

An Internship report on Segmentation practice and marketing strategy of
The ACME Laboratories Ltd.

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The ACME Laboratories Ltd.

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LETTER OF TRANSMITTAL

Mr. Siddiqur Rahman
Assistant Professor & Associate Head
Department of Business Administration
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Subject: Submission of internship report entitled “Segmentation practice and marketing strategy of The ACME Laboratories Ltd.”

Dear Sir,

I am pleased to finally submit an internship report on the topic “**Segmentation practice and marketing strategy of The ACME Laboratories Ltd.**” While completing this report, which was assigned to me as a requirement for the degree "Master of Business Administration," I encountered numerous challenges and had a lot of fun. Yes, I have gained great experience during this time, which will undoubtedly serve me in the years to come.

In this section, I attempted to describe my observations, learning, and experiences at ACME Laboratories Ltd. I made every effort to understand and translate my expertise and knowledge into this report.

I'd want to thank you for all of your help and advice during my internship, as well as for compiling the report. And I hope you will be kind enough to point out any inconsistencies or mistake that may have appeared beyond my knowledge.

Sincerely Yours,

SHIHAB AHMMED

Shihab Ahmmed
ID: 211-14-3277
Major in Marketing
Master of Business Administration
Department of Business Administration

CERTIFICATE OF SUPERVISOR

This is to certify **that Shihab Ahmed, ID: 211-14-3277**, has submitted an internship report entitled **“Segmentation practice and marketing strategy of The ACME Laboratories Ltd.”** for the award of a Master of Business Administration (MBA) Program, Major in Marketing degree from Daffodil International University. To my knowledge, and according to his declaration, no part of this internship report has been submitted for any other degree, diploma, or certificate. Submission of the report is recommended.



Mr. Siddiqur Rahman
Assistant Professor & Associate Head
Department of Business Administration
Faculty of Business and Entrepreneurship
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STUDENT DECLARATION

I am "**Shihab Ahmed**" ID:211-14-3277 a student of Daffodil International University, Faculty of Business Administration hereby certify that the Internship report titled "**Segmentation practice and marketing strategy of The ACME Laboratories Ltd.**" Results of the dissertation report submitted to Daffodil International University The report was created by me under the supervision of **Mr. Siddiqur Rahman** Assistant Professor & Associate Head, Faculty of Business and Entrepreneurship, Daffodil International University. To the best of his knowledge, and according to his statement, and also declare that no part of this internship report has been submitted elsewhere for a diploma, diploma, or certificate. We recommend that you submit a report.

SHIHAB AHMMED

Shihab Ahmmed

ID:211-14-3277

Major in Marketing

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ACKNOWLEDGEMENT

Really pleased to prepare the internship report titled “**Segmentation practice and marketing strategy of The ACME Laboratories Ltd.**” From the very beginning, I would like to express my deepest gratitude to Almighty Allah for giving me the strength to complete the task within the given time. I would like to express my gratitude to my respectable parents who have always supported me. I am truly delighted to say that I have been blessed with the guidance and dedicated supervision of **Mr. Siddiqur Rahman**, Assistant Professor & Associate Head, Faculty of Business and Entrepreneurship, I extend my sincere thanks. Thank you very much for your valuable input so that I can complete the entire report fairly. My thanks and gratitude to the authority of ACME Laboratories Ltd. for allowing me to complete my internship at ACME. I would like to express my gratitude to The ACME Laboratories Ltd. In the sales support department, which has given me special attention from the very first days of my stay, at The ACME Laboratories Ltd. Finally, I would like to extend many thanks and indescribable greetings to my elders and colleagues for giving me useful advice and suggestions as well as inspiring me on several occasions. case. Thank you all from the bottom of my heart.

Executive summary

An internship provides a student with the opportunity to grow and step outside of their comfort zone in order to understand practical life responsibilities and how to apply their academic knowledge in the workplace. I've also been given the opportunity to intern at The ACME Laboratories Ltd. ACME is a well-known pharmaceutical and FMCG company in Bangladesh. In the near future, innovation and active involvement in this area will bring Bangladesh the highest pharmaceutical recognition.

The objectives of the study are to analyze the segmentation practice & marketing strategy of ACME and to identify the problems of ACME & make some recommendations based on problems. This report written based on my learnings, and both primary & secondary data are used to prepare this report.

In this report, in first chapter introduces The ACME Laboratories Ltd. and my motivation of the study of being an internee in The ACME Laboratories Ltd. The second chapter describe the over view of ACME, their mission, vision, core value, goal, slogan, organization objective, and the specialty of ACME.

Chapter 3 is a major part of this internship report. This study will attempt to direct your efforts toward understanding what is STP (Segmentation, Targeting and Positioning) and what is marketing strategy, product, price, place and promotion strategy and a positioning map depend on doctor prospective.

- **The main findings of the study are** ACME Laboratories Ltd. targets different segments of doctors based on occupation specialization, positioning themselves as a provider of high-quality and affordable price. They use Medical Promotion Officers to engage doctors and present their products as solutions to specific problems. ACME's product strategy prioritizes a balance between quality and cost, allowing them to offer competitive prices. They use selective place strategy with limited sales centers and employ a pricing strategy based on costs and competition. Their promotion tactics include both push and pull strategies, utilizing gift promotional items to increase prescription rates. ACME faces challenges in balancing price and quality, as well as effectively targeting experienced doctors. They also have limitations in machinery and production capabilities. To maximize their customer reach, ACME should identify and target specific segments or specialties. Additionally, they should consider including intern medical students in their promotional efforts to foster long-term brand loyalty.

- **Some recommendation of the study is** The ACME Laboratories Ltd. should prioritize geographic segmentation and target highly experienced or high-designation doctors. They need to strengthen their brand value by communicating effectively, ensuring product variety and availability, and building a solid reputation. Improving machinery for better quality and cost efficiency is essential, along with balancing price and quality. Implementing value-based pricing, expanding sales centers, and exploring new distribution channels will improve accessibility. Enhancing the pull strategy through engaging content, social media campaigns, and participation in medical events is recommended. Targeting intern medical students can establish long-term brand loyalty. Unique promotional gifts like branded power banks for doctors can differentiate ACME and enhance their positioning strategy.

Therefore, this report provides an overall review of STP and marketing strategies and helps you understand the discourse on segmentation practices and the use of marketing strategies at ACME Laboratories Ltd. It also includes findings and Solutions established that can connect to the market strategy.

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Chapter **1** Introduction

1.1 Introduction:

The pharmaceutical industry in Bangladesh has emerged as a highly advanced technology sector, boasting 67 years of medical and scientific expertise. Manufacturers in the country produce a wide range of pharmaceuticals, including insulin, hormones, and anti-cancer drugs. This industry efficiently caters to 97% of the local market's pharmaceutical needs and has also expanded its reach to global markets, including Europe. With approximately 5,600 brands of medicines available in various dosage forms, Bangladesh's pharmaceutical sector demonstrates its significant contribution to the country's economy.

Moreover, Bangladesh had 1,495 wholesale drug license holders and around 37,700 retail drug license holders, reflecting the industry's robust presence. Owing to recent advancements, pharmaceutical exports from Bangladesh have extended to 79 countries, encompassing active pharmaceutical ingredients (APIs) and a diverse range of drugs across major treatment classes and dosage forms. In addition to conventional products like tablets, capsules, and syrups, the country also exports specialized items such as HFA inhalers, CFC inhalers, suppositories, nasal drops, and injectable intravenous infusions. These offerings enjoy popularity among doctors, pharmacists, patients, and regulators in the importing countries. The growth and success of Bangladesh's pharmaceutical industry are evident in its thriving domestic market and expanding global presence.

1.2 Motivation of the Study

This report has been assigned by Daffodil International University, School of Business & Economics as a requirement to complete an MBA (Master of Business Administration) program. This report was created from my internship experience at The ACME Laboratories Ltd. I was admitted to The ACME Laboratories Ltd. in the Sales Support Services Department. After successfully completing a three-month internship at ACME Laboratories Ltd. I made a report on **“Segmentation practice and marketing strategy of The ACME Laboratories Ltd.”**. This report was produced under the supervision of my academic advisor, **Mr. Siddiquir Rahman** (Assistant Professor & Associate Head) of Daffodil International University, and **A.F.M Fakrul Islam** (Senior Manager) of ACME Laboratories. Ltd.

1.3 Origin of the Study:

The ACME Laboratories Ltd. is one of the largest local and export oriented pharmaceutical companies in Bangladesh. The report is titled “**Segmentation practice and marketing strategy of The ACME Laboratories Ltd.**” prepared as part of the implementation of an internship for the Master of Business Administration (MBA) The internship is an attempt to familiarize students with real-life situations over a three-month period to learn the knowledge gained from the classroom is more than advanced. This report, which includes the results of a project assigned by The ACME Laboratories Ltd. is presented to the teacher involved as well as to the organization.

1.4 Objective of their study:

The objectives of the study are as followings:

- To identify & explain the segmentation practice, targeting & positioning of The ACME Laboratories Ltd.
- To analyze the Marketing Mix strategy of The ACME Laboratories Ltd.
- To identify problems, relate to STP analysis and marketing strategy.
- To provide some recommendations based on problems.

1.5 Scope of the study:

Regardless of the fact that I was aware of all of the obstacles when putting together this report I have tried my best a to make my internship as fruitful as my report.

For me, the main limitation is the time constraint. One quarter a year internship is not enough to learn a lot and get involved in different parts of Sales Support Services department. Furthermore, the majority of reputable associations do not disclose their internal data to others. Obviously, they need to keep their data programs and Square needs the same.

More often than not, I face an accessibility problem. In this situation, it was a bit difficult to get my report computerized, but since I was involved in my duties within the organization, I have gathered enough information to make my report relevant.

1.6 Methodology:

This report is prepared on the basis of experience gained during the internship. This research requires a systematic approach to topic selection. To conduct research, the source of data must be identified and collected, it must be systematically classified, analyzed, interpreted and presented, and must form the bottom line. This report is descriptive in nature of research, In this report, primary and secondary data were collected to complete the assigned report.

Primary data:

- ✓ Primary data is collected through discussions with members of the department of The ACME Laboratories Ltd.
- ✓ Communicating with ACME's human resources, media and digital departments.
- ✓ Directly observe regular operation and performance.

Secondary data:

- ✓ Books containing operational manuals.
- ✓ Data from various official sources and documents information gathered from ACME's profile.
- ✓ Data from corporate websites
- ✓ Various web articles

1.7 Limitations of the Study:

There are some limitations to this research. The study's principal constraint is time constraints. Some restrictions are listed below:

- ✓ Lack of knowledge: As a student, in the field of research, I have very little experience in data collection, processing, analyzing, integrating, and presenting. As a result, it is a stumbling block to acquiring reliable data.
- ✓ Lack of time: Not enough time for this survey. Due to constraints, I couldn't collect any more information to prove the exact state.
- ✓ Insufficient data: Insufficient information for a particular number limits the completion of the report.

Chapter

2

**Overview of
The ACME Laboratories Ltd.**

2.1 Introduction:

ACME Laboratories Ltd. presently manufactures over 800 medications in various dosage forms, covering a wide range of therapeutic areas such as anti-infective, cardiovascular, antidiabetics, gastrointestinal, CNS, respiratory disease, hormones & steroids, and many more.

The success in the domestic market prompted us to expand into the international market, and over the years we have established a strong presence in South East Asia, Africa, and Central America, and we are constantly exploring new horizons to improve the quality of life for patients, further the success of our customers, and assist in meeting global challenges. We are constantly expanding our facilities, capabilities, and portfolio to address the growing health care needs thanks to the great knowledge, professionalism, and devotion of over 7000 workers.

ACME was founded in 1945 by a pioneer named Hamidur Rahman Sinha. He was an entrepreneur and philanthropist in Bangladesh, part of the then-British-divided Indian subcontinent. They have been committed to providing answers to the majority of health care issues since the company's inception. Within a short amount of time, they kept faithful to their founder's vision and principles, which include quality medicine with integrity, customer orientation, proactivity, team spirit excellence, and enthusiasm to the top, as well as responding to social and environmental demands. They are seeing exceptional growth and success in the pharmaceutical business due to their superior customer-oriented products and services. They are the pharmaceutical industry's pioneer, with over sixty years of knowledge in both medicine and research. To satisfy the health-care needs, they are focusing on a rich legacy of high-quality formulation and a large pipeline of potential generic pharmaceuticals at a fair price.

ACME achieved an ISO 9001:2015 certified company. With the "Perpetual Quest for Excellence" slogan.

2.1.1 Mission:

Our holistic approach is to ensure the health, vitality and well-being of all by producing the best quality medicines and pharmaceuticals at affordable prices with a continuous expansion across the world. local and global markets.

We enjoy working as partners with healthcare professionals, customers, stakeholders and employees and are committed to maintaining environmental harmony at our best.

2.1.2 Vision:

To ensure Health, Vigour and Happiness.

2.1.3 Core Values:

Our corporate values are the measure of our thoughts and actions. These core values have bound us in the past, continuously facilitate the present, and motivate us to explore the future. We are committed to these core values in all of our business activities.

2.1.4 Goal:

To achieve the Acknowledgement, profitability, good corporate citizenship and sustainable growth.

2.1.5 Slogan: perpetual quest for excellence.

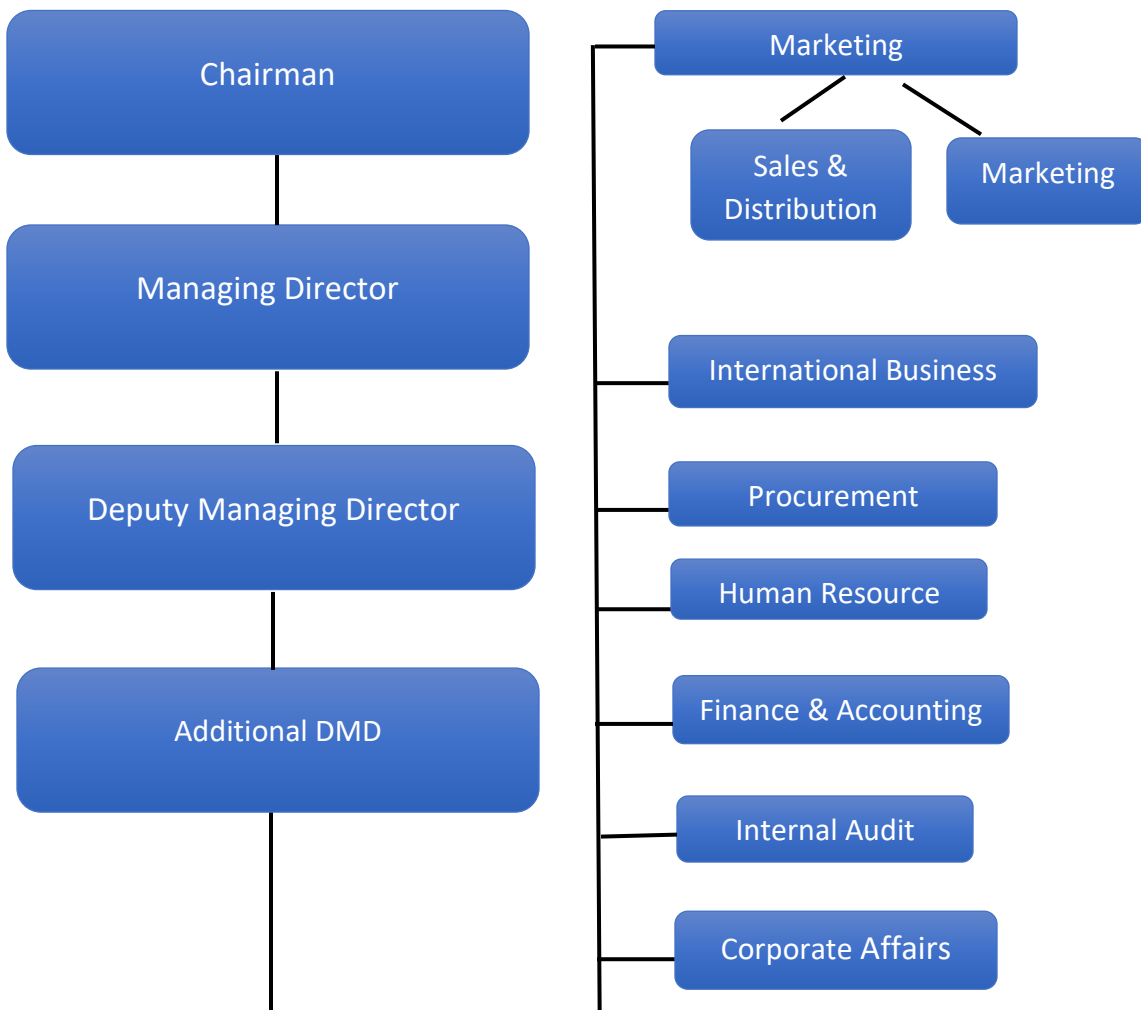
2.1.6 Organization Objective:

Providing quality products at affordable prices and being a leading pharmaceutical company. The goal of the study was to provide insight into help desks and how help desks make an impact on sales performance, as well as the issues they face. The objective of the study is divided into two parts. They are-

2.1.7 Specialties:

Manufactured by Modern & High-tech types of machinery: To enhance patient compliance and physician trust, ACME manufactures a wide range of specialty products such as MDI (Dosing Inhaler), DPI (Dry Powder Inhaler), LVP (Volume Inhaler) large), Lyophilized Injections & Nasal Sprays for different therapies & new generics continuously.

2.2.1 Organogram of the company



Chapter **3** Analysis of the study

3.1 Segmentation:

The ACME Laboratories Ltd. divided its whole customer base on their **occupation** specialization. ACME's core customers are doctors. ACME use **Demographic segmentation** in their segmentation strategy. For example, there are doctors who are specialists in giving treatment to diabetic patients are called diabetologists. These are Specialty:

- CHILD
- DIABETOLOGISTS
- CARDIOLOGISTS
- CHEST
- GASTROENTEROLOGISTS
- MEDICINE
- NEURO AND PSYCHIATRY
- GP
- ORTHOPEDICS
- ENT
- URO AND NEPHROLOGISTS
- DERMATOLOGISTS
- GYNECOLOGISTS
- RHEUMATOLOGISTS
- RMP
- SURGERY
- ONCOLOGISTS
- OPHTHALMOLOGISTS
- DENTISTS
- HOSPITAL

Within these segments, Medicine and General physicians (GP), Rural medical physicians (RMP) are general doctors who can prescribe general medicine for many diseases. There are other types of segments in the pharmaceutical business. That is called the over-the-counter market (OTC). There are several medicines that you can't take without a doctor's prescription. These types of medicines are called over-the-counter goods.

3.2 Targeting:

ACME Laboratories Ltd. is targeting most segments of doctors by offering different types of products and offering different gifts. For targeting ACME use **Differentiated marketing strategy**. As we know there are many types of specialized doctors and ACME produce different product depend on the doctor Specialty. They currently manufacture over 400 products in a variety of dosage forms to appeal to most segments. They plan to target biotechnology products like insulin for diabetic patients. Products for each segment:

Specialty Products to target customers

- KIDS Baby Zinc, Nutrun Junior
- DOCTOR OF DIABETES Janmet, daomin
- DOCTOR Amloten, Liptor
- CHEST Monas, Salflu MDI
- DOCTOR OF gastrointestinal tract
Maxima, PPI
- MEDICINE All (FIX-A)
- Nerves and Psychiatry Neugalin, Leptique
- GP All
- A-cal-D, Arth-D orthopedic
- Otolaryngology Azolin, Cipro-D
- URO AND DIAGNOSTICS Uropass, Darifen EK.
- dermatology doctor Bet-CG, Bet--CL
- Gynecologist Nutrum PN, Tycon
- Ophthalmologist Skelofen, winop
- RMP Renidine, Azin
- SURGERY Trizon, fulspec
- ONCOLOGISTS Patron winop (No direct cancer drug)
- Ophthalmologist Eyemox Eye Drops, Cipro-A
- DENTAL Setorib, Maxima
- HOSPITAL All injections

3.3 Positioning:

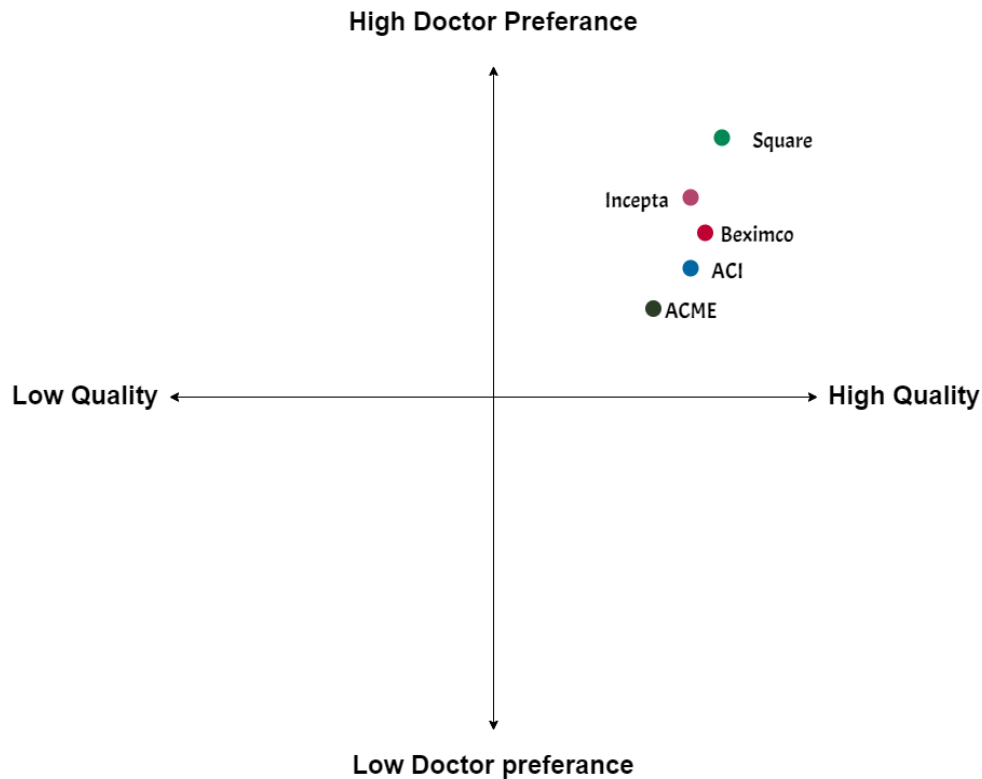
Positioning is very important for any company as it creates a clear and unique image of the company compared to other companies. The importance of clear and meaningful positioning becomes especially apparent when companies are active in fast-growing industries such as ACME. The ACME Laboratories Ltd. is currently regarded as a company that "provides high-quality medicines at low prices". This is in line with ACME's overall strategy, its primary business goal is not to compromise on product quality. So, the strategy of positioning is **Quality and Price-base**. The ACME Laboratories Ltd. proposes to further strengthen its position of either lowering prices by maintaining quality or increasing quality by maintaining prices. Sometimes ACME positioning product as a solution.

When it comes to the positioning of products for doctors, ACME Laboratories Ltd. has Different ways to approach a doctor. They follow:

- Discuss the problem and offer the product(medicine) as a possible solution.
- Discuss the product's potential or why it is better.

When launching a new product or approaching a new doctor, first contact to doctor through a Medical promotion officer (MPO). It could be human or veterinary. Together with marketers, their marketing executives go to the doctor and start with the problem they identify. Next, position the product as a solution. This helps doctors understand which doctors can prescribe medications and how efficient they are. In some cases, medicines are directly positioned as a better solution. In this case, the marketer talks directly about the potential of the drug. ACME is always trying to reach as many doctors as possible with its products. Therefore, they sometimes present their products at medical conferences. It helps them to reach many doctors at the same time.

3.3.1 Positioning map: In 2023 the positioning map of Pharmaceutical Companies in Bangladesh based on doctor preference and quality perspective:



Source: <https://medex.com.bd/brands>

Most of the doctors prefer Square Pharmaceuticals Ltd. Pharmaceutical Companies in Bangladesh Pharmaceutical business very competitive they produce same category product and hey maintain standard price and quality. Square in number 1 position because of their brand value and verities of product and availability of product. The ACME Laboratories Ltd. proposes to further strengthen its position of either lowering prices by maintaining quality or increasing quality by maintaining prices.

Top 10 companies of Bangladesh:

- | | |
|-------------------------------------|--|
| 1. Square Pharmaceuticals Limited. | 6. Healthcare Pharmaceuticals Limited. |
| 2. Incepta Pharmaceuticals Limited. | 7. ACI Pharmaceuticals. |
| 3. Beximco Pharmaceuticals Limited. | 8. ACME Laboratories Limited. |
| 4. Opsonin Pharma Limited. | 9. Eskayef Pharmaceuticals Limited. |
| 5. Renata Limited. | 10. Aristopharma Limited. |

3.4 Marketing mix strategy

A well-known marketing strategy tool is the marketing mix. The marketing mix is a set of marketing activities used by a company to effectively meet the needs of its target market. Traditionally, there were only four Ps in the marketing mix: **Product, Price, Place & Promotion**.



Marketing mix strategy of The ACME Laboratories Ltd.

3.4.1 Product strategy: The product is the main element of the offering in the market. A product strategy is a high-level plan that defines what a company wants to achieve with its product and how it intends to achieve it. The ACME Laboratories Ltd. use **Quality strategy & Cost strategy** for to sustain the pharmaceutical market.

a. **Quality strategy:** The ACME Laboratories Ltd. is focused on producing high-quality goods that meet industry standards. They constantly do their best to set the standard for high production and cheap cost per unit. They use cutting-edge technologies in their production unit to achieve maximum output in the shortest amount of time. This is done to make use of their production facilities, which will provide them a cost advantage over its rivals/competitor's. To improve the quality of their products, they import machinery from outside the country. The ACME Laboratories Ltd. Quality Control Department is in charge of the day-to-day quality control inside the organization. This sector is assisted by qualified analytical personnel, pharmacists, chemists, and other technicians who assess and ensure the complete manufacturing process has been satisfactorily completed and that all aspects of GMP are met to maintain the purity and quality of the product.

b. **Cost strategy:**

Cost strategies focus on creating the best products at the lowest prices. The ACME Laboratories Ltd. evaluates the resources being used and analyzes where money might be saved during the manufacturing process. Then they produce the best product at low price.

Cost strategy meeting customer expectations for the most important characteristics of the product. At the same time, ACME charge a lower price than the competition.

By pursuing the best cost strategies, the company aims to attract "value-focused buyers" (buyers looking for better products at lower prices).

3.4.2 Pricing strategy: The main marketing goal of ACME is to position itself as a pharmaceutical firm that offers high-quality medicines at a reasonable price. So, ACME uses **Cost-Based Pricing**. **Competition-based pricing.**

a. Cost-Based Pricing:

Cost-based pricing strategy base their pricing on manufacturing costs, and then add a profit margin to this base cost to determine the final product price. The ACME Laboratories Ltd. analyze their costs to determine a price floor and a price ceiling. The minimum and maximum prices for a certain good or service are known as the floor and ceiling, or the pricing range.

The ACME Laboratories Ltd. use low cost pricing and provide best quality at that price. The ACME Laboratories Ltd. overall focus is on market-penetration price. Their prices are lower in most categories of medicine when compared to others. This is mostly because they want to increase sales volume and therefore have a reduced unit cost, which will eventually lead to maximum profit. In certain areas (veterinary), they mostly target product-quality leadership since competition is low and perceived quality is high.

And also, the cost considerations of The ACME Laboratories Ltd. are based on an analysis of fixed and variable costs. Based on the forecast sales unit, first, calculate all fixed and variable cost components to determine the total cost. Then set the margin and price the product accordingly.

b. Competition-based pricing

The ACME Laboratories Ltd. use **Competition-based pricing**. It is also known as competitive pricing, consists in setting the price of a product based on what the competition is charging. This pricing method is normally used by businesses selling similar products, since services can vary from business to business, while the attributes of a product remain similar.

Pharmaceutical business is competitive, consumers judge products with similar features by the prices. Consequently, competitors may need to price their products lower or risk losing potential sales.

ACME keeping an eye on existing and emerging competition by using a competitor website price monitoring software and gather information and this will allow ACME to be more competitive.

Here is an example to understand the price Competition-based pricing-based pricing. This is the pricing list to base on paracetamol 125mg.

Company name	Price	Medicine name
AMCE	4.03	Fast
Square Pharmaceuticals Ltd.	4.03	ACE
Incepta Pharmaceuticals Ltd.	4.20	Reset
Beximco Pharmaceuticals Ltd.	4.00	Napa
Opsonin Pharma Ltd.	4.02	Renova
Renata Limited	4.10	pyralgin
ACI Limited	4.00	Xcel

Source: <https://medex.com.bd/generics/860/paracetamol/brand-names#>

It is important for companies to keep their production costs in mind, as well as managing the time they spend monitoring competitors and the prices set by them. The ACME Laboratories Ltd. use this pricing strategy to boost product image, enhance product sales, and build product bundles in order to save inventory or to increase sales.

3.4.3 Place strategy:

The ACME Laboratories Ltd. has a national distribution network. The company has a factory in Dhamrai. The company operates 19 sales centers from which products are distributed across the country. So, The ACME Laboratories Ltd. use **Selective strategy**.

With selective strategy, ACME sells goods in a few certain areas. They only operate in a few select areas of the country's (19 sales center). These locations are based on target market and final customer. ACME may select the outlets that are most relevant or effective and concentrate efforts there, which is a benefit of this strategy.

The sales centers of The ACME Laboratories Ltd. are given below:

- | | |
|-----------------------------|---|
| 1. Sylhet Sales Center | 11. Pabna Sales Center |
| 2. Comilla Sales Center | 12. Rangpur Sales Center |
| 3. Chittagong Sales Center | 13. Bogra Sales Center |
| 4. B.Barria Sales Center | 14. Rajshahi Sales Center |
| 5. Dinajpur Sales Center | 15. Jessore Sales Center |
| 6. Narayanganj Sales Center | 16. Khulna Sales Center |
| 7. Savar Sales Center | 17. Barisal Sales Center |
| 8. Faridpur Sales Center | 18. Mymenshingh Sales Center |
| 9. Chakoria Sales Center | 19. Dhaka City Sales Center South and north |
| 10. Chowmohani Sales Center | |

Their main functions and activities are as follows:

- ✓ Collect money from the market and deposit it into the company's bank account.
- ✓ Maintain strategic control of the market territory.
- ✓ Place an order, deliver the order from the factory and distribute it by region.
- ✓ According to the company's plan, cash flow from the headquarters to strategic locations.

When customers are willing to "shop about," or when they have a preference for a certain brand or price and will look for the outlets that supply, selective distribution works best. ACME use direct and indirect and distribution. The products are delivered throughout the country by 158 vehicles and 675 distribution personnel. The dedicated team is highly responsible for delivering products to the right place at the right time.

3.4.4 Promotional strategy:

Promotion strategies are the methods companies use to promote, and sell their products. Companies choose their Promotional strategies based on factors such as product type, marketing budget, and target audience. Raising product awareness and thereby increasing sales is a critical activity. The ACME Laboratories Ltd. use both **push and pull strategy** to promotion their product. They promote their product through personal selling, direct marketing, traditional and online advertising, sponsorships and sales promotions.

a. Push Strategy:

Doctor is main customer for The ACME Laboratories Ltd. and they set their push strategy through promotional gift item and by giving other benefit. Personal selling is part of this strategy. In this strategy promotional activities are also done for the distributors, wholesalers and retailers to push the products to end consumers. Trade fairs, wholesale discounts, bonuses, and any activity that benefits retailers are examples of push strategies. The ACME Laboratories Ltd. mostly use this strategy to promote their product. ACME's Demand is pushed or created in the distribution channel. These activities are invisible to the consumer and mostly unknown to the customer.

Over the counter is also a push strategy that means doctor prescribe the ACME medicine for patients. And in pharmacy seller first show the ACME's medicine to customer.

Direct Marketing – Deliver messages directly to consumers

- Sampling.
- Point of displays.

b. Pull Strategy:

In pull strategy The ACME Laboratories Ltd. aims to increase the demand for its products and pull consumers to the product. Through this strategy ACME can establish direct contact with consumers and build customer loyalty.

Pull strategy include:

- Sales promotions
- Advertising
- Social media networks/digital marketing.

i. **Sales promotion:** Promotions often play an important role in these industries. Companies may have an advantage over competing products with similar profits by guaranteeing appropriate profits to retailers through promotion. The ACME laboratories Ltd. retailers have good relationships with companies that offer additional benefits. For drugstores and retailers, this is done through discounts, fees, and so on. Consumers in this industry are often recommended by retailers when choosing from alternatives. Therefore, retailers recommend products from highly promoted companies. Therefore, through promotion, retailers may act as indirect promoters of the company. Again, promotion helps sellers build lasting relationships with retailers and helps companies maintain their position over the long term. In general, as defined by industry standards, your ideal promotional budget should stay within 6-10% of your expected total sales over a particular period of time. If you use more or less than this amount, you will not get the expected revenue from the promotion.

ii. **Media Advertisement:**

In most industries, it is most effective to combine different media to promote or promote your product. The ACME Laboratories Ltd. has already confirmed that the highest percentage of its budget is allocated to media ads, so this section suggests how much of this budget is spent on different media carriers.

- iii. **Advertising:** Advertising is just one element of the weapon of marketing communications and falls into the following areas:

Advertising-Mass media approach to advertising

- Magazines/newspapers
- Radio
- Outdoor

- iv. **Digital Marketing – New channels are constantly emerging.**

- Social media applications such as Facebook
- Company websites
- YouTube
- Email

Nowadays digital marketing is becoming more and more popular, sending messages about products and services to target customers. The main goal is to promote the brand through various forms of digital media. Now ACME is advertising through social media and various websites such as Facebook, YouTube, email, and Google. ACME try to attract new customers by connecting with their customers through digital media and posting positive comments and feedback about their products.

Other promotional activity by The ACME Laboratories Ltd

- a. **Events & Sponsorship:**

Arranging events and sponsoring different events makes it easier to associate with different brands. This also enhances the image of the entire company. Sometimes, if consumers believe these events are important and the company is working on a specific cause that is beneficial to them, these events can have a positive impact on the consumer's mindset. The ACME Laboratories Ltd has associated the company name with many events and sponsorship activities. This includes seminars on health issues and several other seminars associated with the names of the entire ACME group.

b. Printed promotional Items (PPM):

The ACME Laboratories Ltd. effectively utilizes printed promotional items to engage customers, doctors, pharmacies, and drugstores. These items serve as their sole promotional tool, showcasing a variety of options such as OPTHALMOLOGISTS Eyemox, Cipro-A eye drops, DENTISTS Setorib, Maxima, and HOSPITAL injections. The attractive design of brochures and other printed materials catches the attention of doctors, facilitating communication about the brand's products. ACME also utilizes press advertising, including over-the-counter products, and advertises on the cover of Current Affairs to support doctors preparing for BCS exams. These strategies help ACME attract new doctors and potential customers.

c. Gift promotional items:

- Gifts are a new type of promotional item used to communicate with target customers, such as doctors. Any pharmaceutical company will use this most common and most effective type of communication strategy. The more appealing and relevant the gift, the more doctors will prescribe the medicine. ACME laboratories are always trying to provide the perfect gift items to make doctors happy. In addition, they embedded their brand name in gift items to communicate with the products. Furthermore, some doctors practice in their rural areas on occasion. Because they are high-profile doctors who usually visit those chambers once a month, it is understandable that many patients want to be treated properly in those chambers. ACME provides a variety of food and beverages, as well as transportation to the doctors. ACME may offer special facilities. It helps spread positive word of mouth through these doctors as there are no companies that do this kind of advertising. These doctors act as promoters for ACME. Doctors are usually pleased with these types of ACME gifts, and they recommend more Acme products to their patients. ACME's small but effective strategy for making doctors happy and increasing prescription rates.

Chapter **4** Findings and Recommendations

4.1 Findings:

Segmentation:

- ACME Laboratories Ltd. segments its base based on occupation specialization which is Demographic segmentation.

Targeting:

- ACME Laboratories Ltd. use a differentiated marketing strategy to target most segments of doctors.

Positioning:

- ACME Laboratories Ltd. positions themselves based on the provision of high-quality medicines at affordable prices, their strategy of not compromising on product quality.
- ACME utilizes Medical Promotion Officers (MPOs) to establish contact with doctors, presenting the identified problem and positioning their products as solutions.
- ACME has different approaches to position their products for doctors, including discussing the problem and offering the product as a solution, highlighting the product's potential or superiority.
- The provided positioning map indicates that Square Pharmaceuticals Ltd. is the preferred choice for most doctors in Bangladesh.

Product:

- The ACME Laboratories Ltd. uses a product strategy that integrates quality and cost considerations to maintain its position in the pharmaceutical business.
- ACME's product strategy is evaluating resources and seeking opportunities to reduce manufacturing costs. This enables them to offer high-quality products at competitive prices.

Place:

- ACME use selective strategy place strategy, With only 19 sales centers.

Price:

- ACME's main goal is to establish ACME as a pharmaceutical company that offers high-quality products at a reasonable price. For that they use Cost-Based Pricing & Competition-based pricing.

Promotion:

- ACME Laboratories Ltd. employs both push and pull strategies for product promotion.
- ACME utilizes gift promotional items to communicate with doctors and increase prescription rates. By providing appealing and relevant gifts, ACME aims to create a positive impression and generate word-of-mouth recommendations from doctors.

Challenges:

- ACME faces the challenge of balancing price and quality. They must either lower prices while maintaining quality or increase quality while keeping prices stable.
- The challenging part for targeting customer is to target more highly experienced/high-designation doctors who can prescribe ACME's Products.

Problems:

- While ACME prioritizes product quality, there are limitations in machinery and production capabilities that affect both quality and cost.
- In targeting strategy There could be the segments or specialties that ACME is not targeting, which could result in missed opportunities to reach potential customers
- In their pricing strategy, ACME don't use value-based pricing.
- ACME is using common promotional gift items for doctors, such as pens, diaries, watches, and calendars, lacks uniqueness and differentiation.
- ACME's promotional strategy effectively reaches current and potential customers, but they overlook targeting intern medical students.

4.2 Recommendations:

Segmentation:

- ACME Laboratories Ltd. needs to prioritize geographic segmentation through comprehensive market research.

Targeting:

- ACME Laboratories Ltd. should focus on targeting highly experienced or high-designation doctors in their target strategy who have the authority to prescribe their products.
- ACME need to target all specialized doctor in their target strategy.

Positioning:

- To enhance market positioning ACME Labs must strengthen their brand value. They should communicate with doctors, ensure product variety and availability, and build a solid reputation.

Product:

- ACME Labs should invest in improving machinery for quality and cost efficiency.
- ACME should balance price and quality to stay competitive, either by reducing prices without sacrificing quality or improving quality without raising prices. This will attract and keep customers.

Price:

- The ACME Laboratories Ltd. should consider implementing value-based pricing in their strategy.

Place:

- ACME Labs should expand sales centers for wider accessibility. More centers, new distribution channels needed.

Promotion:

- ACME Labs should enhance pull strategy. Engaging content, social media campaigns, medical event participation key.
- The ACME Laboratories Ltd. should include intern medical students in their promotional strategy. Targeting this group can help build brand loyalty early in their careers and establish a long-term customer base.
- ACME Labs should provide unique promotional gifts like a branded power bank for doctors. Doctors able to charge their phones while on the job. ACME can embed their brand logo and name into the power bank, this will differentiate them, leave a lasting impression, and enhance their positioning strategy.

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