

Internship Report
on
“Marketing Strategy of SPEED a product
of Akij Food and Beverage LTD”

Supervised By:

Dr. S M Sohel Rana

Assistant Professor

Department of Business Administration

Daffodil International University

Submitted by:

Mizanur Rahman

ID No: 151-11-203

Batch- 40th

Department of Business Administration

Daffodil International University

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LETTER OF TRANSMITTAL

December 12, 2018

Dr. S M Sohel Rana

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Subject: Submission of the Internship Report.

Sir,

This is my pleasure to present my internship report entitled “**Marketing Strategy of SPEED a product of Akij Food and Beverage LTD.**” I have conducted my internship program in Akij Group, with your kind supervision. I have tried my level best to collect the data properly and create an internship report. During the time of this time of internship I gather knowledge and experience which will be helpful in my future career.

I will be grateful to you if you accept this report. I will be available for defense on this report at any time in your convenience.

Thank you.

Sincerely yours,

Mizanur Rahman

ID No: 151-11-203

Batch- 40th

Department of Business Administration.

Daffodil International University

SUPERVISOR'S DECLARATION

It gives me immense pleasure to certify that the projected report titled “**Marketing Strategy of SPEED a product of Akij Food and Beverage LTD.**” has been completed by **Mizanur Rahman, ID No # 151-11-203** a student of BBA program, Department of Business Administration, Daffodil International University, Dhaka under my supervision and guidance. As far as I know, this is an original work, which has not been published in any journal or submitted to any institution or department for any degree or diploma.

I do hereby accept it a fully recommend Internship report for evaluation.

Dr. S M Sohel Rana

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

STUDENT'S DECLARATION

I do hereby declare that the work presented in this Internship Report has been carried out by me and has not been previously submitted to any other University/Organization for an academic qualification. The work I have presented does not breach any existing copyright and no portion of this report is copied from any work done earlier for degree or otherwise.

I further undertake to indemnify the Department against any loss or damage arising from breach of the foregoing obligations.

Mizanur Rahman

ID No. 151-11-203

Batch- 40th

Department of Business Administration

Daffodil International University

ACKNOWLEDGEMENT

It is high time to express my deepest gratitude and humble submission to the almighty Allah but for whose support I would not be able to complete a huge task of preparing this report. I would like to express my deep sense of appreciation towards one of my favorite teacher **Dr. S M Sohel Rana** Assistant Professor, Department of Business Administration, Faculty of Business & Entrepreneurship , Daffodil International University for giving me an opportunity to undergo my internship report on “**Marketing Strategy of SPEED a product of Akij Food and Beverage LTD.**”. I would like to show my warm-hearted gratitude to the Brand Marketing department of **Akij Food and Beverage Ltd.**; which has provided me with great deal of information, adequate data and cooperated me for the accomplishment of this report successfully. Finally, last but not the least, I would like to thank each and every Staffs of the brand marketing section of **Akij Food and Beverage Ltd.** specially Mr. Md. Shafiqul Islam Tushar (DGM), Mr. Sumit Chokrabarti (Brand Officer), Mr. Alaudin (Senior Brand Officer) for their kind assistance regarding the report without whom it would not possible for me to complete this difficult task, I got all necessary guidelines, cooperation, advice from them to complete this complicated task. I am very much thankful to **Akij Food and Beverage Ltd.** its management, especially employees of Brand Marketing for their cordial support to prepare this difficult study with important information and data.

Mizanur Rahman

Dedication

This work is humbly dedicated

To

My Mother

Kohinur Begum

PREFACE

Gathering knowledge from practical aspect is greatly differing from theoretical knowledge through its operation, complexity and implementation. Practical experience can help our theoretical knowledge. The theoretical knowledge can be justified by the internship program and is a great opportunity to know practical world. So it is right decision for Faculty of Business & Entrepreneurship to introduce this type of Internship program for the students for better understanding and orientation with the practical job environment.

The Internship program basically is an opportunity to minimize the lacuna between theoretical and practical knowledge. As a BBA student, it may be a great privilege to get in touch with the orientation as Akij group which is undoubtedly one of the efficient and performing corporation in Bangladesh. In this report, I have tried my best to make the study successful for which I have been assigned. I confess there might be some mistakes, some adolescent efforts. It will drive happiness if I find my whole efforts serve, at least, to some extent for which it has been prepared.

Mizanur Rahman

ID No. 151-11-203

Batch- 40th

Department of Business Administration

Daffodil International University

Executive Summary

The object of this study is to identify overall marketing strategy of an organization and I chose to conduct the study on the Carbonated Beverage industry of Bangladesh. Food and beverage sectors plays an important role in Bangladesh economy. AFBL also a Food and Beverage producers and they covers the major part in this sector. SPEED is a Carbonated Beverage which are familiar as energy drinks. It's a brand of Akij Food and Beverage Ltd. Recently SPEED got the best brand award in beverages industry of Bangladesh. By this report I tried to show the strength, Weakness, Opportunity, Threats for the brand SPEED. One of the most essential part of a marketing plan are marketing mix which can helps the organization to developing them. SPEED has the strong brand recall in consumer mind by their best positioning statement. The target group of SPEED is only male because as a energy drinks female customers did not prefer this drinks.

The current competitive culture in the soft drinks industry leads the organization to the difficult situation to survive. Therefore, this study enables the marketers to take appropriate decision about the consumers buying behavior. The sample of 350 is determined through non-probability convenience sampling technique. Data is collected through structured questionnaire and in-depth interview. Internet is also used for collecting secondary data. The data is analyzed through different mathematical tools. Microsoft excels, Statistical Package for Social Science (SPSS16.0) are used to analyzed the data.

By this research organization can know their new competitor in market and can also develop their marketing strategy for challenge the competitive market.

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1.1 Introduction

The world market of Carbonated Beverage drinks including energy drinks are far larger today than it used to be a few years ago. The reason behind this is not only the diverse preferences of the vast amount of consumers but the competitive nature of the markets' existing companies and also the opportunities those companies have to reach to a wide number of consumers. Akij Food and Beverage Limited, a subsidiary of Akij Group of Industries launched its own beverage products in 2006 with a view to having a unique set of soft and energy drinks which includes a good number of soft and energy drinks based on the existing standard and the basic requirements for its target customers. One of its several such drinks is SPEED Energy Drinks. SPEED Energy Drinks, similar to its contemporary drinks was launched in AFBL's soft and energy drinks' products line in 14th April, 2006 with the aim of targeting those who are in search of such energy drinks, although it could not capture consumers' attraction and was available only on a small number of market share that eventually led the company to rethink on its strategy to launch again with several changes to its branding and packaging, keeping the main ingredients unchanged. Akij Food and Beverage Limited (AFBL) had realized the poor marketing communication strategies of SPEED and the later adopted changes in 2009 in its strategy which made it re launch with the marketing communication theme of **"Ektu Bujhe Shune Khao-- Khokon Je Ki Hoi Kisu Bola Jay Na"**. **In 2013 they change their theme to SPEED- Hevvy Energy.** The campaigns were focused on letting consumers being generalized on the idea that SPEED is an energy drink and it will provide the consumer with extreme instant energy. After a number of marketing campaigning and feedback from the customers, the company realized that the packaging and branding of the product have created a deep impact on consumers' mind which eventually made the relaunch strategies successful which in turn made this particular energy drink a worthy beverage product for AKIJ Food and Beverage Limited although the competitive nature of the existing market has made threats to the product with similar products from the other renowned organizations. Hence, AKIJ food and Beverage Limited has been consistently focusing on its marketing strategies as well as at the quality of the product alongside keeping in mind the Unique Selling Propositions for the existing as well as new target customers.

1.2 Scope of the Study

This report covers the overall marketing plan of Speed. AFBL makes different marketing plan for different brand. Besides this thing they also known about their demand in market, customer perception, market share etc.

1.3 Methodology of Data Collection:

I have used both primary and secondary data for preparing this report. But most of the data are collected from Secondary source. I observed various activities of Akij Food and Beverage Ltd. My practical experience in Akij Food and Beverage Ltd. was a great source of information.

Primary source of Data

- Primary data is collected the different departments of Akij Food and Beverage Ltd.
- Data collect from the actual consumer of SPEED

Secondary sources of Data

- Prospectus of Akij Food and Beverage Ltd.
- Published journal and articles on Food and Beverage market in Bangladesh.
- Some of the data are collected from internet and newspaper.

1.4 Limitation of the study

Lack of time

Absence of time one of the significant impediment of the investigation was restricted time. The nine allotment of the investigation was lacking. Since in this brief timeframe one bury understudy needed to both go to the workplace and furthermore do the review. For the shortage of time I couldn't discuss generally with concern people and expert, which would be extremely useful for setting up, the report could be made substantially more thorough.

Administrative secrecy

Another significant issue each privately owned business keeps up some mystery of its all import and fare exercises. The specialist kept much data as emit.

Unwilling to response: While speaking with responsive people the greater part of this was exceptionally occupied in their day by day work around then. So they were not anxious to answer my inquiry and should me numerous causes to maintain a strategic distance from me.

Chapter- 02

2.1 Organization Overview

The legacy of AKIJ GROUP is over half a century old and over the years Akij has established itself as the full of confidence and much revered industrial family of Bangladesh. Akij Group is one of the biggest conglomerates in Bangladesh. It consists of 24 big concerns with diverse activities & different products. Akij Group launched its venture as a small jute trader more than 50 years ago. Since then it has been progressing with tremendous pace in the industrial area of Bangladesh. A large number of people are employed by the group and cared for as members of the Akij family. The non-profit concerns are also involved in sustaining development of the country & for social welfare.

Now Akij Group has 25 company in Bangladesh. They are:

1. AKIJ JUTE MILLS LTD.
2. AKIJ FOOD & BEVERAGE LTD.
3. AKIJ TEXTILE MILLS LTD.
4. AKIJ CEMENT COMPANY LTD.
5. SK. AKIJUDDIN LTD. OWNER OF DHAKA TOBACCO IND.
6. AKIJ PLASTICS LTD.
7. AKIJ CERAMICS LTD.
8. AKIJ CORPORATION LTD.
9. AKIJ PRINTING & PACKAGES.
10. AKIJ PARTICLE BOARD MILLS LTD.
11. AKIJ MATCH FACTORY LTD.
12. DTI-LEAF PROCESSING FACTORY.
13. AKIJ ZARDA FACTORY LTD.
14. AKIJ POLY FIBRE INDUSTRIES LTD.
15. PERFECT TOBACCO COMPANY LTD.
16. AKIJ AGRO PROCESSING FACTORY.
17. AKIJ CENTRAL WORKSHOP.
18. AKIJ SHIPPING LINE LTD.
19. AKIJ OCEAN LINE LTD.
20. AKIJ BAKERS LTD.
21. AKIJ FLOUR MILLS LTD.
22. BAHADURPUR TEA ESTATE.
23. AKIJ BIAX FILMS LTD.
24. AKIJ STEEL MILLS LTD.
25. AKIJ CEMENT READY MIX CONCRETE

Recently they sell their 70% share of Dhaka tobacco industry to Japan tobacco industry. Now they are under processing for doing their business on Malaysia. Recently they build their new factory on Mymensingh and try to remove approximately 1500 unemployment.

Akij Food & Beverage Ltd. (AFBL) a unit of Akij Group Started its operation in the year 2006. AFBL manufactures a wide range of Snacks and Beverage of both National & International Market alike. AFBL is a Project worth \$70 million & is Founded by the Parental Company Akij Group. AFBL Started its production at 400 bph in the carbonated soft drinks line and 300 bph in the juice line. in a span of one and a half years we have increased our capacity to 1800 bph. At present our capacity one is at the ground breaking rate of 1900 bph. So in approximately three years time our capacity has increased three folds, During this same period most of our brands became either number one or are almost on the verge of becoming number one in their respective categories. Most of our machineries have been imported from world famous brands as Crones, Tetra Pak, Alfa Laval, Sipa, Risky to achieve best quality. AFBL always try to give the best quality to their customers.

AFBL launch lots of food and beverage item on national and international market. AFBL's products are below:

1. Speed (Carbonated beverage)
2. Mojo (Cola soft drinks)
3. Spa (Mineral Water)
4. Clemon (Lemon Soft Drinks)
5. Frutika (Mango Juice)
6. Firm Fresh (Milk, yogurt)
7. AAFI mango juice
8. AAFI achar
9. Cheese Puffs (Chips)
10. AAFI Muri
11. Huston (Carbonated beverage)

This products are capture the major market share of Food and Beverage industry in Bangladesh.

Chapter- 03

3.1 SWOT ANALYSIS OF “SPEED”

SWOT analysis show the findings of strength, weakness opportunities, and threats of a firms. By this thing a firm’s can know about their risk and try to increase or solve the risk. By this analysis they also known about opportunity and their strength. Strength and weakness involve identifying the firm’s internal abilities or lack thereof. Opportunities and threat includes external situation such as competitive forces discovery and development of new technologies, government regulations and domestic and international economic trends. Akij Food and Beverage also makes a SWOT analysis for their product of SPEED carbonated beverage to know their market position. The SWOT analysis are given below:

3.2 Strength:

- ✓ Strong customer awareness.
- ✓ Strong brand value.
- ✓ Strong brand recall and recognition in Bangladesh.
- ✓ Available distribution of 250 ml pet bottle and CAN.
- ✓ Competitive price.
- ✓ Highest market share in carbonated beverage industry.
- ✓ Strong advertisement.

3.3 Weakness:

- ✓ Lack of branded fridge in market.
- ✓ No regular glass bottle.
- ✓ Brand acceptability.
- ✓ Less number of product visibilities at outlets.
- ✓ Communication gap with distributors.

3.4 Opportunities:

- ✓ High demands in youth market
- ✓ Tag with Hotel, restaurant, and cafeteria.
- ✓ Increase brand image and acceptability.
- ✓ Focus on higher Stock keeping Unit (SKU).

3.5 Threat:

- ✓ Competitor offers different types product continuously.
- ✓ Bad impact from government.
- ✓ Retailer based activation by competitor.
- ✓ Brand acceptability.
- ✓ Threat of substitute product like Carbonated beverage, isotonic water, sports drink, and, juice.

Chapter- 04

4.1 SEGMENTATION, TARGETING, AND POSITIONING STRATEGIES:

4.2 Segmentation Strategies:

At present, A market divided into to many different group. Mass markets divided by customers own need . Market segmentation is the way to divided the mass different market in different category for providing the actual product to the customer. Akij food and beverage has segmented according to the homogenous segmentation where the consumer represents the same type of demographical, psycho graphical, cultural and social factors. Their attitude, status, and lifestyle focuses on same perspective. According to the following factors the segmentation of SPEED has been done-

□□ **Age:** Primary target of SPEED is only the young generation where the age may vary from 16-40. But it is not limited within this age.

□□ **Gender:** Both young boys and matured person are the target market for the SPEED. It is specially made for some particular gender what actually happens for any type of Carbonated beverage drink.

Occupation: Occupation is clearly defined for the target market of SPEED. College, University students, executive, workers are the target customers of SPEED.

□□ **Income:** Actually SPEED has emphasized on the lifestyle and behavior of consumers more rather than the income. They think that it is really affordable to buy a SPEED (especially 250 ml) for their target market where their income is minimum 5000 and for the students it may be less than that.

□□ **Lifestyle:** The targeted market of SPEED is basically young generation who like gossiping, chatting, hanging with friends, making fun, watching movies, listening music etc. SPEED has also focused on their customer's lifestyle in product, advertising and packaging. On the other side it's also for who doing hard work daily and keep themselves refresh or relax.

□□ **Location:** Almost all the places of urban and rural area are under the SPEED's distribution. Especially in each and every part of the Dhaka, Chittagong, Comilla, Bogra, Mymansingh, Rajshahi, Barishal, Sylet SPEED is available. The company has emphasized on Dhaka where only more than half of total sales (58%) comes from Dhaka.

□□ **Social Class:** SPEED is targeted for the upper part of the lower class, middle class, upper middle class, and lower part of the upper class of the society.

4.3 Geographic:

Continent	Asia
Country	Bangladesh
City	Dhaka (main focus)
Size/Population	Approximately 16 Crore

4.4 Demographic:

Gender	Male
Age	Basically 16 to 40
Income	Minimum 5000
Occupation	Students, Workers, Businessman, Professional

4.5 Psychographic:

Social Class	Upper middle class, Middle class, Lower class
---------------------	---

4.6 Behavioral:

User Status	Potential users, Regular users
Benefits	Better service and quality
Attitude toward product	Positive

4.7 Targeting Strategies:

Age is the major determinants in targeting the consumers. SPEED reflects the Bangladeshi culture and it represents youth. SPEED is most preferred in the age group among 16-40. Evaluating the resources, SPEED target Dhaka city followed by Chittagong, Sylhet and other cities. By targeting middle class and upper middle class people, SPEED capture a huge market. SPEED is a low involvement product and it is good enough to consume by middle class and upper middle class people.

4.8 Positioning Strategies:

“SPEED” is using position defense strategy as it builds superior brand power and making the brand almost impregnable. SPEED offers highly differentiated product from others and achieving a distinctive place in consumer mind. “SPEED” believes that customer satisfaction is its satisfaction. For these reason, SPEED give the best service to its customers.

Positioning Statement:

The positioning statement of “SPEED” is- *To* all people *our* SPEED *is* trying to satisfy all youth *that* provides quality product with honesty.

Positioning Strategies:

The strategy of “SPEED” is that, it always brings quality product in a reasonable price. Also it focuses local heritage and culture.

Chapter- 05

5.1 MARKETING MIX STRATEGIES:

5.2 Product:

Akij Food and Beverage Ltd believe in providing optimum quality products to value its customers. All the high-tech machineries and factory site is established to enhance the capability to satisfy consumer needs in a profound quality processed manner. The product SPEED Carbonated Beverage has come with the following variations in the market-

Product Category	Brand Name	Size
Carbonated Drinks	SPEED	250 ml pet bottle 250 ml CAN

Table 5.2: Product size of SPEED

The product SPEED first came in the market like 250 ml PET bottle. Although the company was launched with PET and Can. Thus, SPEED has been made with a proper technology. So there is no chance to occur fluctuation in taste. The carbonated drinks contain a very strong taste which can compete with the other competitor of carbonated beverage industry. The following attributes helps a product to added extra value:

Brand: SPEED has a good brand image in local market. Immediately after the introduction of the brand it became very popular among its consumer because of the high quality and intensive distribution in every nook and corner of the country.

Packaging: The packaging of the product is very attractive because of its color black and red combination. AFBL is the first company to introduce full silver bottle packaging and this makes its product more attractive than other competition brands.

The two most critical job of packaging are:

Capture Attention: The colorful packaging catches the attention instantly.

Convey Meaning: The colorful packaging convey the meaning that SPEED is a energetic product.

Quality: AFBL brings quality in life. SPEED contain following qualities:

Serviceability: the service system is efficient, competent, and convenient. The consumers of SPEED deserve safe, refreshing and high-quality products, and SPEED works hard to meet the highest standards of product safety and quality. It is the goal to offer safe and refreshing beverages to all of the consumers around the country.

Performance: Already shows good performance in the local market.

5.3 Price:

The price of the product is very much affordable to the target market. The pricing policy of SPEED has been done very carefully. SPEED has many competitors (e.g. Tiger, Power, Gear) in the market. The pricing of SPEED is discussed below:

Product Category	Brand Name	Size	Price
Carbonated Drinks	SPEED	250 ml pet bottle	BDT. 25
		250 ml CAN	BDT. 32

Table 5.3 : Pricing of SPEED

Compare to SPEED: Tiger (250 ml @ BDT 25), The wholesale rate for SPEED 250 ml PET (1 case= 24 pieces) is 497 taka and CAN bottle (1case= 24 pieces) is 660 taka. “ product, the price is similar enough to encourage the target market to shift their brand towards SPEED.

5.4 Distribution:

Akij Food and Beverage Ltd considered having one of the best distribution channels around the country. This profound distribution channel was specially been made to make the beverage products available to the consumer in each and every part of Bangladesh. By inheriting the advantage, AFBL is able to use the wide network distribution channel to promote and provide its products in each and every niche across the country. The strongest point of SPEED is their intensive distribution channel. They make this thing possible because Akij Group of industries especially their beverage sector has a profound logistic and supply chain management system. So they can easily go to door to door of their target consumers. They believe that delivering products to consumer hands is not sufficient or convenient enough that is why for near future betterment they are trying to develop their distribution channel in such manner that they can easily make their potential customer in to actual customer. And we must say that the dealer of a particular territory is really expert and the do their job on the time.

- **Factory**
- **Depo/ Warehouse**
- **Dealers point**
- **Retailer**

The production of SPEED from AFBL's factory is stored in the ware house. For Dhaka, the ware house is at Panthapath (AFBL office). Then the distribution department at AFBL allocates the products to the dealers around the country. After the products are delivered from the warehouse to the distribution point, the distributing companies accordingly distribute them among the retailers to be sold to the final consumer. Here, the distribution companies are individual entities who are considered to be the business partner of AFBL. AFBL has segmented the entire Bangladeshi market into 9 regions and 27 areas for its distribution purpose. This region and area are shown in below:

Region	Area
Dhaka South	Dhaka-1, Dhaka-3, Zinzira, Narayanganj.
Dhaka North	Dhaka-2, Dhaka-4, Gazipur, Narshingdi.
Mymensingh	Mymensingh, Tangail.
Chittagong	Chittagong-1, Chittagong-2, Chittagong-3,
Comilla	Comilla, Chandpur, Noakhali.
Sylhet	Sylhet, Moulavibazar.
Jessore	Jessore, Khulna, Kustia.
Barishal	Barishal, Faridpur.
Bogra	Bogra, Rajshahi, Rangpur, Dinajpur.

Table 5.4: Region and Area

In these regions, there are more than 800 distributing company who perform the distribution of SPEED. All the companies are well trained and associated with the AFBL's products, business policies and strategies. Region wise the sales of SPEED 250 ml is shown below:

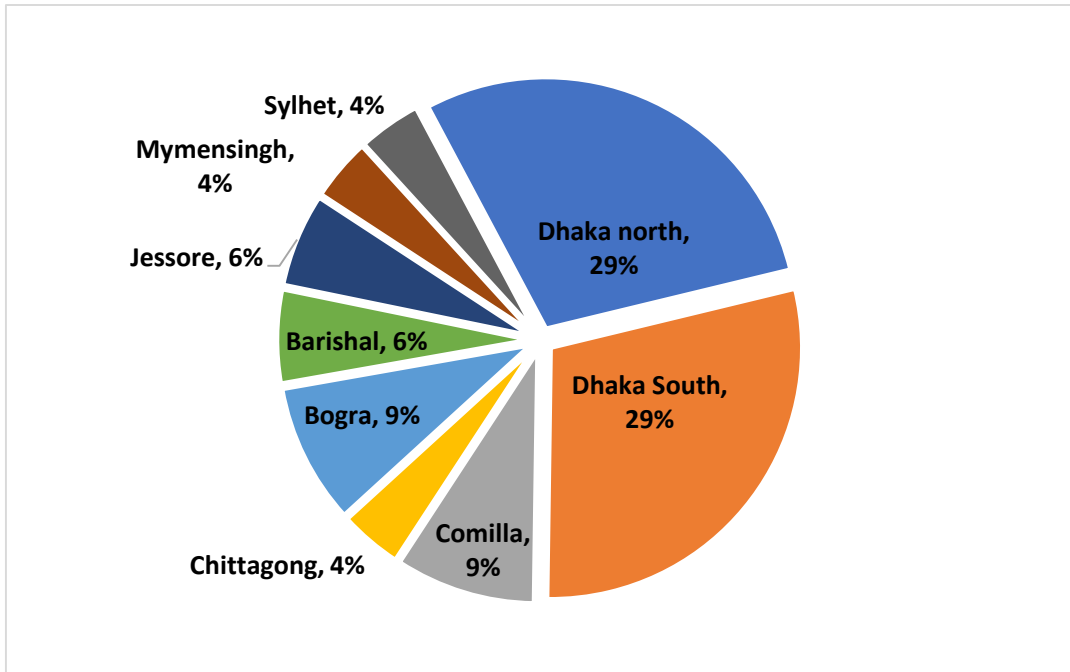


Figure 5.5 : Regional sales of SPEED 250 ml (FY 2016-2017)

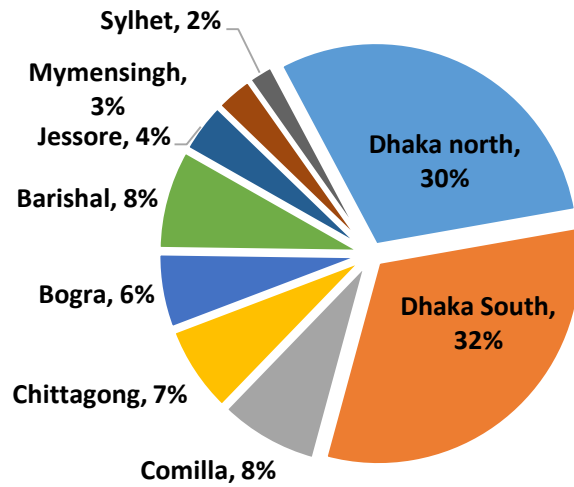


Figure 5.6 : Regional sales of SPEED 250 ml (FY 2017-2018)

From the above graph it is clearly defined that in Dhaka, SPEED sale more than **50%** of total sale for 250 ml. In fiscal year **2016-2017**, total sale was **58%** at Dhaka (Dhaka North 29%, Dhaka South **29%**), followed by the sale of Comilla (**9%**), Chittagong (**4%**), Barishal (**6%**), Jessore (**6%**), Bogra (**9%**), Mymensingh (**4%**), Sylhet(**4%**).

In fiscal year **2017-2018**, again total sale increased from **58%** to 62% at Dhaka (Dhaka North **30%**, Dhaka South **32%**), followed by the sale of Comilla (**8%**), Chittagong (**7%**), Barishal (**8%**), Jessore (**4%**), Bogra (**6%**), Mymensingh (**3%**), Sylhet(**2%**). So each and every year among nine regions of distribution places, SPEED earn a big profit from Dhaka North and Dhaka South.

5.7 Promotion:

It is one of the important facts of a company which it has to nourish in a very proper way to achieve optimum outcome. AFBL values the importance of promotion, because it believes no matter how high quality, good taste, attractive packaging the product avails, it has to be properly communicated to the customer to pursue the final purchase. Here, the promotion of SPEED is designed for fun loving young adults. Both ATL (Above the Line: TV, Radio, Newspaper, Internet), and BTL (Below the Line: Sponsorship, Sales promotion, Direct Marketing) is using for promotional purpose. This type of promotion focuses on advertising to a large number of audiences.

Promotional Activities:

1. Anti-drugs live concert
2. FM 89.6 Dhakar chaka
3. Quiz contest
4. Sponsors of cricket
5. TV show on masranga Television
6. TV Commercial
7. Pitha Uthsob

Promotional Strategies:

SPEED started campaign of their cola drink through fun and entertaining communications. **“Ektu Bujhe Shune Khao-- Khokon Je Ki Hoi Kisu Bola Jay Na”** was the first tagline of SPEED. Now the tagline is **“Ektu Bujhe Shune Khao-- Khokon Je Ki Hoi Kisu Bola Jay Na”**. It grabs its market share within a few years. It also created a lot of attention among people. Now SPEED is the market leader of Carbonated beverage industry in Bangladesh. The promotional strategy of SPEED is shown below:



Advertising:

AFBL has done their researches before advertising. For example: Sampling Test, Product development, Focused group discussion. They also use task objective method for determining advertising budget such as they determine advertising budget to reach the specific goals they have outlined for the advertising campaign. As already SPEED create a positive brand image in youths mind so their advertising campaign strategies call for heavy spending upfront in order to win long-term customers. For any kind of advertising issue **Adcomm Ltd (agency)** works with AFBL. A recent successful campaign of SPEED is “Hat e rakho SPEED, pouche jabe SPEED” which are a facebook quiz and contest.

Newspaper Advertisement: SPEED uses different newspaper of Bangladesh to promote any kind of promotional campaign or activities.

Billboard Advertisement: To reach their consumers they use billboard in different roads of Bangladesh.

Electronic media Advertisement: SPEED uses different Bangladeshi television channels like Ntv, Rtv, Banglavisision, Baishakhi TV, Channel I etc. to promote their campaign. In 2015, SPEED hevvy energy gave a funny ad (**Baire thanda vitore gorom**).

➤ Direct marketing:

As it is the era of internet, SPEED manages gave special importance to promote the campaign through their Facebook page (@**SPEED hevvy energy**), YouTube, and news portal They have already arouses on their Facebook page for that purpose. Through their Facebook page and email address, they are interacting with their consumers.

➤ Sales promotion:

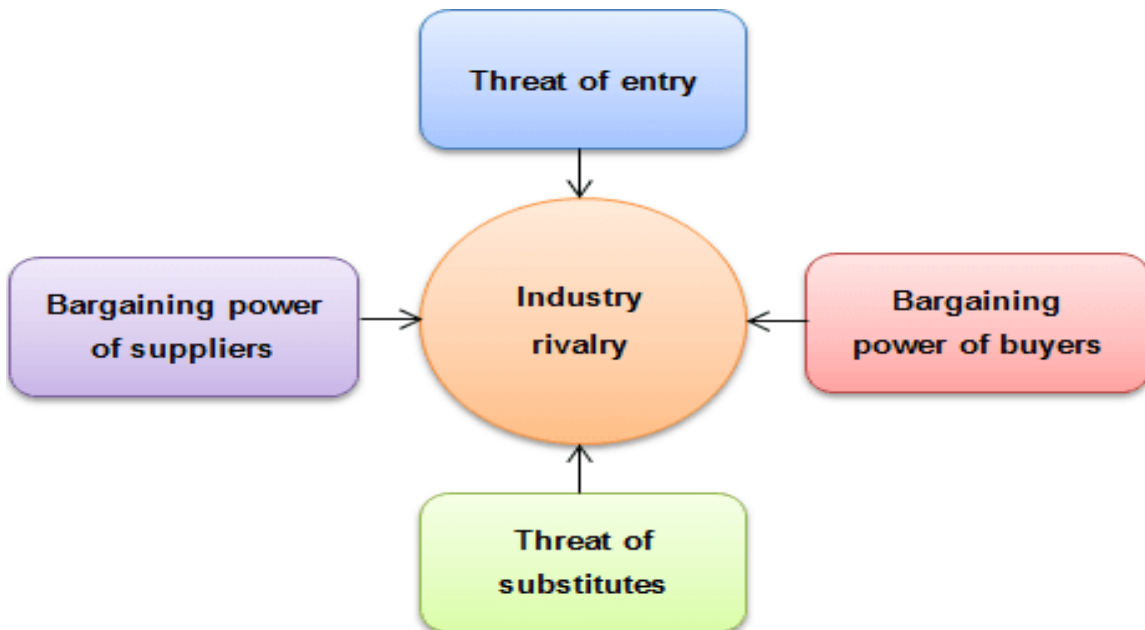
Different companies use different method to promote their product. SPEED make sales promotion by different types of sampling and point of purchase display to promote their product. For example: To promote “SPEED bike mania” campaign, SPEED visit all the main roads across Bangladesh by truck with band party for sales promotion.

Also SPEED successfully launched different project based marketing promotions. For example the campaigns like SPEED: Eider Chand Offer, Bucher offer, Big Bat Wish etc made a great and positive impression on public for SPEED. Local customers welcomed these types of innovative marketing ideas.

Chapter- 06

6.1 ANALYSIS OF PORTER’S FIVE FORCES MODEL

Michael Porter has identified five forces that determine the intrinsic long run attractiveness of a market or market segment: industry competitors, potential entrants, substitutes, buyers and suppliers. AFBL uses porter’s five forces model to identifying the position of SPEED. His model is shown in below:



6.2 Threat of New Entrants: Low Pressure

The most attractiveness segment is one in which entry barriers are high and exit barriers are low. Few new firms can enter the industry and poor performing firms can easily exit. Entry barriers are relatively low for the beverage industry: there is no consumer switching cost and zero capital requirements. SPEED is seen not only as a beverage item, but also as a brand. It has held a very significant market share within a short time and loyal customers are not very likely to try a new brand.

6.3 Threat of Substitute Products: Medium to High Pressure

A Segment is unattractive when there are actual or potential substitutes for the product. Substitutes place a limit on prices and on profits. There are many kinds of energy drinks (SPEED/Tiger/Black Horse/Power/Red bull), juice (Pran Frooto, Frutika) products are available in the market as substitute product. SPEED doesn't really have an entirely unique flavor. In a blind taste test, it is really tough one for people to identify the difference among SPEED, Tiger, Black Horse, Power. Here, the substitutes play a big role to become a threat for SPEED.

6.4 The Bargaining Power of Buyers: Low Pressure

A segment is unattractive if buyers possess strong or growing bargaining power. Buyers bargaining power grow when they become more concentrated or organized, when the product represents a significant fraction of the buyers costs, when the product is undifferentiated, when buyers switching costs are low, when buyers are price sensitive because of low profits or when they can integrate upstream. If we consider "SPEED" we can observe that they are price sensitive and buyers have no require for bargaining. As a result, there is less bargaining tendency of the buyers.

6.5 The Bargaining Power of Suppliers: High Pressure

A segment is unattractive if the company's suppliers are able to raise prices or reduce quantity supplied. The main ingredients for Carbonated beverage include carbonated water, phosphoric acid, refined sugar, and caffeine. The suppliers are not concentrated or differentiated. Considering "SPEED", AFBL works with Switzerland based suppliers. So, if the supplier poses high demand in future then it is becoming a challenging issue for SPEED.

6.6 Rivalry among existing Firms: High Pressure

A segment is unattractive if it already contains numerous of strong, aggressive competitors. It is even more unattractive if it is stable or declining. Currently, the main competitor is Tiger, Gear, Black horse and Power. This types carbonated beverages and committed heavily to sponsoring outdoor events and activities. That's why those are become a strong threat for SPEED because they established a strong position in market.

Chapter- 07

7.1 MARKET SCHENERIO OF LEADING CARBONATED BEVERAGE BRANDS IN ENERGY DRINKS CATEGORY

The availability of a energy drink has a direct positive effect on the consumer energy drinks choice. Consumers may use perceived quality information to evaluate a brand when the consumers do not have sufficient knowledge of intrinsic cues. It should not be forget that consumers serve the ultimate judge of quality in the marketplace.

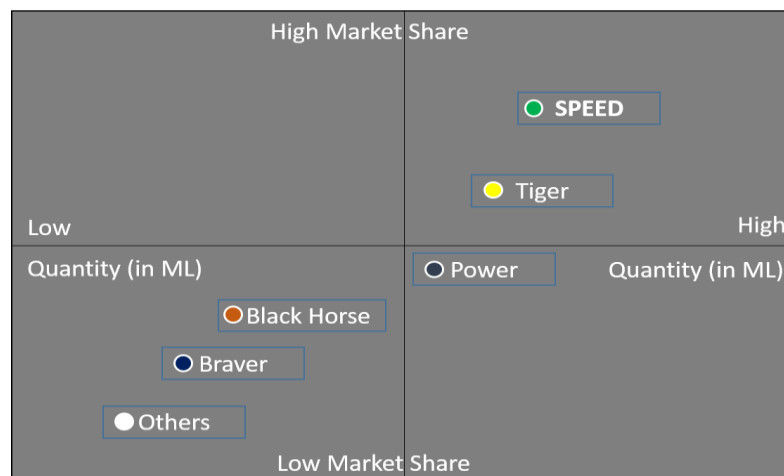
While introducing a new product, well reputed organizations may fail if it does not fit consumer’s perceptions of high quality. In Bangladesh, the growth of energy drinks has increase in a rapid way. The quantity and market share of leading energy drinks brands in carbonated category are given below:

	Brand	Mkt Size (in Litter)	Mkt Size (in Crore)	Mkt. Share (%)	Category Growth
Energy Drinks	Speed	79,541,000	689.3	43.7%	14.50%
	Tiger	75,236,808	652.0	41.3%	
	Power	10,962,418	95.0	6.0%	
	Gear	7,602,420	65.9	4.2%	
	Sting	3,132,120	27.1	1.7%	
	Others	5,481,209	47.5	3.0%	
	Total	181,955,976	1576.8		

Source: “The A.C Nielsen Company Ltd.(2017)”

7.2 Perceptual Mapping:

Perceptual mapping offers marketing managers a useful technique for measuring and developing a product position. It takes consumers perception of how similar various brands or products are to each other and relates these perceptions to product attributes. According to the data of **A.C Nielsen**, through perceptual mapping the position of



SPEED is seen compared with other cola brands in the market. Here the market share of cola brands is shown in perceptual mapping:

Figure 7.2: Perceptual mapping

From perceptual mapping, we can see that SPEED has the highest market share compared with other Carbonated beverage brands in the market.

RECOMMENDATION

In this modern time the market is so much competitive. Akij Food and Beverage LTD. also have lots of giant competitor in market. In this situation AFBL can focus below things for keep their rank and also in consumer mind:

- Need to developed new product in market
- Need to increase the promotional activities
- Increase the brand awareness
- Decrease the communication gap with supplier and distributors
- Gives more focused on customers need
- Try to mutual the external and internal problem

Recently a medical research study proved that energy drinks are so much harmful for health, it's can damage our stomach, kidney and can makes other health disease. So AFBL need to handle this thing very carefully and provides healthy product to consumers for keep their best position in consumers mind.

CONCLUSION

The carbonated beverage drink producers in Bangladesh succeed mainly because of complying with the consumers purchasing power and delivering the message to the end users effectively. The cost sensitiveness of the local consumers makes a strong base of success for the local producers. The journey of SPEED is almost 10 years and as a local brand it has to compete with some strong competitors like Tiger and Power. To survive in this red ocean of competition it has to be fulfilling the demand of its consumer. AFBL have to focus more on project based production process with regards to project based marketing activities. Truly they are very successful in this area. They are the most pioneer in this area.

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