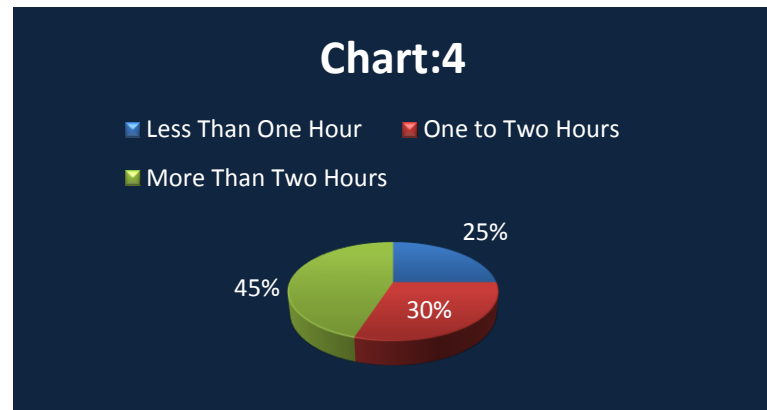


From the chart one we can see that a very few people have idea about SMF battery. That means they rely on some other person when they make decision about purchasing battery.

From the chart 2 we can see that Car drivers and the battery retailers are the most influential group in battery purchasing decision of the consumers. Car drivers are particularly important in battery purchasing decision. So it is very important for RGL to know the behavior of the car drivers. One interesting thing is that, almost all the car drivers of Bangladesh love to listen Radio and they spend huge time on radio.

In fact majority of the car drivers used to listen Radio for more than 2 hours. This information shows that radio is a very influential media through which marketers can influence car drivers who are one of the most powerful coup who can influence the purchasing decision of the battery consumers.

One more interesting thing about the behavior of battery consumer is that, they prefer to purchase those batteries which are more environments friendly.



The chart: showing that almost all the battery consumer of Bangladesh is conscious about environment and that is why they prefer battery which is environment friendly and less harmful for human.

From the SWOT and market analysis we have got details idea about the internal and external factors which will help us to design a more appropriate GTM strategy for the SMF battery of RGL in Bangladesh. Now based on the internal and external analysis I am going to design the GTM strategy for the SMF battery of RGL which will cover the most appropriate pricing strategy, distribution channel, effective promotional tools as well as the best way to position the brand in the market.

Positioning Strategy:

RGL must try to position their brand as a luxury, user and environment friendly brand. Some of the characteristic of the SMF battery of RGL will allow them to be positioned as a luxury user and environment friendly battery. These characteristics are given bellow.

Long Life: Because of its lead calcium design, the Globatt SMF battery will hold its specific gravity more than three times longer than conventional lead antimony types. This means much longer periods between charges when the battery is used in a standby mode, like winter storage and to remain factory-fresh the SMF battery is shipped dry along with its own pack of high-gravity acid that's added at the time of installation.

Shorter Recharge time: The SMF battery takes less time than the traditional battery. When your battery take less time to recharge then definitely it's a big advantage for you. Especially for the IPS users recharge time is very important because during the heavy load shedding period if battery takes large time then it might prevent IPS to provide the appropriate service. SMF take at least 40% less time than the traditional battery. So it's a vital advantage for the users.

Less Risky: Sometimes traditional Battery might spark which can cause some accident. The main reason behind the spark of battery is the inappropriate position of the liquid acid. In case of SMF we do not need to provide any extra acid water so there is no or very less risk of spark in the SMF battery.

Less effort required: User always needs to take care of the traditional battery. They have to supply acid water regularly for the continues service of traditional battery. In the SMF battery we

do not need to give any acid water which leaves us from a big task because providing acid water into the battery is an irritating task. (Professional Battery Quality, 2016)

More Environment friendly: The SMF batteries discharge less Hydrogen gas than the traditional battery. Hydrogen gas is very much harmful for the environment and a traditional battery discharge significant amount of hydrogen gas in the environment (Professional Battery Quality, 2016)

Moreover, the price of the SMF battery of RGL is quite high and the target customers are the private car users and IPS user so we can say that their target customers are luxury consumer in Bangladesh.

So after analyzing all the characteristics of RGL SMF battery we can say that they must try to position their brand as luxury user and environment friendly brand. Through their pricing, distribution and promotional activities and strategies they have to ensure that they positioned themselves properly.

Pricing Strategy for Globatt SMF battery:

A business can use a variety of pricing strategies when selling a product or service. The price can be set to maximize profitability for each unit sold or from the market overall. It can be used to defend an existing market from new entrants, to increase market share within a market or to enter a new market. In terms of Rafimafrooz Globatt Limited they are going to introduce SMF battery in Bangladesh which is a completely new product in the context of Bangladesh. They are going to have monopoly market in Bangladesh so they can try to get maximum profit from the market.

To me the most appropriate pricing strategy for the Globatt battery would be price skimming strategy. Price skimming is a pricing strategy in which a marketer sets a relatively high price for a product or service at first, and then lowers the price over time. Skimming strategy is an appropriate strategy when

1. There are enough prospective customers willing to buy the product at the high price.
2. Lowering the price would have only a minor effect on increasing sales volume and reducing unitcosts.
3. The high price is interpreted as a sign of high quality.

4. The high price does not attract competitors

Now I am going to show why Skimming strategy is best for the Globatt Battery.

- **No Competitors:** There is no company in Bangladesh which is offering SMF battery. So Globatt is the only SMF battery in Bangladesh. So if anyone wants to have a SMF battery he or she has to buy a Globatt battery. So Rahimafrooz can charge a bit higher price for their SMF battery.
- **Luxury Consumer:** The target customer for the Globatt SMF battery is the Luxury consumer. SMF battery is a sophisticate product. Everyone will not purchase it. Only the luxury consumer will be able to purchase this SMF battery. So if RGL charge less price then it might create some confusion in the mind of consumer because in Bangladesh the general perception is Good Quality comes with higher price. So to attract the luxury consumer they have to charge a bit higher price.
- **Low power of buyers:** As I have already mentioned that buyer power is very low in terms of SMF battery in Bangladesh as there is no other company in Bangladesh which is offering the same product. When the powers of buyers are low then we can charge a bit higher price.
- **Limited Capacity:** Total capacity of RGL for the local market is only 60000 units per month while the total demand of battery in Bangladesh is more than 500000 units per month. So RGL cannot capture the whole market. They can serve only 10% to 12% of the Market demand. As they cannot sale bigger amount so they have to make profit from their limited sales and the only way to do it is charging a higher price. So RGL do not need to consider the whole market right now. They can focus only on the luxury consumer and that will permit them to charge a higher price for their SMF battery.
- **Maintaining the image of good quality:** RGL must maintain the image that Globatt battery is a premium class battery. So if they charge low price then it might create confusion in the mind of customers about the quality because in Bangladesh people believes that the price of good quality product must be higher.
- **Maintaining balance with the parent company:** The parent company of RGL is Rahimafrooz Bangladesh limited. Generally Rahimafrooz Bangladesh Limited charges higher price for each and every product that they sales.

So after analyzing all of the above factors I can safely say that, Skimming strategy would be the best pricing strategy for the Globatt SMF battery but if it is required then gradually they can decrease the price in the future.

Distribution Channel:

The path through which goods and Services travel from the manufacturer to the consumer or payments for those products travel from the consumer to the manufacturer is called distribution channel. A distribution channel can be as short as a direct transaction from the vendor to the consumer, or may include several interconnected intermediaries along the way such as wholesalers, distributors, agents and retailers. Each intermediary receives the item at one pricing point and moves it to the next higher pricing point until it reaches the final buyer.

Rahimafrooz Bangladesh limited currently distributing their goods in two ways. In the city of Dhaka, Chittagong and Sylhet they follow one type of distribution channel and for rest of the country they follow another distribution channel.

In Dhaka, Chittagong and Sylhet Rahimafrooz follow direct distribution policy. Rahimafrooz has a separate Company name Rahimafrooz Distribution limited through which with Rahimafrooz distribute all of their goods in Dhaka, Chittagong and Sylhet. Rahimafrooz sales near about 55% of their total battery in these three cities. So these three cities are very important market for Rahimafrooz and that is why they handle this market by their own company. Here the manufacturing companies supply the goods to the Rahimafrooz Distributors limited and RDL directly sales those goods to the retailers. So here they maintain a very simple and short distribution channel.

For rest of the country they follow a comparatively complex and wider distribution channel. Here the manufacturing companies of Rahimafrooz Bangladesh limited supplies the goods to the regional distributors then the regional distributors supply the goods to the dealers. At the last stage the dealers supply the goods to the retailers. So here they follow a comparatively complex supply chain.

Appropriate Supply chain for the Globatt SMF battery:

As the target customers of the Globatt battery are the luxury consumers of Bangladesh so they can sale the batteries through RDL. Majority of the luxury consumer of Bangladesh lives in Either Dhaka or Chittagong or Sylhet. So they do not need to go for a complex distribution

channel. The total capacity of Globatt is only 60000 batteries which can be easily sold in these three big cities so they do not need to take extra pressure. Moreover, if they can sell through RDL they can save huge amount of intermediary cost which will increase their profit. If they failed to sell all the battery in these three cities then they can go for some other districts. In that case they can give preference to Khulna and Rajshahi region because these two regions are very near to their production unit which is located in Pabna.

So after analyzing all the relevant factors I can say that Rahimafrooz must try to sell all of their batteries through RDL in Dhaka, Chittagong and Sylhet. That would be the best choice for them.

Promotional Activities of Rahimafrooz Globatt Limited:

A company needs to put emphasis on promotional activities especially when they are introducing a new product. Rahimafrooz Globatt Limited is introducing SMF battery in Bangladesh which is a totally new product in the context of Bangladesh.

From the market analysis we can see that people do not have idea about SMF battery. So if they cannot promote the product then people will not understand the benefit of the product. To teach the customer and to create awareness among the customer about the product appropriate promotional activities are very important. The promotional activities that Rahimafrooz should do are given below.

Television Commercial (TVC): As a primary promotional activity RGL needs to put lots of emphasis on TVC because through TVC they can create market awareness. Recently Rahimafrooz introduced SMF battery in Bangladesh which is a totally new product. Majority of the Bangladeshi do not have any idea about the benefits of SMF battery. So Rahimafrooz has to teach people about the benefits of the SMF battery and they have to create awareness about the new type of battery that they have introduced in the Bangladeshi market. To do so they need to do some promotional activities and TVC is one of them. Recently they have spent a lot in TVC promotion. Moreover, they are planning to do further Television promotion so that they can teach the benefits of the SMF battery to the people of Bangladesh.

Social Media Promotion: Social media is one of the most powerful media through which companies can reach to the mass people as majority of the young people are now spending huge

time in the social media. As an innovative company Rahimafrooz Globatt Limited cannot miss this thing. They have to be very active in the social media and have to do lots of promotional activities through Social media especially through Face book. Rahimafrooz Globatt has their own Face book page through which they are doing their promotional activities but these are not sufficient. They need to do a lot more in order to get maximum attachment with their target customers.

Sponsorship of Events: Rahimafrooz Globatt Limited needs to give sponsorship in some events to promote their own brand. For example, they can sponsor motor race event which is quite relevant.

Newspaper Advertisement: Newspaper is also a good source to reach to the target customers. Rahimafrooz needs to give advertisement in different national newspapers regularly especially to promote the special offer or to show the price of the products. This is a source through which they can give details information about the goods to their customers.

These promotional activities are very traditional and are not enough to create awareness among the customers about the SMF battery and to boost up the sales. To make the promotional activities appropriate Rahimafrooz must ensure recommendation from the experts. Now I am going to discuss this issue.

Ensuring Word of Mouth among the experts:

We generally do not purchase medicine based on our own wish. We purchase those medicines which are recommended by the doctors who are experts in this field. That is why medicine companies do not do any public promotional activities. Battery is very similar to medicine. The general people generally do not spend much time to get knowledge about battery. So we have a very little knowledge about battery. So when we purchase battery we take suggestion from experts like our drivers or sometimes from the retailers.

So to boost up the sales RGL need to ensure that customers are getting recommendation from the experts about Globatt Battery. To ensure that RGL has to do the following activities.

Word of Mouth among the drivers: From the market analysis we can see that drivers are one of the major influential forces who can influence the purchasing decision about battery. So it is

very important for RGL to ensure that their target consumers are getting recommendation from the drivers by ensuring Word of Mouth among them. To get the recommendation from the drivers RGL need to do the following activities.

- **Radio Advertisement:** Drivers of Bangladesh usually listen radio when they are inside the car but not driving. So we can say that drivers pass the free time by listening radio and that is why radio advertisement is the most important tool to reach to the drivers of Bangladesh. I did a survey on the drivers and in that survey I found that 100% drivers like to listen radio while they are not driving. I did the survey on 20 drivers and all 20 drivers gave the same answer. So if RGL give advertisement on radio then it would be very useful to convince the drivers and if they can convince the drivers then their customers will get recommendation about RGL from their drivers.
- **Free driving school:** Rahimafrooz do a lot of CSR activities. Now a day's CSR activities are two way gaining activities. Organization will provide something for the society and in return they will get something from the society. As a CSR activity Rahimafrooz can open a free driving school. In that school, if they can give driving training to prospective drivers then those drivers will be loyal towards Rahimafrooz. When the amount of trainees will increase then Rahimafrooz can get the benefit of word of mouth. By doing this they can ensure the recommendation from the drivers for their customers.

Ensuring word of mouth among the Retailers: In the selling process of battery retailers are very important. It is observed by the RGL that retailer has huge impact on the buying decision of battery. Even from the market analysis we can see that retailers have huge impact on the buyers. So RGL need to ensure that their brand is recommended by the retailers and to do so they have to do the following activities.

- **Appropriate commission:** When the retailers will get the appropriate commission from the company then they will try to sell that product. It is obvious that if they get maximum commission from RGL they will try to sell Globatt battery as much as they can instead of other brands. So RGL need to provide appropriate commission to the retailers.
- **Incentive:** RGL have to arrange incentive for their retailers. If any retailers can fulfill the target then RGL must give incentive to that retailer. It will increase the retailer's motivation.

- **Others benefits:** RGL have to ensure continues attractive bonus for the retailers. For example they can offer foreign trip to their retailers under some condition. It will help to increase the motivation of the retailers. By these ways RGL can ensure the positive recommendation from the retailers.

Conclusion

Introducing a completely new product in a market is always a massive challenge for any company. Rahimafrooz Bangladesh limited is doing battery business from 1954 and still they are the market leader of the battery market of Bangladesh. Before 2007 Rahimafrooz was enjoying a sort of monopoly market in Bangladesh as there was no such big competitor in this sector of Bangladesh but the scenario has been changed. There are more or less 5-7 big companies are now running their operation in Bangladesh and their market share is increasing day by day as a result Rahimafrooz is facing a huge competition in Bangladesh. Though there are several companies are selling battery in Bangladesh still Rahimafrooz is the market leader of the battery market but the scenario might change any time. To be the market leader in battery sector of Bangladesh Rahimafrooz need to do something which will give them some sort of competitive advantages in the market. To ensure the leadership position in Bangladeshi battery market Rahimafrooz has introduced a hightrech sealed maintenance free battery which is completely new in the context of Bangladesh and no other company is selling SMF battery in Bangladesh.

As Rahimafrooz is going to introduce a totally new product which is SMF battery they need to ensure the product awareness among the target customer. To ensure the product awareness they have do a lot of relevant promotional activities. Currently they are doing some sort of promotional activities like TVC, newspaper advertisement, sponsoring some relevant events but still they need to do something more. To endure the sales they need to endure recommendation from the experts like, car drivers and battery retailers. To do so they have to do some relevant activities like radio advertisement as the car drivers likes to listen radio. Moreover, they can establish a free car driving school as a CSR activity which might influence the car drivers to recommend their battery to the target customer. To ensure the recommendation from the battery retailers they have to take proper steps to maintain a good and profitable relationship with the battery retailers. SMF battery has several benefits which traditional battery do not have but if RGL fail to communicate those benefits with their target customer they cannot ensure sales in the market. So they need to be very careful about this issue. Maintaining distribution channel properly is very important in introducing a new product. As the target customers of RGL lives in Dhaka, Chittagong and Sylhet so they can use the distribution channel of the Rahimafrooz Distribution limited, this will help the parent company in increase their profit.

Finally I want to say that, if RGL can perform the marketing activities properly SMF battery has huge potential in Bangladesh as no other company is offering the same product in the same market. So RGL need to put lot of emphasize on the marketing activities so that they can get their desire market with the desired profit. This will ensure their leadership position in the battery market of Bangladesh.

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Appendix

Questioners for Survey: 1

Q1. Do you have any idea about maintenance free battery?

- Yes
- No

Q2. What feature do you expect from a battery which will influence you to purchase the battery?

- Spark free
- Do not require acid water
- Size of the battery
- Design of the battery
- Other

Q3. Do you think the Environmental friendliness of battery is important?

- Yes
- No

Q4. Who influence you most in making battery purchase decision?

- Friends
- Family members
- Car driver
- Battery retailers
- Others

Questioners for Survey: 2

Q1. Do you like to listen Radio?

- Yes
- No

Q2. How often do you listen Radio?

- Less than one hour
- One to Two hours
- More than Two hours