# Thesis Report On Marketing Strategies of KPC Industries Ltd.



## **Thesis Report**

On

Marketing Strategies of KPC Industries Ltd.

## **Prepared For**

Naiem Jalal Uddin Ahamed
Associate Professor
Department of Business Administration
Stamford University Bangladesh

## **Prepared By**

Md. Mahbubur Rahman ID No: BBA 05116042

Batch No: 51 (MKT)

Department of Business Administration Stamford University Bangladesh



# **Stamford University Bangladesh**

**Date of Submission:** 



#### **LETTER OF TRANSMITTAL**

To

Naiem Jalal Uddin Ahamed Associate Professor Department of Business Administration Stamford University Bangladesh

Subject: Thesis Report entitled "Marketing Strategies of KPC Industries Ltd".

Dear Sir,

I am submitting my Project Report and would like to take the opportunity to thank you for your guidance and supervision to complete the report. The title of my Project Report is "Marketing Strategies of KPC Industries Ltd." The topic has its due limitations and to complete it was not without difficulties. However, with your guidance, it was completed in the best possible manner.

I am grateful to you for you guidance & kind cooperation at every step of my endeavor on this thesis report. I shall remain grateful, if you put some effort to go through the report & evaluate my performance.

STAI

Regards,

Md. Mahbubur Rahman ID No : BBA 05116042

Batch No: 51 (MKT)

Department of Business Administration



#### **Certificate of the Supervisor**

Date:

This is to certify that the Thesis Report on "Marketing Strategies of KPC Industries Ltd" is done by Md. Mahbubur Rahman, ID No- BBA 05116042, Major in Marketing, Department of Business Administration, Stamford University Bangladesh, as partial fulfillment of the requirement of Bachelor of Business administration (BBA) degree from Stamford University Bangladesh.

The thesis has been carried out under my guidance and is a record of the benefited work carried out successfully.

Supervisor

Naiem Jalal Uddin Ahamed

**Associate Professor** 

Department of Business Administration



#### **Declaration**

I was assigned to complete my thesis in the KPC Industries. During my thesis Period I tried to understand the idea of the industry practices in Bangladesh. Thesis for a period of 3 Months is not at all enough to grab all the features of a industry but I tried my best to make myself enriched.

I do hereby declare that the report on "Marketing Strategies of KPC Industries Ltd". A case study on KPC Industries. "is prepared by me. The report is a genuine one. This report has not submitted anywhere for any degree or diploma ever before".

Md. Mahbubur Rahman ID No: BBA 05116042

Batch No: 51(I)

Program: BBA (Major in Marketing)

Department of Business Administration

Acknowledgement

At first, I foremost like to express my heartiest thankfulness to Almighty Allah to

reach me at the end of the BBA Internship. I would like to take the opportunity to

express my heartiest gratitude to my honorable Teacher to provide continuous support

to me for completing BBA.

First and foremost, I would like to thank to my Thesis Supervisor Naiem Jalal Uddin

Ahamed, Associate Professor, Dept. of Business Administration, Stamford

University Bangladesh, for the valuable guidance and advice. He inspired me greatly

to work in this report. Her willingness to motivate me contributed tremendously to my

work. I also would like to thank her for his valuable time by helping me for this

report.

Naiem Jalal Uddin Ahamed lifted me up when I was not sure that I could ever get to

the finish line. Thank you for supporting me, for guiding me, and most of all, for

believing me. Honestly, I could not have done it without you and your help.

Md. Mahbubur Rahman ID. No: BBA 05116042

Batch No: 51(MKT)

Program: BBA (Major in Marketing)

Department of Business Administration



#### **Executive Summary**

The Project report is prepared as requirement of BBA program of Stamford University. This report is on "Marketing Strategy of KPC Industries. This report is intended to assist the reader in detailed understanding the marketing process. It also attempts to cover the procedures practiced in KPC Industries in relation to marketing handling. The purpose of this report is to have an idea about the marketing procedure of KPC Industries and then to assess its effectiveness in connection with.

In this report, first of all I've discussed about the objectives, scopes, limitations and the methodology containing the sources of data I've collected from.

Secondly, in the organizational part I have provided detailed information about the organization with its company profile, Corporate Vision and Mission, product & service and resources.

Thirdly I've discussed about the overall marketing of KPC Industries the marketing department.

Finally I have tried to give some suggest edraising Information and expansion of facilities of this sector regarding marketing and by which I have gained knowledge on internship in KPC Industries. The whole system has been described elaborately keeping in mind the most important segments.



## **Table of Contents**

| Chapter-01                                | 10-17 |
|---|-------|
| Introduction                              |       |
| 1.1 Introduction                          | 11-12 |
| 1.2 Background of the Study               | 12-13 |
| 1.3 Scope of the Study                    | 13    |
| 1.4 Objectives of the Study               | 14    |
| 1.5 Organization of the Study             | 14    |
| 1.6 Methodology of the Study              | 15    |
| 1.7 Schedule                              | 15-16 |
| 1.8 Limitation of the Study               | 16-17 |
| Chapter-02                                | 18-32 |
| Company Overview                          |       |
| 2.0 History of the Organization           | 19-20 |
| 2.1 Our Paper Cup                         | 21-26 |
| 2.2Literature Review                      | 27-28 |
| 2.3 Vision                                | 29    |
| 2.4 Mission                               | 29    |
| 2.5 Corporate Chronicle of KPC Industries | 30    |
| 2.6 Board of Directors                    | 31    |
| 2.7 Management Team                       | 32    |
| Chapter-03                                | 33-46 |
| Marketing Strategies of KPC               |       |
| Marketing Strategies of KPC               | 33    |
|   |       |
| 3.1 Product                               | 34    |
| 3.1.0 Three aspects                       | 34    |
| 3.1.1 Classifying products                | 35    |
| 3.1.2 Types of products                   | 35-36 |
| 3.1.3 Product life cycle                  | 36-37 |
| 3.2 Price                                 | 37-40 |
| 3.3 Place/Distribution                    | 40-45 |
| 3.4 Promotion                             | 45-46 |
| Chapter-04<br>Market Situation Analysis   | 47-63 |
|   |       |



| 4.0 Market Situation Analysis | 48    |
|-------------------------------|-------|
| 4.1 SWOT Analysis             | 49    |
| 4.2 Market Summary            | 50    |
| 4.3 Analysis                  | 51    |
| 4.4 SWOT Analysis             | 51-52 |
| 4.5 Major Competitors         | 52-53 |
| 4.6 Product Offering          | 53-55 |
| 4.7 Competitors Information   | 55    |
| 4.8 SWOT Comparison Sheet     | 56-57 |
| 4.9 Market Research           | 58-63 |
| Chapter-05                    | 64-67 |
| Major Findings                |       |
| 5.0Major Findings             | 65-67 |
| Chapter-06                    | 68-69 |
| Recommendations               |       |
| 6.0Recommendations            | 69    |
| Chapter-07                    | 70-74 |
| Conclusion                    |       |
| Conclusion                    | 71    |
| Bibliography                  | 72-74 |
| Appendix                      | 74    |



# **Chapter-01**

# **INTRODUCTION**





#### 1.1 Introduction:

In view of revolution in using the green & eco friendly products and its remarkable distinction in economic growth since late 1993; the usury of such products got their place into the kitchens of every household and have become unavoidable part of our daily life. The enormous demand of green and eco friendly products all over the world has created unprecedented opportunity for producers of such items to grow in this immersing market at a higher speed.

From our research on green and eco friendly product sector and its prospects a statistical connotation overviewed that local market is growing day by day because of eco friendliness and hygiene issue. Beyond the boundary of Bangladesh; demands for green & eco friendly products are more prevalent and a great opportunity is reckoning for exporting such products from Bangladesh as well.

Thus to reduce the gap between the huge demand and little supply and to serve the relatively untapped market both at home and abroad, we have decided to endeavor in this market with this project. We want to be part of this green revolution as well.

Most recently around the world, it's important issue to save the global environment for the next generation. Here in Bangladesh over goal to work with clean and eco friendly environment. Our strategy is to work with environment friendly product, manufacturing and distributed to the country side and join the global save the environment program. We choose the most sophisticated product the paper & paper product which one is biodegradable

& environment friendly. From the very beginning KPC Industries has been working on Paper cups & Paper Plates to ensure a finest quality hygienic product. The quality and design of our Product helps us to make superior in the market of Paper cup.

Paper cups are disposable cups made out of paper and are extensively used all over the world to serve food and beverages like tea, coffee, soft drinks, etc. They are coated or lined with plastic or wax to prevent the cup from any leakage or becoming



soggy. Commercially, paper cups are coated with polyethylene to increase its durability and performance by making it liquid resistant. The coating also allows the seams to weld together. There are generally two types of paper cups: hot and cold. Cold cups have a waxy coating on both the sides to prevent the paper from becoming wet due to absorption of liquid. On the other hand, hot cups are designed specifically to withstand the heat and are coated only on one side. There are several factors that are driving the demand for paper cups across the globe. Growing awareness about transfer of diseases and germs while sharing the same containers or mugs has motivated people to opt for paper cups. Moreover, they are convenient to use and are environment friendly due to their higher biodegradability compared to plastic or foam cups. The growing foodservice industry is another major factor that is thrusting the growth of this market globally.

#### 1.2 Background of the Study:

Marketing as a tool of management provides management with detailed records of the costs relating to products, operations or functions. There are many more cost Marketing techniques which are used for cost determination, control and analysis purposes. This study attempts to investigate the adoption levels and also satisfaction levels of twenty Marketing techniques of manufacturing organizations in Bangladesh. It also examines the influence of Marketing techniques on overall satisfaction level, decision-making and performance improvement. To achieve these purposes I select KPC Industries manufacturing organizations have been surveyed. Findings reveal that the high adoption levels of Marketing techniques are insignificant. It also shows that there are few Marketing techniques which have influence on overall satisfaction level, decision-making and performance improvement. The importance of Marketing and Marketing is being increased day by day. It is not only help to reduce cost but also in all kind of decision making. Without analysis of Marketing no manager can make effective decision. The Marketing collects the data, analyze those data and help the managers to make better decision. In accordance with development of new tools and techniques of Marketing the use of Marketing is changing. Managers need to use the Marketing in different way from traditional method to evaluate the performance. Developing and accepting the JIT, TQM and other contemporary costing techniques force to manager to change the performance evaluation techniques and requires different Marketing unlike traditional labor based information now a day's which become obsolete. Primarily this report is concerned with Marketing by an



organization in decision making as well as corporate reporting, the tools and techniques used by organizations and the implications of these in the organization.

Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2017-2022" provides a techno-commercial roadmap for setting up a paper cups manufacturing plant. The study covers all the requisite aspects of the paper cups market. This ranges from macro overview of the market to micro details of the industry performance, processing and manufacturing requirements, project cost, project funding, project economics, expected returns on investment, profit margins, etc. This report is a must-read for entrepreneurs, investors, researchers, consultants, business strategists, and all those who are planning to foray into the paper industry in any manner. The report has segmented the market on the basis of cup type, application and region. On the basis of type, the market comprises of hot paper cups, cold paper cups, plastic cups and polystyrene foam cups. Based on applications, tea/coffee represented the biggest end use market for paper cups in 2016, followed by other foods/beverages and chilled foods/beverages.

We select KPC Industries to examine the use of Marketing and Marketing tools and techniques used by the company. We emphasize on the implication of using information and technique and examine whether KPC Industries use or not that particular techniques and the reason of following or not following based on our queries to respective authority of the company.

#### 1.3 Scope of the Study:

This report is limited to the Marketing department of the KPC Industries including Marketing systems procedure and techniques. Since KPC Industries want to achieve top quality along with cost control it uses its Marketing very strongly. This report covers only the use of Marketing for the purpose of decision making and corporate reporting not overall performance of the KPC Industries.



#### 1.4 Objectives of the Study:

Main objectives of the study are as follows:

- ✓ To know the Marketing Strategy of KPC Industries Ltd.
- ✓ To find out barriers on marketing strategy of Industries Ltd.
- ✓ To find out potential solutions to overcome selected barriers of Industries Ltd.
- ✓ To fulfill the requirement of internship (equivalent 6 credits) of BBA program.
- ✓ To analyze the "Marketing System at KPC Industries."

#### **Specific objectives:**

- ✓ To explore of financial performance analysis of "KPC industries".
- ✓ To know the duties and responsibilities "KPC industries".
- ✓ To identify the major opportunity and threats of "KPC industries".

### 1.5 Organization of the Study:

This report is divided in to mainly 5 parts. The 1<sup>st</sup> part is introductory part that states the origin, background, scope, objectives, methodology of the Study. The 2<sup>nd</sup> part is the literature review of the study. This part explains the Marketing and its use in decision making by the managers. The next part discusses about the Marketing system of KPC Industries. The 4<sup>th</sup> part finds out the contemporary methods and techniques of Marketing used in KPC Industries. The last part concludes the Study with some recommendation. The use of paper cups is majorly by beverages and soft drink dispensing units. The advent of plastic cups (a wholly anti-environment and bio-hazardous product) is increasingly replacing paper cups. Surprisingly, the environment authorities have yet to ban these innocuous plastic cups for reasons best known to them! So under prevailing circumstances, marketing of paper cups may not be very prudent.



#### 1.6 Methodology of the Study:

This report is qualitative manner. Descriptive in nature Analytical method has been used to prepare this report.

#### Primary data Source

In this report the qualitative research procedure is used to collect the information of the report. The direct approach is utilized to gather the information. Here the employees of the KPC Industries Ltd. are asked different type of questions relating to the report to helping the making of this report.

#### **Secondary Data Source**

The direct approach, the depth interview which is the method of research procedure, is applied. Here the Assistant General Manager of marketing department is asked different questions and to explain different issues in an unstructured, direct and in a personal manner to give his opinion about the topic of the report.

#### 1.7 Schedule

I will try my level best to accomplish the particular task within the limit time by following the below lime frame work with the heartiest cooperation of my respective supervisor and other who will help me to accomplish the desired task. This reason ol being, the projected time frame work is given below:

| Activity                                       | Duration  |
|--|-----------|
| Submission of full proposal                    | 1 Month   |
| Data preparation and analysis                  | 1.5 month |
| Contextualizing the finding and report writing | 0.5 month |
| etc.   |           |
| Total 3 month                                  |           |



#### Budget

| Activity         | costing |  |
|------------------|---------|--|
| Technology using | 5000    |  |
| Stationary       | 2000    |  |
| other            | 5000    |  |
| Variable         | 4000    |  |
| Semi variable    | 2000    |  |
| Total            | 18000   |  |

## 1.8 Limitation of the Study:

When I was running my report I faced some problems which have been considered as limitation of the study. The limitations are:

- > Due to time limitation several information about KPC Industries Ltd. cannot be provided.
- > Even due to shortage of time, several distributors and retail stores have not been visited.
- > The study is mostly based on secondary data. Primary information has been collected only through depth interview method.
- > Data collection through Focus Group Discussion (FGD) has not been conducted for this study.
- > Because of political instability the visiting activities of retail market is hampered.
- > Since the Industries personnel were very busy on their personal activities, they could not provide enough time to me to discus my subject broadly.
- Lack of opportunity to visit IT & FAD department more than one time.
- > The website of Industries are not that much rich with data.



- > The main constrain of the study was in sufficiency of information, which was required for the study. There are various information the Industries employee can't provide due to security and other corporate obligations.
- > Due to time limitation many of the aspects could not be discussed in the present report. Learning all about within just 3 week is really tough.
- > Some information that are skipped by the respondent.
- > We have some error while analyzing the data and preparing the Study.

Despite of these limitations, I have tried my best to prepare the Study.

# **Chapter-02**

**Literature Review** 





#### 2.0 History of the Organization:

The KPC industries of Bangladesh have emerged as a competent industries producer in global industries business in recent times. This industries has successfully transformed Bangladesh into an export-oriented economy. The KPC industries also became the major foreign currency-earning sector with highest rates of absorption of industrial employment. The KPC industries of Bangladesh tell an impressive story of the country's successful transition towards a major export-oriented economy. Starting its journey in the late 1995s with a relatively small investment, the industries flourished in 2005s and 2010s and have become the largest industries in Bangladesh. KPC Industries is an export oriented company. KPC industries leading manufacturer of paper cups. Products sizes are: 100 ml paper cup, 120 ml paper cup, 150 ml paper cup, 200 ml paper cup, 250 ml paper cup, 350 ml paper cup, Paper cup with handle, Jacket Paper Cup, Paper Cup Lid, 7 Inch Paper Plate, 9 Inch Paper Plate, 10 Inch Paper Plate. It made from imported ISO approval single PE coated paper. This is an environment friendly and health hygienic biodegradable product. They use high tech machineries to produce a quality product. They also add new machineries to increase their production line. They have a mission and the vision is profit maximization. The KPC industries of Ready industries are to keep good relation with their buyers. From the very beginning KPC Industries has been working on paper cups & paper plates to ensure a finest quality hygienic product. The quality and design of our product helps us to make superior in the market of paper cup.

Our facility comprises of world class machinery and highly qualified work force to manufacture an array of disposable paper solutions. We possess storage and warehousing facility, providing us the capability to feed bulk requirement. Every finished product is cautiously packed by devoting extra time which maintains additional accuracy. The project is equipped with a complete and balanced range of machinery for production of paper cup, die cutting machine. Machinery was imported from China.



#### **Our Goal**

Welcome to the world of smart disposable paper cups. Kpc Industry designs disposable paper cups that are attractive outside and of the highest quality inside. Nowadays we all think about our very own profit in every place. Even I'm not any exception from that.

But the exception is, we think this earth and environment is my very own and very essential for myself and my family to live. With some simple machinery and 500 Sq Ft of space, you can start this business as small scale basis. However, you must put the emphasis on the marketing and distribution. Apart from the retail distribution, you must consider the B2B market and institutional selling as well. Generally, two different types of paper cups have large demands. One is normal paper cups of different sizes and another is paper cups with printed brand name of different companies. paper cup making is comparatively an easy business to start. It demands less infrastructure, and less working capital also.

We have our own graphics design in house for new design development. As a manufacturer of Disposable paper product we have three different machines of paper cup, paper plate and box. One cup handle machine & one die-cut machine in our factory premises.

Yes, we are talking about environment and we know that day by day our environment is being polluted by us. We can at least try to reduce this pollution by using environment friendly products, and KPC paper product is a little step toward this...

#### Our Slogan

"Let the environment live, if you want to live."





## 2.1 Our Paper Cup

Checkout some of our finished projects. We worked hard on these, and we think it shows. This should give you an idea of the quality of work you will receive when you hire us for you project.



**Paper CUP Feature** 

| Product Name:    | 80 ML Paper Cup |
|------------------|-----------------|
| Size:            | 2.8 OZ          |
| Height:          | 5.1 cm          |
| Top Diameter:    | 5.6 cm          |
| Bottom Diameter: | 4.00 cm         |



**Paper CUP Feature** 



| <b>Product Name:</b>    | 100 ML Paper Cup |
|-------------------------|------------------|
| Size:                   | 3.5 OZ           |
| Height:                 | 6.1 cm           |
| Top Diameter:           | 5.8 cm           |
| <b>Bottom Diameter:</b> | 4.00 cm          |



# **Paper CUP Feature**

| Product Name:           | 120 ML Paper<br>Cup |
|-------------------------|---------------------|
| Size:                   | 4.22 OZ             |
| Height:                 | 5.4 cm              |
| Top Diameter:           | cm                  |
| <b>Bottom Diameter:</b> | 5.2 cm              |





# **Paper CUP Feature**

| <b>Product Name:</b>    | 130 ML Paper Cup |
|-------------------------|------------------|
| Size:                   | 4.5 OZ           |
| Height:                 | 7.4 cm           |
| Top Diameter:           | 6.1 cm           |
| <b>Bottom Diameter:</b> | 4.0 cm           |



## **Paper CUP Feature**

| <b>Product Name:</b>    | 200 ML Paper Cup |
|-------------------------|------------------|
| Size:                   | 7.04 OZ          |
| Height:                 | 8.0 cm           |
| Top Diameter:           | 7.2 cm           |
| <b>Bottom Diameter:</b> | 5.2 cm           |





**Paper CUP Feature** 

| <b>Product Name:</b>    | 250 ML Paper |
|-------------------------|--------------|
|                         | Cup          |
| Size:                   | 8.8 OZ       |
| Height:                 | 9.2 cm       |
| Top Diameter:           | 7.5 cm       |
| <b>Bottom Diameter:</b> | 5.2 cm       |





## **Paper CUP Feature**

| Product Name:    | 350 ML Paper Cup |
|------------------|------------------|
| Size:            | 12.32 OZ         |
| Height:          | 11.5 cm          |
| Top Diameter:    | 8.0 cm           |
| Bottom Diameter: | 5.2 cm           |

#### **Our Paper Plate**

Checkout some of our finished projects. We worked hard on these, and we think it shows. This should give you an idea of the quality of work you will receive when you hire us for you project.



**Paper Plate Feature** 



| <b>Product Name:</b> | 7 Inch Paper Plate |
|----------------------|--------------------|
| Size:                | 7 Inch             |



# **Paper Plate Feature**

| Product Name: | 9 Inch Paper Plate |
|---------------|--------------------|
| Size:         | 9 Inch             |



# **Paper Plate Feature**

| <b>Product Name:</b> | 10 Inch Paper Plate |
|----------------------|---------------------|
| Size:                | 10 Inch             |



#### 2.2 Literature Review

Production Capacities For Paper Plate .And Cup Handle The annual rated production capacity of the project based on 2 shift operation of 8 hours each per day, 25 days per month and 300 working days in a year is given below:

**Double Shift Production Quantity:** 

| Product name | Day & Night | Production per | Total qty per |
|--------------|-------------|----------------|---------------|
|              | Shift       | Hour           | Day           |
| Paper plate  | 14 Hours    | 1500 PCS       | 21000         |
| Cup handle   | 14 Hours    | 1500 PCS       | 21000         |
| Total        |             |                | 42000         |

#### **PRODUCT QUALITY**

- ✓ Bio degradable paper
- ✓ Fully disposable & recyclable
- ✓ Environment friendly
- ✓ Zero bacteria
- ✓ Free from any harmful chemicals
- ✓ Produced under most hygienic conditions following International standards

#### **QUALITY CONTROL**

- ✓ Raw material used is compatible with International standards.
- ✓ Food grade certified by SGS.
- ✓ In house proximate laboratory for quality assurance.
- ✓ Product COC certificate from SGS.
- ✓ Product migration test report from raw materials manufacturer.
- ✓ Ink used in production is food grade with test report.



## **KPC PRODUCTS**



PAPER CUPS







PAPER PLATE



#### **2.3 Vision:**

- ➤ To establish KPC as a growing and diversified paper cup company that consistently exceeds customer expectations by delivering the highest standards in product development, production, distribution and marketing, while maximizing shareholder value by efficient allocation of the Company's resources.
- ➤ KPC seeks to combine innovation and creativity with diligent resource and risk management to consistently create value for all its stakeholders and play a meaningful and sustainable role in the economic and social development of the Country.
- ➤ KPC has no wish to influence people in their personnel beliefs but specifically dissociates itself from any activity that challenges our commitment to cultural diversity and equal opportunity.

#### 2.4 Mission:

➤ To achieve excellence in the development, production and marketing of paper cup in order to maximize customer satisfaction, achieve high levels of growth, minimize costs and maximize profits; resulting in a secure and rewarding investment to our shareholders and investors.



## **2.5 Corporate Chronicle of KPC Industries:**

| Registered Office                          | : 223, Tejgaon Industrial Area,<br>Gulshan Link Road, Dhaka-1208   |
|--|--|
| Factory Location                           | : 223, Tejgaon Industrial Area,<br>Gulshan Link Road, Dhaka-1208   |
| Date of Incorporation                      | : July 17, 2008  |
| Started commercial operation               | : 02 July 2011   |
| Converted into Public Limited Company      | : December 21, 2011  |
| Date of Publication of Prospectus (IPO)    | : 11 December, 2013  |
| Agreement Signed with CDBL                 | : 27 January 2014  |
| Listed with Dhaka Stock Exchange Ltd.      | : March 10, 2014   |
| Listed with Chittagong Stock Exchange Ltd. | : March 13, 2014   |
| Trading of shares on DSE                   | : March 19, 2014   |
| Trading of shares on CSE                   | : March 19, 2014   |
| Authorized Capital                         | : 1,000,000,000  |
| Paid up Capital                            | : 470,000,000  |
| Legal Status                               | : Public Limited Company- Listed with Dhaka<br>Stock Exchange Ltd. and Chittagong Stock<br>Exchange Ltd.Bankers : AI-<br>Arafah Islami Bank Ltd., Basic Bank Ltd.,<br>Bank Asia Ltd., BRAC Bank Ltd.,<br>Bangladesh Krishi Bank Ltd., Dutch Bangla<br>Bank Ltd., Islami Bank Bangladesh Ltd.,<br>National Bank Ltd., Jamuna Bank Ltd., |



## 2. Board of Directors:

| Chairman                | : Kazi Sazedur Rahman          |  |
|-------------------------|--------------------------------|--|
| Managing Director       | : Mr. Syed Hasibul Gani Galib  |  |
| Directors               | : Mr. A.S.M Monirul Islam      |  |
| Independent Directors   | : Mr. Md. Shamsul Huda         |  |
| Audit Committee         | : Mr. Md. Shamsul Huda         |  |
| Company Secretary       | : Ms. Meharunnessa Rosy        |  |
| Chief Financial Officer | : Mr. Shamsul Arefin           |  |
| Head of Internal Audit  | : Mr. Mohammed Mahade Hasan    |  |
| Auditor                 | : AHMED ZAKER & CO.            |  |
|                         | : Chartered Accountants        |  |
| Tax Consultant          | : ADN Associates               |  |
|                         | : 40, Bijoy Nagar, Dhaka-1000. |  |



## 2.7 Management Team:

Managing Director : Mr. Syed Hasibul Gani Galib

Executive Director (Factory) : Mr. Syed Mahbubur Rahman

Executive Director (Marketing & Sales) : Mr. Syed Mustanirul Islam

Company Secretary : Ms. Meharunnessa Rosy

Chief Financial Officer : Mr. Shamsul Arefin

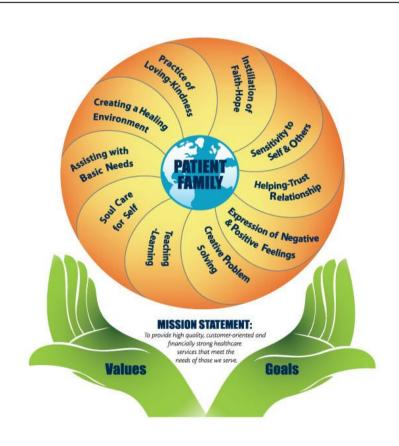
General Manager : Mr. Ahsanul Haque Tusher

Production Manager : Mr. Manu Mackonath



# **Chapter-03**

# **Marketing Strategies of KPC**





#### 3.1 Product

In marketing, a product is anything that can be offered to a market that might satisfy a want or need. It is of two types: Tangible (physical) and Intangible (non-physical). Since services have been at the forefront of all modern marketing strategies, some intangibility has become essential part of marketing offers. It is therefore the complete bundle of benefits or satisfactions that buyers perceive they will obtain if they purchase the product. It is the sum of all physical, psychological, symbolic, and service attributes, not just the physical merchandise. All products offered in a market can be placed between Tangible (Pure Product) and Intangible (Pure Service) spectrum.

A product is similar to goods. In marketing, goods are physical objects that are available in the marketplace. This differentiates them from a service, which is a non-material product. The term goods is used primarily by those that wish to abstract from the details of a given product. The term product is used primarily by those that wish to examine the details and richness of a specific market offering. As such it is useful to marketers, managers, and quality control specialists. A service is a non-material or intangible product - such as professional consultancy, waitressing, or an entertainment experience.

#### 3.1.0 Three aspects

There are three aspects to any product or service:

- 1. Core Benefit
  - In-use benefits
  - Psychological benefits (e.g., self-image enhancement, hope, status, self worth)
  - o Problem reduction benefits (e.g., safety, convenience)
- 2. Tangible Product or Service
  - Product attributes and features
  - o benefits and usability of market
- 3. Intangible Product or Service



#### 3.1.1 Classifying products

Product management involves developing strategies and tactics that will increase product demand (referred to as primary demand) over the product's life cycle. One useful technique in understanding a product is the As pin wall Classification System. It classifies and rates products based on five variables:

- 1. Replacement rate (how frequently is the product repurchased?)
- 2. Gross margin (how much profit is obtained from each product?)
- 3. Buyer goal adjustment (how flexible are the buyers' purchasing habits with regard to this product?)
- 4. Duration of product satisfaction (how long will the product produce benefits for the user?)

Duration of buyer search behavior (how long will they shop for the product?)

#### 3.1.2 Types of products

There are several types of products:

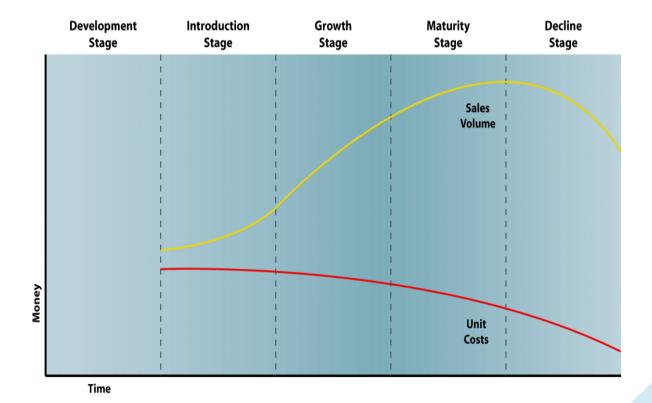
- ❖ Specialty goods: extensive comparisons with other goods and a lengthy information search. Specialty goods are generally items that would fall into another category, but the seller of these goods has chosen a specific niche market and is extremely narrowly focused. An example would be a cigarette and tobacco shop, or a shop that only sold items with owl pictures on, or a shop that only sells books and magazines.
- ❖ Unsought goods: e.g., cemetery plots, insurance. These are products that we need but which we do not actively seek out to buy. They usually require a hard sell approach by the seller. Example "what will happen to your family if you die and do not have life insurance?". The fear of leaving the family destitute makes us buy almost against our will, even though we know that it is the intelligent thing to do. Certain legal services such as drawing up a will, will also fall into this category.
- ❖ Perishable goods: goods that will deteriorate quickly even without use



- Durable goods: goods that survive multiple use occasions, often further subdivided into `white goods'
- Non-durable/consumption/consumable goods: goods that are used up in one occasion
- Capital goods: installations, equipment, and buildings
- Parts and materials: goods that go into a finished product
- Supplies and services: goods that facilitate production
- ❖ Commodities: undifferentiated goods (e.g., wheat, gold, sugar)
- ❖ By-products: a product that results from the manufacture of another product

#### 3.1.3 Product life cycle

The conditions a product is sold under will change over time. The Product Life Cycle refers to the succession of stages a product goes through. Product Life Cycle Management is the succession of strategies used by management as a product goes through its life cycle.





The product lifecycle goes though many phases and involves many professional disciplines and requires many skills, tools and processes. Product life cycle (PLC) is to do with the life of a product in the market with respect to business/commercial costs and sales measures; whereas Product Lifecycle Management (PLM) is more to do with managing descriptions and properties of a product through its development and useful life, mainly from a business/engineering point of view.

### 3.2 Price

Pricing is one of the four p's of the marketing mix. The other three aspects are product management, promotion, and place. It is also a key variable in microeconomic price allocation theory.

Pricing is the manual or automatic process of applying prices to purchase and sales orders, based on factors such as: a fixed amount, quantity break, promotion or sales campaign, specific vendor quote, price prevailing on entry, shipment or invoice date, combination of multiple orders or lines, and many others. Automated systems require more setup and maintenance but may prevent pricing errors.

### **Definitions**

The **effective price** is the price the company receives after marketing for discounts, promotions, and other incentives.

**Price lining** is the use of a limited number of prices for all your product offerings. Its underlying rationale is that these amounts are seen as suitable price points for a whole range of products by prospective customers. It has the advantage of ease of administering, but the disadvantage of inflexibility, particularly in times of inflation or unstable prices.

A loss leader is a product that has a price set below the operating margin. This results in a loss to the enterprise on that particular item, but this is done in the hope that it will draw customers into the store and that some of those customers will buy other, higher margin items.



**Promotional pricing** refers to an instance where pricing is the key element of the marketing mix.

The **price/quality relationship** refers to the perception by most consumers that a relatively high price is a sign of good quality. The belief in this relationship is most important with complex products that are hard to test, and experiential products that cannot be tested until used (such as most services). The greater the uncertainty surrounding a product, the more consumers depend on the price/quality hypothesis and the more of a premium they are prepared to pay. The classic example of this is the pricing of the snack cake Twinkies, which were perceived as low quality when the price was lowered. Note, however, that excessive reliance on the price/quantity relationship by consumers may lead to the Marketing of prices on all products and services, even those of low quality, which in turn causes the price/quality relationship to no longer apply.

**Premium pricing** (also called prestige pricing) is the strategy of pricing at, or near, the high end of the possible price range. People will buy a premium priced product because:

- 1. They believe the high price is an indication of good quality;
- 2. They believe it to be a sign of self worth "They are worth it" It authenticates their success and status It is a signal to others that they are a member of an exclusive group; and
- 3. They require flawless performance in this application The cost of product malfunction is too high to buy anything but the best example: heart pacemaker

The term **Goldilocks pricing** is commonly used to describe the practice of providing a "gold-plated" version of a product at a premium price in order to make the next-lower priced option look more reasonably priced; for example, encouraging customers to see business-class airline seats as good value for money by offering an even higher priced first-class option. Similarly, third-class railway carriages in Victorian England are said to have been built without windows, not so much to punish third-class



customers (for which there was no economic incentive), as to motivate those who could afford second-class seats to pay for them instead of taking the cheaper option.

The name derives from the Goldilocks story, in which Goldilocks chose neither the hottest nor the coldest porridge, but instead the one that was "just right". More technically, this form of pricing exploits the general cognitive bias of aversion to extremes.

**Demand-based pricing** is any pricing method that uses consumer demand - based on perceived value - as the central element. These include: price skimming, price discrimination and yield management, price points, psychological pricing, bundle pricing, penetration pricing, price lining, value-based pricing, geo and premium pricing.

### **Pricing objectives**

Pricing objectives or goals give direction to the whole pricing process. Determining what your objectives are is the first step in pricing. When deciding on pricing objectives you must consider: 1) the overall financial, marketing, and strategic objectives of the company; 2) the objectives of your product or brand; 3) consumer price elasticity and price points; and 4) the resources you have available.

Some of the more common pricing objectives are:

- \* maximize long-run profit
- \* maximize short-run profit
- increase sales volume (quantity)
- increase dollar sales
- increase market share
- obtain a target rate of return on investment (ROI)
- obtain a target rate of return on sales
- \* stabilize market or stabilize market price: an objective to stabilize price means that the marketing manager attempts to keep prices stable in the marketplace and to compete on non-price considerations. Stabilization of margin is



basically a cost-plus approach in which the manager attempts to maintain the same margin regardless of changes in cost.

- company growth
- maintain price leadership
- desensitize customers to price
- discourage new entrants into the industry
- match competitors prices
- encourage the exit of marginal firms from the industry
- avoid government investigation or intervention
- obtain or maintain the loyalty and enthusiasm of distributors and other sales personnel
- enhance the image of the firm, brand, or product
- be perceived as "fair" by customers and potential customers
- create interest and excitement about a product
- discourage competitors from cutting prices
- use price to make the product "visible"

### 3.3 Place/Distribution

Distribution is one of the four aspects of marketing. A distributor is the middleman between the manufacturer and retailer. After a product is manufactured by a supplier/factory, it is typically stored in the distributor's warehouse. The product is then sold to retailers or customers. The other three parts of the marketing mix are product management, pricing, and promotion.

### **Explanation**

Traditionally, distribution has been seen as dealing with logistics: how to get the product or service to the customer. It must answer questions such as:

- Should the product be sold through a retailer?
- Should the product be distributed through wholesale?
- Should multi-level marketing channels be used?
- How long should the channel be (how many members)?
- Where should the product or service be available?



- When should the product or service be available?
- Should distribution be exclusive, selective or extensive?
- Who should control the channel (referred to as the channel captain)?
- Should channel relationships be informal or contractual?
- Should channel members share advertising (referred to as co-op ads)?
- Should electronic methods of distribution be used?
- Are there physical distribution and logistical issues to deal with?
- What will it cost to keep an inventory of products on store shelves and in channel warehouses (referred to as *filling the pipeline*)?

### The distribution channel

Frequently there may be a chain of intermediaries, each passing the product down the chain to the next organization, before it finally reaches the consumer or end-user. This process is known as the 'distribution chain' or the 'channel.' Each of the elements in these chains will have their own specific needs, which the producer must take into account, along with those of the all-important end-user.

### **Channels**

A number of alternate 'channels' of distribution may be available:

- Selling direct
- Mail order (including Internet and telephone sales)
- Retailer
- Wholesaler
- Agent (who acts on behalf of the producer)

Distribution channels may not be restricted to physical products. They may be just as important for moving a service from producer to consumer in certain sectors, since both direct and indirect channels may be used. Hotels, for example, may sell their services (typically rooms) directly or through travel agents, tour operators, airlines, tourist boards, centralized reservation systems, etc.



There have also been some innovations in the distribution of services. For example, there has been an increase in franchising and in rental services - the latter offering anything from televisions through tools. There has also been some evidence of service integration, with services linking together, particularly in the travel and tourism sectors. For example, links now exist between airlines, hotels and car rental services. In addition, there has been a significant increase in retail outlets for the service sector. Outlets such as estate agencies and building society offices are crowding out traditional grocers from major shopping areas.

### **Channel structure**

To the various `levels' of distribution, which they refer to as the `channel length', Lancaster and Massing ham also added another structural element, the relationship between its members:

- 'Conventional or free-flow This is the usual, widely recognized, channel with a range of `middle-men' passing the goods on to the end-user.
- Single transaction A temporary `channel' may be set up for one transaction; for example, the sale of property or a specific civil engineering project. This does not share many characteristics with other channel transactions, each one being unique.
- Vertical marketing system (VMS) In this form, the elements of distribution are integrated.

### The internal market

Many of the marketing principles and techniques which are applied to the external customers of an organization can be just as effectively applied to each subsidiary's, or each department's, 'internal' customers.

In some parts of certain organizations this may in fact be formalized, as goods are transferred between separate parts of the organization at a `transfer price'. To all intents and purposes, with the possible exception of the pricing mechanism itself, this



process can and should be viewed as a normal buyer-seller relationship. The fact that this is a captive market, resulting in a 'monopoly price', should not discourage the participants from employing marketing techniques.

Less obvious, but just as practical, is the use of `marketing' by service and administrative departments; to optimize their contribution to their `customers' (the rest of the organization in general, and those parts of it which deal directly with them in particular). In all of this, the lessons of the non-profit organizations, in dealing with their clients, offer a very useful parallel.

### **Channel Decisions**

- Overall strategy
- Channel strategy
- Product (or service)<>Cost<>Consumer location

### Channel management

The channel decision is very important. In theory at least, there is a form of trade-off: the cost of using intermediaries to achieve wider distribution is supposedly lower. Indeed, most consumer goods manufacturers could never justify the cost of selling direct to their consumers, except by mail order. In practice, if the producer is large enough, the use of intermediaries (particularly at the agent and wholesaler level) can sometimes cost more than going direct.

Many of the theoretical arguments about channels therefore revolve around cost. On the other hand, most of the practical decisions are concerned with control of the consumer. The small company has no alternative but to use intermediaries, often several layers of them, but large companies 'do' have the choice.

However, many suppliers seem to assume that once their product has been sold into the channel, into the beginning of the distribution chain, their job is finished. Yet that distribution chain is merely assuming a part of the supplier's responsibility; and, if he has any aspirations to be market-oriented, his job should really be extended to managing, albeit very indirectly, all the processes involved in that chain, until the



product or service arrives with the end-user. This may involve a number of decisions on the part of the supplier:

- Channel membership
- Channel motivation
- Monitoring and managing channels

### **Channel membership**

- Intensive distribution Where the majority of resellers stock the 'product' (with convenience products, for example, and particularly the brand leaders in consumer goods markets) price competition may be evident.
- 2. Selective distribution This is the normal pattern (in both consumer and industrial markets) where `suitable' resellers stock the product.
- 3. Exclusive distribution Only specially selected resellers (typically only one per geographical area) are allowed to sell the 'product'.

### **Channel motivation**

It is difficult enough to motivate direct employees to provide the necessary sales and service support. Motivating the owners and employees of the independent organizations in a distribution chain requires even greater effort. There are many devices for achieving such motivation. Perhaps the most usual is 'bribery': the supplier offers a better margin, to tempt the owners in the channel to push the product rather than its competitors; or a competition is offered to the distributors' sales personnel, so that they are tempted to push the product. At the other end of the spectrum is the almost symbiotic relationship that the all too rare supplier in the computer field develops with its agents; where the agent's personnel, support as well as sales, are trained to almost the same standard as the supplier's own staff.

### Monitoring and managing channels

In much the same way that the organization's own sales and distribution activities need to be monitored and managed, so will those of the distribution chain.



In practice, of course, many organizations use a mix of different channels; in particular, they may complement a direct sales force, calling on the larger accounts, with agents, covering the smaller customers and prospects.

### 3.4 Promotion

The release of a **Promotion** is one of the four aspects of marketing. The other three parts of the marketing mix are product management, pricing, and distribution. Promotion involves disseminating information about a product, product line, brand, or company.

Promotion comprises four subcategories:

- Advertising
- Personal selling
- Sales promotion
- Publicity and public relations

The specification of these four variables creates a promotional mix or promotional plan. A promotional mix specifies how much attention to pay to each of the four subcategories, and how much money to budget for each. A promotional plan can have a wide range of objectives, including: sales increases, new product acceptance, creation of brand equity, positioning, competitive retaliations, or creation of a corporate image.

An example of a fully integrated, long-term, large-scale promotion is Pepsi Stuff.

### **Example**

- 1. The publicity for the 40th anniversary of the 1966 NCAA Basketball championship included
- 2. The renaming of a city street
- 3. A tie-in with an autobiography with the same title
- 4. The screening of a film with the same breakfast cereal box with coordinated materials
- 5. A pep rally on a university campus
- 6. Media coverage



### **Promotional mix**

There are four main aspects of the Promotional Mix. These consist of:

**Advertising**- Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

Examples: Print ads, radio, television, billboard, direct mail, brochures and catalogs, signs, in-store displays, posters, motion pictures, Web pages, banner ads, and emails.

**Personal selling-** A process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation.

Examples: Sales presentations, sales meetings, sales training and incentive programs for intermediary salespeople, samples, and telemarketing. Can be face-to-face or via telephone.

**Sales promotion**- Incentives designed to stimulate the purchase or sale of a product, usually in the short term.

Examples: Coupons, sweepstakes, contests, product samples, rebates, tie-ins, self-liquidating premiums, trade shows, trade-ins, and exhibitions.

**Public relations**- Non-paid non-personal stimulation of demand for a product, service, or business unit by planting significant news about it or a favorable presentation of it in the media.

Examples: Newspaper and magazine articles/reports, TV and radio presentations, Charitable contributions, speeches, issue advertising, and seminars.



# **Chapter-04**

# **Market Situation analysis**





### 4.0 Market Situation Analysis

After salt, edible oils are possibly the most important ingredient in cooking. One of the most interesting facts about household consumption patterns in Bangladesh is the high rate of growth of branded edible oils rather than open or loose cooking oils.

Even today, especially in rural Bangladesh and small towns, the majority of households purchase cooking oil from the nearby oil press or the grocer who sells unbranded oil that comes in wholesale packs. Till about fifteen years ago branded cooking oils were seen to be an item of middle class and elite consumption, mostly produced by multinational companies through their Bangladeshi arms. The total size of the indigenously produced and branded edible oil consumer market in Bangladesh is about 570,000 metric tons per year, consumed by some 37 million households (Source: Bangladesh Retail Audit).

### 4.1 Major industry players in Bangladesh

Here we are showing current situation of regular branded cooking oils which are very much popular in Bangladesh.

Currently KPC Industries is being considered as market leader in this business and others are as followers.



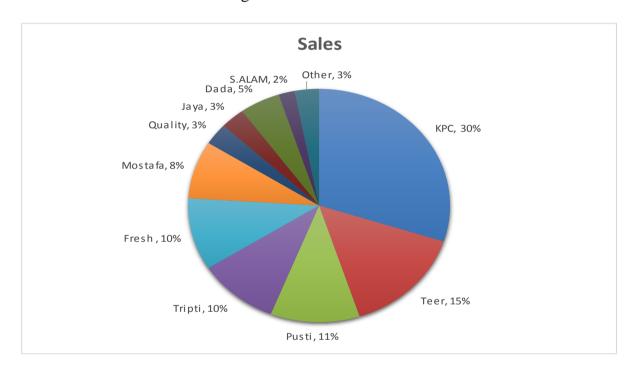
- ✓ Bangladesh paper Cup Manufacturing Ltd.
- ✓ ECO Technologies Ltd.
- ✓ Bangladesh paper Cup Manufacturing Company
- ✓ Papyrus Industries

Market share of different brands in Bangladesh is given below, here we have given the collective data based on the regular food oil companies in Bangladesh, we are concluding by market leader, challenger & followers.



| Name of brand                      | Market share in % |
|------------------------------------|-------------------|
| KPC Industries                     | 35%               |
| Bangladesh paper Cup Manufacturing | 13%               |
| Ltd.                               |                   |
| ECO Technologies Ltd.              | 11%               |
| Bangladesh paper Cup Manufacturing | 10%               |
| Company                            |                   |
| Papyrus Industries                 | 8%                |

# Source: Bangladesh Retail Audit-2015





### **4.2** Market Summary

**Target market:** Targeting our market by segmenting it in consumer market & business market.

### **Consumer market:**

Segmenting the consumer market by family size and social classes exist in Bangladesh.

### Family size:

Social class/Income Level

According to income level; consumers like monthly, weekly or daily basis may buy our oil from our retailers.

A mini pack of 500ml has been introduced for a daily basis use, the family who don't like to waste, they may use it or the families who are very much health conscious they may use this product. My research says a four-person average family needs at best 500ml of oil in their food daily. Low income range people may also buy this product if they don't like to go for a 2-liter oil container.

The average customers will buy 5 liters – 500ml Cholesterol free vitamins A and D enriched oil according to their requirement. It will depend on their income, food eating habit, oil consumption and food pattern. The average selling patterns shows that mainly 5 liters to 1 liter containers are mainly sold all over Bangladesh, our main target would be those customers. The future forecast says a lot of things but we must learn what our actual customer would like to see from us after using our product.

Most of the family in our country is joint-family structured based, a large number of this is shifting to the single family size, for this our target would be the customers of individual and single family and joint family, our packing size would be according to their demand of consumption.



### 4.3 Analysis

### **4.4SWOT Analysis**

To formulate the marketing & overall strategy of KPC Industries Ltd. the management 1st analyze their mission and objective and then use the steps of SWOT analysis to find out the strength, weakness, opportunities and threats and then find out the main strategies for the company.

### Strength

- > Strong brand image.
- ➤ Good reputation among customers
- > Experienced top management.
- Global experienced of Berger.
- Cost advantage from proprietary know-how.
- > Favorable access to distribution network
- > Strong market share.
- Good profitability.
- > Strong solvency.
- > Satisfactory MIS.

### Weakness

- > Exposed of currency risk.
- ➤ High cost structure
- ➤ Lack of access to the best natural resources
- ➤ Lack of access to key distribution channels
- ➤ High cost for importing raw materials



### **Opportunities**

- > Increasing demand on paints.
- ➤ An unfulfilled customer need in some cases
- > Arrival of new technology
- > Loosening of regulations
- Removal of international trade barriers
- A developing market such as the internet
- ➤ A new international market

Threats Shifts in consumer tastes away from the firm's products. Emergence of substitute products. New regulations. Increased trade barriers. A new competitor in your home market. Price wars with competitors. A competitor has a new, innovative product or service. Competitors have superior access to channels of distribution. Taxation is introduced on your product or service.

### **The SWOT Matrix**

A firm should not necessarily pursue the more lucrative opportunities. Rather, it may have a better chance at developing a competitive advantage by identifying a fit between the firm's strengths and upcoming opportunities. In some cases, the firm can overcome a weakness in order to prepare itself to pursue a compelling opportunity. To develop strategies that take into account the SWOT profile, a matrix of these factors can be constructed.

### 4.5 Major Competitors:

Our main competition will not be with all the companies exist in the market, because we have a unique product along with other existing brands. But in the competitive market we have to compete with other companies for catching the market share. For that we think some company's product like Rupchada, Teer, Tripti will be our main competitors.

### **KPC Industries:**

KPC Industries, the flagship brand of Bangladesh Edible Oil Ltd. (BEOL), entered the unorganized Soyabean Oil market of Bangladesh in 1996 and since



then, it has scaled unprecedented heights through continuous innovation and uncompromising quality control. True to the brand essence of "Happy Family Moments", KPC Industries 's single-minded vision has helped it emerge as the undisputed market leader in the edible oil category in the country.

### Teer:

It has become one of the best-selling oil in 2015. Teer Refined Soyabean Oil – a flagship product from City Group. They spent a huge amount of money for promotional activities. Currently they have secured almost 13% of total market. They are trying to be the market leader from market challenger. They do not only contain unique elements in their products but an educational message as the main character strives to achieve the market share.

### Tripti:

In order to differentiate from the main competitors, Tripti promoted as a mothers first choice. They took huge promotional campaign to get rid of the target market's confusion between it and Teer. In order to attract a larger audience and make them aware of this product, creative promotional campaigns with some noises are taken. They are trying to make online campaign interactive and fun. In order to let more people, their target group in particular, to notice that they having a function collaborating with well-known restaurants in the Dhaka-Chittagong highway.

### 4.6 Product offerings:

### 5.6.1 Product contain

Fats and oil are essential for our organic activities. But our body cannot create these by itself. It is available in different food items but through fat items we get it. Fatty acid is one of the essential elements of fat. The most important fatty acids for human body are OMEGA-3 & OMEGA-6. Omega 3 develops body resistance of human being and mostly available in human brain in finished condition. Omega-6 controls different organic activities. Though both of them are chemically in the same family but they work differently. More over; they work against each other and in competition. The ideal ratio of this two essential fatty acid in food should be 1:1. Unfortunately the presence of Omega-6 in our daily food items exists up to 40 times than omega-3. This causes diabetes, obesity and heart diseases. In most of the brands available in



the market don't maintain this ratio properly. But in our product we are strictly following this.

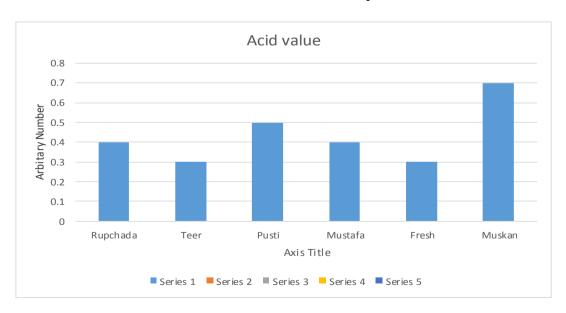
Nutritional information: Amount per serving: 100 g:

| Calories        | 100.0 (Cal) |
|-----------------|-------------|
| Sodium          | 0.0g        |
| Saturates       | 14g         |
| Monounsaturated | 18g         |
| Polyunsaturated | 68g         |
| Cholesterol     | 0.0g        |

| Vitamin A enriched | 100g          |
|--------------------|---------------|
| Omega-3 (min)      | 6.0g per 100g |
| Omega-6 (min)      | 4.0g per 100g |
|                    |               |

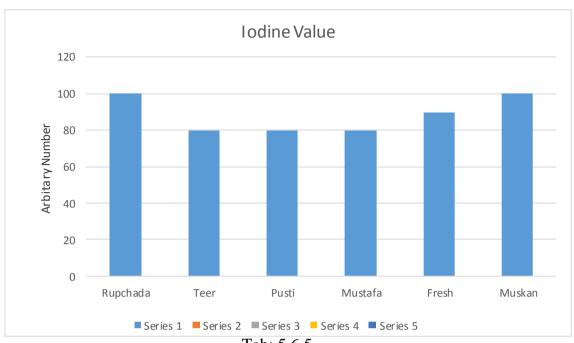
Tab.5.6.3

Acid value of six different brands of soybean oil.





# Iodine value of six different brands of soybean oil.



Tab: 5.6.5

# **4.7 Competitors Information**

|  | Web Address                           | Employ ees | Annua<br>l sales | Revenue                         | Net Income   | Assets          | Liabilities | Busines<br>s Value   | Stock<br>value |
|--|---------------------------------------|------------|------------------|---------------------------------|--------------|-----------------|-------------|--|----------------|
| My<br>Company:<br>T.k.Group<br>(Pusti) | http://www.tkgr<br>oup.<br>bd.com     | 4500       | 2000<br>core     | 2000*<br>4.5%                   | 2000*<br>30% | 20000<br>cores  | yes         | Trade<br>mark-<br>Pure<br>and<br>Healthy                           | 10%            |
| City Group<br>(Teer)                   | http://www.cityg<br>roup.<br>bd.com   | 300        | 1680<br>core     | 1680*<br>4.5%<br>(7.5<br>cores) | 1680*<br>30% | 10000<br>core   | yes         | Teer-<br>trend<br>"bishud<br>hhot ai<br>shera<br>momot<br>ai gera" | 50%            |
| Edible Ltd.<br>(Rupchada)              | http://www.beol.<br>bd.com            | 25000      | 8000<br>core     | 8000*<br>4.5%                   | 8000*<br>20% | 2000<br>core    | yes         | Rupcha<br>da fish-<br>"Shasth<br>okor<br>Protiti<br>Phota"         | 30%            |
| Meghna<br>Group<br>(Fresh)             | http://www.meg<br>hnagroup.<br>bd.com | 6000       | 3000<br>core     | 3000*<br>4.5*                   | 3000*30%     | 400000<br>Cores | yes         |  | 10%            |

Table: 5.7.1



# **4.8 SWOT Comparison Sheet**

Table: 5.8.1

| Strength        | T.k. Group      | City Group    | Edible Ltd.       | Meghna       |
|-----------------|-----------------|---------------|-------------------|--------------|
|                 | (Pusti)         | (Teer)        | (Rupchada)        | Group        |
|                 |                 |               | _                 | (Fresh)      |
| What are your   | Pure healthy    | Machine,      | Powerful          | Pure + fresh |
| business        | Product         | Asset, strong | Advertisement use | product      |
| advantage       | (Especially for | brand, image, | Omega-3           |              |
|                 | heart)          | High Quality  |                   |              |
|                 |                 | + Quantity    |                   |              |
| What are your   | Price and       | Price and     | Price and         | Price and    |
| core            | packaging       | packaging     | packaging         | packaging    |
| competencies?   |                 |               |                   |              |
| Where are you   | Pusto oil       | Teer oil      | Rupchada oil      | Fresh oil    |
| making the most |                 |               |                   |              |
| money?          |                 |               |                   |              |
| What are you    | Marketing +     | Marketing     | Marketing         | Marketing    |
| doing well?     | Merchandising   |               |                   |              |

| Weakness       | T.k. Group      | City Group       | Edible Ltd.     | Meghna Group    |
|----------------|-----------------|------------------|-----------------|-----------------|
|                | (Pusti)         | (Teer)           | (Rupchada)      | (Fresh)         |
| What areas are | Our Quality of  | Avoiding         | Avoiding        | Avoiding        |
| you avoiding?  | bottle is not   | advertisement    | advertisement   | customer        |
|                | good enough.    |                  |                 | satisfaction    |
|                | They can break  |                  |                 |                 |
|                | easily. We      |                  |                 |                 |
|                | know it, but we |                  |                 |                 |
|                | are avoiding it |                  |                 |                 |
|                | to avoid higher |                  |                 |                 |
|                | cost            |                  |                 |                 |
| Where do you   | No have highly  | Lack of          | Employees are   | Low quality     |
| lack resource? | educated        | manpower.        | not available.  | supply          |
|                | employee.       |                  | Not have own    |                 |
|                |                 |                  | land or factory |                 |
| Where are you  | Rents on        | Market size is   | In rental       | We are losing   |
| losing money   | equipment       | small.           | payment as we   | money in Sylhet |
| What needs     | Have to         | Have to increase | Have to won     | Can reduce      |
| improvements   | improve market  | more Factory     | Factory         | their price     |
|                | policy          |                  |                 |                 |

Table: 5.8.2



| Opportunities                        | T.k. Group<br>(Pusti)  | City Group<br>(Teer)  | Edible Ltd. (Rupchada)  | Meghna Group<br>(Fresh)   |
|--------------------------------------|--|---|---|---|
| Any beneficial trend?                | They are using also Omega 3.   | People want<br>small size<br>container and<br>Teer going to<br>5liter and 20<br>liter | People are<br>becoming<br>conscious about<br>Cholesterol.<br>They are using<br>omega 3. | Now people<br>like beautiful<br>and strong<br>container. Fresh<br>container is<br>beautiful and<br>strong enough. |
| Niches that competitors are missing? | Not applicable.<br>This product is<br>mass marketed.   | Not applicable.<br>This product is<br>mass marketed.                                  | Not applicable.<br>This product is<br>mass marketed.                                    | Not applicable. This product is mass marketed.  |
| New technologies?                    | New machine<br>from foreign<br>country. New<br>materials and<br>train employee<br>by technologies. | New machine from foreign country.   | New machine from foreign country.   | New machine from foreign country.   |
| New need of customers?               | Demanding<br>more<br>comfortable   | Want new get/<br>want more<br>facility  | Want new get/<br>want more<br>facility  | Want new get/<br>want more<br>facility  |

Table:5.8.3

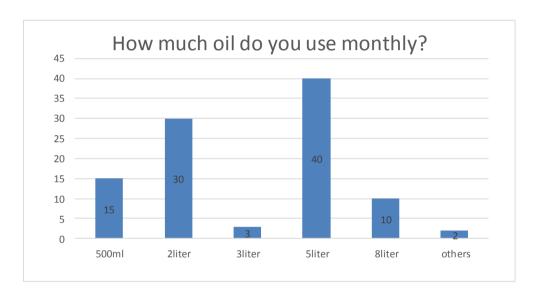
| Threats                | T.k. Group    | City Group       | Edible Ltd.      | Meghna Group  |
|------------------------|---------------|------------------|------------------|---------------|
|                        | (Pusti)       | (Teer)           | (Rupchada)       | (Fresh)       |
| Obstacle to            | Bad packaging | Bad sea port     | High price       | Bad packaging |
| overcome?              |               | facility         |                  |               |
| Aggressive             | Teer          | Rupchada         | Teer             | Teer          |
| competitors            |               |                  |                  |               |
| Successful             | Teer          | Rupchada         | Teer             | Teer          |
| competitors            |               |                  |                  |               |
| Negative               | Inflation,    | If foreign       | Inflation,       | Inflation,    |
| economic               | Recession     | country see that | Recession        | Recession     |
| condition?             |               | Teer are not     |                  |               |
|                        |               | aware of water,  |                  |               |
|                        |               | air pollution    |                  |               |
|                        |               | they will not    |                  |               |
| Government regulation? | Vat on port.  | Vat on port.     | Vat on port.     | Vat on port.  |
| Changing               | Creating      | Creating         | Creating         | Creating      |
| business climate?      | syndicate of  | syndicate of     | syndicate of     | syndicate of  |
|                        | owners.       | owners.          | owners.          | owners.       |
| Vulnerabilities?       | Depend on     | Collect raw      | Low price of     | Depend on     |
|                        | foreign raw   | materials        | other            | foreign raw   |
|                        | materials.    | foreign country  | competitors can  | materials.    |
|                        |               | (Malaysia)       | be vulnerability |               |
| _                      |               |                  | to us.           |               |

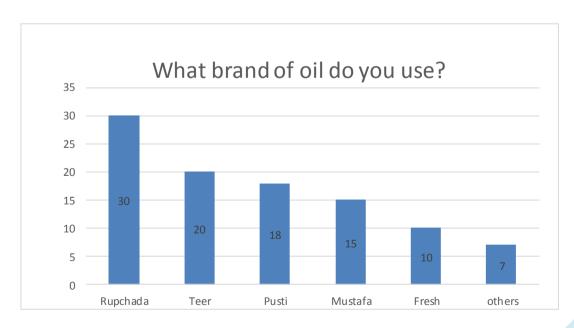


### 4.9 Market Research

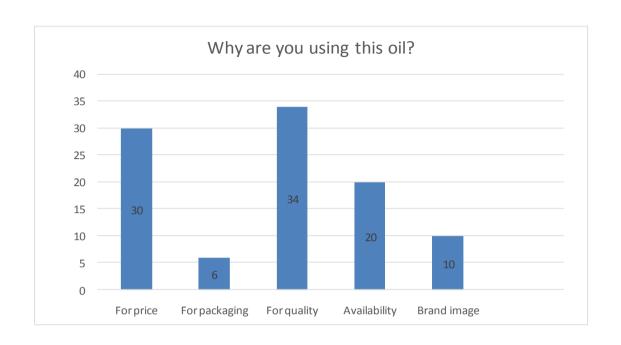
We went to actual market where we have done some research by the following procedure to get some feedback of the buyer & seller through our questionnaires. Our research & development team prepared some questionnaires which is applicable for any kind of consumer from a housewife to officer, businessman to rickshaw puller, in simple word, everyone surrounded.

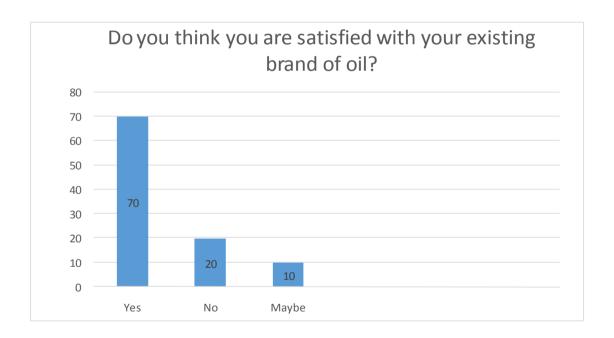
We found consumer feedback show with graph.



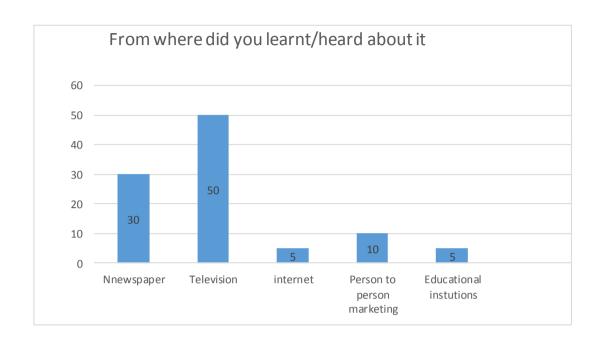


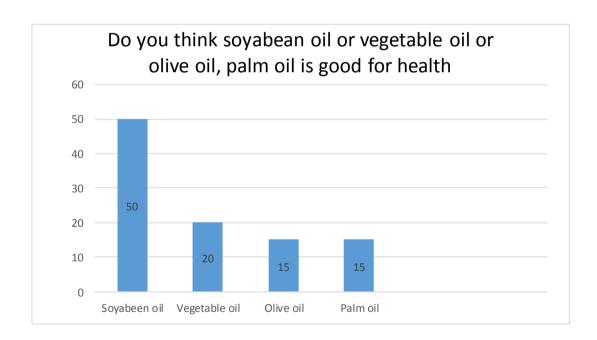




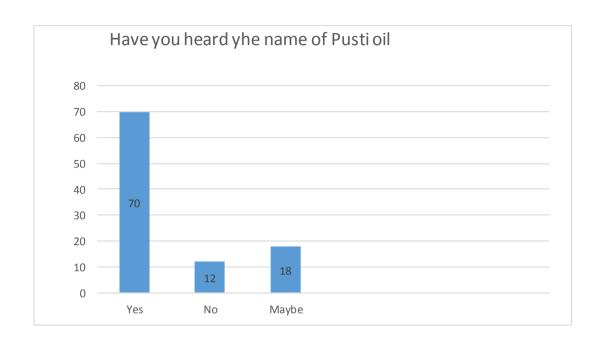


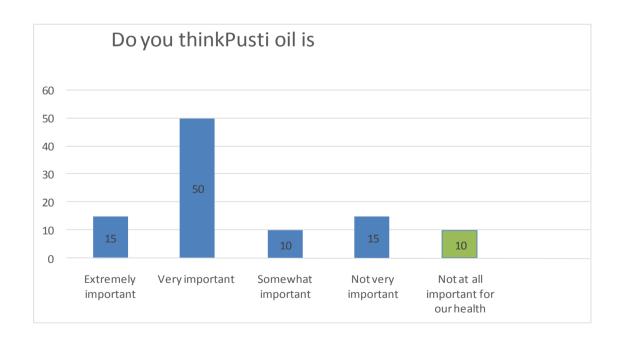




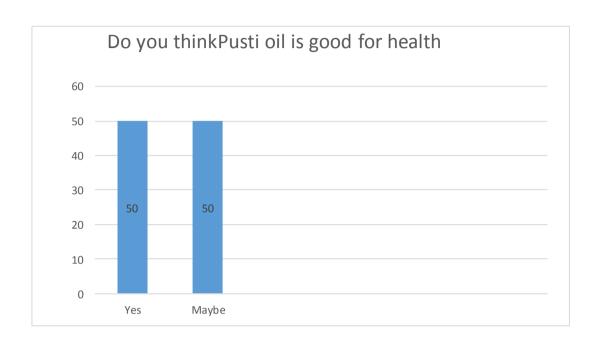


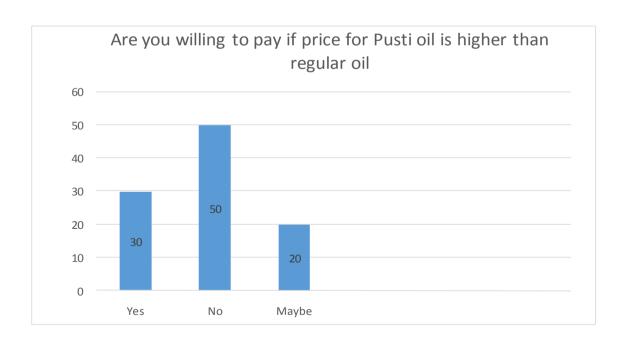




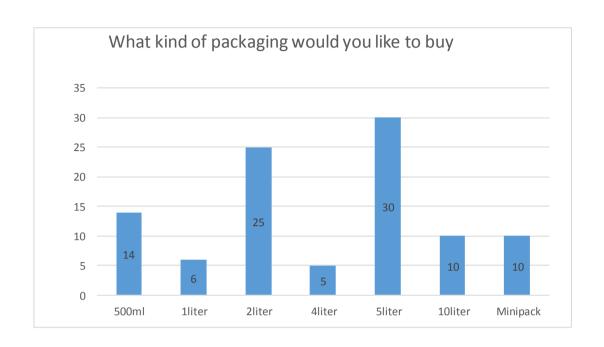


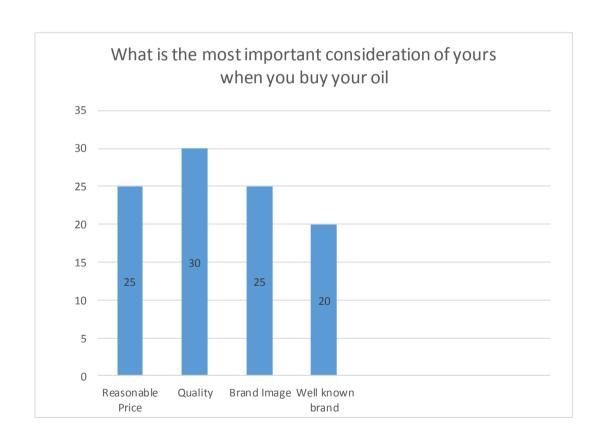














# **Chapter-05**

# **Major Findings**





### **5.0 Major Findings:**

This study has focused on the computerized Marketing system in KPC Industries. The main findings about KPC Industries of the study are given in below. I have some found positive and negative results.

### Positive findings:

- 1. The Industries maintain both manual and computerized system for performing the daily operations of Marketing .
- 2. The computerized transaction processing system is categorized into software and web based system.
- 3. In KPC Industries, they use self developed software for performing transaction and they also use local and foreign software for preparing report and it also helps to performing other activities.
- 4. They use many different main software that use to performing transactional activities and transferring data. It has some advantage like, decentralized system, minimum risk of data lost and speedy transaction system. And the negative side is it needs much time to collect information, risk of data hacking and it has no auto data processing system.
- 5. They maintain website for their internal and external user for performing transaction and providing lots of information to them.
- 6. The client's data are processed in both batch and real time processing system.



- 7. In KPC Industries, segregation of duties and documentation control techniques are used for performing internal control system.
- 8. Daily, monthly, quarterly, yearly and performance report are prepared for internal and external reporting.
- 9. Both the Industries maintain a stable organizational structure, a complicated manual and computerized file structure, easy data recovery system, costly data documentation & storing system. Their marketing can also provide relevant and reliable data's.

### Negative findings:

Lack of awareness: Marketing Strategy decision is a joined exercise by the brand and the Finance team. For a particular brand, the Brand Manager, the Marketing Manager and the Finance Controller for that brand are directly involved in Marketing Strategy decision. However, it seems that out of 3 Marketing Manager, 4 Brand Managers (or Brand Executive) and 3 Finance controller, all have heard the name of Marketing Strategy, but none has every fully gone through the document. However, these people cannot be fully blamed because, "Marketing Strategy the KPC" is something "good to have" and not something that has to be done as mandatory and documented.

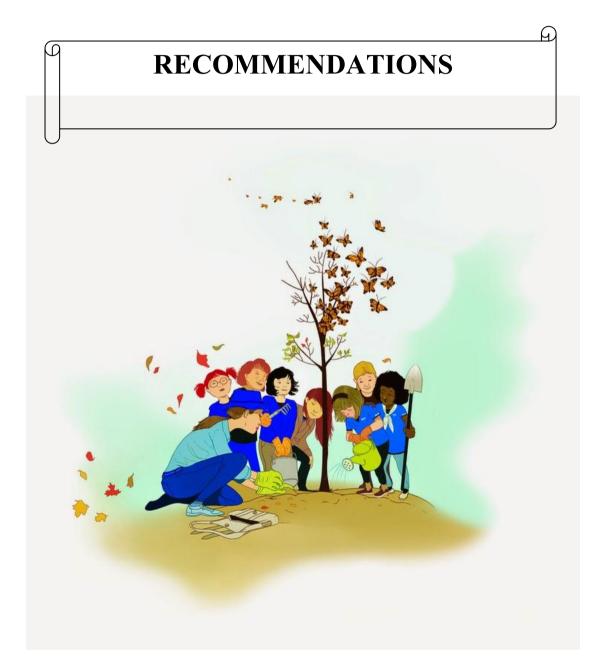
- All the KPC Industries maintain a fixed organizational and data structure which can create problem for new employee to cope up with the existing system.
- 2. They use decentralized web based transaction and data storing system, which create problem for financial administration division (FAD) for collecting data.
- 3. The main software different customized operating software which is not effective enough for generating report or information findings.



- 4. They maintain separate department for Marketing system and use fad which some problem like distributed data structure, manual data processing and risk of security.
- 5. Company has little capital and small area so they don't enter into large production.
- 6. The materials are not available and even they import it form other countries.
- 7. Lack of experienced employer because it is a new business in Bangladesh and total quality management cost is high and disruptive work management.



# **Chapter-06**





### **6.0 Recommendation:**

The following points are recommended after the study

1. They use decentralized web based transaction and data storing system, which create problem for financial administration division (FAD) for collecting data, so they should use centralized system for increasing the effectiveness of Marketing.

2.The main software different customized operating software which is not effective enough for generating report or information, so they should develop new software for batter performance.

- 1. They should give more emphasize on their manual (mail & fax) data transferring system.
- 2. They should increase more safety for protecting data hacking, error and misuse of data.

After solving all the problem of above it can say KPC Industries maintain a proper structural system with the help of Marketing .



# **Chapter -07 Conclusion**





### 7.0 Conclusion

KPC Industries Ltd. is a leading edge paper cup Industries and is a member of the KPC Group, the largest private sector industrial conglomerate in Bangladesh. KPC Industries is also the largest exporter of paper cup Industries from Bangladesh, spreading its presence in many developing and developed countries across the globe. Recently, KPC Industries has successfully made. The listing adds new challenges to the staffs of Accounts & Finance department who are directly responsible for financial reporting to a diverse group of stakeholders both in national and international arena. In this report, we have tried my level best to identify Marketing techniques and procedures used by KPC Industries. What and how KPC Industries use Marketing for decision making and external financial reporting along with describing the procedure and systems of using accounting information. In this report, we imply our acquired knowledge from Marketing course and try to comply with the techniques procedure and systems followed by the company.

KPC believes that quality and control should be ensured and these can be ensured by using proper marketing information. Relevant and reliable cost information can be ensured by implementing by using effective Marketing methods. And they do the best one fit in the context of Bangladesh.



# Bibliography



# **Bibliography**

### **References Book:**

- 1. "A Test for the Number of Factors in an Approximate Factor Model "Journal of Finance.48 (September 1993) 1263-91
- 2. Arens, A. A., Loebbecke, J.K. and Ambanpola, K.B. (1991), Auditing In Singapore-An Integrated Approach, 5<sup>th</sup> edition, Prentice Hall International, Inc., USA.
- 3. Arens, A.A. and Loebbecke, J.K. (2000), *Auditing: An Integrated Approach*, 8<sup>th</sup> edition, Prentice Hall International, Inc., USA.
- 4. *International trade Mechanism* Import & Export a special hand note by different Lecturers/Experts.

### **Annual Reports:**

1. Annual Report of KPC Industries- 2014



### **Journals:**

- 1. Dr. Md. Mohobbot Ali, Farjana Yeshmin & Eti Laila Kazi, "Journal of Business Studies", Vol-XXXI, No-02, December 2010,
- 2. Sumon Das, Shilpi Das, "Accounting & Auditing", the Bangladesh Accountant, October-December 2008.

### Websites:

- 1. www.kpcindustry.com
- 2. www.wikipedia.com
- 3. www.free-ebook.net/business
- 4. www.it4business.org
- 5. www.bankinfobd.com