

Internship Report
on
Merchandising Activities of Blue Planet Knitwear Ltd.

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Subject: Submission of Internship Report.

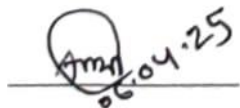
Dear Sir,

I am writing this report on Blue planet Knitwear Ltd under your supervision. During making this report I have used all of my gathered knowledge and all available sources. My internship and extensive research on merchandising activities of Blue planet Knitwear Ltd is very effective for gathering information about to a great extent. I have made sincere efforts to study related materials along with the annual report. I tried my best to make this report as comprehensive and informative as possible.

I hope this report meets all required things for this internship report. Any flaws in the report is subject to your full consideration.

Thank You

Sincerely Yours



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Certificate of Approval

This is to certify that the internship report entitled "Merchandising Activities of Blue Planet Knitwear Ltd." is prepared by Anowar Hossain, ID: 082-11-439, as a requirement of the Bachelor of Business Administration (BBA) program under the Department of Business Administration and the Faculty of Business and Entrepreneurship at Daffodil International University.

The report is recommended for submission.



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Acknowledgement

In the beginning I would like to express my heartiest gratitude to the Almighty Allah the most gracious and for giving strengths to make this report and successfully finish this internship report.

I would like to give my cordial thanks and gratefulness to Md. Arif Hassan Assistant Professor BBA Program, Department Of business and Administration, Daffodil International University, for these timely guides, suggestions, and advices. He owes me Everlast thanks and gratefulness which cannot be forgotten.

My love and respect go to Mr.Obayed Ullah, Manager (M & M) of Blue planet Knitwear Ltd, who gaveme all required support and information about Merchandising Activities of Blue planet Knitwear Ltd.

Executive Summary

This internship report provides an in-depth analysis of the merchandising activities at Blue Planet Knitwear Ltd. (BPKW), a leading knitwear manufacturer in Bangladesh. The report examines BPKW's operational strategies, focusing on order processing, supplier management, production planning, quality control, and logistics. Key strengths include an efficient supply chain, strong buyer relationships with global brands like Mango and Zara, high-quality control standards (achieving a 96% first-pass quality rate by 2024), and a diverse product range catering to men's, women's, and children's apparel. Additionally, BPKW's commitment to sustainability, through the use of eco-friendly materials, enhances its appeal in environmentally conscious markets.

However, the company faces challenges such as reliance on foreign suppliers, limited automation in order tracking, a narrow geographic market focus (primarily Europe and North America), and overreliance on a few large buyers, which poses risks to revenue stability. Opportunities for growth include expanding into emerging markets like Asia and Latin America, adopting advanced digital tools such as ERP systems, increasing the use of sustainable materials, and developing in-house sourcing to reduce dependency on external suppliers.

Recommendations include reducing foreign supplier dependence by partnering with local suppliers, implementing an ERP system for better operational efficiency, expanding into new markets to diversify revenue streams, and enhancing sustainability efforts to attract eco-conscious buyers. By addressing these challenges and leveraging opportunities, BPKW can strengthen its market position, improve operational efficiency, and ensure long-term growth in the competitive global knitwear industry.

Table of Contents

SERIAL NO	TOPIC	PAGE NO
1	CHAPTER 1: INTRODUCTION	1-4
1.1	Introduction	1
1.2	Background	2
1.3	Objectives	2
1.4	Scope of the Study	2
1.5	Methodology	3
1.6	Limitations	4
2	CHAPTER 2: COMPANY BACKGROUND	5-9
2.1	History of Blue Planet Knitwear Ltd.	5
2.2	Mission, Vision, and Core Values	6
2.3	Products and Services	6
2.4	Market Presence	8
3	CHAPTER 3: THEORETICAL ASPECT OF MERCHANDISING	10-16
3.1	Definition of Merchandising	10
3.2	Role of Merchandising in the RMG Industry	10
3.3	Functions of a Merchandiser	11
3.4	Process Flow of Merchandising	12
3.5	Key Performance Indicators	13
3.6	Key Insights from Data Analysis	15
3.7	Visual Representation of Merchandising Performance	15
4	CHAPTER 4: MERCHANDISING ACTIVITIES OF BLUE PLANET KNITWEAR LTD.	17-23
4.1	Organizational Structure of the Merchandising Department	17
4.2	Order Processing & Buyer Communication	17
4.3	Sample Development Process	18

4.4	Supplier Management & Sourcing Strategies	19
4.5	Quality Control & Assurance	20
4.6	Logistics, Shipping, and Compliance	21
4.7	Data Analysis & Performance Metrics	22
5	CHAPTER 5: FINDINGS AND RECOMMENDATION	24-28
5.1	Strengths	24
5.2	Weaknesses	25
5.3	Opportunities	25
5.4	Threats	226
5.5	Recommendations	27
	CONCLUSION	29
	REFERENCES AND WEBSITES	30

CHAPTER 1

INTRODUCTION

1.1 Introduction

The ready-made garments (RMG) industry in Bangladesh is the backbone of the country's economy, contributing approximately 80% of total export earnings. As a global leader in apparel manufacturing, Bangladesh has established itself as a trusted supplier of high-quality garments to markets in Europe, North America, and beyond. The country's apparel sector, particularly knitwear, has experienced significant growth due to its cost-effectiveness, skilled labor force, and increasingly sophisticated production capabilities.

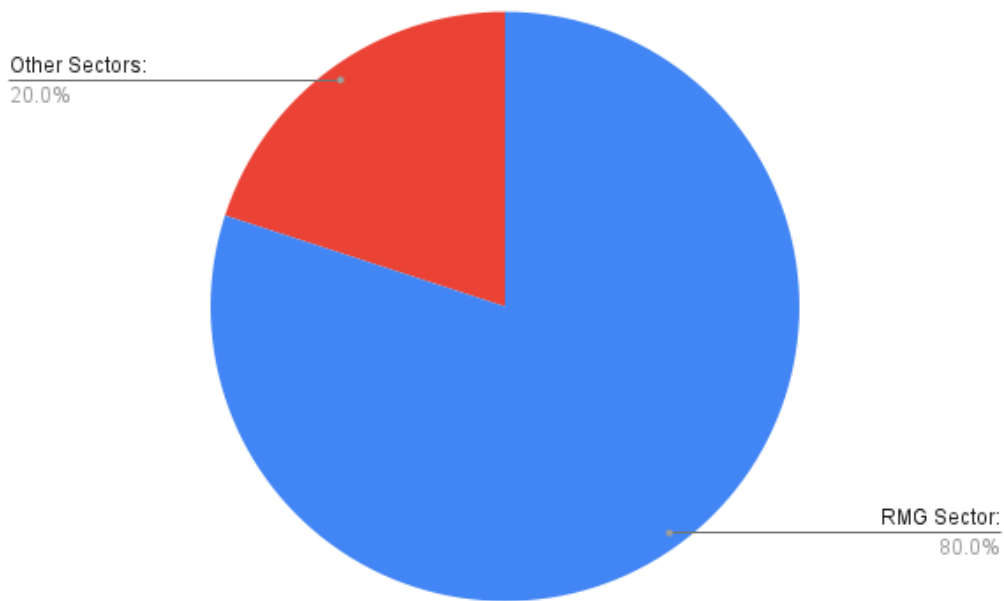


Fig 1: Export Earning of RMG Sector

Blue Planet Knitwear Ltd. (BPKW), a key player in the Bangladeshi textile industry, is committed to excellence in knitwear manufacturing, serving renowned global brands with a diverse product range. At the heart of BPKW's success lies its efficient merchandising department, which ensures smooth coordination between buyers and suppliers, manages order execution, and guarantees timely delivery of products that meet stringent quality standards.

This internship report is focused on the merchandising activities of Blue Planet Knitwear Ltd., exploring the intricate processes involved in order management, buyer communication, production planning, and quality control. By analyzing the company's merchandising operations, this report seeks to provide insights into the operational strategies that make BPKW a competitive force in the global RMG market.

1.2 Background

The RMG sector has been a cornerstone of Bangladesh's economy for decades. With rapid industrial growth and modernization, the apparel industry has shifted from basic garment production to more advanced knitwear manufacturing, catering to diverse international markets. Blue Planet Knitwear Ltd. is an exemplary organization within this industry, demonstrating expertise in producing knitwear for global brands. Established in 2009, the company has built a strong reputation for delivering high-quality knitwear, such as T-shirts, Polo shirts, hoodies, and corporate wear.

Merchandising, which serves as the bridge between buyers and manufacturers, plays a critical role in BPKW's operations. The company's merchandising department handles everything from initial buyer communication to final shipment, ensuring that all specifications are met while adhering to tight production schedules. This report highlights the importance of merchandising activities in driving the company's growth and maintaining its competitive advantage.

1.3 Objectives

The objectives of this internship report are as follows:

1. Analyze the merchandising activities of Blue Planet Knitwear Ltd., including its order processing, supplier management, and buyer communication strategies.
2. Evaluate the effectiveness of the merchandising department in managing production timelines, quality control, and shipping logistics.
3. Identify challenges and areas for improvement in the merchandising process, with recommendations for optimizing operations and increasing market competitiveness.
4. Assess the company's approach to sustainability, particularly in its sourcing and production practices, and suggest ways to enhance its environmental impact.

1.4 Scope of the Study

This report primarily focuses on the merchandising operations of Blue Planet Knitwear Ltd., providing a detailed analysis of the following areas:

1. **Order Processing:** Analyzing the steps involved in receiving orders from buyers, developing samples, and finalizing product specifications before bulk production begins.
2. **Buyer Communication:** Understanding how the company communicates with buyers regarding order updates, production schedules, and shipment details.
3. **Supplier Sourcing and Management:** Examining the company's relationships with suppliers, particularly in terms of material sourcing, quality control, and lead time management.
4. **Production Planning and Execution:** Evaluating how the merchandising department coordinates with production teams to ensure that orders are fulfilled on time and meet quality standards.
5. **Quality Control and Assurance:** Investigating the various stages of quality control to ensure that products comply with buyer specifications and international standards.
6. **Logistics and Compliance:** Reviewing the company's logistics strategy, including shipping methods, export regulations, and compliance with buyer requirements.

This report will also provide insights into the key performance indicators (KPIs) used by the merchandising department to measure its success in areas such as lead time reduction, first-pass quality rate, and order fulfillment efficiency.

1.5 Methodology

This internship report employs a combination of primary and secondary data collection methods to analyze the merchandising activities of Blue Planet Knitwear Ltd. The following approaches were used:

1. **Primary Data Collection:**
 - **Interviews:** Conducted with key employees in the merchandising department, including merchandisers, buyers, production managers, and quality control personnel. These interviews provided firsthand insights into the challenges and strategies involved in managing the order lifecycle.
 - **Observations:** As an intern, I had the opportunity to observe the day-to-day operations of the merchandising team, witnessing how they handled buyer communication, sample development, and production planning. This hands-on experience allowed for a more comprehensive understanding of the company's merchandising processes.
2. **Secondary Data Collection:**
 - **Company Documents:** Analysis of internal documents such as order records, production schedules, and buyer feedback reports. These documents provided valuable information about the company's operational efficiency and performance metrics.

- **Industry Reports:** Review of relevant industry reports and research articles to contextualize the findings within the broader apparel manufacturing sector in Bangladesh. Data on market trends, export figures, and supply chain challenges were also incorporated to provide a holistic view of the industry.

1.6 Limitations

While this report provides a detailed analysis of Blue Planet Knitwear Ltd.'s merchandising activities, there were some limitations encountered during the study:

1. **Limited Access to Financial Data:** Due to the confidentiality of financial records, it was not possible to analyze the company's profitability or cost structures in depth. As a result, the analysis focuses more on operational efficiency than financial performance.
2. **Time Constraints:** The internship period was relatively short, limiting the ability to explore every aspect of the company's operations in detail. Some processes, such as supplier negotiations and long-term buyer relationships, require more time to fully understand.
3. **Reliance on Internal Data:** While internal documents provided valuable insights, some data points may be biased or incomplete. Additionally, the lack of access to external buyer feedback limited the analysis of the company's performance from the buyer's perspective.

CHAPTER 2

COMPANY BACKGROUND

2.1 History of Blue Planet Knitwear Ltd.

Blue Planet Knitwear Ltd. (BPKW) was established in 2009 as part of the Blue Planet Group, one of the leading textile conglomerates in Bangladesh. Since its inception, the company has specialized in producing high-quality knitwear products for export markets, primarily catering to Europe, North America, and Australia. Over the years, Blue Planet Knitwear Ltd. has built a reputation for reliability, quality, and innovation, securing long-term partnerships with several renowned international brands.

Today, Blue Planet Knitwear Ltd. boasts impressive operational metrics, including annual revenues of \$71 million, a monthly production capacity of 2 million pieces, a workforce of 2,845 employees, and 1,200 machines. These figures underscore the company's significant scale and capability in the knitwear industry. The company's growth has been driven by its focus on meeting the specific requirements of global buyers, particularly in terms of product design, quality control, and timely delivery. Through continuous investment in modern production facilities, skilled labor, and sustainable practices, Blue Planet Knitwear Ltd. has expanded its operations to become one of the most trusted manufacturers in the Bangladeshi knitwear sector. Its competitive edge lies in its ability to balance cost-efficiency with quality and innovation, allowing it to compete in a global market.



Fig 2: Certifications



Fig 3: Accolades

2.2 Mission, Vision, and Core Values

Mission

The mission of Blue Planet Knitwear Ltd. is to deliver high-quality knitwear products to global markets while maintaining a commitment to sustainable business practices. The company strives to ensure customer satisfaction by consistently producing garments that meet international standards and buyer specifications.

Vision

The company's vision is to become a global leader in knitwear manufacturing by continually improving its production processes, expanding its market reach, and integrating sustainable practices into every aspect of its operations.

Core Values

The core values that guide Blue Planet Knitwear Ltd. include:

1. **Integrity:** Upholding honesty and ethical practices in all business dealings.
2. **Innovation:** Continuously investing in technology and research to stay ahead of market trends and improve product offerings.

3. **Quality:** Ensuring that every garment produced meets the highest standards of quality and craftsmanship.
4. **Teamwork:** Fostering a collaborative working environment where employees, suppliers, and buyers work together to achieve shared goals.

2.3 Products and Services

Blue Planet Knitwear Ltd. offers a diverse range of knitwear products that cater to various market segments, including men's, women's, and children's apparel. The company's product portfolio is designed to meet the needs of international buyers, with a focus on high-quality fabrics, stylish designs, and consistent production standards.

Product Categories:

1. **Men's Apparel:**
 - T-shirts
 - Polo shirts
 - Hoodies
 - Sweatshirts
 - Tank tops
2. **Women's Apparel:**
 - T-shirts
 - Polo shirts
 - Hoodies
 - Sweatshirts
 - Tank tops
3. **Children's Apparel:**
 - T-shirts
 - Sweatshirts
 - Hoodies
4. **Specialized Products:**
 - Track suits
 - Ski suits
 - Swimwear
 - Brassieres

- Girdles
- Corsets
- Gloves
- Handkerchiefs



Fig 4: Sample of Products

Each product is crafted using high-quality materials sourced from trusted suppliers, ensuring consistency in quality and durability. Blue Planet Knitwear Ltd. Takes pride in its ability to adapt to seasonal trends, market demands, and buyer-specific requirements.

Services Provided:

In addition to manufacturing, Blue Planet Knitwear Ltd. Offers a range of value-added services to its buyers, including:

1. **Custom Product Design:** Working closely with buyers to develop custom designs that meet specific market needs.
2. **Sample Development:** Providing sample development services to ensure that products meet buyer expectations before bulk production begins.
3. **Quality Assurance:** Implementing strict quality control measures throughout the production process to maintain high standards of excellence.

4. **Logistics and Shipping:** Managing the entire shipping process, including compliance with international trade regulations and timely delivery of orders.

2.4 Market Presence

Blue Planet Knitwear Ltd. Has established itself as a significant player in the global knitwear market, exporting its products to some of the most competitive regions in the world. The company's strong market presence is a result of its commitment to quality, innovation, and customer satisfaction.

Key Export Markets:

1. **Europe:** Blue Planet Knitwear Ltd. Supplies to major fashion retailers across Europe, including the UK, Germany, and France. The European market is known for its high standards in design, quality, and sustainability, and the company has successfully met these demands through its innovative product offerings.
2. **North America:** The company has a strong presence in the North American market, supplying knitwear products to leading brands in the United States and Canada. The company's ability to produce large quantities of garments while maintaining quality has made it a trusted partner for buyers in this region.
3. **Australia:** Blue Planet Knitwear Ltd. Also exports to Australia, providing products tailored to the local fashion trends and market requirements.

Notable Buyers

Some of the company's key buyers include well-known global brands, such as:

1. **Mango:** A leading international fashion brand known for its modern and trendy designs, sourcing high-quality knitwear from Blue Planet Knitwear Ltd.
2. **Zara:** One of the world's largest fashion retailers, partnering with Blue Planet Knitwear Ltd. For a wide range of knitwear products.
3. **Pull&Bear:** A global fashion brand targeting young, urban consumers, sourcing stylish and affordable knitwear from the company.
4. **Esprit:** A renowned international lifestyle brand, collaborating with Blue Planet Knitwear Ltd. For sustainable and fashionable knitwear.
5. **Cache Cache:** A French fashion brand specializing in women's clothing, sourcing trendy knitwear from the company.

6. **Ardene:** A popular North American retailer known for its affordable and fashionable apparel, partnering with Blue Planet Knitwear Ltd. For knitwear products.
7. **Camp David:** A premium menswear brand, sourcing high-quality knitwear for its collections from Blue Planet Knitwear Ltd.
8. **Walmart:** One of the largest retail corporations in the world, sourcing affordable and durable knitwear from the company.
9. **JDC:** A leading fashion brand, collaborating with Blue Planet Knitwear Ltd. For innovative and high-quality knitwear designs.

CHAPTER 3

THEORETICAL ASPECT OF MERCHANDISING

3.1 Definition of Merchandising

Merchandising is a critical function in the ready-made garments (RMG) industry, serving as the bridge between buyers and manufacturers. It encompasses the entire process of order management, from product development to final shipment, ensuring that products meet buyer specifications while adhering to production timelines and quality standards. Merchandisers are responsible for coordinating all aspects of this process, including raw material sourcing, production planning, quality control, and logistics.

In the context of the apparel industry, merchandising involves detailed planning, product selection, communication, and monitoring of production activities to ensure that garments are produced according to buyer demands. Merchandising also plays a key role in cost management, ensuring profitability while maintaining competitive pricing.

Key Aspects of Merchandising

- **Product Selection:** Identifying the appropriate raw materials and accessories required for the garment.
- **Order Planning and Coordination:** Managing communication between buyers, suppliers, and production teams to ensure seamless order execution.
- **Costing and Budgeting:** Ensuring profitability by accurately estimating material, production, and logistics costs.
- **Production Monitoring:** Overseeing the production process to maintain quality standards and timely delivery.
- **Quality Control:** Implementing inspections to ensure that the garments meet international standards and buyer expectations.
- **Logistics and Shipping:** Ensuring that products are shipped to buyers on time, following all necessary compliance and documentation procedures.

3.2 Functions of Merchandising in the RMG Industry

<p style="text-align: center;">Buyer Communication</p> <p>Merchandisers communicate regularly with buyers to understand their needs, confirm order details, and provide updates on production progress.</p>	<p style="text-align: center;">Order Negotiation</p> <p>Merchandisers negotiate order quantities, prices, lead times, and delivery schedules with buyers to ensure mutually beneficial agreements.</p>	<p style="text-align: center;">Production Planning</p> <ul style="list-style-type: none"> • They develop production schedules and allocate resources to ensure that orders are produced on time without compromising quality.
<p style="text-align: center;">Supplier Coordination</p> <p>Merchandisers manage relationships with suppliers, ensuring that raw materials are sourced in a timely manner and meet the required quality standards.</p>	<p style="text-align: center;">Sample Development</p> <p>Before production begins, merchandisers oversee the development of samples to ensure that the design, fit, and materials align with the buyer's expectations.</p>	<p style="text-align: center;">Quality Assurance</p> <ul style="list-style-type: none"> • Merchandisers are involved in the quality control process, ensuring that each order meets the buyer's quality requirements before shipment.

3.3 Functions of a Merchandiser

The role of a merchandiser is multi-faceted, requiring coordination across various departments within the company, as well as with external suppliers and buyers. Below is a table outlining the key functions of a merchandiser and their associated responsibilities:

Function	Description
Buyer Communication	Maintaining clear and timely communication with buyers, providing updates, and addressing concerns.
Order Negotiation	Negotiating order terms, pricing, and delivery timelines to align with buyer expectations.

Sample Development	Overseeing the creation of samples (proto, fit, and pre-production) for buyer approval.
Supplier Sourcing	Managing relationships with suppliers to ensure the timely availability of materials.
Costing and Pricing	Calculating material, labor, and logistics costs to maintain profitability while meeting buyer price points.
Production Monitoring	Monitoring the production process to ensure timely execution and adherence to quality standards.
Quality Control	Ensuring that products meet both buyer specifications and international quality standards.
Shipment and Documentation	Managing export documentation and ensuring the timely shipping of products to buyers.

Table 1: key functions of a merchandiser and their associated responsibilities

3.4 Process Flow of Merchandising

The merchandising process in the apparel industry involves several steps, from buyer inquiry to the final shipment of goods. The following table outlines the general flow of merchandising activities:

Step	Description
Buyer Inquiry	The buyer initiates communication with a request for a product, including specifications, quantities, and deadlines.
Quotation and Costing	The merchandiser prepares a cost sheet, including material costs, labor costs, and shipping expenses.
Sample Development	The buyer requests samples to check the product quality, design, and fit before placing a bulk order.

Order Confirmation	Upon sample approval, the buyer confirms the order by issuing a purchase order (PO) or letter of credit (L/C).
Production Planning	The merchandiser coordinates with the production team to schedule and allocate resources for timely order completion.
Quality Assurance	Merchandisers oversee quality inspections throughout the production process to ensure compliance with buyer standards.
Shipment and Documentation	Once production is complete, the merchandiser arranges shipment and prepares export documentation for customs clearance.

Table 2: General flow of merchandising activities

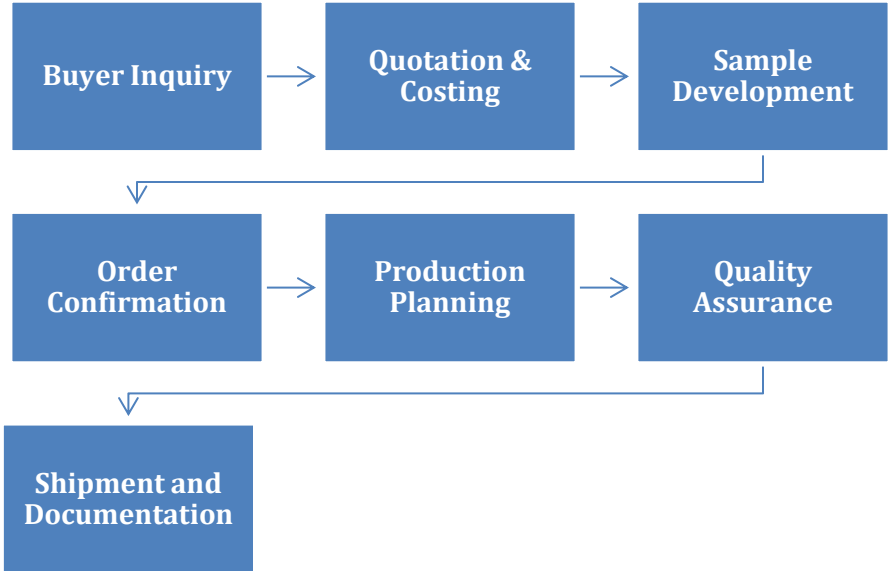


Fig 5: Process of Merchandising

3.5 Key Performance Indicators (KPIs)

Merchandising performance is typically evaluated based on several key performance indicators (KPIs), which measure the efficiency, quality, and effectiveness of the merchandising process. Below are the two most important KPIs used in the industry:

1. Order Lead Time

The lead time refers to the number of days it takes to complete an order, from the time the buyer places the order until the final shipment is dispatched. Reducing lead time is a key goal for

merchandisers, as it enhances the company's ability to meet buyer deadlines and improves overall operational efficiency.

2. **First-Pass Quality Rate**

This KPI measures the percentage of garments that pass quality inspections on the first attempt, without requiring rework. A high first-pass quality rate indicates effective quality control measures and ensures that products meet buyer specifications without delay.

Year	Lead Time (Days)	First-Pass Quality Rate (%)
2020	50	90
2021	48	92
2022	45	94
2023	42	95
2024	40	96

Table 3: Merchandising Performance Metrics (2020-2024)

Analysis of Performance Metrics

The data above demonstrates a steady improvement in both lead time and first-pass quality rate over the five-year period from 2020 to 2024. Lead time has been reduced from 50 days in 2020 to 40 days in 2024, reflecting a 10-day improvement in supply chain efficiency. This reduction is the result of better coordination with suppliers, improved production scheduling, and fewer delays in material sourcing.

Similarly, the first-pass quality rate has increased from 90% to 96% over the same period, indicating enhanced quality control measures and a reduction in defective products. This improvement can be attributed to the implementation of more rigorous quality inspections, as well as investments in technology that automate defect detection and improve production standards.

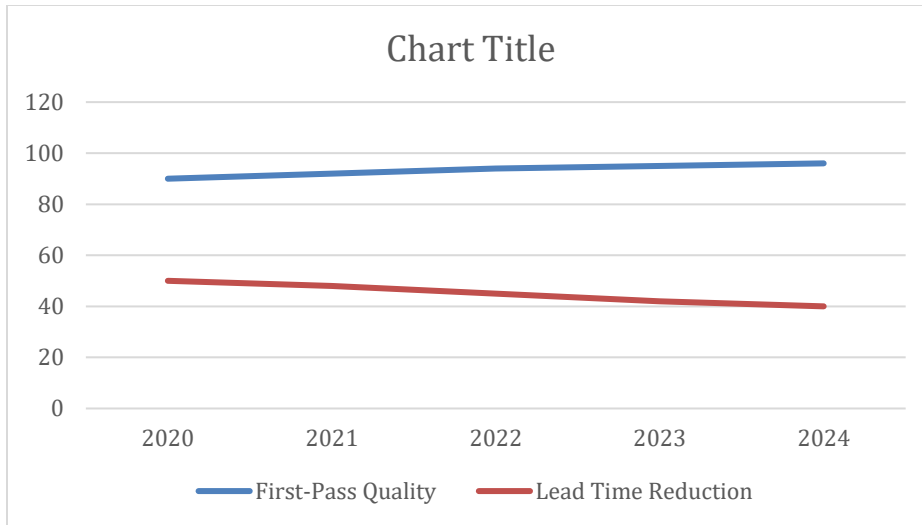


Fig 6: Merchandising Performance Metrics (2020-2024)

This chapter outlined the theoretical aspects of merchandising, with a focus on its role in the RMG industry, key functions of merchandisers, and the process flow of merchandising activities. The analysis of KPIs such as lead time and first-pass quality rate demonstrates the effectiveness of Blue Planet Knitwear Ltd.'s merchandising strategies in improving operational efficiency and product quality. By continuously refining its merchandising processes, the company has been able to enhance its competitiveness in the global market.

3.6 Key Insights from Data Analysis

This Chart compares the First-Pass Quality Rate and Defect Rate from 2020 to 2024. It shows an increasing trend in the First-Pass Quality Rate, indicating better quality control, and a decreasing trend in the Defect Rate, reflecting fewer defects over the years. This suggests significant improvements in quality management during this period.

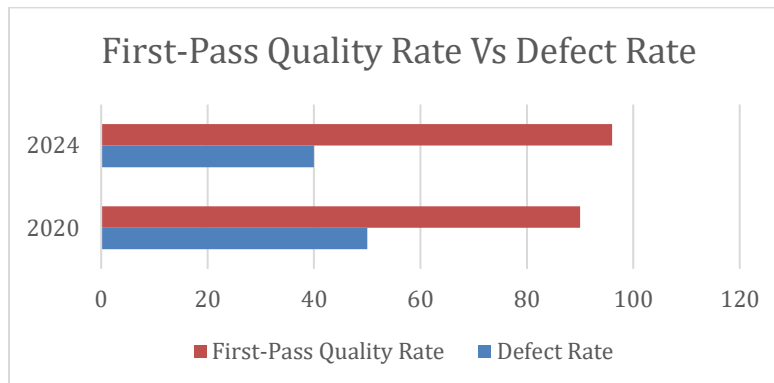


Fig 6: First-Pass Quality Rate vs Defect Rate

3.7 Visual Representation of Merchandising Performance

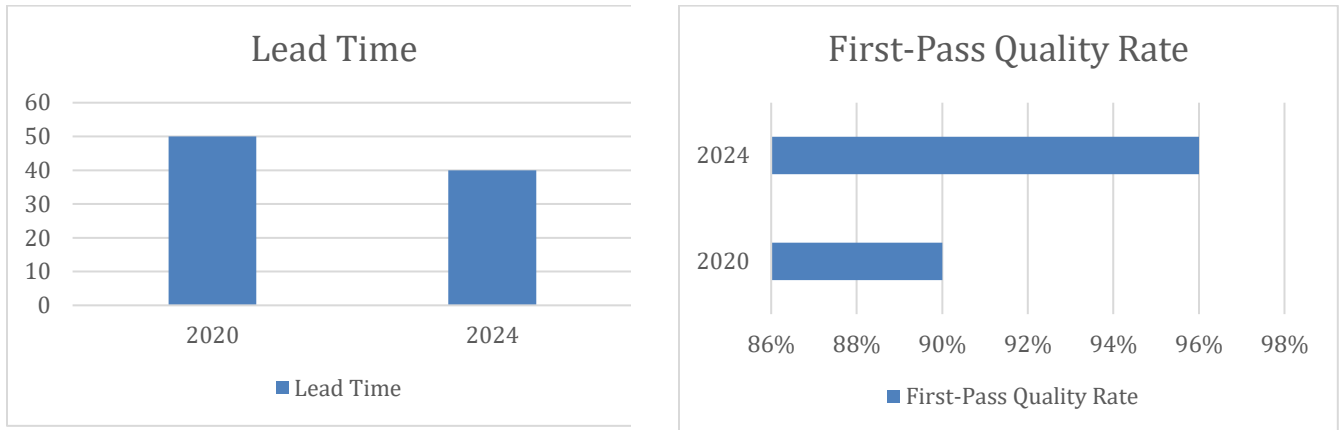


Fig 7: Lead Time & First Pass Quality Rate

The two graphs focus on Lead Time and First-Pass Quality Rate, comparing data from 2020 to 2024. The Lead Time graph, though lacking specific values, likely shows trends in reducing the time taken for processes over the years. The First-Pass Quality Rate graph indicates a steady improvement, with the rate increasing from around 87% in 2020 to approximately 97% in 2024. Together, these graphs suggest that the organization has made significant progress in both efficiency (reducing lead time) and quality (improving first-pass quality rate) over the four years.

CHAPTER 4

MERCHANDISING ACTIVITIES OF BLUE PLANET KNITWEAR LTD.

4.1 Organizational Structure of the Merchandising Department

The merchandising department at Blue Planet Knitwear Ltd. is structured to ensure efficient communication and coordination across various functions involved in the production and delivery of garments. The department is led by the Head of Merchandising, who oversees a team of merchandisers, assistant merchandisers, and coordinators. Each merchandiser is responsible for managing specific buyer accounts, ensuring that orders are processed smoothly from initial inquiry to final shipment.

Key Roles in the Merchandising Department:

Head of Merchandising	Senior Merchandisers	Assistant Merchandisers	Coordinators
<ul style="list-style-type: none">• Provides strategic direction and oversees all merchandising activities	<ul style="list-style-type: none">• Manage relationships with key buyers, handle large-scale orders, and oversee the execution of complex projects.	<ul style="list-style-type: none">• Support senior merchandisers in order processing, sample development, and production monitoring..	<ul style="list-style-type: none">• Ensure that materials and production schedules are aligned with the merchandising team's requirements.

The department operates as a bridge between external stakeholders (buyers and suppliers) and internal teams (production, quality control, and logistics), ensuring that orders are delivered on time and meet buyer specifications.

4.2 Order Processing and Buyer Communication

Effective communication with buyers is a cornerstone of the merchandising process at Blue Planet Knitwear Ltd. The order processing workflow begins with initial buyer inquiries, followed by negotiations on pricing, production schedules, and delivery timelines. The merchandising team works closely with buyers to ensure that all specifications are clearly communicated and that any revisions are made before production begins.

Order Processing Workflow:

1. **Buyer Inquiry:** The buyer provides a request for a specific product, including design, fabric, color, and quantity.
2. **Quotation and Costing:** The merchandiser prepares a detailed cost sheet, including fabric, trims, labor, and logistics costs.
3. **Sample Development:** Samples are created for the buyer's approval, which may include proto samples, fit samples, and pre-production samples.
4. **Order Confirmation:** Once the buyer approves the samples and confirms the order, production planning begins.
5. **Production Monitoring:** The merchandiser regularly updates the buyer on the status of the order, including any potential delays or issues that arise during production.
6. **Final Approval and Shipment:** Once the production is completed, the final products undergo quality inspection before being shipped to the buyer.

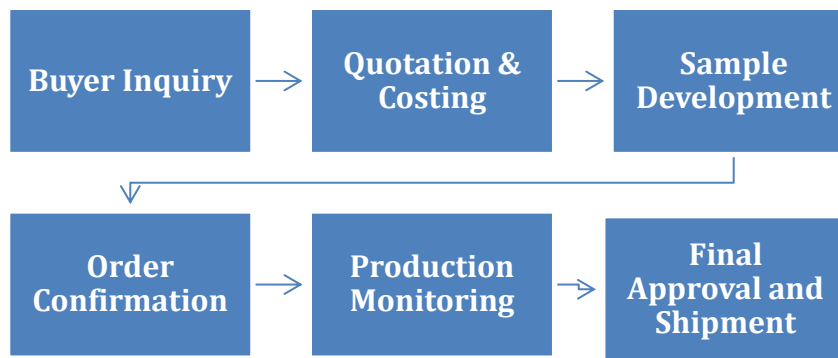


Fig 8: Buyer communication and order processing steps

Effective communication throughout the order process ensures that buyers receive regular updates on production progress, helping to build trust and maintain long-term relationships.

4.3 Sample Development Process

The sample development process is crucial for ensuring that products meet the buyer's expectations before bulk production begins. At Blue Planet Knitwear Ltd., the merchandising team oversees the entire sample development process, coordinating with design and production teams to create accurate prototypes that reflect the buyer's requirements.

Types of Samples Developed:

1. **Proto Sample:** This is the initial sample created to test the design and feasibility of the garment. It helps both the buyer and the manufacturer identify any necessary changes before proceeding to further sampling stages.
2. **Fit Sample:** Focuses on ensuring that the garment fits correctly according to the buyer's size specifications. Adjustments to the design and construction may be made at this stage.
3. **Pre-Production Sample (PPS):** A final sample created before bulk production begins, incorporating all adjustments made during the earlier stages. This sample is an exact representation of what will be produced at scale.

The development of these samples involves close collaboration with the buyer to ensure that any design or material changes are incorporated. Only after the buyer approves the pre-production sample does full-scale production commence.

4.4 Supplier Management and Sourcing Strategies

The success of Blue Planet Knitwear Ltd.'s merchandising activities is heavily reliant on effective supplier management. The company sources a variety of raw materials, including fabrics, trims, zippers, and other accessories, from both local and international suppliers. Maintaining strong relationships with suppliers ensures that materials are of high quality and delivered on time.

Sourcing Strategies:

1. **Preferred Supplier Agreements:** The company maintains long-term partnerships with reliable suppliers, which allows for consistent quality and timely delivery of materials.
2. **Local vs. International Sourcing:** While some materials, such as zippers and buttons, are sourced from international suppliers in China and Taiwan, Blue Planet Knitwear Ltd. also prioritizes sourcing fabrics locally to reduce lead times and logistics costs.
3. **Supplier Performance Tracking:** The company tracks supplier performance based on factors such as lead time, material quality, and pricing. This ensures that any issues with suppliers can be addressed promptly, minimizing the impact on production timelines.

The following table provides an overview of the company’s key suppliers and their respective materials:

Material	Source Country	Lead Time	Quality Certification
Cotton Fabric	Bangladesh	10-15 days	OEKO-TEX Certified
Polyester	Taiwan	20 days	SGS Tested
Zippers	China	15 days	ISO 9001 Certified
Buttons	Bangladesh	7 days	Eco-Friendly

Table 4: key suppliers and their respective materials

4.5 Quality Control and Assurance

Maintaining high-quality standards is a priority at Blue Planet Knitwear Ltd. The company’s quality control process is designed to detect defects at every stage of production, ensuring that the final product meets both buyer specifications and international standards.

Quality Control Process:

1. **Inline Inspections:** These are Conducted during production to identify and correct defects early. This reduces the risk of major quality issues during final inspections.
2. **Final Inspection:** Once production is complete, a final quality check is performed to ensure that the products meet the buyer’s requirements.
3. **Third-Party Testing:** In some cases, third-party inspectors, such as SGS or OEKO-TEX, are employed to conduct additional quality checks and verify compliance with international standards.

The following table outlines the various stages of the quality inspection process:

Inspection Type	Stage	Purpose
Inline Inspection	During Production	Detects defects in stitching, materials, and design

Pre-Final Inspection	After Finishing	Verifies that the final product meets buyer specifications
Final Inspection	Before Shipment	Ensures that all products are of export quality

Table 5: Quality inspection process

4.6 Logistics, Shipping, and Compliance

Ensuring that products are shipped to buyers on time is a key responsibility of the merchandising team. At Blue Planet Knitwear Ltd., logistics and shipping are carefully planned to minimize costs and ensure timely delivery. The team also ensures compliance with international trade regulations, including customs clearance and export documentation.

Shipping Strategies:

1. **Sea Freight vs. Air Freight:** Depending on the size and urgency of the order, the company may choose between sea freight (cost-effective for large orders) and air freight (faster but more expensive).
2. **Compliance with Buyer Requirements:** Merchandisers ensure that all shipping documents, such as invoices, packing lists, and certificates of origin, are completed accurately to meet buyer and regulatory requirements.

The table below compares the costs and transit times for different shipping methods:

Shipping Mode	Cost (\$/kg)	Transit Time	Best For
Air Freight	\$5.00	3-5 days	Urgent Orders
Sea Freight	\$0.50	25-30 days	Bulk Shipments

Table 6: Costs and transit times for different shipping methods

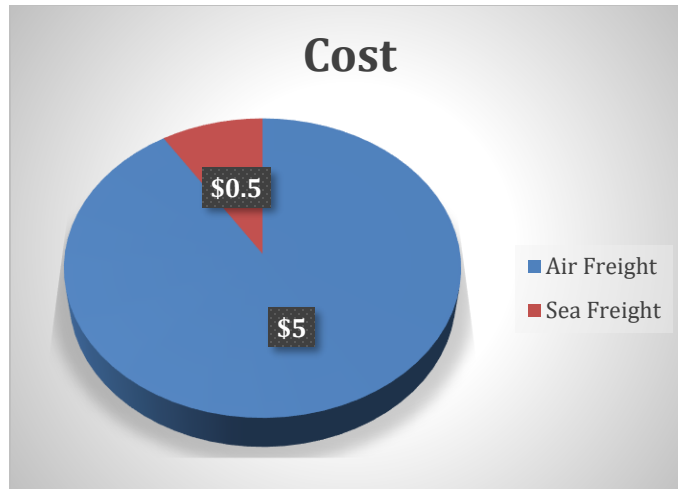


Fig 9: Air Freight and Sea Freight transportation methods

The pie chart compares the costs of two transportation methods: Air Freight and Sea Freight. The cost for Air Freight is indicated as \$5, while sea freight is shown at \$0.5. This suggests that Sea Freight is significantly cheaper than Air Freight in this context, which is unusual since air transportation is typically more expensive than sea transportation due to speed and capacity differences.

4.7 Data Analysis and Performance Metrics

The merchandising team tracks several key performance indicators (KPIs) to evaluate the efficiency and effectiveness of its operations. These include lead time reduction, first-pass quality rate, and defect rates.

Key Performance Metrics (2020-2024):

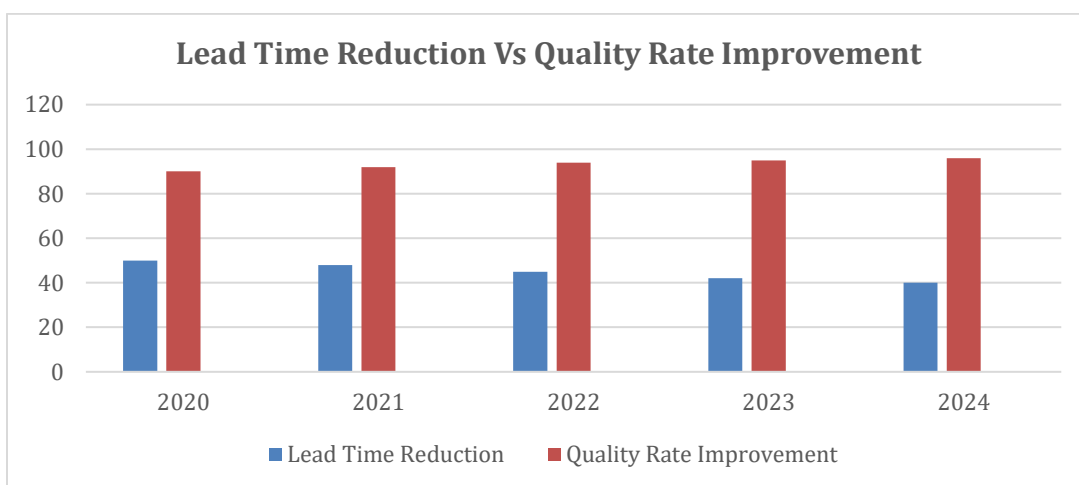


Fig 10: Lead Time Reduction Vs Quality Rate Improvement

The graph titled "Lead Time Reduction Vs Quality Rate Improvement" illustrates the trends in lead time reduction and quality rate improvement from 2020 to 2024. The vertical axis represents the percentage or value of improvement, while the horizontal axis shows the years. The graph indicates that both lead time reduction and quality rate improvement have shown varying trends over the years, with potential intersections or divergences in their progress. This visualization helps in understanding the balance or trade-off between reducing lead times and improving quality rates over the specified period.

This chapter provided an in-depth overview of the merchandising activities at Blue Planet Knitwear Ltd., covering key areas such as order processing, sample development, supplier management, production planning, quality control, and logistics. The data analysis revealed improvements in lead time reduction and quality control, demonstrating the effectiveness of the company's merchandising strategies. By continuously refining its processes, Blue Planet Knitwear Ltd. has maintained its position as a competitive player in the global knitwear market.

CHAPTER 5

FINDINGS AND RECOMMENDATION

5.1 Strengths

1. **Efficient Supply Chain and Logistics Management**

Blue Planet Knitwear Ltd. has developed a well-structured supply chain that ensures the timely procurement of raw materials and the efficient delivery of finished products. The company's relationships with reliable suppliers, both local and international, help reduce delays in material sourcing. In addition, its collaboration with established freight forwarders ensures that products are shipped to buyers on time, minimizing the risk of shipping delays.

2. **Strong Buyer Relationships**

One of the company's key strengths lies in its long-term relationships with several international buyers. The trust that Blue Planet Knitwear Ltd. has built with its buyers over the years, through consistent quality and timely delivery, has led to repeat orders and a stable revenue stream. The company's ability to provide regular production updates and address any buyer concerns promptly contributes to its strong customer retention.

3. **High Quality Control Standards**

Blue Planet Knitwear Ltd. places a strong emphasis on quality control, which has helped it achieve a high first-pass quality rate of 96% by 2024. The company's multi-stage quality inspection process, which includes inline inspections, pre-final inspections, and final inspections, ensures that defects are identified early and corrected before shipment. The use of third-party quality certifications, such as OEKO-TEX and ISO, further enhances the company's credibility with international buyers.

4. **Product Diversification**

The company offers a wide range of knitwear products, including T-shirts, polo shirts, hoodies, and corporate wear, catering to various market segments such as men's, women's, and children's apparel. This product diversification allows Blue Planet Knitwear Ltd. to serve multiple buyers with varying needs and reduces its dependence on any single product category.

5. **Sustainability Initiatives**

Blue Planet Knitwear Ltd. is committed to sustainable practices, including the use of eco-friendly materials such as organic cotton and recycled polyester. The company's efforts to reduce waste and minimize environmental impact have resonated with buyers, particularly in markets where sustainability is a key concern.

5.2 Weaknesses

1. Dependence on Foreign Suppliers for Raw Materials

While the company has developed strong relationships with local suppliers for certain materials, it still relies heavily on foreign suppliers for items such as zippers, buttons, and certain fabrics. This dependence on international suppliers, particularly those in China and Taiwan, exposes the company to risks such as longer lead times, currency fluctuations, and import-related delays.

2. Limited Use of Automation in Order Tracking and Production

Although Blue Planet Knitwear Ltd. has implemented some digital tools for production scheduling, its overall reliance on manual tracking systems, such as Excel spreadsheets, limits the efficiency of order tracking and production monitoring. The lack of an integrated Enterprise Resource Planning (ERP) system means that real-time data on inventory, production progress, and shipment status is not easily accessible, leading to potential inefficiencies.

3. Narrow Geographic Market Focus

The company has a strong presence in Europe and North America, but its market reach is limited in other regions, such as Asia, the Middle East, and Latin America. This narrow geographic focus limits Blue Planet Knitwear Ltd.'s ability to tap into emerging markets where the demand for knitwear is growing.

4. Overreliance on Large Buyers

While long-term relationships with key buyers are beneficial, the company's reliance on a small number of large buyers makes it vulnerable to fluctuations in order volumes. A reduction in orders from a key buyer could have a significant impact on the company's overall revenue.

5.3 Opportunities

1. Expansion into New Markets

There is significant potential for Blue Planet Knitwear Ltd. to expand its market presence in regions such as Asia, the Middle East, and Latin America. These regions are experiencing growing demand

for quality knitwear products, and by developing targeted marketing strategies and establishing local sales teams, the company could increase its revenue and diversify its customer base.

2. Implementation of Automation and Digital Tools

The adoption of advanced digital tools, such as an ERP system, could significantly improve the company's operational efficiency. Real-time data on production, inventory, and shipments would allow the merchandising team to make more informed decisions and reduce delays in order execution. Additionally, AI-driven demand forecasting tools could help the company anticipate buyer needs and optimize production schedules.

3. Increased Focus on Sustainable Products

As consumer demand for eco-friendly products continues to rise, Blue Planet Knitwear Ltd. has the opportunity to further position itself as a leader in sustainable manufacturing. By expanding its use of organic and recycled materials and obtaining additional sustainability certifications, the company can appeal to environmentally conscious buyers and differentiate itself from competitors.

4. Development of In-House Raw Material Sourcing

To reduce its dependence on foreign suppliers, Blue Planet Knitwear Ltd. could explore the possibility of developing in-house sourcing for key raw materials, such as fabrics and trims. Establishing partnerships with local textile manufacturers or investing in its own production facilities could help the company gain more control over its supply chain and reduce lead times.

5.4 Threats

1. Rising Raw Material Costs

Fluctuations in the prices of raw materials, such as cotton and polyester, pose a threat to Blue Planet Knitwear Ltd.'s profitability. Increased competition for these materials on the global market, along with inflationary pressures, could drive up costs and impact the company's ability to maintain competitive pricing.

2. Intense Competition in the RMG Sector

The RMG sector in Bangladesh is highly competitive, with numerous manufacturers vying for international orders. Blue Planet Knitwear Ltd. faces competition from both local companies and international competitors, particularly those in China, India, and Vietnam. The ability to differentiate itself through quality, sustainability, and timely delivery will be crucial to maintaining its market position.

3. Stringent Compliance and Regulatory Requirements

The apparel industry is subject to increasingly stringent regulations, particularly in terms of labor standards, environmental sustainability, and product safety. Failure to comply with these regulations, especially in markets such as the European Union and the United States, could result in fines, shipment delays, or loss of buyer trust.

4. **Labor Shortages and Increasing Wages**

The RMG sector in Bangladesh has experienced labor shortages in recent years, as skilled workers migrate to other industries or countries in search of better opportunities. In addition, increasing wages for garment workers, while beneficial from a social perspective, could put pressure on the company's margins if not offset by productivity improvements or higher product prices.

5.5 Recommendations

1. **Reduce Foreign Supplier Dependence**

Partner with local suppliers and invest in in-house sourcing for key raw materials to minimize risks and lead times.

2. **Implement ERP System**

Adopt an ERP system to automate order tracking, production, and inventory management for improved efficiency and decision-making.

3. **Expand Geographic Focus**

Target emerging markets like Asia, the Middle East, and Latin America to diversify the company's market reach.

4. **Diversify Buyer Base**

Seek new buyers through trade shows and digital marketing to reduce reliance on large buyers.

5. **Expand into New Markets**

Establish local sales teams and develop marketing strategies for emerging regions to increase revenue and market share.

6. **Adopt Digital Tools**

Use AI-driven forecasting tools to improve production planning and inventory management.

7. **Increase Sustainability**

Source more eco-friendly materials and obtain sustainability certifications to attract environmentally conscious buyers.

8. Develop In-House Sourcing

Invest in in-house production facilities for key materials to reduce reliance on external suppliers.

9. Manage Rising Material Costs

Negotiate bulk purchasing agreements and explore cost-effective material alternatives.

10. Strengthen Differentiation

Focus on product quality, sustainability, and value-added services like order tracking to stand out in the competitive market.

11. Ensure Regulatory Compliance

Regularly audit compliance with international standards to avoid penalties and maintain buyer trust.

12. Improve Worker Retention

Implement training programs and offer competitive wages and career development to retain skilled workers.

CONCLUSION

This internship report has provided a comprehensive analysis of the merchandising activities at Blue Planet Knitwear Ltd., focusing on key areas such as order processing, supplier management, production planning, quality control, and logistics. The report highlighted the company's strengths, weaknesses, opportunities, and threats, while also offering recommendations for improving operational efficiency, expanding market presence, and enhancing sustainability efforts.

Blue Planet Knitwear Ltd. has demonstrated its ability to maintain strong relationships with international buyers, deliver high-quality products, and meet tight deadlines through effective supply chain management and rigorous quality control measures. The company's commitment to sustainability, product diversification, and long-term partnerships with reliable suppliers has enabled it to remain competitive in the global knitwear industry.

However, there are areas for improvement, such as reducing dependence on foreign suppliers, adopting more advanced automation tools, and expanding into emerging markets. The recommendations presented in this report, including the implementation of an ERP system, increased use of sustainable materials, and market expansion strategies, are designed to help the company address these challenges and seize new growth opportunities.

Looking to the future, Blue Planet Knitwear Ltd. is well-positioned to continue its upward trajectory. By embracing innovation, investing in technology, and focusing on sustainability, the company can further strengthen its position in the global market and ensure long-term success. The adoption of these strategies will not only enhance the company's operational efficiency but also reinforce its reputation as a trusted, forward-thinking manufacturer in the knitwear industry.

In conclusion, Blue Planet Knitwear Ltd. has the potential to capitalize on its strengths and address its weaknesses through strategic actions. With a continued focus on quality, sustainability, and market expansion, the company is poised to achieve sustained growth and remain a leader in the competitive RMG sector.

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