

**00240  
BBA**

Internship Report (BUS 499)

On

"An Analysis on Akij Food & Beverage"

Prepared For:

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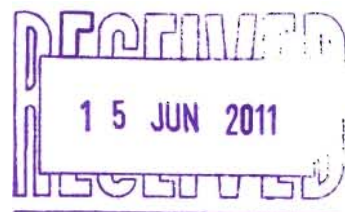
Md. Safiqul Islam

ID # 2005-1-10-019

Submission Date: August 22, 2010

**East West University**

# “AN ANALYSIS ON AKIJ FOOD & BEVERAGE”



*Brings Quality in Life.®*

**AKIJ FOOD & BEVERAGE LTD.**

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## Acknowledgement

At first I express my gratefulness to almighty Allah as I have completed this internship report on the topic “**An Analysis on Akij Food & Beverage**” successfully by His mercy. I would also like to thank my honorable supervisor M Sayeed Alam, Assistant Professor of Business Administration Department of East West University for whom I have prepared this report. I would like to acknowledge and extend my heartfelt gratitude to him because of his vital encouragement and support and assistance. I would also like to thank Md. Shafiqul Islam Tushar, Asst. General Manager (Brand Marketing) of Akij Food & Beverage, for his cooperation in the organization. I would also like to thank Tuhin Sultana, Brand officer who is my supervisor in the Akij Food and Beverage. Finally, I would like to thank all of my coworkers at Akij Food & Beverage and my friends who mentally boost me up.

August 22, 2010

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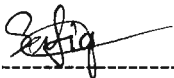
**Subject: Submission of Internship Report.**

Sir,

It is my pleasure to submit the internship report, which is done as a part of academic curriculum, to you for your kind evaluation. The report is prepared on “**An Analysis on Akij Food & Beverage**”. I have put my best effort in preparing this report and to make it a worthy one. Each aspect of the problem is considered and studied as required.

If any confusion arises or any further explanation is needed, I will be readily available to explain the matter to you, as the situation required.

Sincerely yours,



Md. Safiqul Islam

ID # 2005-1-10-019

# Declaration Statement

Honorable Sir,

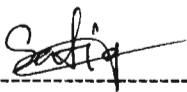
I hereby declare that this internship report on the topic “**An Analysis on Akij Food & Beverage**” is prepared by me. To prepare this report, I take information from Akij Food & Beverage, different books and internet.

I also declare that this report is free from plagiarism. This report is submitted to you and not submitted before other instructors or other institutions.

I am ready to accept any kinds of punishment if my declaration proves wrong.

Thanking you.

Sincerely yours



Md. Safiqul Islam

ID # 2005-1-10-019



# Executive Summary

It was more than fifty years ago Akij Group emerged into the market, and it was as small-time jute traders. Entrepreneur, Founder and life time Chairman Late Mr. Sheikh Akij Uddin then initiated the business in 1950s with a single product of cigarette naming Akij Biri. This brand is one of the biggest and well known unit of Akij Group and it is considered to be one of the oldest and most well known product across the country and in the few international market as well. Akij Food & Beverage started its journey in 2006. Today AKIJ GROUP has over 16 business units in different sectors including tobacco, jute mills, cement, particle board, housing, textile, ceramics, zarda, and match.

The report is prepared on **“An Analysis on Akij Food & Beverage”**. Akij Food & Beverage has a large products line like mineral, energy drinks, different types of juices, chips, various types of cold drinks and their latest addition is milk. To maintain this large product line, Akij built a strong network in all over this country. Moreover, Akij has specialized and skilled HR to run different strategies to capture large number of share. Akij Food & Beverage organize different and exciting promotional activities to maintain their current market share and capture others share. In this case, Akij Food & Beverage got extra facilities because it is performed under the shadow of Akij Group which is one of the biggest groups of Bangladesh. Akij Food & Beverage strongly aligned with mother company Akij Group to create synergy. That's why the turnover of Akij Group and Akij Food & Beverage is higher than that of other companies.

The entire report is strategically divided into three parts. First part involves relevant and accurate information of the company Akij Food & Beverage Ltd (AFBL). Overviews of the parent company AKIJ GROUP, its business units, functional and operational units are also discussed. In the second part, I analyse the AFBL's overview followed by the 4p (Product, Price, Place, Promotion) analysis, SWOT analysis, Competitive analysis along with the marketing strategy analysis and budgeting are being covered in this part. The third part involves the in-depth analysis of my research work formatted as per research technique, hypothesis, data presentation and analysis, hypothesis testing, research findings summary etc. The derived recommendation part of my research is also being compiled on this segment.



# I. Introduction

## ▣ Overview

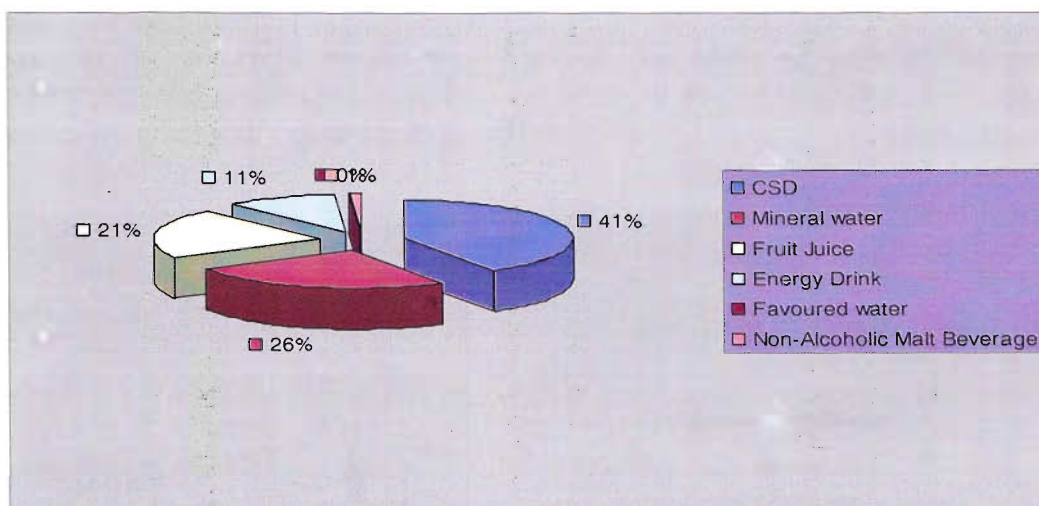
Fast moving consumer goods (FMCG) are experiencing a successive growth in our country and goods like beverages are in a flourishing state. Everyday thousands and thousands pieces of beverage products are being consumed. And to meet the demand and diversified taste, local as well as foreign companies are immerging and investing in this venture. Many local companies and foreign franchises have developed an extreme competitive environment in the beverage market. The beverage market is basically a compilation of wide range of mineral products with certain attributed affixed with it. The major product categories that are the core determinants of our market are enlisted below:

- ***Carbonated Soft Drink (CSD)***: These ranges of products are generally called refreshing drinks. The concept was developed many decades before by a pharmacist in United States of America. Initially it was consumed under the prescription of doctors but later as time passed the concept was refined to make it a product for general consumption any time. Water is being process with various flavors along with carbon-dioxide (CO<sub>2</sub>) to obtain a tasty flavored fizzy drink that provides refreshment. Carbon-dioxide is being used to obtain the fuzziness that provides refreshment to human body.
  
- ***Mineral water***: Natural water is being chemically treated to attain a refined form of pure water which is healthy for human consumption. Companies establish treatment plants to produce mineral water for the consumers.

- **Fruit Juice:** Natural fruits extracts are being process with various ingredients to form a liquid condensed juice that can be consumed within a certain period of time.
- **Energy Drink:** The main conjunction of these products is that, it provides energy to the consumer after consumption. The drink involves mineral water along with some ingredients process with Carbon-dioxide depicting a final product that provides energy to human being.
- **Flavored water:** It is form of mineral water processed with mild flavor that gives the water a taste a bit different from the conventional mineral water. The concept is quite new and hasn't been that much popular in our country.
- **Non-Alcoholic Malt Beverage:** Malt beverage is an American term for both alcoholic and non-alcoholic fermented beverages, in which the primary ingredient is barley, which has been allowed to sprout ("malt") slightly before it is processed. A non-alcoholic beverage brewed in this fashion is technically identical to "non-alcoholic beer." Such a beverage is prepared by removing alcohol from the finished product to make it an alcohol free drink giving a close taste of beer and also the energy.

The entire beverage market in our country experienced an annual growth of 6% in 2008 and the projected growth this year is close to 10%.

These entire product segments mentioned before, plays a vital role in our beverage market and the percentile breakdown of the market share of each of the product categories are graphically shown below:



(Figure: 1A)

The data in the graph above is being collected from a research firm “*The A.C Nielsen Company Ltd*”. Core work and competence of the company is on doing research on various market and consumer factors.

CSD products captured majority of the beverage market with 41% market share. The CSD products compile of three main categories.

- Cola Flavor
- Clear Lemon Flavor
- Cloudy Lemon Flavor

Among these three categories Cola withholds the maximum market share. Mineral water and Fruit juice sustains with close market share of 26% and 21% respectively. Following that energy drink market is emerging with 11% and along with that Non-Alcoholic Malt beverage and Flavor Mineral water acquired almost no market share in our country.

Competing companies introduces different taste in their products within these product categories to attain greater market share. Companies impose variety sorts of marketing strategies to raise their products in the product-life-cycle (PLC). The entire atmosphere of the beverage industries influenced me to focus on this segment of the market and experience the operational aspects closely. For my internship report, I have focused on the topic which is *“The marketing strategies used by a local company, Akij Food and Beverage Ltd (AFBL), and a comprehensive study and analysis of the consumer perception regarding these strategies followed by my recommendation regarding the brand building”*. Throughout my internship period, I worked with a beverage manufacturing company AKIJ FOOD & BEVERAGE LTD, and within this period I got exposed to the entire functioning of how a beverage company operates in the market. The first hand experience was the core corner stone of my entire report work.

### ▣ Objective & Format

The core objective of selecting the topic is to better understand the beverage industry and its respective marketing strategies. Akij Food & Beverage Ltd (AFBL) came into the food & beverage industry only a few years back. And within these few years the company came up with wide range of beverage products. Each of the products are introduced and marketed with different marketing strategies in order to establish a strong brand image. **The objective of my internship report was to identify whether the marketing strategies and unique selling proposition (USP) used by AFBL for its products are communicated and perceived by the consumers in the exact pattern desired by the company.** Research and analysis on the consumers helped me to depict and provide appropriate recommendation regarding the marketing strategies of brand building of AFBL's products.



the country and in the few international market as well. Then in the late 70s Dhaka Tobacco Industries came to the fold of Akij Group when government decided to disinvest and hand over the factory to the private sector from the nationalized sector. It was the first booming stage of Akij Group and from then onwards this entity diversified its business in various product line and engrave the peak of success.

From such small beginnings, it has expanded into one of the top corporations in Bangladesh, and not only in size. Akij Group is proud of its infallible quality and excellent service by valuing its consumers as unique individuals and trying best to provide merchandise to suit the needs of each distinct consumer group. AKIJ group has never limited its aims to profit making. Besides playing a part in developing the country commercially, it has also worked hard to preserve its environment and culture. The company is proud to say that the word wastage means little to them; all their factories have been constructed with recycling and the environment in mind. The non-profit making concerns of the Group are involved directly in sustaining the progress of Bangladesh. A large number of people are employed by them, and cared for as members of the AKIJ family.

AKIJ group copes with the present versatile market by being flexible. Creative new ventures are the secret of our accomplishments. Portfolios of their ventures are enlisted in the following page:

<b>SL NO.</b>	<b>Name of the Company</b>	<b>Product</b>	<b>Year of the Establishment</b>
01.	Akij BIDI Factory Ltd.	Hand Made Cigarettes	1950
02.	Akij Transport Agency Ltd.	Transport	1950
03.	SAF Industries Ltd.	Crust & finished Leather	1960
04.	Dhaka Tobacco Industries Ltd.	Cigarettes	1966
05.	Akij Printing & Packages Ltd.	Printing & Packaging factory	1974
06.	Dhaka Tobacco Industries Leaf Processing Plant.	Tobacco Leaf Processing Plant	1981
07.	Akij Corporation Ltd.	Trading House	1983
08.	Akij Housing Ltd.	Housing	1987
09.	Akij Match factory Ltd.	Match	1992
10.	Akij Jute Mills Ltd.	Jute Yarn & Twine	1994
11.	Akij Cement Company Ltd.	Cement	1995
12.	Akij Textile Mills Ltd.	Cotton Yarn	1995
13.	Akij Pharmaceuticals Ltd.	Medicine	1996
14.	Akij Particle Board Mills Ltd.	Particle & Hardboard	1996
15.	Akij Computer Ltd.	Hardware & Software	1997
16.	Sonar Bangla Cement Ltd.	Cement	1998
17.	Akij Online Ltd.	Internet Service Provider	2000
18.	Akij Food & beverage Ltd.	Food & beverage	2006
19.	Akij Zarda Factory Ltd.	Flavoured Chewing Tobacco	2000
20.	Nebula Ink Ltd.	Ink	2001
21.	Akij Institute of Technology Ltd.	IT Education & Training	2001
22.	Savar Industries (Pvt.) Ltd.		2001
23.	Afil Toiletries Ltd.	Toiletries	2003
24.	Akij Power Ltd.	CNG	2008
25.	Akij Poly Fibre Ind. Ltd.	Poly Fibre	2008
26.	Addin Hospital	Health care	
27.	Akij Securities	Corporate share broker house	2008



Each of the ventures of AKIJ Group is entitled to be profitable and this aspect makes them extremely financially strong in the market. Among all the ventures or units of Akij Group, Dhaka tobacco industry is the most profitable one which compiles of the products like *Akij Biri*, *Dolphin match*, *FireFox match* and other shown below:



### 1.2 Statistical Data

Akij Group is not a public limited company and not enlisted in the stock exchange market. It is a complete privately owned venture with no external public share and corporate share. Each of the ventures of AKIJ Group is entitled to be profitable and this aspect makes them extremely financially strong in the market. The directors are the offspring of the late chairman and founder. With no debt in the market, Akij Group of Industries are operating and performing in the optimum level and is considered to be one of the top notch leading industries in Bangladesh. Some statistical facts of Akij Group is stated below:

- Total number of employees: 62000 (approx) in various categories.
- Annual turnover (revenue) of the entire group in year 2007-2008 was Tk.23.59 billion/ Tk.2358.66 (Crore) approx.
- Tax paid in year 2007-2008 was Tk.11.24 billion/ Tk.1124 (Crore) approx
- Tax paying amount is close to 3% of the annual national budget of Bangladesh.

### 1.3 Mission (Akij Group)

Core mission: *Reaching escalating heights in Bangladesh and beyond.*

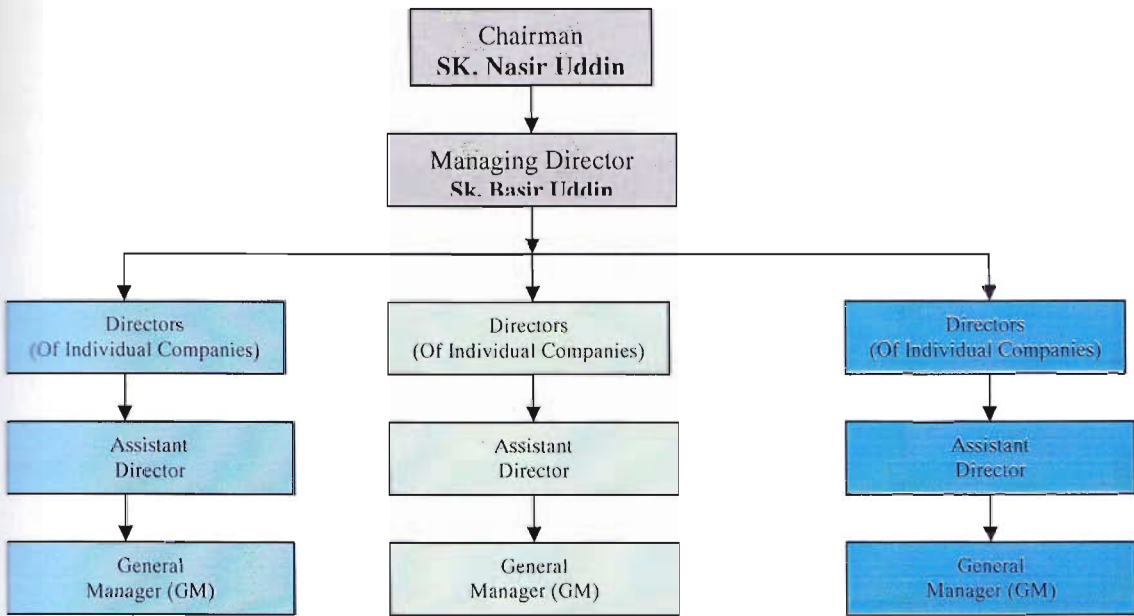
AKIJ GROUP is committed to provide the best product/service quality to their targeted consumers and this commitment enhances them to accomplish their goal. Consumer satisfaction from their quality products is one of their major goals and thus sustainable product quality is the key concern of this company.

The 4ps of Product, Price, Place, and Promotion are subjected to their mission and to execute and co-ordinate them properly in order to sustain and enhance consumer satisfaction and also encounter proper profitability.

### 1.4 Organizational Structure (Akij Group)

Head office of Akij group is compiled in two multistoried building naming AKIJ Chamber & Mofiz Chamber situated in 73 Dilkusha C/A & 75 Dilkusha C/A, Motijheel, Dhaka. Business operations of all the companies are conducted in these two 12 floor and 8 floor corporate houses.

Akij Group maintains a mechanistic organizational structure where bureaucratic environment prevails in the work place. Decision making processes are very centralized towards the directors and top-level executives. Organogram of the group is graphically shown in the following page:



Each of the companies has its own directors who are the offspring of Late Mr. Sheikh Akij Uddin. And for each company there is assistant director and general manger accountable to the respective directors for their operations.

The following departments:

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Finance & Accounts Dept  | <input type="checkbox"/> Audit Dept    | <input type="checkbox"/> Administration Dept  |
| <input type="checkbox"/> Human resource (HR) Dept | <input type="checkbox"/> Purchase Dept | <input type="checkbox"/> Import & Export Dept |
| <input type="checkbox"/> Ad & Creative Dept       | <input type="checkbox"/> IT Dept       | <input type="checkbox"/> Transport Dept       |

Are common for each of the enlisted twenty-seven companies and each department has individual sub-units working separately for all the companies.

*With all these, Akij Group has turn out to be a gigantic industry which compiles varies category of business and are raging success towards every sector. Lately Akij Group has captivated a huge venture in the beverage market of Bangladesh and has entered in the market with the name **AKIJ Food and Beverage Limited (AFBL)**.*

## ▣ 2.0 Overview: AKIJ FOOD & BEVERAGE LTD (AFBL)

### 2.1 AFBL: Background

The company Akij Food & Beverage Ltd (AFBL), a unit of Akij group, came into business in year 2006. It incorporates manufacturing of variety sort of snack and beverage products and selling them to the local market as



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**AKIJ FOOD & BEVERAGE LTD.**

well as some of the international market. AFBL was a project of TK-450 crore (approx) and the investment was being made by the parent company Akij Group itself, no financial outsourcing was made. And any further investment needed will be supported by the parent company as well. Since the invasion of AFBL, the company is using its strong resources continuously to provide various ranges of products in different product lines to its customers.

### 2.2 Statistical Data

Some of the statistical facts are stated below:

- Total investment: Tk. 4.5 billion/450 Crore (approx)
- Turnover (revenue) in year 2006-2007: Tk 907.6 million/ 90.76 Crore (approx)
- Tax paid in year 2006-2007: Tk.160 million/ 16 Crore (approx)
- Total number of employees: 338 approx
  - *Sales & Marketing: 180 employees (approx)*
  - *Factory personnel: 158 employees (approx)*

Employees of the Departments of Finance & Accounts, Audit, Administration, Human resource (HR), Purchase, Import & Export, Ad & Creative, IT, Transport are NOT included in the 338 total employee list. Employees in these departments work for AFBL but they are considered to be the employees of AKIJ Group in their respective departments and all their salaries and benefits are disbursed as per Akij Group's notion not from AFBL.

➤ Revenue growth graph:

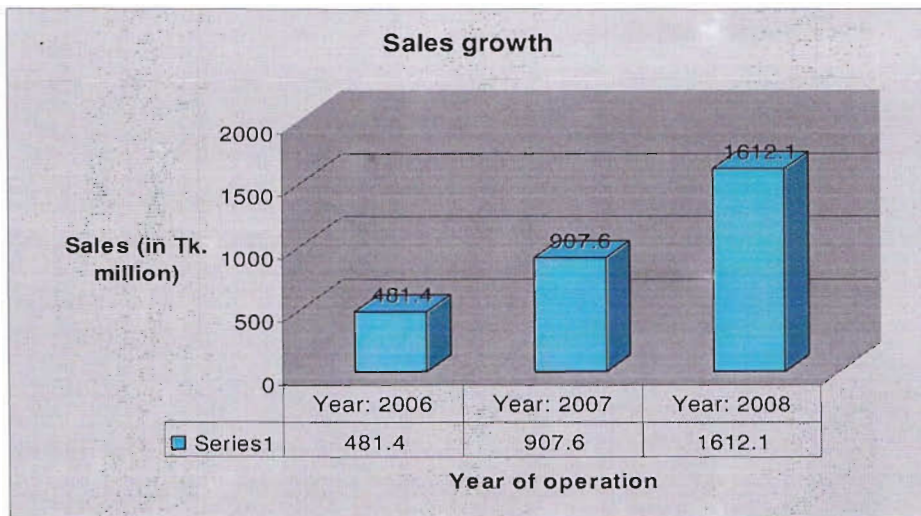


Figure: 1B

*(Information in the graph are accurate and it is from AFBL source. Extreme confidentiality should be maintained)*

- Sale revenue in year 2006 was Tk.481.4 million/ Tk.48.14 Crore (approx)
- Sale revenue in year 2007 was Tk.907.6 million/ Tk.90.76 Crore (approx)
  - Sales Growth rate (2007): 88.5%
- Sale revenue in year 2008 was Tk.1612.1 million/ Tk.161.21 Crore (approx)
  - Sales Growth rate (2008): 77.6%

- Sales revenue from Jan2009 to June2009 is Tk.1282.6 million/ Tk.128.26 Crore (approx) already. If forecasted sale for the other half year of 2009 is double the sale of the first half then total revenue for 2009 stand to be Tk.2565.2 million/ Tk.256.52 Crore (approx). Then expected Sales Growth (2009) rate would be: 60% approx.

### **2.3 AFBL: Mission & Vision**

The tag line of AFBL is "BRINGS QUALITY IN LIFE"

#### **2.3.1 Mission:**

To be the market leader in quality food & beverage sector discovering & satisfying the desire & need of the community working in harmony with our customers, employees and business partners.

#### **2.3.2 Vision:**

To be the leading food & Beverage brands excelling in product quality, social, technical & marketing creativity; and service to our customers through the skills and cordial commitment of our employees.

According to Late Mr. Sheikh Akij Uddin regarding AKIJ Food and Beverage Limited (AFBL), "*We will manufacture and introduce those high quality products in the market that we ourselves and our family will always use, we will NOT just produce products for the consumers in the market and let our family consume other foreign products*".

## 2.4 AFBL: Morale, Ethics & Values:

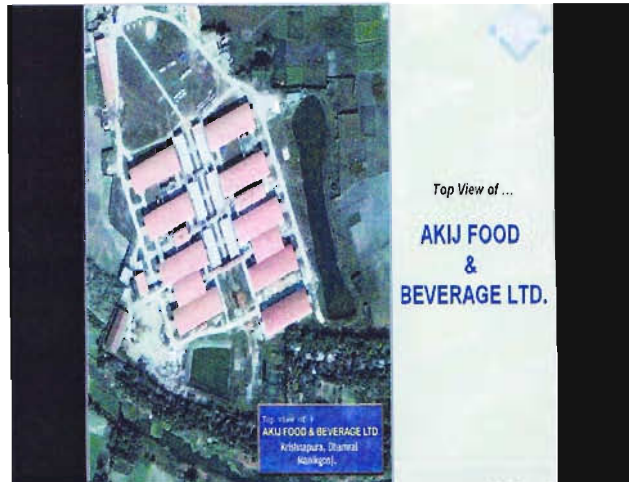
- Believing in quality and excellence in service
- Believing open communication, personal responsibilities, integrity, and active participation
- Supporting the creative diversity and share of ideas
- Building culture of learning based on leadership, teamwork, accountability, and co-operation.

## 2.5 Internal Situation Analysis

### ❖ Capabilities of AFBL

#### 2.5.1 Factory & Machinery

Factory of Akij Food & beverage Ltd has been established in a beautiful site at Krishnapur, Dhamrai Dhaka. It has come with one of the best food & beverage industry in Bangladesh. All the machineries are being imported from two international well reputed companies in Germany naming *The Krones Group, headquartered in Neutraubling, Germany & Ningbo Sipa Safety Equipment Co., Ltd.* All the machineries are fully automatic and digitally controlled. Such high-



tech production plants that is sensible to reject products itself that fails to meet standard level that has been set. In total there are only six companies in the sub-continent using such sophisticated machineries to manufacture CSD products, and among those companies AFBL is one of them. This factor reflects the quality of the factory and the machineries which in tern reflects the quality standard of the products of AFBL.



For any technical breakdown highly experienced and trained engineers are there to serve round the clock.





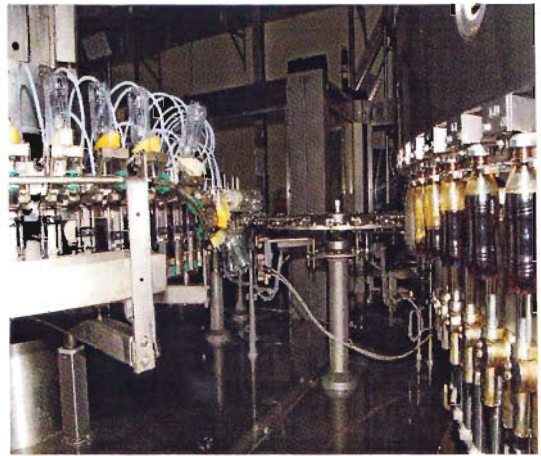
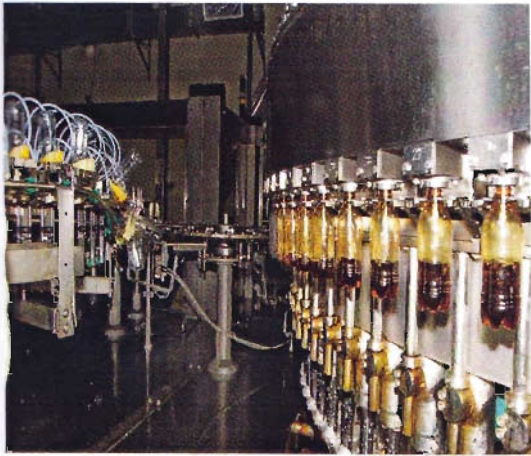


Photo: (Machinery)

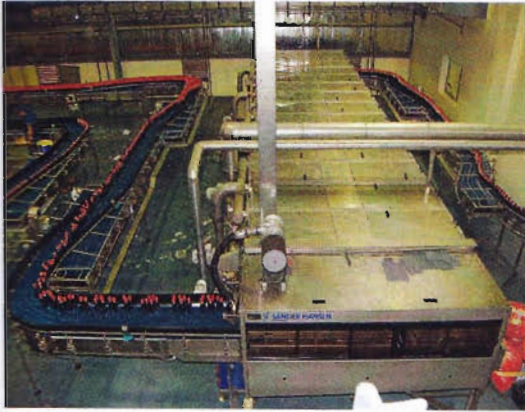


Photo: (Machinery)

### 2.5.2 Financial:

AFBL has a strong financial background as because 100% of its financial back up is being provided by the parent company AKIJ GROUP. All the initial investments regarding the establishment of the company, its products and even for the marketing purpose, the parent company provided full support. No financial out-sourcing such as debt or bank loan was being made by AFBL. Because of such strong financial back up, huge marketing activities, promotional campaigns were been possible for its products to strongly compete with its competitors. And now after three years of operation the company is solvent enough to finance its promotional activities by itself but if furthermore huge investments are required then AKIJ GROUP is always there to provide full flagged support.

### 2.5.3 Human resource:

AFBL believes that their teamwork is their greatest asset. Useful contributions made by each individual bring them much closer to their goals. AFBL made up of a group of passionate individuals, uniquely qualified from diverse disciplines but working towards their vision. AFBL ensures that their employees are provided with:

- A friendly and supportive environment that encourages their people to develop their potentials to an optimal level.
- A true quality of professionalism that can be found in all world-class multinational companies
- Team oriented professionals, who contribute to the greater whole of the organization through their participation in decision making situations.

## 2.6 Functional Departments

From the production till the selling of the AFBL's products, several departments work interconnected and they are outlined below:

- **Production dept:** This department handles the entire production process of AFBL's products
- **Marketing Dept:** This department is divided into four categories
  - Brand Dept: Develops the marketing and promotional strategies for AFBL's products and executes them.
  - Sales Dept: Forecast, Pursue, Co-ordinate & Monitor the entire nation wide sales of AFBL's products.
  - Sales-force Training Dept: Trains, pursue to work, motivates & monitors the sales force working in the field for AFBL.
  - Distribution Dept: Distributes accordingly the final products from the factory to the entire country's individual distribution points from where products of AFBL are being sold to the retail outlets.

The following departments: *Finance & Accounts, Audit, Administration, Human resource (HR), Purchase, Import & Export, Ad & Creative, IT & Transport* of AKIJ GROUP conducts the department operation for AFBL to carry out and complete the departmental portfolio of Akij Food & Beverage Ltd.

### III. 4Ps ANALYSIS OF AFBL

The 4ps analysis of a company involves detailed study of the company's Product, Price, Place and Promotion. Each of these segments of AFBL is exemplified below.

#### ▣ 1.0 Products

Akij Food & Beverage Ltd (AFBL) believes in providing optimum quality products to value its customers. All the high-tech machineries and factory site is established to enhance the capability to satisfy consumer needs in a profound quality processed manner. AFBL has categorized its products in eight products line and each line incorporates various brands to captivate the market. Groups or the product line are been distinguished by the company based on the machinery used for manufacturing the products. AFBL has the planning of introducing more different and unique products in their product line and even they are planning to diversify more on their product line. Tabular presentation of the products as the product line is shown in next page:

Product line-1 (CSD)	Product line-2 (Energy Drink)	Product line-3 (Non-Alcoholic Malt Beverage)	Product line-4 (Mineral Water)	Product line-5 (Juice)
<ul style="list-style-type: none"> <li>➤ <b>MOJO</b> (Bottle-250,500, 1000, 2000 ml, Can-150,250ml)</li> <li>➤ <b>LEMU</b> (Bottle-250,500, 1000, 2000 ml, Can-150,250ml)</li> <li>➤ <b>CLEMON</b> (Bottle-250,500, 1000, 2000 ml, Can-150,250ml)</li> <li>➤ <b>MOJO LIGHT</b> (upcoming)</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>SPEED</b> (Bottle-250ml, Can-250ml)</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>WILD BREW</b> ( Can-250ml)</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>SPA</b> (Bottle-500,1000, 2000ml)</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>FRUTICA MANGO</b> (Bottle-250 1000ml)</li> <li>➤ <b>FRUTICA GRAPE</b> (Bottle-250 1000ml)</li> <li>➤ <b>FRUTICA RED ORANGE</b> (Bottle-250 1000ml)</li> <li>➤ <b>FRUTICA MIXED FRUIT</b> (Bottle-250 1000ml)</li> <li>➤ <b>SHAKE-- Mango Milk</b> (upcoming)</li> <li>➤ <b>APHI-- Lichi</b> (upcoming)</li> </ul>
Product line-6 (Snacks)	Product line-7 (Dairy Products)	Product line-8 (TEA)		
<ul style="list-style-type: none"> <li>➤ <b>CHEEKY MONKEY</b></li> <li>➤ <b>CHEESE PUFF</b></li> <li>➤ <b>O'POTATO</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>FIRM FRESH UHT</b> (500ml)</li> <li>➤ <b>FIRM FRESH Pasteurized</b> (500ml)</li> <li><u>UPCOMING</u></li> <li>➤ <b>FIRM FRESH Butter, Ghee</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>ICE-T Cold Tea</b> (250ml) (upcoming)</li> <li>➤ <b>ICE-T Green Tea</b> (250ml) (upcoming)</li> </ul>		

## 1.1 Product Description

Raw materials for the Carbonated Soft Drink (CSD), Energy drink and Malt Beverage products are import from following Germany Companies:

- *WILD GmbH & Co. KG (Eppelheim, Germany)*
- *Für Manish GmbH & Co. KG Ltd*
- *IFF International Flavors & Fragrance Inc. (Hamgurg, Germany)*



Raw materials for the juice (Pulp) and snack products (Potato & Masala) are imported from Germany & India. Dairy products are completely home made using Bangladeshi raw materials. Most of the AFBL's product design, development format, and ingredient are being provided by the Germany company "*The Krones Group GmbH & Co*".

Derailed description of products is provided below:

### ❖ *MOJO*

MOJO is a carbonated soft drink (CSD) in cola flavor. The packaging of the product is very attractive because of its color combination which is majority red and the art design printed on the bottle and can. AFBL is the first company to introduce full slive bottle packaging and this makes its product more attractive than other competing brands. All the bottle and can are made of high quality plastic and steel respectively and thus they are very handy, portable and easy to dispose. MOJO



was launched in 14<sup>th</sup> April 2006 and since then the product is well accepted by its customer and has profoundly attain a good market share. Very soon MOJO light will be launched in the market to captivate the segment of diet cola drink. The ingredient of MOJO is provided in APPENDIX-A

#### ❖ *LEMU*

LEMU is a carbonated soft drink (CSD) in cloudy lemon flavor. The packaging is full slive and very attractive. The product was launched in 14<sup>th</sup> April 2006. The ingredient of LEMU is provided in APPENDIX-A:



#### ❖ *CLEMON*

CLEMON is a carbonated soft drink (CSD) in clear lemon flavor. The packaging is full slive and very attractive. The product was launched in October 2007. The ingredient of Clemon is provided in APPENDIX-A





❖ **SPEED**

SPEED is an energy drink that was launched in 14<sup>th</sup> April 2006 by AFBL and since from then, the brand could not capture consumer attraction and could avail only a very small amount of market share of energy drink. Then in 2009, Speed was re-launched by changing the product's packaging but keeping the ingredient intact. The re-launch turn out to be very successful and now the brands withholds the second biggest market share. The ingredient of the product is provided in APPENDIX-A:



❖ **WILD BREW**

Wild Brew is non-alcoholic malt beverage in which the primary ingredient is barley, which has been allowed to sprout ("malt") slightly before it is processed. The product has been launched by AFBL in November 2008. The category of the product is slow in our Bangladeshi market and captivates only 1% of our entire beverage industry. The ingredient of the product is provided in APPENDIX-A:



❖ *FRUTIKA*

FRUTIKA is a brand for juice product that is available in four different flavors.

- FRUTIKA Mango
- FRUTIKA Grape
- FRUTIKA Red orange
- FRUTIKA Mixed fruit



The products were launched in August 2008, and since the entrance in the market Frutika captivated a large share

in the market because of its taste, packaging and unique promotional activation. The ingredient of the all types of Frutika is provided in APPENDIX-A

❖ *SPA*

SPA is a mineral water that was launched by AFBL in April 2007. The product's full slive packaging makes it very attractive. The unique marketing communication and the products look assist it to make a moderate market share. The ingredient of the all types of Frutika is provided in APPENDIX-A



❖ **FARM FRESH**

The brand FARM FRESH denotes dairy products of UHT milk and Pasteurized milk. The brand entered in the market in September 2007. The ingredients of the products are provided in APPENDIX-A.



❖ **SNACKS (Chips)**



❖ **UPCOMING Brands**



### 1.2 Product Development Matrix

Product development matrix is a tool to analyze in which market with which category of product, a company has penetrated.

Product Development Matrix	Current Product	New Product
Current Market	<u><b>Market Penetration</b></u> <i>Company combating with the current product in the current market.</i>	<u><b>Product Development</b></u> <i>Introduced new product in the current market.</i>
New Market	<u><b>Market Development</b></u> <i>Slanting the current product into a new arena/market.</i>	<u><b>Diversification</b></u> <i>Sense of innovation, by developing new product for a new market.</i>

(Figure: 1C)

As per AFBL's brand portfolio, the assortment of the brands in respect to the product development matrix is provided below:

PDM	Brands
<i>Product Development</i>	<ul style="list-style-type: none"> <li>➤ <i>MOJO</i></li> <li>➤ <i>LEMU</i></li> <li>➤ <i>CLEMON</i></li> <li>➤ <i>SPEED</i></li> <li>➤ <i>FRUTIKA</i></li> <li>➤ <i>SPA</i></li> </ul>
<i>Diversification</i>	<ul style="list-style-type: none"> <li>➤ <i>WILD BREW</i></li> <li>➤ <i>FARM FRESH (UHT Milk)</i></li> </ul>

(Figure: 1D)

Most of the AFBL's new products have been developed and launched in the current beverage market, with no market development made. But for the new products Wild Brew & Farm Fresh, new market of non-alcoholic malt beverage and UHT milk was developed.

## ▣ 2.0 Price

Pricing is one of the crucial aspects of a products destiny to success and failure. There are many different methods of pricing a company can employ. But the main scrutiny is to strategically set the pricing that facilitates the company and the product as well. Various sorts of pricing methods are stated below:

▪ Competition-based pricing
▪ Cost-plus pricing
▪ Creaming or skimming
▪ Limit pricing
▪ Loss leader
▪ Market-oriented pricing
▪ Penetration pricing
▪ Price discrimination
▪ Premium pricing
▪ Predatory pricing
▪ Contribution margin-based pricing
▪ Psychological pricing
▪ Dynamic pricing
▪ Price leadership
▪ Target pricing
▪ Absorption pricing
▪ Marginal-cost pricing

In the beverage industry of Bangladesh, people are quite price sensitive and thus prices of almost all the competing products are same. AFBL does its products pricing in three steps.

### ▪ Step-I

Cost-Plus Pricing (The core method):

$$\boxed{\text{Production cost}} + \boxed{\text{Bottling cost}} + \boxed{\text{Packaging cost}} + \boxed{\text{Printing cost}} = \boxed{\text{Gross Price}}$$

It is the first step where AFBL calculates all the production related cost of its product to estimate a Gross price.

▪ **Step-2**

Gross Price + Mark up profit margin {AFBL} = Absolute price for the distributors

Absolute price for the distributors + Profit Margin {Distributors} = Absolute price for the final consumers

Profit margin is being added in this step by AFBL. Then distributors' margins are denoted to establish the ultimate Maximum Retail Price (MPR).

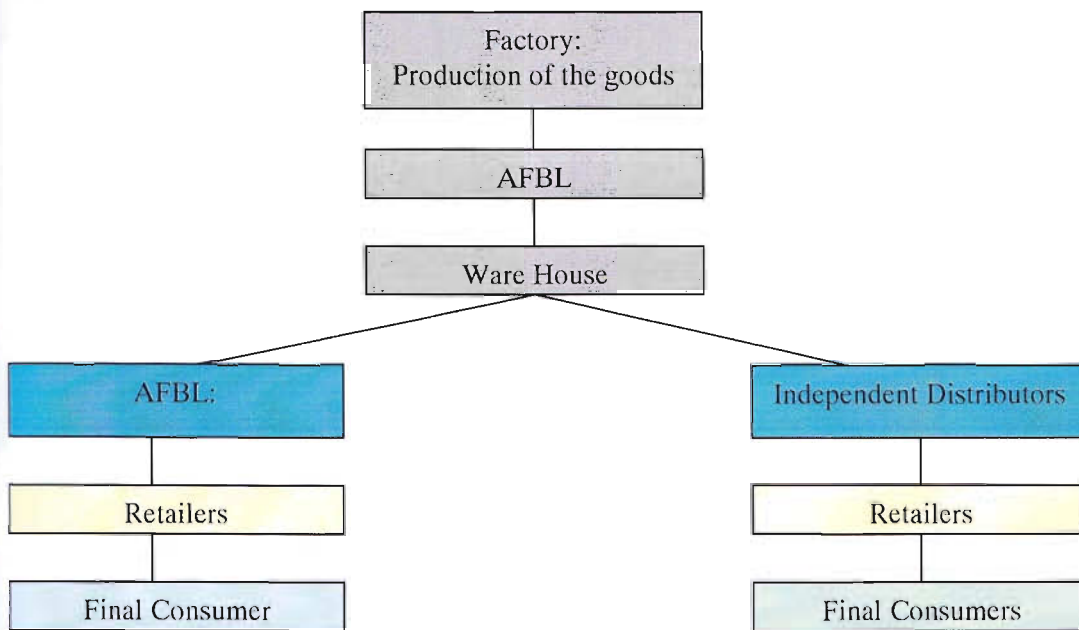
▪ **Step-3**

The ultimate price is then analyzed by AFBL using two methods:

- Competition-based pricing: Here AFBL identifies whether its product price is similar to the competitors or not. As because the beverage market is very price sensitive, thus price cannot be more than competitors and even cannot be very less than competitors as because it will impact the profitability. So the price has to be close to the competitors' price.
- Market-oriented pricing: Here AFBL justifies whether the price of its product is a price that will be accepted in the market and considered to be a market-oriented price rather than a price that will imbalance the market pricing philosophy.

▣ 3.0 Place

Place means that pattern of distribution channel a company employs to make its products available to the final consumer. AKIJ GROUP OF INDUSTRIES is considered to have one the best distribution channel around the country. This profound distribution channel was specially been made to make their cigarette products available to the consumer in each and every part Bangladesh. AFBL inherited the advantage and was been able use the wide network distribution channel to promote and provide its products in each and every niche across the country. The distribution channel AFBL employs is called Dual Distribution Channel (DDC). In DDC, a company itself distributes the products and also incorporates large number distributes, who are individuals entities, to distributes the products to the final user. The graphical presentation of the ABFL's DDC is shown below:



Products from AFBL's factory are stored in the ware house situated in various parts of Bangladesh. For Dhaka, the ware house is at Tejgaon industrial area. Then the

distribution dept at AFBL allocates the products to the distributors around the country. After the products are delivered from the ware house or factory to the distribution point, the distributing companies accordingly distribute them among the retailers to be sold to the final consumer. The distribution companies are individual entities who are considered to be the business partners of AFBL. Apart from this channel, AFBL has its own distributing wing established in some part of Bangladesh to make the products available to its customer. But where there is the establishment of AFBL's distributing wing, other distribution companies are NOT employed. This is because two channel in the same distribution point will create channel conflict that will intern effect the products selling and availability. AFBL solely do not want to depend on the distributors thus they have established Dual distribution channel.

AFBL has segmented the entire Bangladeshi market into 25 regions for its distribution purpose:

DHAKA-1	DHAKA-2	DHAKA-3	DHAKA-4	GAZIPUR
NORSINDI	ZINZIRA	NARAYANGONJ	MYMENSING	TANGAIL
CTG-1	CTG-2	CTG-3	SYLET	MOULOBIVABAZAR
COMILLA	CHOWMOHANI	KHULNA	KUSTIA	BARISAL
FARIDPUR	BOGRA	RAJSHAHI	RANGPUR	ZESSORE

For these regions, there are total of 263 approx distributing company who perform the distribution of AFBL's products. All of the companies are well trained and associated with the AFBL's products, business policies & strategies.



#### ▣ 4.0 Promotion

It is one of the most important facets of a company which it has to nourish in a very proper way to achieve optimum outcome. AFBL values the importance of promotion, because it believes no matter how high-quality, good taste, attractive packaging the product avails, it has to be properly communicated to the customer to pursue the final purchase. And to properly communicate the product with the customer, AFBL has a well structured Marketing Dept who is capable of developing projected strategic marketing plans.

The Marketing Dept of AFBL is assorted into four divisions all working interconnected:

▣ Brand Dept    ▣ Sales Dept    ▣ Sales-force Training Dept    ▣ Distribution Dept

The entire marketing department is situated in the 2<sup>nd</sup> floor of Mofiz Chamder, 75 Dilkusha C/A Dhaka.

AFBL has broadly categorized its promotional activities in two types:

#### ➤ Trade promotion (TP)

All the strategy crafting, developing, implementing and monitoring of trade promotions are being done by the sales department. Trade promotions are targeted for the retainers and the distributors. It usually involves free products, cash incentives and gifts for the retainers and distributors for high volume purchase.



➤ Consumer Promotion (CP)

All the promotional activities that are targeted for the consumers are developed here. Strategy crafting, developing, implementing and monitoring of consumer promotions are being conducted by the Brand department. The Brand department compiles of well trained and experienced individuals designated as:

- Director (Brand)     Brand Manager     Brand executives     Event Officers  
 Event Executives     Brand Officers     Marketing Officers     Graphic Designers

*Business cards of each offices in the above designation is provided in APPENDIX-A*

Each brand officer is designated with certain brands. And the brand executives are the head of all brand officers and they are entitled to the functioning of all the brands of AFBL. Event executives and officers are responsible for conducting various sorts of events associating with individual brands of AFBL. They are responsible for sponsoring and developing events and associate it with any specific brand of AFBL to create a promotional act for AFBL. The Brand manager is the department head, to whom all other officials are accountable. And the Brand Manager is accountable to the Brand Director for the functioning of the Brand department.

The AD & Creative department of AKIJ GROUP assist AFBL's brand department for some of its operation regarding promotional strategy implementation. AFBL do not have their own in-house agency. They believe in creativity and so they think that if they hire

outside agency to make their ads and promotions then they would get more benefits. According to them, by using an outside agency they can get services from highly skilled expertise in their chosen field.

Currently AFBL is affiliated with two agencies that provides various sort of promotional services, starting from generating innovative promotional ideas and concepts, strategically coordinating them and till execution.

- ADCOMM LTD (*works for the brands MOJO, CLEMON, FRUTIKA, SPA, FARM FRESH & CHIPS products*)
- GREY, Bangladesh (*works for the brands SPEED, LEMU, SPA, WILD BREW*)

AFBL incorporates yearly bases contract with the two agencies mention above. The contract implies the agencies to work with the specified brands of AFBL and the remuneration is given using a method called:

Retainership fee approach: AFBL pays a fixed certain amount of monthly fee to the Ad agencies. The fixed amount is paid even if the agency works every single day of the month and even if not working for a single day. The monthly fee has been set by a negotiation between AFBL and the Ad agencies.

AFBL strategically coordinates its Brand department with the outside Agencies in order to attain optimum outcome regarding the promotional activities, from both the entities. Analysis of the marketing and promotional strategies of AFBL is illustrated in the later part of the project.

## ❖ Sales Forecast/ Promotional Budgeting

### Sales Forecast:

Sales department of AFBL constructs the sales forecast of the product. Two types of forecasting are being done by the department:

Nation-wide Forecast: It is the long term forecast usually for one year. The term period is from July to June.

Area-wise Forecast: It is the short term forecast performed every month. The forecasting is made within the 25<sup>th</sup> to 28<sup>th</sup> of the respective month.

Usually revised forecasting is done after every six month but in special cases, for example Eid festival and other national event, it is done quarterly. Key officials associated with the forecasting purpose are Director (Sales), GM, AGMs, Sales Coordinators, Research officers etc.

No concrete method is used for the forecasting. Usually based on the market research, market growth, AFBL's potentiality, and officials' experience and judgment, the sale forecast is conducted.

### Promotional budgeting:

The promotional budgeting of AFBL is carried out by the executives of the Brand department. The budgeting period is for one year (JUN-to-JULY). There are various sort of strategies that can be implied to construct budgeting for the promotional activities.

Two usual categories are Top-Down budgeting & Activity-Based budget.

Top-Down budgeting: It is an approach, where the company predetermines a fixed amount as a budget for conducting promotional activities.

Activity-Based budget: It is an Approach where the company does not construct any predetermined fixed amount. Budget is made based on the promotional activities that will be conducted within the specific period of time.

AFBL uses **Activity-Based budget** for all the products promotional activities. The one year (Jun to July) period budget is done based on the activities that will be conducted during the year for individual brands. Break down and process of budgeting is shown below:



MEDIA/ MONTH	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
<b>Launching &amp; Production Expenses</b>													
LAUNCHING CEREMONY													
TVC Making													
RDC Making													
Shop sign board & Light Box Printing, Making & Fbcing													
POSM Printing & fbcing													
Bill Board Printing													
Transit adv. Printing													
Tactical Communicatio													
Road Show													
Still Photo Shoot													
Others													
Total Exp.													
<b>Communication Expenses</b>													
BTV													
ATN													
ITV													
ETV													
Bangla Vision													
Channel 1													
Channel - i													
RTV													
ITV													
Radio Today													
Radio Foorti													
Radio Amar													
Press Ad													
Magazine Ad													
Bill Board Rent													
Light Box - Bill													
Transit adv. Rent													
LED Adv. Rent													
Sampling													
DISPLAY RACK													
TP / CP													
Others													
Total Exp.													
Grand Total													0
<b>Other Expenses</b>													
Activation													
Agency payment													
Internet													
Others													

(Budget Plan Format)

For every product of AFBL, the budget plan format shown above is being made. The format used by AFBL shows month wise activities done for each and every Brand.

Further breakdown of the percentage among ATL and BTL is illustrated by below:

Promotional Budget	Allocations for the specific medias	
ATL (Approx 60% of the promotional budget)	TV Advertisements and Radio advertisements - 70%	News paper/magazines & Billboard-30%
BTL (Approx 40% of the promotional budget)	Allocated as per requirement- no fixed percentile breakdown.	

Majority of the promotional budget is being allocated to ATL among which electronic media which are TV and Radio is allocated 70% and other print media is allocated 30%.

For BTL the allocation is 40% among which percentile breakdown for the activities like sponsorship, various event organizing, specialized programs etc, is not being specified.

The allocation solely depends on the requirement for each event.

The key people associated with the promotional budgeting are the Brand Executives, Event Executives & Brand officers. After the budget is constructed, it is then cross-checked by the Brand Manager (BM). After the approval from BM, the final assessment is being done by the Directors before the budget plans are executed. Quarterly the budget is reviewed for any alteration and if any changes are done, immediate actions are taken to keep the promotional budget plan constructive on track.

The monitoring and evaluation of the promotional activities is being conducted by the brand department with certain level of help from the sales and the internal research department. They rely on the combine effect from all the promotional activities. Sales department provides the report about sales growth or reduction. And internal research department provides report about the level of awareness and brand equity created by conducted different situational surveys. Analyzing information from both the departments, brand department evaluates the combine effect and performance of the entire promotional mix took place within a specific time frame.

## IV. SWOT ANALYSIS OF AFBL

To analysis Strength, Weakness, Opportunity and Threat of AFBL, I have solely depended on the information from company.

### Strength:

- Quick establishment of brands like MOJO, SPEED,FRUTIKA.
- Quality of the products.
- Availability of products through mass distribution around the country.
- High quality machineries and manufacturing system of AFBL.
- Unique promotional activities.
- Full Slive-Packaging in terms of color combination and design.
- Potable in terms of 150ml and 250ml bottle and can.

### Weakness:

- Less experience in the beverage market in terms of understanding in timely proper customer need.
- Some improper promotional activities.
- Being new in the market AFBL considers a weakness in the entire supply-chain-management.

### Opportunity:

- Huge profitability scope in beverage market of Bangladesh because a sustainable growth of 6% prevails in the market.
- There is a scope for the local companies to attaining maximum market share for the refreshing flavored CSD drink.
- Opportunity for AFBL products to be exported in the overseas Asian market.

### Threat:

- Unethical practice of the competitors, for example tax violation, to reduce the price of the product.
- Companies like Coca-Cola and Pepsi to be operated as MNCs like Unilevel rather than the licensing owned by the local Bangladeshi company.
- Any new company introducing unique flavored refreshing drinks and having huge financial capabilities.





## V. COMPETITIVE ANALYSIS OF AFBL

As mentioned earlier the entire beverage industry of Bangladesh comprises of Carbonated Soft Drink (CSD), Energy Drink, Mineral water, Fruit Juice, Non-Alcoholic Malt Beverage, Flavored water and Dairy products.

To perform the competitive analysis of AFBL, I have used two strategic tools:

- *Porter's Five-Forces Model of Competition*
- *BCG Growth share matrix*

### ▣ 1.0 Porter's Five-Forces Model of Competition

The model develops a framework that helps to analysis forces playing a vital in the market. It can be used to evaluate any product industry thus I have intended to use the model to captivate generic analysis of the beverage industry of Bangladesh.

#### Porter's Five Forces

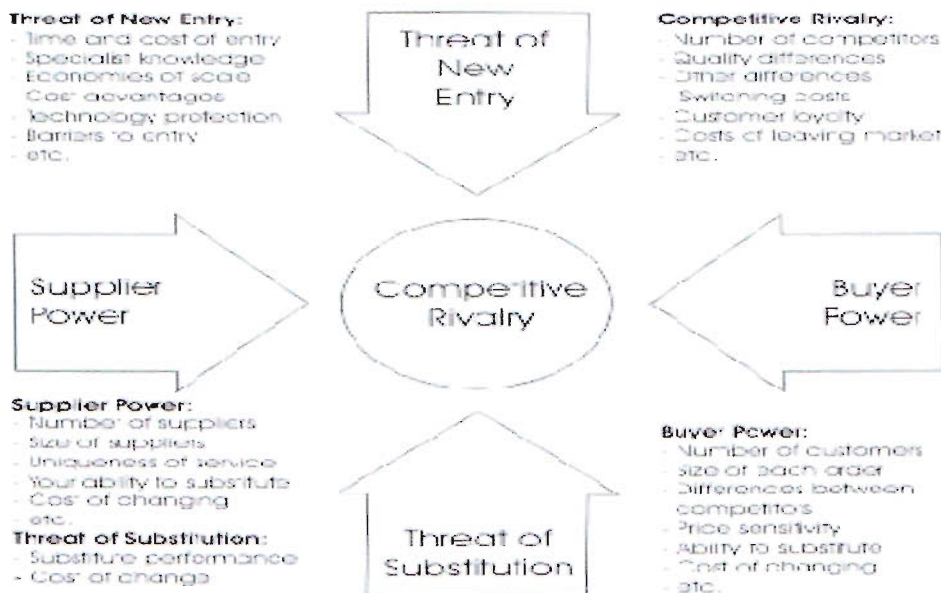


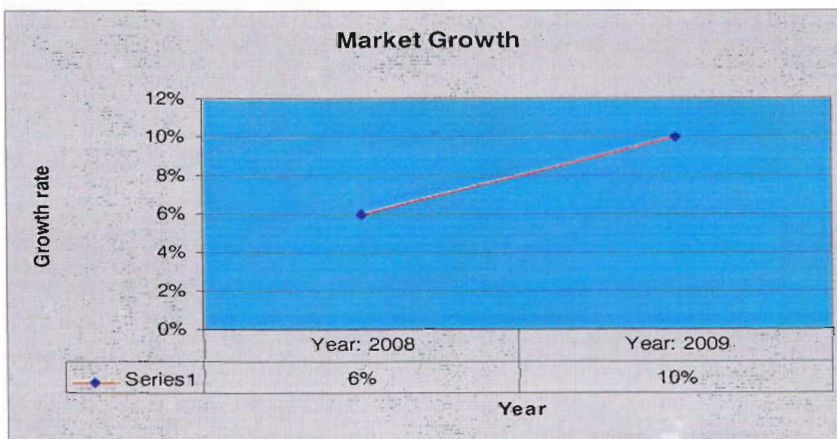
Figure (1E): Porter's five forces model Source: An exhibit from "How Competence Forces Shape Strategy" by Michael E. Porter (March-April 1979).

The model focuses on five forces that shape competition within industry:

- 1.1 *The risk of new entry by potential competitors.*
- 1.2 *The degree of rivalry among established companies within an industry.*
- 1.3 *The bargaining power of buyers.*
- 1.4 *The bargaining power of suppliers.*
- 1.5 *The threat of substitute products.*

1.1 The risk of new entry by potential competitors.

The greater risk of new potential entrant sustains in the beverage industry. The reason behind this phenomena is the successive growth 6% in the year 2008 and forecasted growth of 10% in year 2009.



(Figure: 1F)

For such lucrative market any company with high volume of investment can immerge in the market. AFBL considers the risk of potential entrants thus they have mentioned it to be one of the profound threats.

### 1.2 The bargaining power of buyers.

The price elasticity of demand in the beverage industry depends upon the types of customers in the industry.

**Platinum & Gold Customers:** They are the premium customer for a company. Price elasticity of demand is very low. They are highly loyal and brand switching phenomenon does not exist with the unit change in price.

**Silver & Lead Customers:** These types of customers do not want to switch brands but change in unit price provokes them to switch brands.

**Iron Customers/Deflectors:** These types of customers are not very loyal to the brands. They always prefer maximum value from minimum price. A unit change in price will definitely make them switch brands.

Moderate share of each type of customer prevails in the beverage industry. And this factor enabled the industry to maintain a sustainable steady price. Most of the competing brands under similar category charge almost the same price and this shows a higher degree of bargaining power of the buying in the beverage industry. AFBL, considering the fact, has kept its product prices quite similar to the competitors.

### 1.3 The bargaining power of suppliers

Competing brands use raw materials from various national and international companies. And through out, the availability of the supplier is abundant. AFBL imports its products raw material from Germany and other country of the world. According to them, there are many suppliers available to supply high quality raw materials for their products. AFBL

can switch to different supplier if the negotiation with the existing suppliers comes to any disruption. Thus based on these issues it can state that the bargaining power of the suppliers is limited in the beverage industry.

#### 1.4 The threat of substitute products

Within the beverage industry there many substitute products. Basically one product types is a substitute for another. Substitute products for carbonated soft drink (CSD) are mineral water, energy drink, fruit juice etc. For mineral water, substitute products are CSD, energy drink, juice etc. The entire industry compiles of many substitute arenas and thus conceptualizing on that, AFBL operates eight different types of product lines to captivate and sustain in the huge beverage industry.

#### 1.5 The degree of rivalry among established companies within the industry.

##### 1.5.1 Competitors Portfolio

A competitive environment prevails in the beverage industry of Bangladesh. Many giant local and multinational companies project rivalry in the market and perform rigorous operation to attain maximum market share. AFBL's competitor list as per the product category is presented in the following page:

<u>Product Category</u>	<u>AFBL: Brands</u>	<u>Competitors' Brands</u>
Carbonated Soft Drink (CSD)- <b>COLA</b>	<ul style="list-style-type: none"> <li>▪ <b>MOJO</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Coca-cola</i></li> <li>▪ <i>Pepsi</i></li> <li>▪ <i>RC Cola</i></li> <li>▪ <i>URO Cola</i></li> <li>▪ <i>ZamZam Cola</i></li> <li>▪ <i>Max Cola</i></li> <li>▪ <i>Virgin Cola</i></li> </ul>
Carbonated Soft Drink (CSD)- <b>CLOUDY LEMON</b>	<ul style="list-style-type: none"> <li>▪ <b>LEMU</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>RC Lemon</i></li> <li>▪ <i>URO Lemon</i></li> <li>▪ <i>ZomZom Lemon</i></li> <li>▪ <i>PRAN Lemon</i></li> </ul>
Carbonated Soft Drink (CSD)- <b>CLEAR LEMON</b>	<ul style="list-style-type: none"> <li>▪ <b>CLEMON</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>7UP</i></li> <li>▪ <i>Sprite</i></li> <li>▪ <i>Pran-up</i></li> <li>▪ <i>Fizz-up</i></li> <li>▪ <i>Chaser</i></li> <li>▪ <i>Bubble-up</i></li> <li>▪ <i>Virgin-Clear</i></li> </ul>
Energy Drink	<ul style="list-style-type: none"> <li>▪ <b>SPEED</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Tiger</i></li> <li>▪ <i>Big Boss</i></li> <li>▪ <i>Shark</i></li> <li>▪ <i>Black Horse</i></li> <li>▪ <i>Bacchus</i></li> </ul>
Mineral water	<ul style="list-style-type: none"> <li>▪ <b>SPA</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Mum</i></li> <li>▪ <i>Fresh</i></li> <li>▪ <i>Acme</i></li> <li>▪ <i>Jibon</i></li> <li>▪ <i>Pran</i></li> <li>▪ <i>Shanti</i></li> <li>▪ <i>Fyne</i></li> <li>▪ <i>Niagra</i></li> <li>▪ <i>Duncans</i></li> </ul>
Non-Alcoholic Malt Beverage	<ul style="list-style-type: none"> <li>▪ <b>WILD BREW</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Crown</i></li> <li>▪ <i>Holstein</i></li> <li>▪ <i>3-Horse</i></li> <li>▪ <i>Backer's</i></li> </ul>
Fruit Juice	<ul style="list-style-type: none"> <li>▪ <b>FRUTIKA</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Frooto</i></li> <li>▪ <i>Pran Juice</i></li> <li>▪ <i>Acme Juice</i></li> <li>▪ <i>Shezan Juice</i></li> <li>▪ <i>Others (Foreign Brands)</i></li> <li>▪</li> </ul>
Dairy products: UHT milk	<ul style="list-style-type: none"> <li>▪ <b>FARM FRESH</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Milk-Vita</i></li> <li>▪ <i>Arong Milk</i></li> <li>▪ <i>Pran UHT</i></li> <li>▪ <i>Aftab UHT</i></li> </ul>

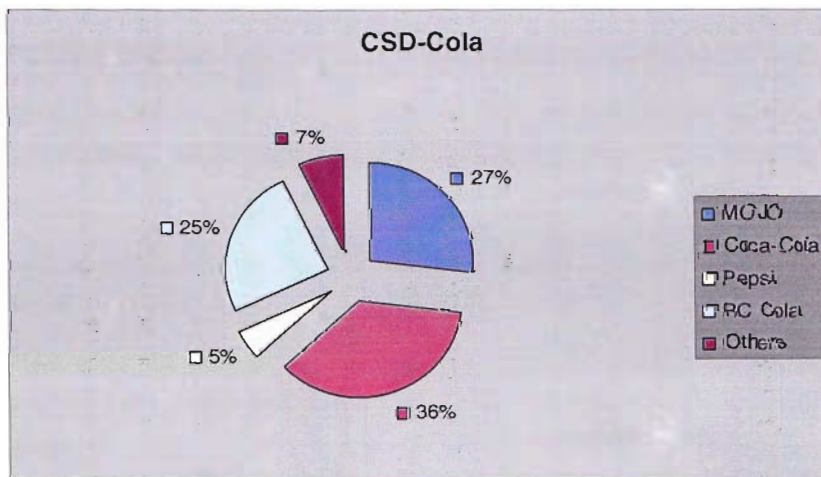
1.5.2 Market-Share and position analysis of AFBL

Information regarding AFBL’s market position in comparison with the competing brands are being collected by AFBL from the following research based firms:

- *Quantum Company Ltd*
- *Insight & Idea Co. Ltd*
- *Sirious Research Firm Ltd*
- *AC. Nielsen Research Firm*

As per product category, AFBL’s market shares in comparison with the competing brands are Graphical presentation:

CSD Cola Category

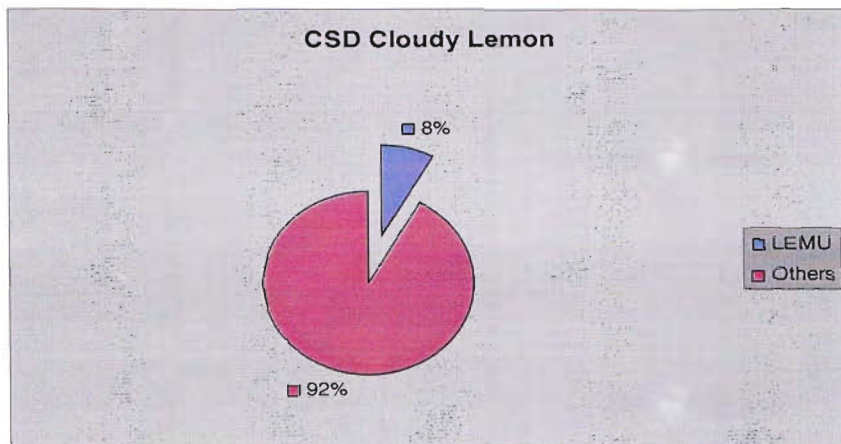


(Figure: 2A)

Ranking of the brands:

RANK	BRANDS
01	<i>Coca-Cola</i>
02	<i>MOJO (AFBL)</i>
03	<i>RC Cola</i>
04	<i>Pepsi</i>
05	<i>Others</i>

CSD Cloudy Lemon Category

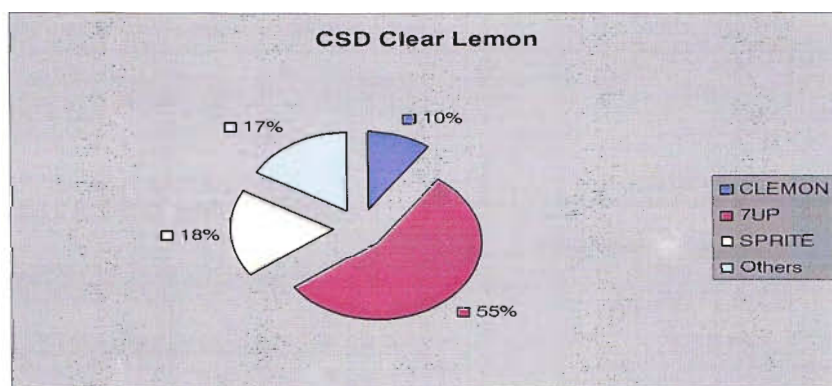


(Figure: 2B)

Ranking of the brands:

RANK	BRANDS
01	RC-Lemon
02	URO Lemon
03	LEMU (AFBL)
04	Others

CSD Clear Lemon Category

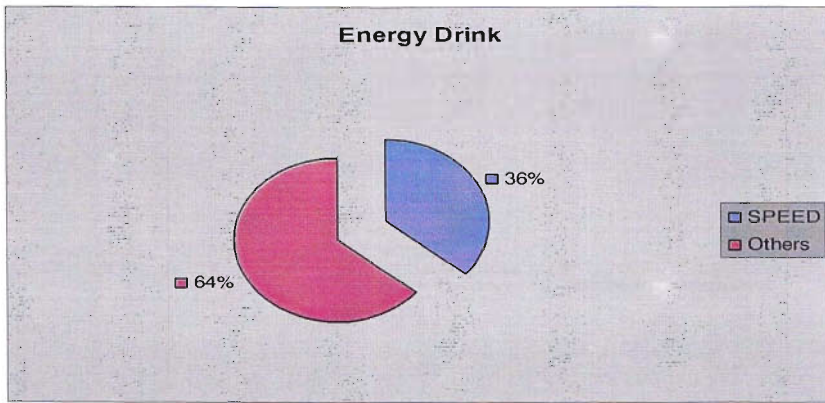


(Figure: 2C)

Ranking of the brands:

RANK	BRANDS
01	7up
02	Sprite
03	Upper 10
04	Fizzy-up
05	CLEMON (AFBL)

Energy Drink

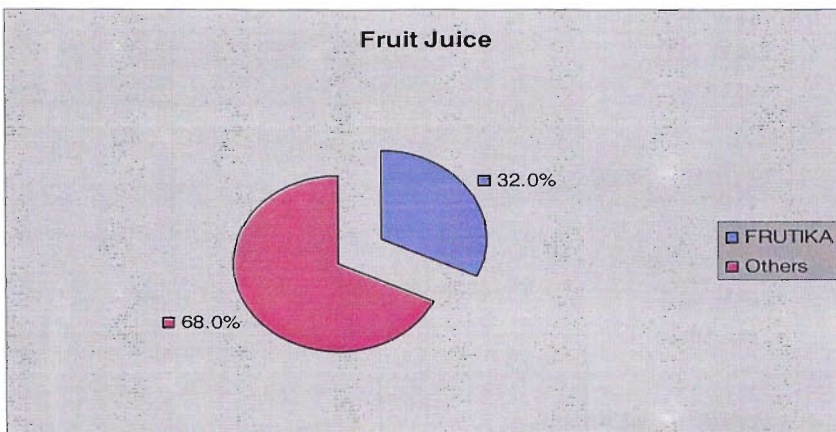


(Figure: 2D)

Ranking of the brands:

RANK	BRANDS
01	<i>Tiger</i>
02	<i>SPEED (AFBL)</i>
03	<i>Big Boss</i>
04	<i>Others</i>

Fruit Juice



(Figure: 2E)

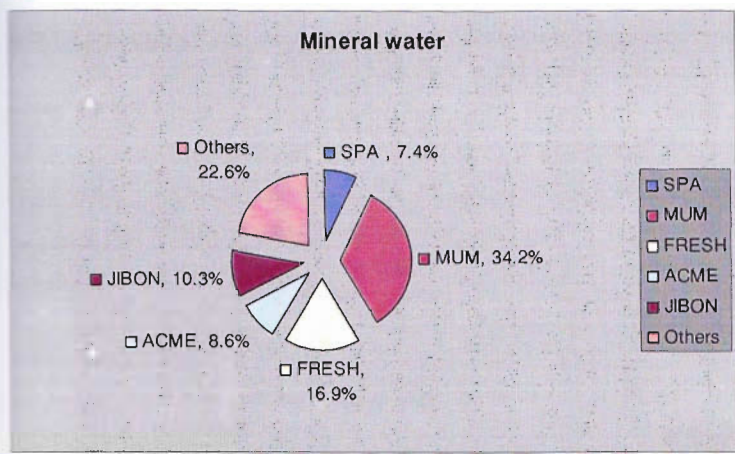
Ranking of the brands:

RANK	BRANDS
01	<i>FRUTIKA (AFBL)</i>
02	<i>Frooto</i>
03	<i>Acme Juice</i>
04	<i>Shezan Juice</i>
05	<i>Others</i>





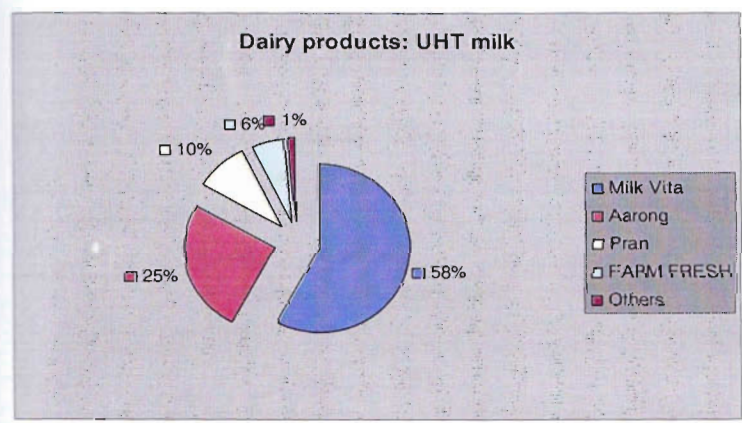
Mineral water



(Figure: 2F)

RANK	BRANDS
01	Mum
02	Fresh
03	Jibon
04	Acme
05	SPA (AFBL)

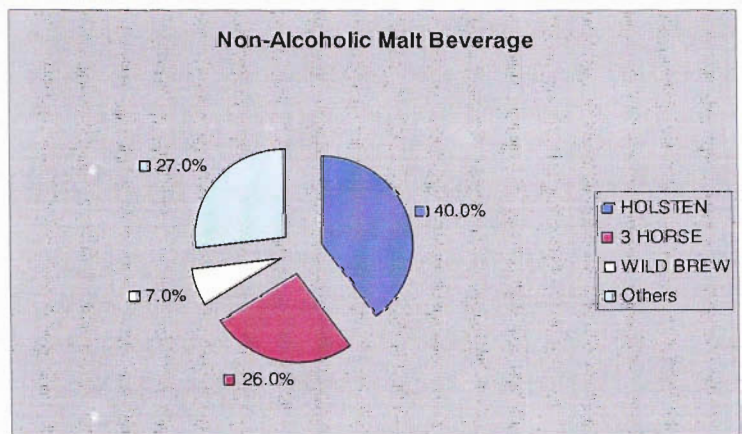
Dairy products: UHT milk



(Figure: 2G)

RANK	BRANDS
01	Milk Vita
02	Aarong
03	Pran
04	FARM FRESH (AFBL)
05	Others

Non-Alcoholic Malt Beverage

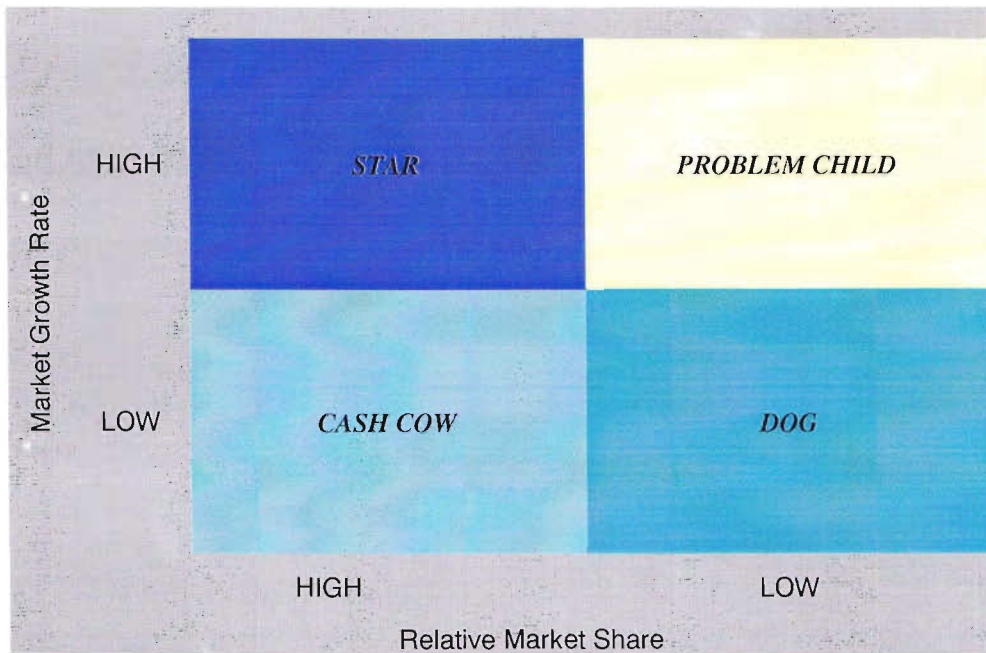


(Figure: 2H)

RANK	BRANDS
01	Holstein
02	3 Horse
03	WILD BREW (AFBL)
04	Others

▣ **2.0 BCG Growth Share Matrix**

BCG Growth share matrix helps to identify brands position in the market as per market share. The matrix has four segments each reflecting a position of a brand for the company.



**STAR:** A product in this segment denotes to have high market share when the industry is experiencing high market growth.

**CASH COW:** Product in this segment tends to have maximum market share when the industry is floating in low market growth

**PROBLEM CHILD:** Product in this segment tends to make least market share when there is high market growth in the industry

**DOG:** Product in this segment trends to be a burden for the company as there is low market growth and the product avails limited market share.

Graphical presentation of AFBL's Brands as per growth share matrix:



AFBL is operating in the beverage industry for only 3 years and within this time span it has the following three brands in the STAR grid which reflects a great prosperity for the company.

- *MOJO: (Market share: 27% & Market position: 02)*
- *SPEED: (Market share: 36% & Market position: 02)*
- *FRUTIKA: (Market share: 32% & Market position: 01)*

Its has four brands (Lemu, Clemon, Spa, Farm Fresh) in the Problem Child grid and one (Wild Brew) in the DOG grid, but this is only an assessment of a company aging only 3 years. In future operations, AFBL tends to strategically shift its brands in Problem Child and Dog to Star or Cash Cow category.

## VI. ANALYSIS OF THE MARKETING STRATEGIES OF AFBL

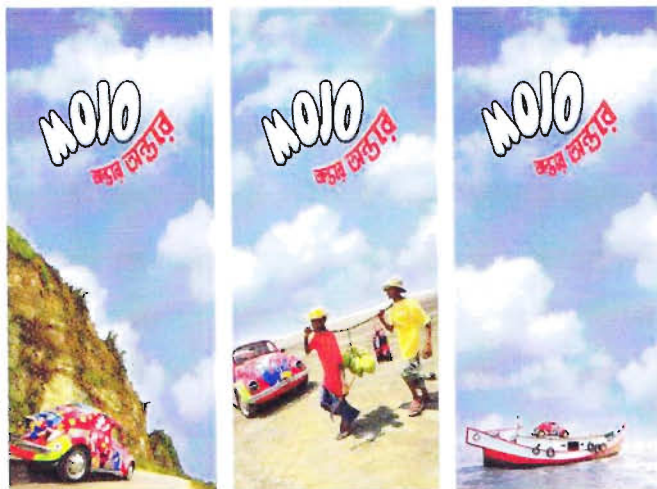
Marketing strategies and communicational theme of AFBL's brands are developed by the combine effort of the brand department and the advertising agencies (Adcomm & Grey). Many strategic themes are proposed by the agencies and the brand department analyzes and polishes them to make it applicable for implementation. There are several marketing strategies such as Experiential Marketing, One-to-One Marketing, Permission Marketing, Relationship Marketing, After Marketing etc. Among them AFBL go with the Experiential Marketing strategy mostly. Here AFBL tries to promote a product through connecting it with unique & interesting experiences. Brand wise marketing strategies of AFBL's products are analyzed below:

### ▣ MOJO

Since the establishment of the brand MOJO, it is projected to the consumer as a brand of fun and enjoyment. The basic concept is having enjoyment while drinking MOJO.

Though the product is for all, but the communicational theme is targeted to the youth. The strategic marketing/communicational theme of MOJO is "ONTORE ONTORE—Its Inside U". All the promotional activities are focused around this theme. Advertisements,

Common Testoon 2.5x5



billboards, banners, festoons, roman banners, back drops, shop signs etc, are developed with such state of art that projects the concept of the fun and enjoyment residing “*ONTORE ONTORE-- Inside U*”.

The main motive of the strategy is to make consumer recall the theme and associate it with the brand. The brand was launched in 14<sup>th</sup> April (Pohela Boishak), which the first day of the year as per Bangla calendar. And this is celebrated in a very innovative way throughout the country by associating MOJO. Various sort of Bangali traditional events are arranged on that date. MOJO is associated as a brand that is truly local thus events like Entertaining song for MOJO,

Stall backdrop  
W-16' x H-8'



Huge campaign in Pohela Boishak, Huge campaign in valentines day, Arrangement of concerts very often around the country, Sheether pithar mela, Grissheer faal udhshob, Promotion and gift in EID-ul- Fitr & Qurbani EID, Arrangements of Game shows, Bull fight etc are conducted. Also Sponsoring sport events, Sponsoring TV shows, Sports zone bowling and pool tournament, Sponsoring entire wonder-land and its rides are done. There is a rock singing Band of MOJO with the name “*INSIDE U Band*” and the band promotes MOJO throughout the nation.





This year Promotional campaign for this Eid-ul-Fitr is giving free bus tickets to the consumers on the basis of the number of sms sent. Highest sender will get two free ticket to the specified destination every day uptill the 29<sup>th</sup> Ramadan.

The brand MOJO is kept up to date with events occurring in the country through out the year. Such strong communicational theme made the brand MOJO, establish very profoundly within a short span of time.

▣ LEMU

The Brand LEMU is associated with the strategic marketing/communicational theme of “Thirst Comes First—

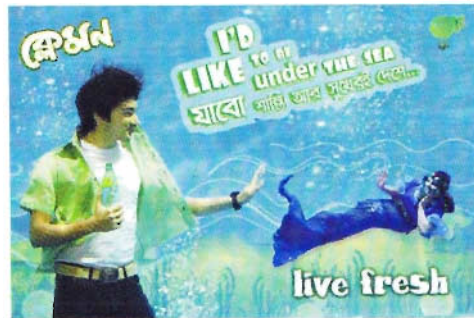


Thirst for LEMU". The projected idea is that when consumer is thirsty he or she will think of LEMU.

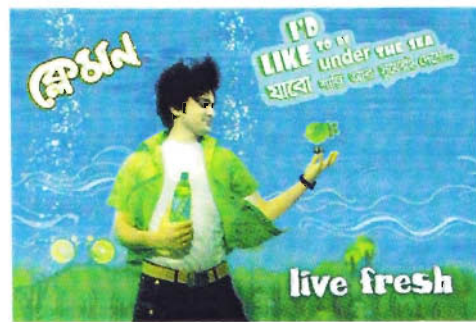
▣ CLEMON

CLEMON was launched with an innovative idea. The strategic marketing/communicational theme of CLEMON is *"LIVE FRESH—I Would Like To Be Under The Sea- Jabo Shantir Shukher Dese*. The projected idea is that when customer consumers the product, they will feel like under the sea in a dream land of joy and happiness.

1



2



The Brand is also associated with the sport culture in our country. CLEMON exhibits and promotes Bangladesh Cricket by developing a cricket team that plays division qualifying cricket games in our country. The Brand plans to develop at least one player to play in our international cricket team and operate as a CLEMON brand ambassador.



4 col - 5"



### □ SPEED

The brand SPEED was initially launched with a poor communicational theme. Then later in 2009, the brand was re-launched with the strategic marketing/communicational theme of “*Heavvvy Energy—Ektu Bujhe Shune Khao--- Khokon Je Ki Hoi Kisu Bola Jai Na*”. All the campaigns are focused on the idea of SPEED with extreme energy. The theme associates consumers with the idea that consuming the product will provide extreme extra energy.



**SPEED**  
EXTRA STRONG ENERGY DRINK

একটু বুঝে-শুনে খাও।  
কখন যে কি হয়, কিছু বলা যায় না!





**স্পিড**  
এক্সট্রা স্ট্রিং এনার্জি ড্রিংক

একটু বুঝে-শুনে খাও।  
কখন যে কি হয়, কিছু বলা যায় না!

#### ▣ WILD BREW

The non-alcoholic malt beverage (WILD BREW) is promoted with the strategic marketing/communicational theme of “*The Beast Inside---Har mene Chey Shobai*”. The idea projected states that consuming the product will make the individual feel the beast residing inside.

হার মেনেছে সবাই  
সাবধান!



The product was launched in very ground-breaking pattern by arranging an auspicious trip to Shundorban. Winning contestants along with AFBL's personal went to the trip within a very short period after the brand was launched.



স্যানিটাইজড মোড়ানো হলেও সুন্দর বনে  
 সবাইকে ট্রা পান, সাথে মিল চিটিকান। আর হাতে উল্লিখিত নকশাটি ফর্মে লিখে অংশদানে  
 করেন সার্বিক ক্রমে। উদযাপন করুন খ্যাতিচর্চাটি সুন্দর বনে।  
 • সাদাসীন্দ্যে সীলন করা হলেও স্যানিটাইজড মোড়ানো হলেও সুন্দর বনে। • সাদাসীন্দ্যে সীলন করা হলেও স্যানিটাইজড মোড়ানো হলেও সুন্দর বনে।

Media Partner

▣ FRUTIKA

Usually the promotional campaigns of any fruit juice products are constructed based on its purity. But strategy used for Frutika was quite different and innovative. The strategic marketing/communicational theme of FRUTIKA is “Ektu Besii Pure---Drink Frutika And Speak Just The



*Truth*". The purity of the brand was projected by the promotional idea of when consumers drink Frutika they tend to speak the truth. The idea was quite speculating and customers readily accepted in the market. The launching campaign played an extravagant part in the success of Fruitka. Road show, rally with free sampling collected foot step glory for the brand. And now, after operating for only one year, the brand withholds maximum market share with the top ranking among its competitors.

▣ FARM FRESH

Farm Fresh is an UHT milk product, which was launched with a creative inspiration for its consumer. The conceptualized idea was: Milk helps human being to be physically sound and when individuals are healthy, they can attain success in life as because good health leads to good life. This idea was tactically reframed and the strategic marketing/communicational theme generated was: *"Dudh Khao Agiaa Jao"*.



Though the product is for all but the promotional activities are targeted towards the children of our country who will be our future pride.



## □ SPA

SPA drinking water was launched with the idea of providing pure drops of minerals to the customers. The strategic marketing/communicational theme is *The Water Of Life---Shuddu Pani Shustho Ami*". The concept generated a perception for the consumer that, when they will think of pure water, that will keep them healthy, then will associate it with SPA.



## VII. Research Objective Review

Analysis of AFBL's strategic marketing/communicational theme and the unique selling proposition for its brands, were covered so far. The company established independent platform of USP for its brands and great efforts were concentrated towards the accurate and precise perception of the consumers regarding the USPs. This part of the report focuses on my research on whether the marketing strategies and unique selling proposition (USP) used by AFBL for its products are communicated and perceived by the consumers in the exact pattern desired by the company.

**Significance of the study:** The fundamental significance of my research is tailored towards revealing the fact of whether the enormous efforts of AFBL's brand department is actually undergoing in the proper direction of the brands prospects. My research will uncover the atrocious facts of whether consumers are understand the USPs and perceiving them exactly the way AFBL's desires.

## ▣ Research Methodology

To develop a formulated research work, well structured methodology of data collection should be used to build a concrete base for the research. For my research report I have concentrate on both the Primary & Secondary data collection sources.

### ▪ Primary Source:

This means of source was used to collected raw data and information from the respondents. The aspect facilitated me to provide actual data and develop my research work based on the actual facts sustaining in the beverage market. Two types of primary data collection methods were used and they are:

- **Personal Interview:** For the collection of more proper and projected information about the AFBL brands, interview of employees were conducted. These assisted me to get profound information regarding the marketing strategies.
- **Survey Questionnaire:** To collect primary information and feedbacks from the consumers regarding AFBL's marketing strategies, structured questionnaire was developed and survey was conduct. Questionnaire survey helped to get ready data from the respondents regarding their awareness of AFBL's strategic marketing/communicational theme and the unique selling preposition for its brands. Targeted group (TG) as the survey respondents was mainly students. The reason for selecting the target group, was because they are the vital consuming segment in the beverage industry. For my research report, sample size of the survey respondents were 50 individuals of various age group both male and female.

### ▪ Secondary Source:

Secondary source of data collection was used to incorporate information regarding strategic marketing/communicational theme and the unique selling proposition of AFBL's brands. Hard copies of the marketing and execution plan available, was thoroughly analyzed to actually understand the strategies of AFBL. Also meeting videos and audios tapes were used to collect information of AFBL's marketing plans and strategies. Moreover, second hand data of the research analysis conducted by AFBL internally, was captured to gain ideas of what AFBL actually thinks about their strategic marketing plan and the implementations.

## VIII. Research Hypothesis

Before conducting any research, proper hypothesis are needed to be established. Hypothesis are basically assumptions made before going for the research. Based on the analysis of the topic hypothesis are created and after the research is conducted, the hypothesis testing is done to check whether the assumptions made are valid or invalid. For my research work on AFBL, I have constructed group of hypothesis for every segments of my investigation part and they are displayed below:

### ▣ Hypothesis-(Segment A)

- Null Hypothesis: Each and every survey respondents consumed at least one brand of AFBL.
- Alternative: Not all respondents consumed at least one brand of AFBL.

### ▣ Hypothesis- (Segment B)



- I. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of MOJO.  
Alternative: Majority of the respondents NOT aware of the strategic Marketing/Communicational theme of MOJO.
  
- II. Null Hypothesis: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of LEMU.  
Alternative: Majority of the respondents are aware of the strategic Marketing/Communicational theme of LEMU.
  
- III. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of CLEMON.  
Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of CLEMON.
  
- IV. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of SPEED.  
Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of SPEED.
  
- V. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of WILD BREW.

Alternative: Majority of the respondents are aware NOT of the strategic Marketing/Communicational theme of WILD BREW.

VI. Null Hypothesis: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of SPA.

Alternative: Majority of the respondents are aware of the strategic Marketing/Communicational theme of SPA.

VII. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of FRUTIKA.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of FRUTIKA.

VIII. Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of FARM FRESH.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of FARM FRESH.

▣ Hypothesis- (Segment C)

- Null Hypothesis: In the ranking of the strategic Marketing/Communicational theme of AFBL's products, MOJO stands in the top followed by FRUTIKA (2<sup>nd</sup>), then SPEED or CLEMON.
- Alternative: In the ranking of the strategic Marketing/Communicational theme of AFBL's products, MOJO Does Not stand in the top followed by FRUTIKA (2<sup>nd</sup>), then SPEED or CLEMON.



## IX. Primary Data Presentation & Analysis

### ▣ 1.0 Interview

Interview of the AFBL employees was conducted and certain concrete information was deduced from them. Interviewing Md. Maidul Islam (Brand Executive) & Mr. Amit Roy (Brand Executive), information regarding the customer base, market segmentation, target market, and positional strategies were collected and they are presented below:

#### 1.1 Customer base

In demographic perspective, consumers of beverage products belong from all age group, gender, culture, religion etc. Factor that influence purchase decision of refreshing drinks are taste, quality, volume or quantity, packaging design and color, consumers past experience with the brand, word of mouth, reference group and also family influence. An attractive promotion can strongly influence purchase. Usually promotional activities play the most crucial role in making the product a very successful one.

#### 1.2 Market segmentation

Demographic segmentations: AFBL performs demographic segmentation for the promotional activities of its brands on the basis teenagers and young generation. More specifically the age range derived was 10-30 years of age. Almost all their promotional activities targeted his demographic segment. Profound reason behind this segmentation is because large share of beverage consumer are the teenager and youth segment.

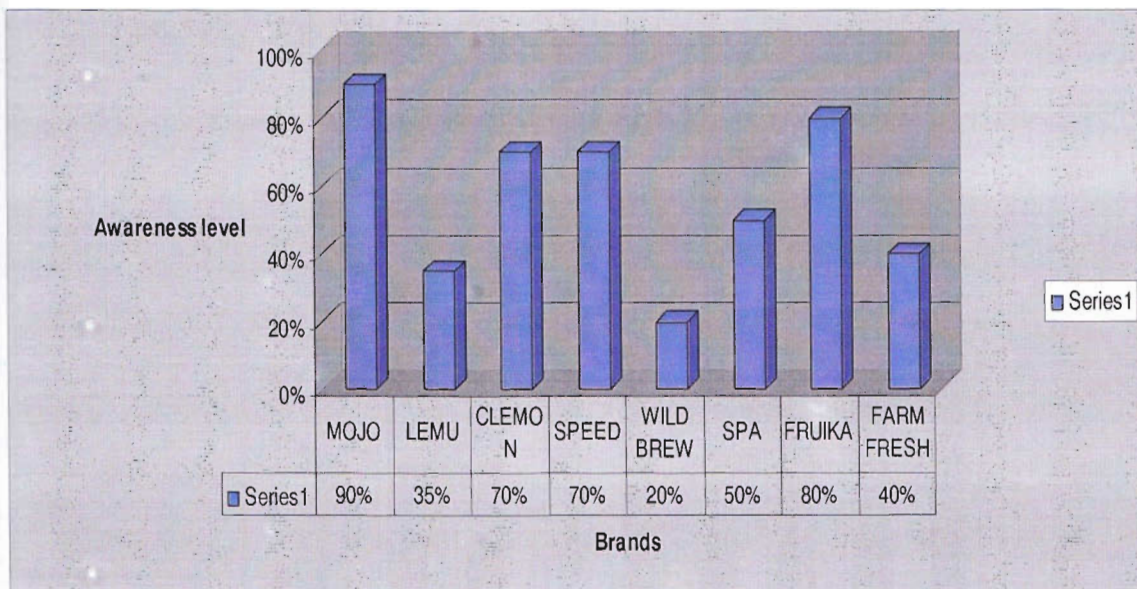
### 1.3 Positioning strategies

Positioning by the brands' communicational theme: Different strategic themes are developed by AFBL for its individual brands and the company generates all its marketing effort to position the individual brands to the consumers as per the USPs.

Apart from positioning by the brands' communicational theme, AFBL also exert efforts to position its products based on:

Positioning by quality: Because of their high quality manufacturing system and products, AFBL wants to build a profound position in the consumers' mind regarding quality. Thinking of AFBL products, the first aspect that will strike consumer's mind is Good Quality.

Interviews of the Brand officers of individual brands were conducted and they shared their hypothetical assumptions of the consumer awareness regarding the strategic Marketing/Communicational theme of their brands. Each of the statistical data is graphically presented in the next page:



(Figure: 3A)

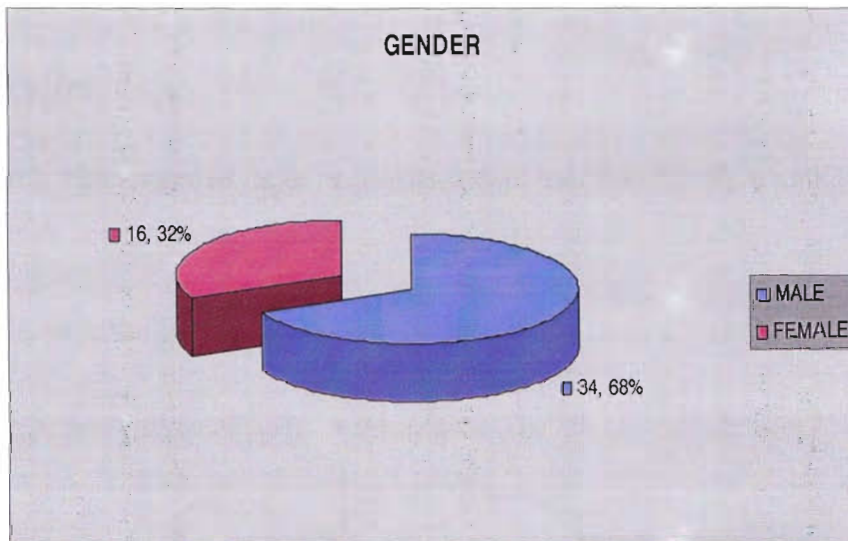
According to the brand personal assumption, MOJO has the maximum awareness level of 90%. Followed by FRUITKA with 80% awareness. CLEMON and SPEED withholds similar awareness level with 70% each. SPA, LEMU & FARM FRESH grabbed moderate awareness level with 50%, 35%, 40% respectively. WILD BREW achieved minimum awareness level of 20%. The gross percentage assumptions made regarding the strategic Marketing/Communicational theme, are the conjecture thinking of the officials as per their brands. The actual scenario will be depicted in the following parts of the *Primary Data Analysis* where survey results of the respondents (Beverage consumers) will be presented and analyzed.

## ▣ 2.0 Survey of the Targeted audience

In my research work, sample size of surveyed respondents via questionnaire was 50. The questionnaire contained questions that assisted to divulge fact from the respondents regarding their awareness and perception on the strategic Marketing/Communicational theme of AFBL's brands. A sample questionnaire is provided in APPENDIX-C. Graphical presentation and analysis of the responses as per questions are provided below:

### 2.1 Questions related to General information

In my research, percentage of male respondents was 68% and female was 32%.

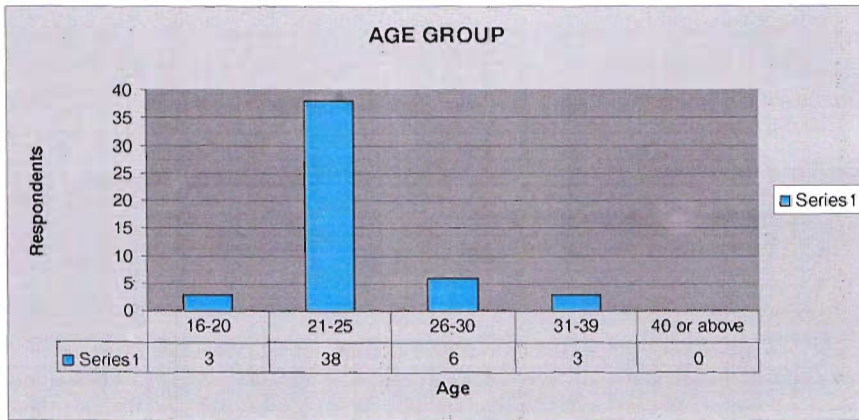


(Figure: 4A)

Age group criterion provided in the questionnaire was:

- 16-20     
  21-25     
  26-30     
  31-39     
  40 or above

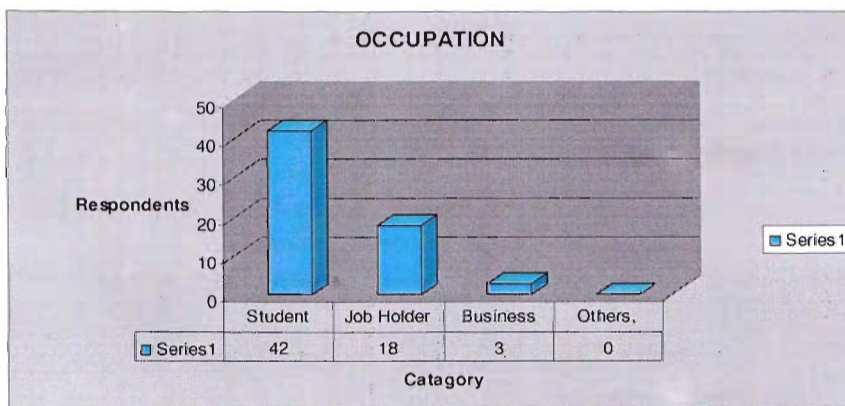
Results obtained:



(Figure: 4B)

Out of which, majority of 76% of the respondents were within the age group of 21-25. This denotes that the target individuals were mostly the youth. Occupation was divided in four categories among which majority of 84% was student and 36% jobholder. Among the jobholders, 5 individuals (1%) was only jobholder and 26% of the respondents were both students as well jobholders. Graphically the results are shown below:

Results obtained:



(Figure: 4C)



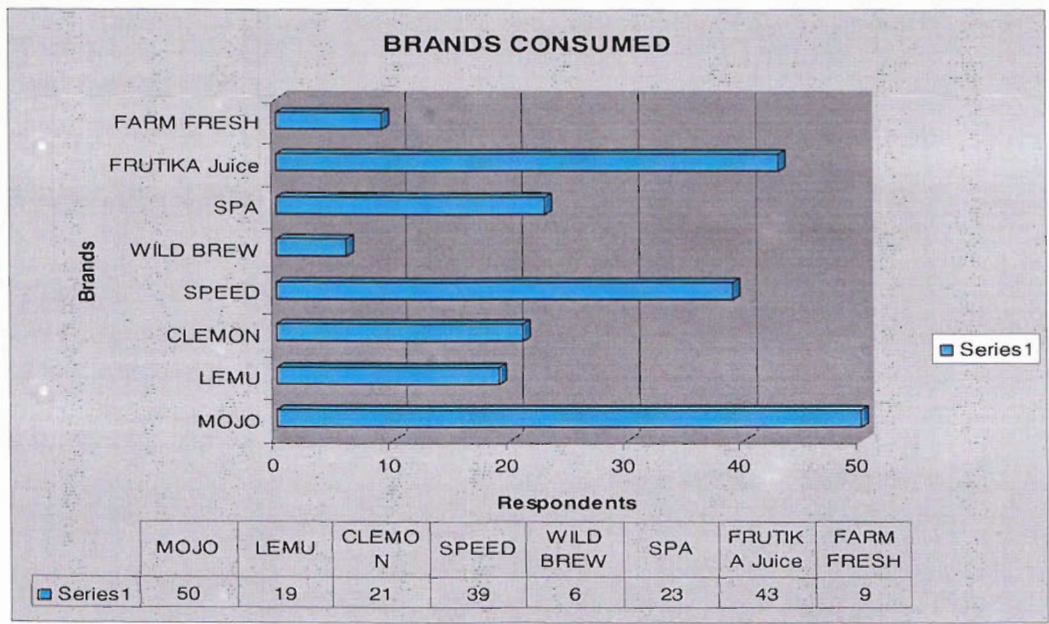
## 2.2 Questions related to topic

Following questions and graphical analysis are related my research topic and the graphs represent respondents' answers.

- Which of the following products of Akij Food & Beverage Ltd (AFBL) have you consumed?

- MOJO             LEMU             CLEMON             SPEED
- WILD BREW     SPA               FRUTIKA Juice     FARM FRESH

Results obtained:



(Figure: 5A)

Among the 50 surveyed respondents, 100% consumed MOJO, 86% & 78% had consumed FRUKITA & SPEED respectively. Least consumption was 12% of WILD BREW. The assessment part was, highest consumption rate was 100% of MOJO which denotes that all the respondents had at least consumed MOJO once which intern projects that all of respondents consumed at least one product of AFBL.

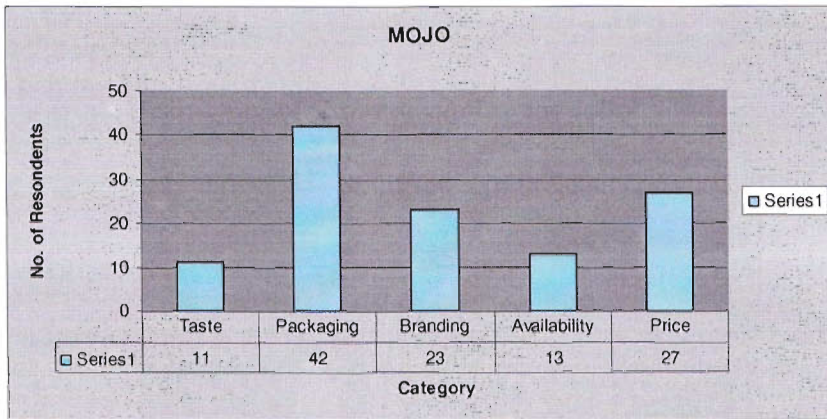
▪ What was the influencing reason/s of consuming the following products?

For the each of the eight brands common influencing reasons provided in the questionnaire was

- Taste     
  Packaging     
  Branding     
  Availability     
  Price

The question had the option to mark multiple answers.

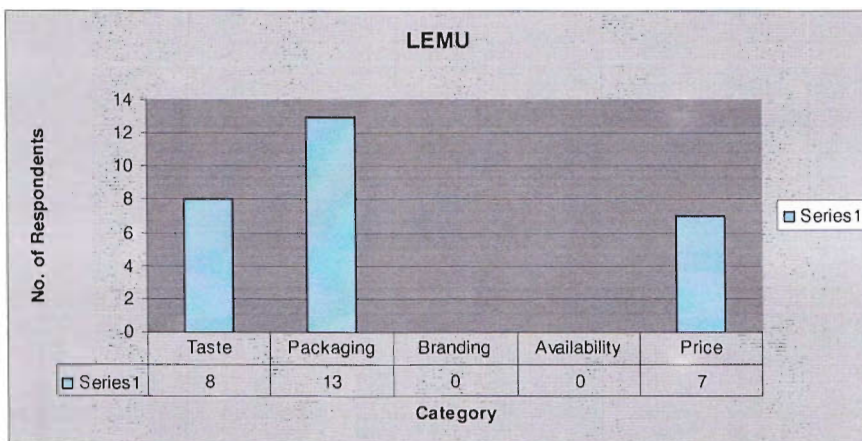
Results obtained:



(Figure: 5B)

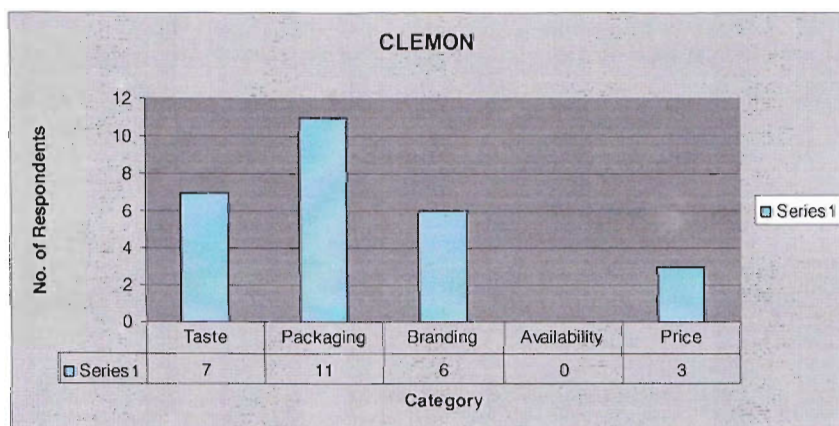
From the previous question it was deduced that the entire 50 respondent had consumed MOJO. Thus all of them shared their influencing reasons. As because the question gave privilege to provide multiple answers, total number of influencing reasons were above 50. This phenomenon is applicable for all the other brands as well.

For MOJO, main influencing reason for the respondents to consume the product was its packaging (84%), followed by price 54%, branding 46%, availability 26% and lastly 22% with taste. Thus is can be stated that packaging, price and branding are the core reasons for the customers to prefer and consume MOJO.



(Figure: 5C)

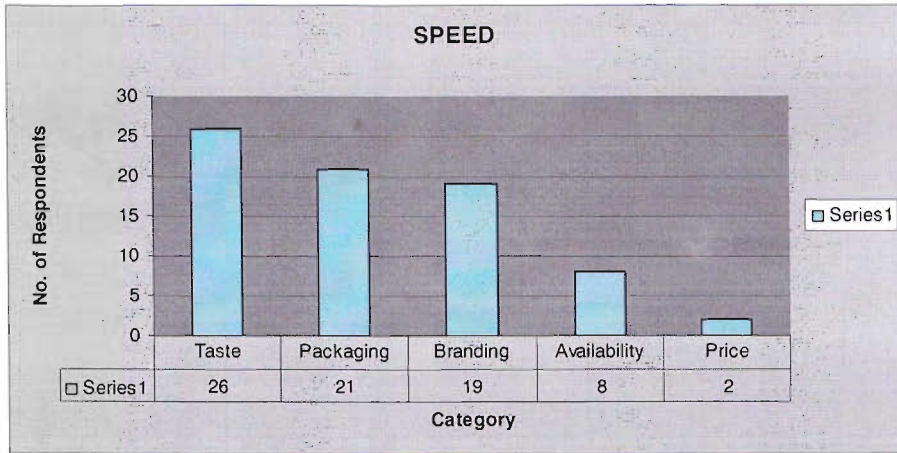
Total number of respondents consumed LEMU was 19 which is 38% of the total audience. According to the responses of the 19 individuals, 13 of them, which is 68%, stated the main influencing reason behind the consumption was the packaging. Followed by taste 42%, and price 36%.



(Figure: 5D)

Among my 50 research audience, 21 individuals consumed Clemon. As per the criteria 52% of the 21 individuals stated the influencing reason was packaging, 33% stated it to be the taste, only 28% and 14% went for the options branding and price.





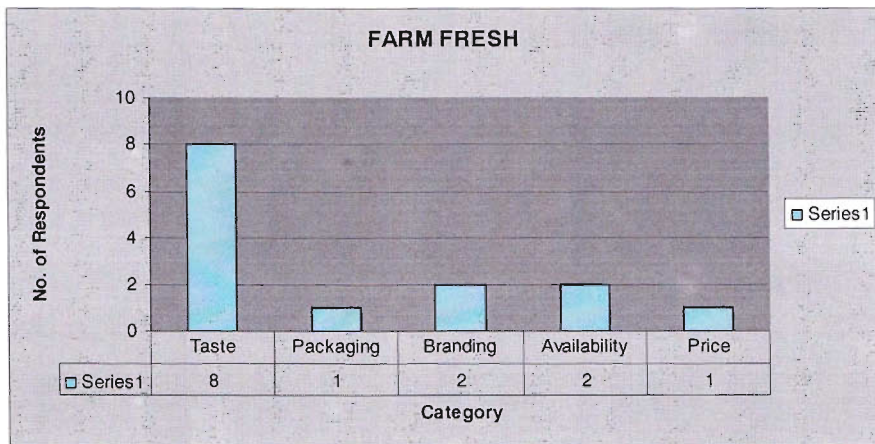
(Figure: 5E)

Consumer of Speed, out of 50 respondents, was 39 which is close to 78%. Among this group, 66% consumed Speed because of the taste, 54% because of packaging, 48% because of the Branding.



(Figure: 5F)

Only 6 individuals among the 50 survey group consumed Wild brew consumer which denotes 12%. Among them 66% consumed it for taste, 33% consumed it because of the availability, only 16% consumed the product because of the branding.



(Figure: 51)

Only 9 members of the surveyed respondents, consumed Farm Fresh and the percentage stands to be only 18%. Among them, majority 88% (8 members) consumed it because of the taste and only 22% (2 members) consumed it for the branding.

- Are you aware of the strategic Marketing/Communicational theme of the following CSD products of AFBL?

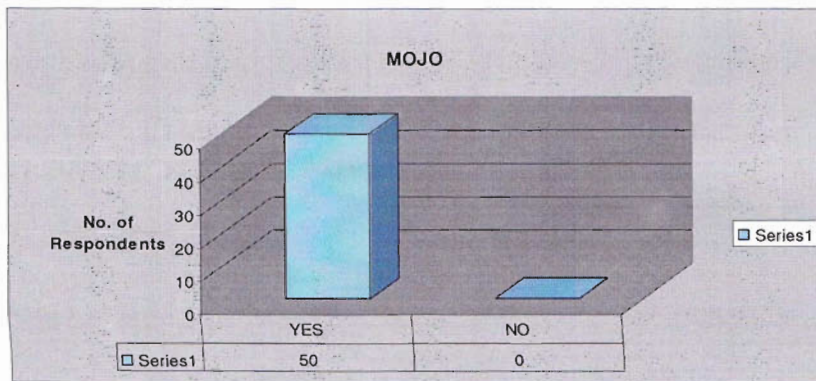
a. **MOJO: "ONTORE ONTORE- Its Inside U"**

- Yes                       No

If yes, then do you think the strategy enhances the product's brand building?

- Yes absolutely     Moderately     No Idea     Not that much     No

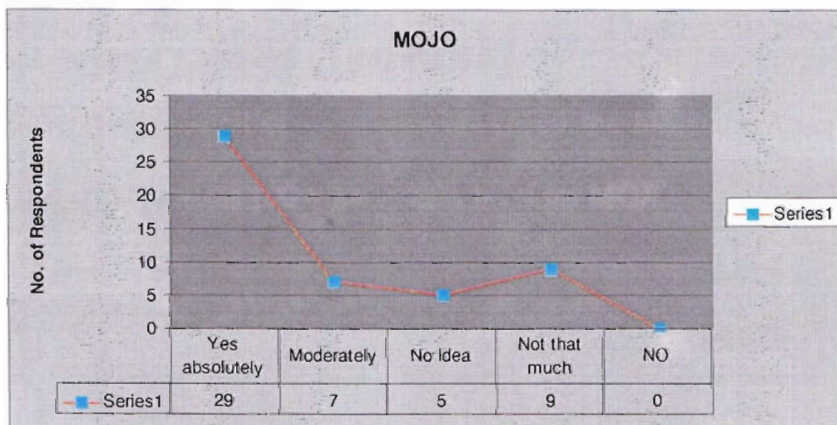
Results Obtained:



(Figure: 6A)



Out of the 50 respondents, all of them were aware of the Marketing/Communicational theme of MOJO. This projects 100% awareness level for MOJO.



(Figure: 6B)

Among the aware respondents 58% agrees with the notion that the strategy enhances MOJO brand building. 14% went for option-B which is moderately. And no respondents state that the strategy is wrong.

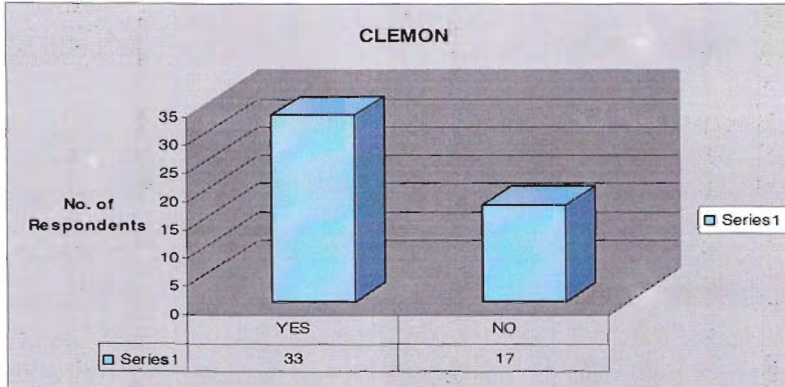
c. **CLEMON: “LIVE FRESH—I Would Like To Be Under The Sea- Jabo Shantir r Shukher Dese”**

Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

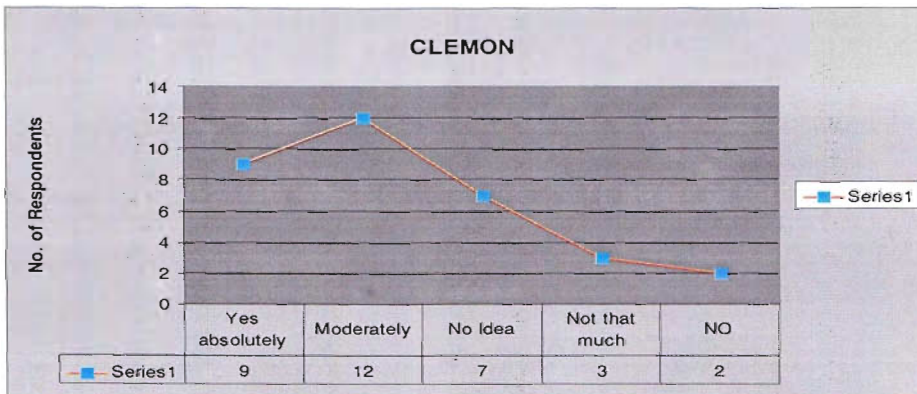
Yes absolutely       Moderately       No Idea       Not that much       No

Results Obtained:



(Figure: 6E)

66% of the respondents were aware of the Marketing/Communicational theme of CLEMON. And 17 individuals which is 34% were NOT aware of the theme.



(Figure: 6F)

27% perceived the strategy to enhance Clemon’s brand building and 36% agreed but moderately. Two individuals do not agree that the strategy impacted positive influence in the brand building.

- Are you aware of the strategic Marketing/Communicational theme of following energy drink products of AFBL?

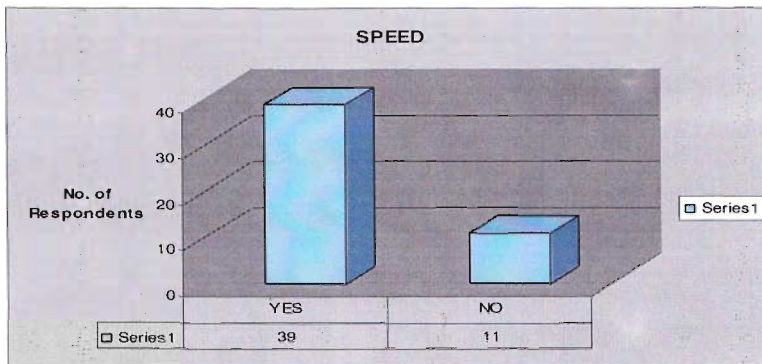
a. **SPEED: “Heavvvy Energy—Ektu Bujhe Shune Khao---Khokon Je Ki Hoi Kisu Bola Jai Na”**

Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

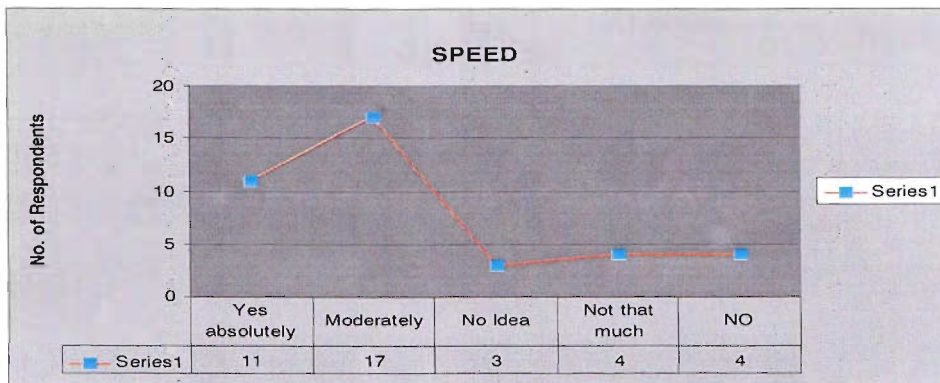
Yes absolutely       Moderately       No Idea       Not that much       No

Results Obtained:



(Figure: 6G)

Majority of 78% are aware of the Marketing/Communicational theme of SPEED. This is 3<sup>rd</sup> highest brand awareness level among all the products of AFBL.



(Figure: 6H)

Among them 28% agrees that it enhances Speed’s brand building. Maximum portion of 36% agrees moderately and four individuals disagreed with notion.

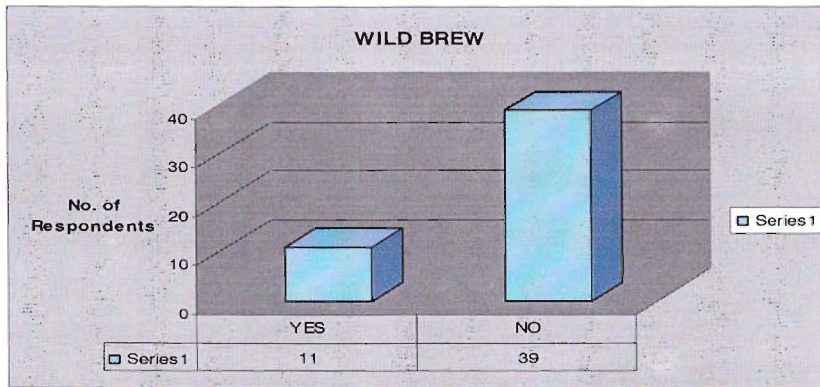
b. **WILD BREW: “The Beast Inside---Har mene Chey Shobai”?**

- Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

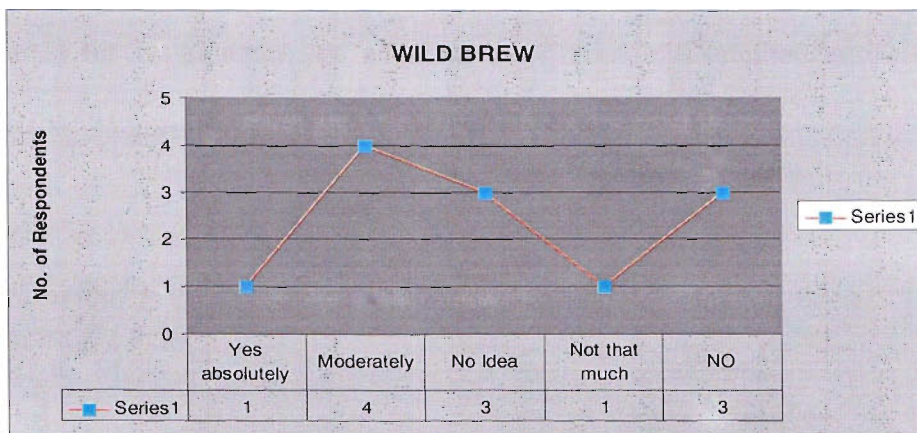
- Yes absolutely       Moderately       No Idea       Not that much       No

Results Obtained:



(Figure: 6I)

Only 22% of the respondents are aware of the Marketing/Communicational theme of WILD BREW. Majority portion are unaware of the strategical theme.



(Figure: 6J)

9% & 36% of the aware audience agrees absolutely and moderately that the strategy enhances Wild Brew’s brand building. 27% completely disagrees with the phenomenon.

- Are you aware of the strategic Marketing/Communicational theme of the following mineral water of AFBL:

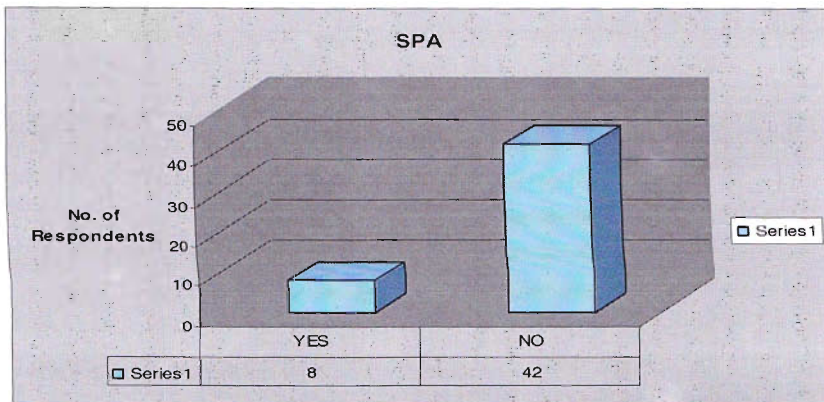
**SPA: “The Water Of Life---Shuddo Pani Shustho Ami”?**

- Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

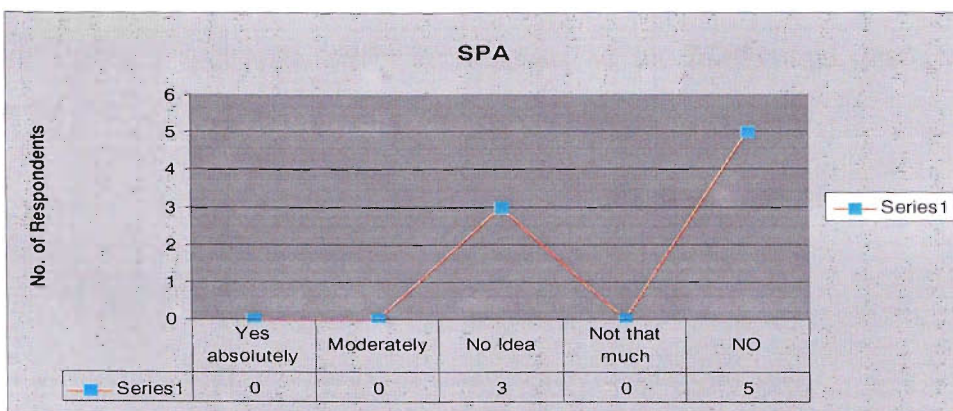
- Yes absolutely       Moderately       No Idea       Not that much       No

Results Obtained:



(Figure: 6K)

Maximum of the respondents, 84%, are unaware of the Marketing/Communicational theme of SPA. Only 16% could recall the theme.



(Figure: 6L)

Among them majority of 62% disagreed that the strategy enhances SPA’s brand building.

- Are you aware of the strategic Marketing/Communicational theme of following juice product of AFBL?

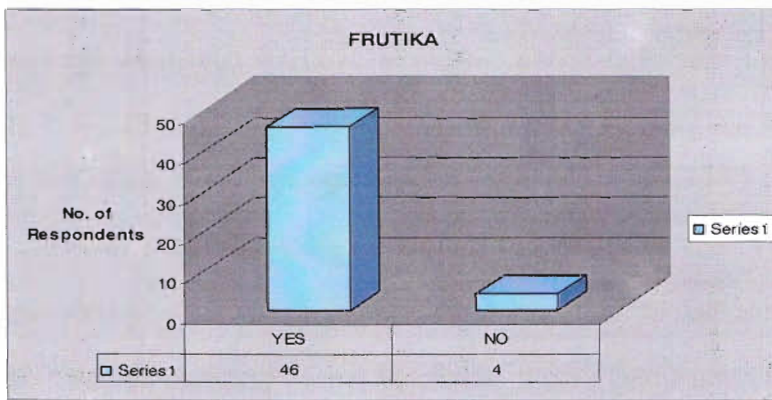
**FRUTIKA: “Ektu Besii Pure---Drink Frutika And Speak Just The Truth”?**

- Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

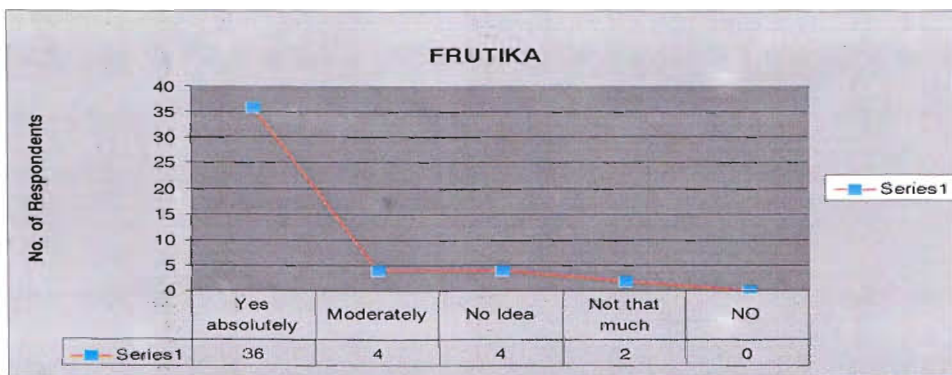
- Yes absolutely             Moderately             No Idea             Not that much             No

Results Obtained:



(Figure: 6M)

Unlike SPA, 92% of the respondents are aware of the Marketing/Communicational theme of FRUTIKA, which is the 2<sup>nd</sup> highest among all the brands of AFBL.



(Figure: 6N)

Among them, 78% agrees that the strategical theme enhances Frutika’s brand building. 0% absolutely disagrees. And only 4 individuals have no idea regarding the issue.



- Are you aware of the strategic Marketing/Communicational theme of following dairy product of AFBL?

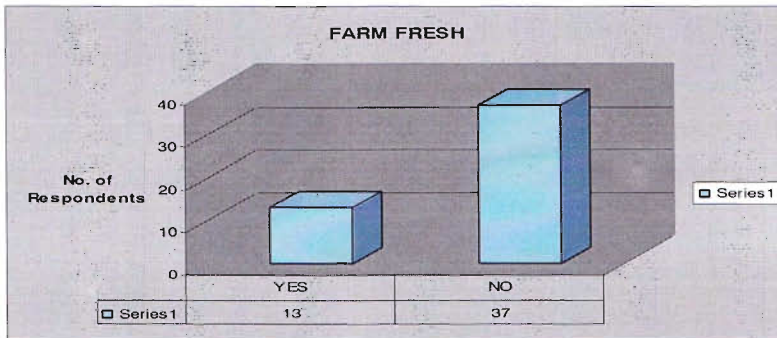
**FARM FRESH: “Dudh Khao Agiaa Jao”?**

- Yes                       No

If yes, then do you think the strategy enhances the product’s brand building?

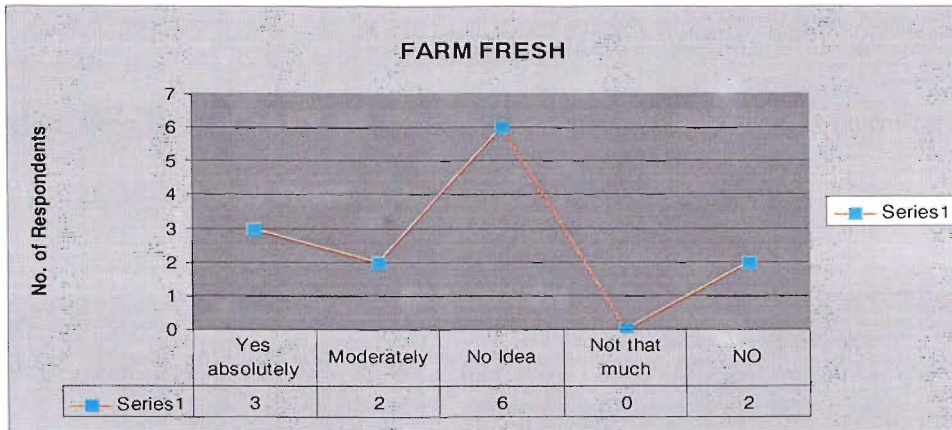
- Yes absolutely       Moderately       No Idea       Not that much       No

Results Obtained:



(Figure: 6O)

Majority of 74% are unaware of the Marketing/Communicational theme of FARM FRESH. Only 26% are well aware of the theme.



(Figure: 6P)

Among those 26% aware individuals, 46% didn't had any idea of whether the theme enhances Farm Fresh's brand building. Just three respondents agreed and two disagreed completely.

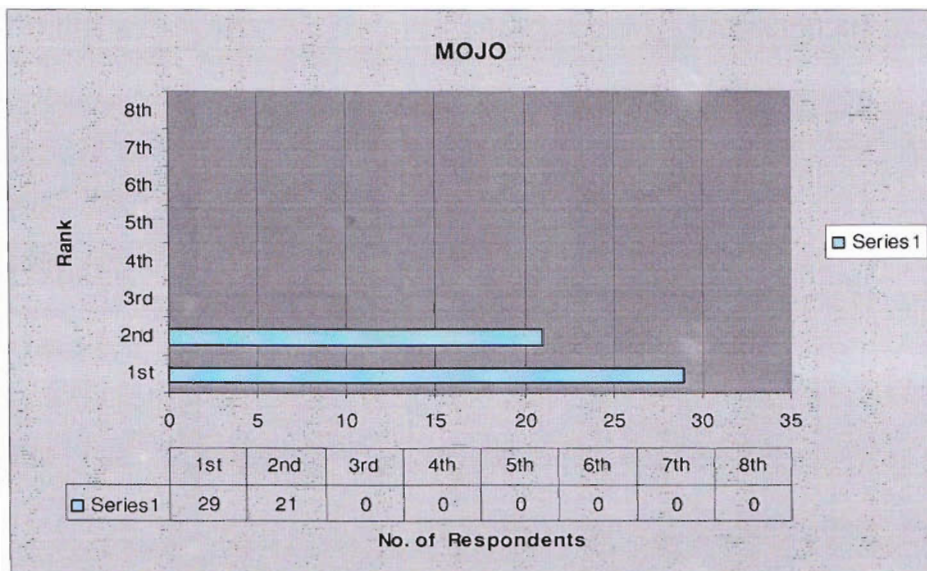
- Rank the strategic Marketing/Communicational theme of the following products. (1=Best 8=Least)

\_\_\_ MOJO      \_\_\_ LEMU      \_\_\_ CLEMON      \_\_\_ SPEED

\_\_\_ WILD BREW      \_\_\_ SPA      \_\_\_ FRUTIKA Juice      \_\_\_ FARM FRESH

Results Obtained:

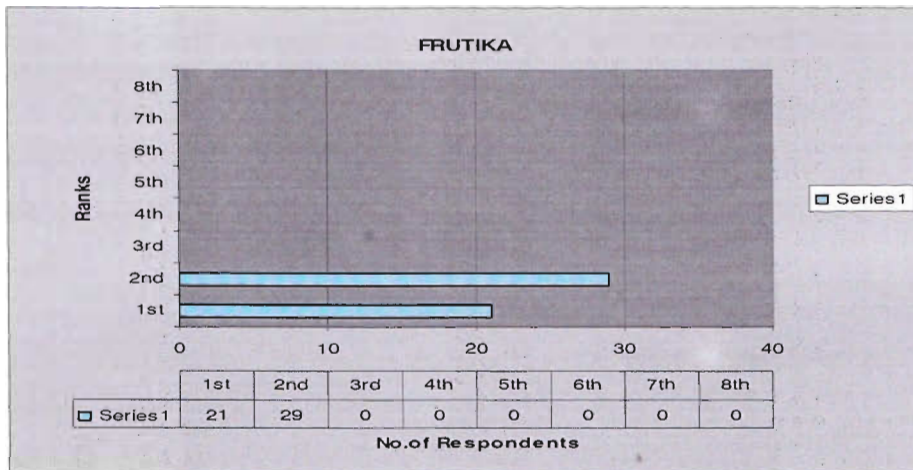
**MOJO**



(Figure: 7A)

Amongst all the survey respondents, 58% ranked MOJO to be in the 1<sup>st</sup> position for its strategic Marketing/Communicational theme of “*ONTORE ONTORE- Its Inside U*”, 42% ranked the brand to be in 2<sup>nd</sup> place.

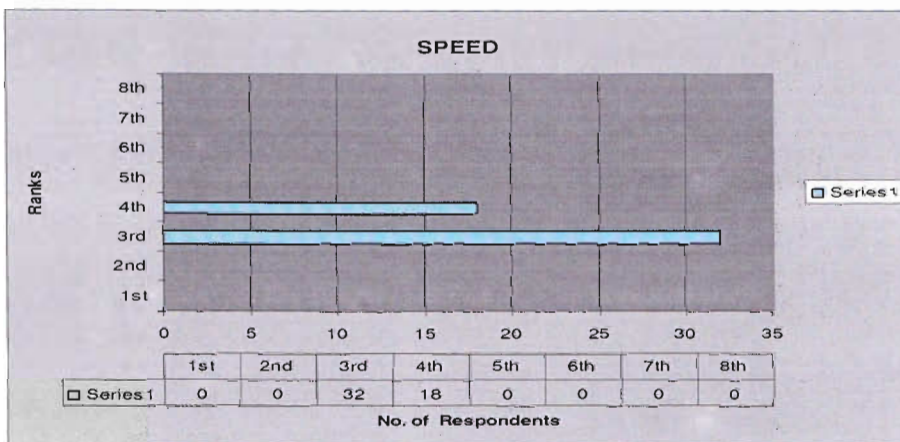
**FRUTIKA**



(Figure: 7B)

42% ranked FRUTIKA to be in the 1<sup>st</sup> position for its strategic Marketing/Communicational theme of *“Ektu Besii Pure---Drink Frutika And Speak Just The Truth”*. And 58% ranked the brand to be in the 2<sup>nd</sup> successive place.

**SPEED**



(Figure: 7C)

64% ranked SPEED to be in the 3<sup>rd</sup> position for its strategic Marketing/Communicational theme of *“Heavvvy Energy—Ektu Bujhe Shune Khao---Khokon Je Ki Hoi Kisu Bola Jai Na”*. And 36% ranked the brand to be in the 4<sup>th</sup> successive place.

## X. Analysis of the Research Finding & Hypothesis Testing

Respondents of my research were mostly students within the age bracket of 21-25. There were also students who were associated with jobs. As per gender, majority of my respondents were male which was 68%. Responses of the question to identify whether the respondents consumed AFBL's products were collected and it is found that 100% consumed MOJO, 86% & 78% had consumed FRUKITA & SPEED respectively. My first hypothesis was

### Hypothesis-(Segment A)

Null Hypothesis: Each and every survey respondents consumed at least one brand of AFBL.

Alternative: Not all respondents consumed at least one brand of AFBL.

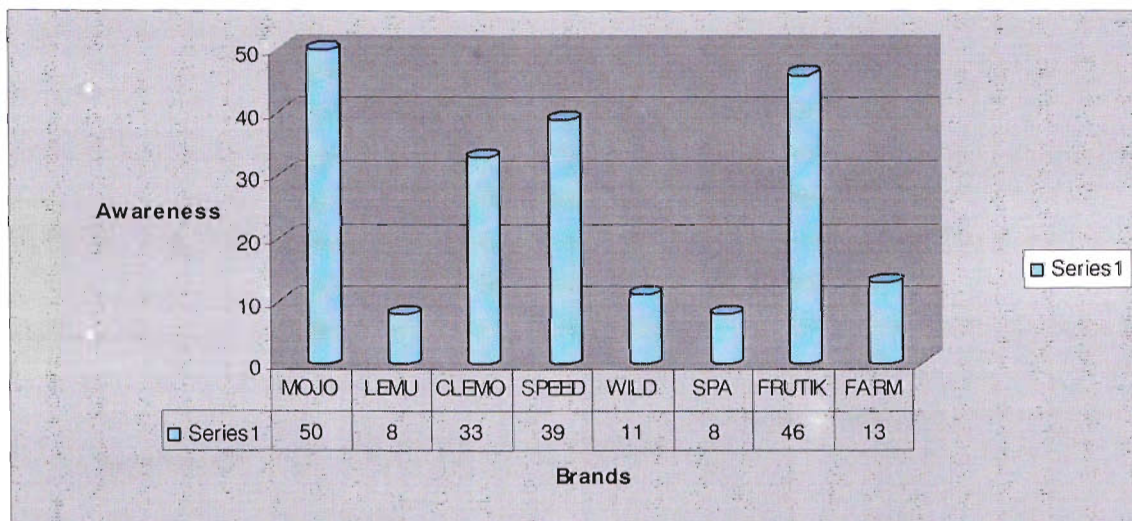
Hypothesis testing: Null hypothesis is NOT rejected.

This proves that at least one product of AFBL is consumed by all the surveyed audience and it is MOJO.

Regarding the influencing factor of the consumption of AFBL's products, responses of audience stated that, MOJO's packaging and branding aspect are the key influencing factors for its consumption. In case of LEMU, factors are the packaging and taste. For CLEMON factors are packaging, taste then branding. Taste followed by packaging and branding are the key factors for the consumption of SPEED. WILD BREW is one of the brands that has been least consumed by the respondents but for the ones who have actually consumed, influencing reasons were taste and availability. Reason for consuming the brand SPA was mainly availability, then price and packaging. Wide range of

influencing reasons embedded the consumption of the brand FRUTIKA. First it is the taste of the product followed by the branding. Packaging and availability also played supportive role for the consumption of the brand. According to the respondents, reasons for consuming FARM FRESH were the taste, then branding and availability.

Responses related to the strategic Marketing/Communicational theme, are group together in a single graphical form and are presented below:



(Figure: 8A)

### MOJO

All of the respondents were aware of the strategic Marketing/Communicational theme of MOJO. And among them 58% agrees with the notion that the strategy enhances MOJO brand building. According to AFBL's officials, MOJO has 90% brand awareness and as per by research survey it is 100%. This proves MOJO to make more brand strength than assumed by the AFBL's officials. My hypothesis-I in segment-B was

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of MOJO.



Alternative: Majority of the respondents NOT aware of the strategic Marketing/Communicational theme of MOJO.

Hypothesis Testing: Null hypothesis NOT rejected.

Reason: 100% awareness level sustains among the respondents.

This proves that majority of the respondents were of the theme of MOJO.

### LEMU

Only 16% of the respondents were aware of the strategic Marketing/Communicational theme of LEMU. And among them 75% didn't had any idea of whether the theme enhances LEMU's brand building. According to the officials, LEMU has 35% brand awareness but as per my sample size it is only 16%. My hypothesis-II in segment-B was

Null Hypothesis: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of LEMU.

Alternative: Majority of the respondents are aware of the strategic Marketing/Communicational theme of LEMU.

Hypothesis testing: Null hypothesis NOT rejected.

Reason: More than 50% of the respondents were unaware of the theme.

### CLEMON

Among all the respondents 66% were aware of the strategic Marketing/Communicational theme of CLEMON. And maximum of them agrees that the theme enhances the products

brand building. Officials of AFBL, assumed the awareness level to be at 70%, and as per my sample size it quite close. My hypothesis-III in segment-B was

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of CLEMON.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of CLEMON.

Hypothesis testing: Null hypothesis NOT rejected.

Reason: Maximum share of the respondents aware of the theme of CLEMON.

### **SPEED**

Awareness percentage for SPEED's strategic Marketing/Communicational theme as per my research was 78%. And among them 28% agrees that the theme enhances the products brand building. Officials of AFBL assumed it to be 70%, and comparing it with my research it is quite positive. My hypothesis-IV was:

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of SPEED.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of SPEED

Hypothesis Testing: Null hypothesis NOT rejected.

Reason: More than 50% percent of the respondents were aware of the theme of SPEED.

## WILD BREW

In my research, awareness percentage of the strategic Marketing/Communicational theme of WILD BREW was only 22%. Among which 36% agrees that the theme enhances the brand building. According to the brand officials' assumption the awareness level is at 20%. Comparison proves their assumption to be valid. Hypothesis-V in segment-B was:

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of WILD BREW.

Alternative: Majority of the respondents are aware NOT of the strategic Marketing/Communicational theme of WILD BREW.

Hypothesis testing: Null hypothesis rejected. Alternative accepted.

Reason: Less than 50% of the respondents were aware of the theme of Wild Brew.

## SPA

According to AFBL's brand officials, awareness of the theme of SPA is 50%. In my research, awareness of the strategic Marketing/Communicational theme of SPA is only 16%. Among which 62% disagrees that the theme enhances the products brand building. There is a great difference between the assumption of the officials and my research results. My hypothesis-VI segment-B was:

Null Hypothesis: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of SPA.

Alternative: Majority of the respondents are aware of the strategic Marketing/Communicational theme of SPA.



Hypothesis Testing: Null hypothesis NOT rejected.

Reason: Less than 50% of the respondents were aware of the theme of SPA.

### **FRUTIKA**

92% of the respondents are aware of the Marketing/Communicational theme of FRUTIKA, which is the 2<sup>nd</sup> highest among all the brands of AFBL. Among them, 78% agrees that the theme enhances Frutika's brand building. AFBL's officials assumed the awareness level to be at 80%. And as per my research, more than 80% of the surveyed respondent were aware of them the theme of FRUTIKA. Hypothesis-VII in segment-B:

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of FRUTIKA.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of FRUTIKA.

Hypothesis testing: Null hypothesis NOT rejected.

Reason: More than 50% of the respondents were aware of the strategic theme of FRUTIKA.

### **FARM FRESH**

According to the officials' assumption 40% awareness sustains for the theme of FARM FRESH. But as per research, 74% are unaware of the strategic Marketing/Communicational theme of Farm Fresh, and among those 26% aware individuals, 46% didn't had any idea of whether the theme enhances Farm Fresh's brand

building. Officials of AFBL assumed more awareness level than what is actually sustaining in the market. My hypothesis-VIII in segment-B was:

Null Hypothesis: Majority of the respondents are aware of the strategic Marketing/Communicational theme of FARM FRESH.

Alternative: Majority of the respondents are NOT aware of the strategic Marketing/Communicational theme of FARM FRESH.

Hypothesis testing: Null hypothesis rejected. Alternative accepted.

Reason: Less than 50% of the respondents were aware of the theme of Farm Fresh

Regarding the ranking of the strategic Marketing/Communicational theme of AFBL's products, my hypothesis was:

### Hypothesis- (Segment C)

Null Hypothesis: In the ranking of the strategic Marketing/Communicational theme of AFBL's products, MOJO stands in the top followed by FRUTIKA (2<sup>nd</sup>), then SPEED or CLEMON.

Alternative: In the ranking of the strategic Marketing/Communicational theme of AFBL's products, MOJO Does Not stand in the top followed by FRUTIKA (2<sup>nd</sup>), then SPEED or CLEMON.

Hypothesis testing: Null hypothesis NOT rejected.

Reason: Among all the survey respondents, 58% ranked MOJO to be in the 1<sup>st</sup> position and FRUTIKA in the 2<sup>nd</sup> place. And 64% ranked SPEED in the 3<sup>rd</sup> position.

## XI. Summary of the Research Findings

From the research analysis it can be deduced that among all the eight brands of AFBL, most consumed and preferred brand is MOJO. Followed by FRUTIKA and it is SPEED. As the influencing factors for the consumption of AFBL's CSD products, packaging plays a vital role, followed by the marketing/communicational activities (Branding), then finally the taste. The full slive packaged pet bottle turn out to be a great success for AFBL's CSD products. In case of the energy drinks of AFBL, the brand SPEED has been highly consumed by the audience and the influencing factors were taste, packaging & branding. But the scenario was different for WILD BREW, only a few had consumed the brand and influencing reason was the taste and availability.

For the consumption of the mineral water SPA, availability played a vital role and this was because of the wide range dual distribution channel. Price of SPA is less then few other brands in the market, thus it also played a supportive role. The full slive packaging is also another influencing reason. FRUTIKA is 2<sup>nd</sup> most consumed brands by the audience and the reasons behind are the taste and specially the marketing/communicational activities (Branding). The brand FARM FRESH is another least consumed product and the influencing factor for consumption were the taste and branding. The product didn't seem to be highly accepted by the audience.

The strategic Marketing/Communicational theme of MOJO--“*ONTORE ONTORE- Its Inside U*” had the highest positive awareness level among my research sample size. Then it was FRUTIKA: “*Ektu Besii Pure---Drink Frutika And Speak Just The Truth*” followed by SPEED: “*Heavvvy Energy---Ektu Bujhe Shune Khao---Khokon Je Ki Hoi Kisu Bola Jai Na*”, as per awareness of the strategic Marketing/Communicational theme, in my report. My hypothesis regarding theses brands was proved to accurate. Respondents showed positive perception regarding the theme of these three brands. These reflects that the brands of AFBL (MOJO, FRUTIKA & SPEED) has strong strategic Marketing/Communicational theme and it a very positive aspect their individual brand building.

Theme of the brand CLEMON had a moderate awareness level and my hypothesis regarding the brand proved right. The percentage of awareness echelon is at a point where it can be increase by imposing more effort and this phenomenon sustain because of the positive attitude of the respondents towards the brand CLEMON’s strategic Marketing/Communicational theme.

In my report, hypothesis regarding the brands LEMU and SPA was accurate. The brands incorporated least awareness level as per their strategic Marketing/Communicational theme. And minimum positive attitude of the respondents assist towards the themes of these two brands. These depicts that the brands has weak strategic Marketing/Communicational theme which is needed to be reframed and modified to enhance the brand building.

Regarding the brands WILD BREW & FARM FRESH, my hypothesis spilled wrong. Assumption constructed was positive majority awareness of these two brands, but my research results showed that the awareness level prevails under 50%. From my research it was found that petite amount of market share and growth prevails for the product category of WILD BREW and this phenomenon is actually impacting the awareness level of the brand. This illustrates that, brand awareness can be shifted from the weaken segment if market share of the product category could be increased. But in the case of FARM FRESH, moderate market share and growth sustains but the brand falls to prosper as per awareness because of weak strategic Marketing/Communicational theme.

Accurate result was attained for my hypothesis regarding the ranking of the strategic Marketing/Communicational theme of AFBL's products. As per the strategic theme, my assumption was MOJO to be ranked 1<sup>st</sup>, FRUTIKA to be 2<sup>nd</sup> and SPEED to be 3<sup>rd</sup>. From the research of the respondent, my hypothesis was proven right because majority ranked the brands in the questionnaire as per by assumption.

AFBL is currently operating in the marketing for approximately three years with eight different brands. And within this period making three brands (MOJO, FRUTIKA, and SPEED) profoundly strong in term of strategic Marketing/Communicational theme, is a very acceptable sign of prosperity. Some of the brands among the remaining five brands are in a notion to success only if certain level of strategic marketing effort is implemented. Recommendation regarding AFBL's products brand-building is focused on the next segment of the report.

## XI. Recommendation

Analysis from my research enabled me to improvise constructive recommendation regarding the marketing/communicational strategies and brand building of AFBL's products. In the period of investigation, I came across many explanatory issues that won't have been possible to attain without such thorough profound research work. I have provided recommendation as per the brands of AFBL and they are outlined below:

- ▣ One of the core influencing reason of consuming AFBL's products is the packaging. Most of the respondents stated the packaging to be very attractive and persuasive. Thus AFBL should never take any initiative to alter the packaging of the brands specially MOJO, LEMU, CLEMON, SPEED, FRUTIKA.
  
- ▣ MOJO, SPEED & FRUTIKA have strong strategic Marketing/Communicational theme which pertain the enhancement of the positive brand building. Thus AFBL should firmly hold on to the USPs and perform greater promotional efforts centering the themes to create a platform that preserves the high-level sustainable awareness.
  
- ▣ The brand CLEMON has moderate awareness level but potentiality exists to increase the awareness level to a prospective reach as because consumers projected positive attitude towards the strategic Marketing/Communicational theme. AFBL should focus on developing innovative promotional activities, which promotes the USP to a much



greater extent and attain higher level of exposure among the consumer to create more affirmative awareness.

- The entire strategic Marketing/Communicational theme of LEMU should be changed by AFBL as because poor awareness level and brand building prospect prevails with the association of the current USP of the brand.
  
- Recommendation for SPA is the same stated for LEMU but entire strategic Marketing/Communicational theme of SPA won't have to be altered. USP of the brand associates the factor of purity and good health thus AFBL should formulate some auspicious idea that conveys positive perception to the consumer and consumer can intern associate the brand with purity and healthiness.
  
- The strategic Marketing/Communicational theme of WILD BREW is positively perceived by the respondents but the awareness level is very low. Conferring reason behind the low recognition is the undersized market share and growth of the non-alcoholic malt beverage product category. AFBL should focus at contributing on the growth of the product category. AFBL came arrange free sampling program and price discounts to first make the consumer associate with product category. After that, when moderate market share will prevail, intensive promotional campaign of WILD BREW should be carried out with the current USP to create higher-level of awareness of the brand which intern will positively impact the consumption of the brand.

- Market growth exists for the product category of FARM FRESH. But the consumers are not that much aware of the strategic Marketing/Communicational theme of the brand. The reason is improper USP associated with the brand thus AFBL should restructure the brand building strategic of FARM FRESH and concentrate on developing some ideas that actually will create higher awareness of the brand.
  
- Few products of AFBL, for example SPA & FARM FRESH, are consumed by the customer because of the availability. Thus AFBL should explicitly hold on to their strong distribution channel. This will enable the company to attain good market share of the brands like SPA & FARM FRESH that has weak strategic Marketing/Communicational theme.
  
- Within the operation period of three years, AFBL strongly positioned three of its brands. In near future, the company should implement more detailed effort to establish the other brands rather than eliminating them from their product line grid.



## XII. LIMITATIONS

I have faced few limitations during my research and project work and I have enlisted them below:

- ❖ The level of confidentiality associated with the company's information processing has been a constraint for carrying out the planned activities.
- ❖ Many information were disclosed and its presences would have enhanced my research report contents but they were highly confidential to be presented in the report.
- ❖ Work pressure in the office turn out to create time limitation for the work of the intern report.

But along with these limitations I tried my level best to overcome them and pursue my objective.

### XIII. CONCLUSION

Throughout my internship period, I gained a lot of valuable knowledge regarding the operation of the entire beverage industry. The company AKIJ FOOD & BEVERAGE LTD (AFBL) lately came in the business, and has already achieved a flourishing state with some of its brands. I am highly obliged for being a part of this venture, and understanding their business policies, operational structure, strategy formulation and implementations. The comprehension gained from the marketing activities of AFBL enhanced my knowledge portfolio to a greater extent. The Brand department of AFBL contributes intensive effort regarding the brand building of the products. The reflection of the efforts could be seen from the strategic marketing/communicational theme and USPs of brands like MOJO, SPEED, FRUTIKA, CLEMON etc. The pace at which AFBL is currently accelerating, will undoubtedly lead the company to the peak of success where majority of the market shares will be withhold by the brands of AFBL. I will be concluding my research report by stating that, being able to work with a company which is in the growth stage of the organizational life cycle (OLC), enabled me to captivated a bundle of practical knowledge which will turn out to be a great support for my future strategy formulations and implementations achievements.

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