

INTERNSHIP REPORT ON
MARKETING ACTIVITIES OF FURNITURE: A STUDY ON PARTEX FURNITURE
INDUSTRIES LIMITED

Prepared for:

Dr. Masudur Rahman

Professor

Department of Business Administration

Daffodil International University

Prepared by:

Md. Suruzzaman Sujan

ID: 132-14-1162

Program MBA

Major in Marketing

Daffodil International University

Submission Date: September 23, 2014

Letter of Transmittal

September 23, 2014

To

Dr. Masudur Rahman

Professor

Department of Business Administration

Daffodil International University

Dear Sir,

It is my pleasure to hand you the Internship Paper for PARTEX Furniture Industries Ltd. The Subject of my analysis is Partex Furniture, one of the concerns of the Partex Group- a renowned national conglomerate. The study encompassed a thorough analysis of Problem and Pattern of Partex Furniture. I have completed my analysis of the current situation with recommendation that is believed to be fruitful for the concern of the conglomerate.

I would like to thank you for providing me with the opportunity to conduct a study such as this, which help me to gain a deep insight into the activities of the business in complement with the theoretical knowledge provided by Dr. Masudur Raman. I hope that you enjoy reviewing this report as much as I have enjoyed doing it.

Sincerely,

Md. Suruzzaman Sujan

ID: 132-14-1162

Major in Marketing

Daffodil International University

CERTIFICATE OF SUPERVISOR

This is to certify that Md. Suruzzaman Sujan student of MBA, Daffodil International University, ID No: 132-14-1162 successfully completed his “**Internship Program**” entitled “**Marketing Activities of Partex Furniture**” Special reference to **Partex Furniture Industries Limited**, under my supervision as the partial fulfillment for the award of MBA degree.

The student is found to be sincere, hardworking, self-motivated and he has put a lot of work and also brought his own views and ideas these are being studied for implementation at appropriate place at suitable time.

He has done his job according to my supervision and guidance. He has tried his best to do this successfully. I think his program will help him in the future to build up his career.

I wish his success and prosperity in life.

.....
Dr. Masudur Rahman

Professor

Department of Business Administration

Dhaka International University, Bangladesh

Acknowledgement

It has been a great pleasure for me to conduct the Internship Paper on Partex Furniture Indus. Ltd. At first I would like to thank to Allah. I also thank to my Supervisor Dr. Masudur Rahman for giving me the opportunity. Internship is a very important part for me to learn the environment of the company.

In my report I have tried to express all what I have learned in the time and to my keen observation what I feel about the different system of the company.

I would like to thank to Deputy General Manager, Marketing & Sales of Partex Furniture Industries Ltd. He helped me to find out the information of my companies internal communication. Also thank to Md. Abu Tariq Zia Chowdhury, employee of this company and other employees of Partex Furniture.

At last I would like to thank to Director, In Charge-Cx-1 and for giving his ideas and experience about furniture market in Bangladesh. He also has given the opportunity to visit total production process of Partex Furniture factory.

Executive Summary

Partex furniture Industries Limited is a growing company in furniture industries of Bangladesh; it almost has gone the market leader position in Partex board and upper class wooden furniture. Its mother concern is star particle board supplies the product all over the country.

Partex furniture produces two types of board such as; laminated board and Partex board.

Laminated board: The raw material of LB is cheeps of wood. The lamination paper (melamine paper, pvc and normal paper) which imports from abroad is attached into upward and backward both side of the board and the bits of this board are covered by edging.

Partex board: Raw material of this board is cheeps of solid timber. It is made high technological machineries.

Wooden furniture: The wooden furniture is made by Furnitex board which is attached with the veneer. The whole frame of the product is wood and the body is made by Furnitex board besides many wooden furniture are made by traditional way which is made by pure wood.

This report is divided into three parts, the introduction part, organization part and conclusion. The introduction part discusses origin of the report, history, Vision, Mission, Values, etc. the organizational part describes the corporate structure of Partex Furniture Indus. Ltd. and the Conclusion part discussed over all findings, recommendation.

Table of Contents

Chapter	Topics	Page No.
	Cover page	I.
	Letter of Transmittal	II.
	Certificate of Supervisor	III.
	Acknowledgement	IV.
	Executive Summery	V.
Chapter-One	Introduction: a. Origin of the report b. Problem & Purpose c. Objective of the study d. Scope e. Sources and Methods of collect f. Limitations	1
Chapter-Two	Company Overview: a. History b. How to started c. Vision d. Values	4
Chapter-Three	Customer Focused & Innovative	8
	Summary of Marketing mix Strategies	9
	Marketing Mix	10
	The Marketing planning process	15
	Corporate level strategy	16
Chapter-Four	Company Profile Partex Furniture Ltd.	23
	Main furniture companies in Bangladesh	24
	Segmentation	25
	Targeting	26
	Positioning	26
Chapter-Five	Internal Analysis- Summary	27
	External Analysis –Summary Five factor model	29
Chapter Six	SWOT Analysis	38
Chapter Seven	Major Findings and recommendation	41-42
	Conclusion	43
	Bibliography	44

Chapter-One

Introduction:

Partex Star Group

Partex Star Group is one of the largest Bangladeshi diversified private sector enterprises. The Group, the then Partex Group, started its journey in 1962, with the torchbearer, **Mr. M.A. Hashem**, the founder Chairman of the then Partex Group, an eminent industrialist of the country.

Partex Star Group owns and successfully operates twenty manufacturing, service and trading concerns delivering best values to customers through its products and services. Our business primarily exists in two different areas – consumer durables like different types of boards (particle board, veneer board, melamine faced chip board, plywood, PVC sheet) doors and door frames & furniture to FMCG like dairy products, cookies, spices, etc.

Our team is dedicated to creating an enriched customer experience through a top-to-bottom focus on excellence in execution. From the hiring of people to the selection of merchandise, the negotiations with vendors to the design of ours showrooms, the generation of the purchase order to the delivery to our customers' homes.

A motivated work force, management and committed board members led by the Partex Star Group Chairperson and backed by a market oriented corporate strategy has been the cornerstone of the group's success.

Partex Star Group–living a legacy, presenting a new face forward.

Origin of the report:

This report is prepared to fulfill the partial requirement of my Internship of MBA Program of Daffodil International University supervised by Dr. Masudur Rahman, Professor of DIU Business faculty. I have been working in Partex star Group ltd. since June 1st 2014 and I have prepared this report in align with my assigned job responsibility.

Problem and Purpose:

My corporate purpose is state that to succeed the problems and pattern statement of Partex Furniture. But the whole information about Partex Furniture as like what is working system how is its management system and etc. **As I am working in the Retail section**; how they are pursuing their Retail strategy around the globe. To focus on the main issue I have also pointed out the following specific objectives:

- To find out whether Partex is following the Experiential Retail.
- To find the above finding I have some specific projects.
- Analyzing the marketing process of Partex furniture to understand whether its marketing is on right track or not

Objectives of the study;

The objective of the internship program is to be familiarized me with the real market situation and compares it with bookish concept. The main objectives of this report are to have an assessment about the situation in addition the study seeks to achieve the following objectives:

- To identify the target market of Partex Furniture Industries Ltd.
- To explain marketing mix of Partex Furniture Industries Ltd.
- To find out the perception and brand awareness of the consumer of Partex Furniture Industries Ltd
- To find out the overall pictures of the company.
- To make SWOT analysis of the company.
- To make some recommendation to solve the problem.

Sources and Methods of collect:

Data collected by two ways that is,

- Primary sources
- Secondary sources

➤ Primary sources

I used very practical type methods. I am working here as an employee so that I got opportunity to see their activities very closely. I asked my reporting boss and other colleagues about the company and its activities, which are very near to my report. I have interviewed the owners of different outlets.

➤ Secondary sources

I have also done some research on secondary data from books, magazine and different related case study.

Limitations for the study:

As I have completed my internship in Partex Star group, monipuripara Branch, I have enjoyed a very well decorated environment and comfortable place. The officers are very co-operative but they are too busy to give me time to get knowledge about practical activities. For these reasons I deprive of having practical knowledge. Short time duration and lack of practical knowledge are the main limitations of the study. Every project has some limitations. I faced some usual constraints during the course of my internship.

Chapter-Two

Company Overview



a. History:

Partex Furniture is leading manufacturing furniture, brought revolutionary changes in the furniture market in our country since its start 2000 and owned by Mr .Aziz Al Kaiser. First it had started in a small scale, but today Partex furniture is fully equipped with latest technologies.

In 1928, the signature of the Red Line Agreement and the confirmation of the shareholding participations of the Turkish Petroleum Company (TPC) marked the consolidation of Calouste Gulbenkian's firm involvement in the oil industry in the region. TPC then changed its name to Iraq Petroleum Company.

A decade later, in June 1938, Calouste Gulbenkian decided to incorporate his assets in the oil business in a Company that he created in Panama: Participations and Explorations Corporation. The name of the Group - PARTEX - originates from the name of this Company.

Since Calouste Gulbenkian's death, in 1955, the Middle East oil industry and, as a result, the Group's holdings have changed significantly. These changes particularly affected the concessions held by the Iraq Petroleum Company which were nationalized in 1973.

As a result of the strategic decisions and business requirements of Partex, new companies have been created over the years. In March 1998, almost 60 years after the first company was created, a holding company was incorporated in Cayman Island - Partex Oil and Gas (Holdings) Corporation - owned 100% by the Calouste Gulbenkian Foundation. It became the holder of the Gulbenkian participations in the oil and gas business and, directly or indirectly, the only shareholder of all the Group Companies.

Organization and Structure

The Partex Oil and Gas Group is organized basically by geographical areas and holds interests in concessions and joint ventures engaged in upstream activities related to the oil and gas industry, namely, exploration, development, production and sales.

The Group is structured in sub-holding companies, management units, concession companies and service companies that provide to the joint ventures and operating companies in which the Group participates all the necessary advice and financial, technical, management and human resources support that they require, in accordance with the strategy and guidelines defined by the Holding.

Partex Group is among the large Bangladesh private sector manufacturing and service based enterprises, owning and operating over twenty units giving value for money to all customers. The group started modestly in 1959 in tobacco trading and with prudent entrepreneurship of our Founder Chairman Mr. M.A, Hashem today we have a stake in tobacco, food, water, soft drinks, steel container, edible oil, wooden board, furniture, cotton yarn and the IT sector. After

Bangladesh was established our Chairman set up M/S Hashem Corporation (Pvt) Ltd, in Chittagong city meeting the large demand of food and materials needed for sustaining the needs of a new nation through imports. From importing to import substitution was the next logical step and the stepping stone into the manufacturing sector, which has matured to the multimillion dollar diverse investment of the Partex Group today. A dedicated work force and committed board members led by our Chairman and backed by a market oriented corporate strategy has been the cornerstone of our success. Today the group has over twenty family owned private limited companies with a sizable turnover. Ours is a dynamic organization always exploring new ideas and avenues to expand and grow further,

<p>Group Management</p> <p>Mr. M. A, Hashem</p> <p>Chairman</p>
<p>Mr. Aziz Al-Kaiser</p> <p>Vice Chairman</p>
<p>Mrs. Sultana Hashem</p> <p>Director</p>
<p>Mr. Aziz Al-Mahmood</p> <p>Director</p>

b. How to started:

A combination of special imported laminated board, stainless steel accessories and high standard plywood offers the best quality and cost effective substitute for natural timber for custom made innovative, modern and use of timber substitutes as well as products of solid timber. Within a

short span of time lamination board furniture has been able to claim a sizable portion of the market. This is a commitment of Partex Group to use eco-friendly materials, as much as possible. Currently, we are providing an ever increasing range of product to meet greater than ever demand of furniture for household, offices and educational institutions.

c. Vision

We are the leading furniture solution provider in Bangladesh achieving our business vision through growth in market reach, increasing operation size, international distribution, total service and consistent branding activities by being most customer focused and innovative, cost effective & efficient, environmentally reasonable & quality concerned company in the business.

d. Mission

To be the most consumer focused, competitive, efficient, innovative, and environmentally responsible and quality concerned leading market oriented furniture manufacturing, sales and distributor of Bangladesh.

Chapter-Three



Customer Focused & Innovative

We believe our success depends on our customers. Thus, our primary value is fulfillment of our customer's needs. Our manner of achieving this success is to include value for money, different price ranged functional products, complete solutions, free technical consultancy services, after sales support, efficient delivery, and above all quality product that exceeds expectation. We believe in providing our customers new and innovative product with international standards to match with the changing lifestyle of today.

Competitive & Efficient

We believe our competitive nature thoroughly ensured as when we provide highest quality product in the most perceived prices. We are committed to our Value In relationship with our stakeholders where our core product is associated with efficient and reliable services.

Environmental Stewardship & Excellence in Quality

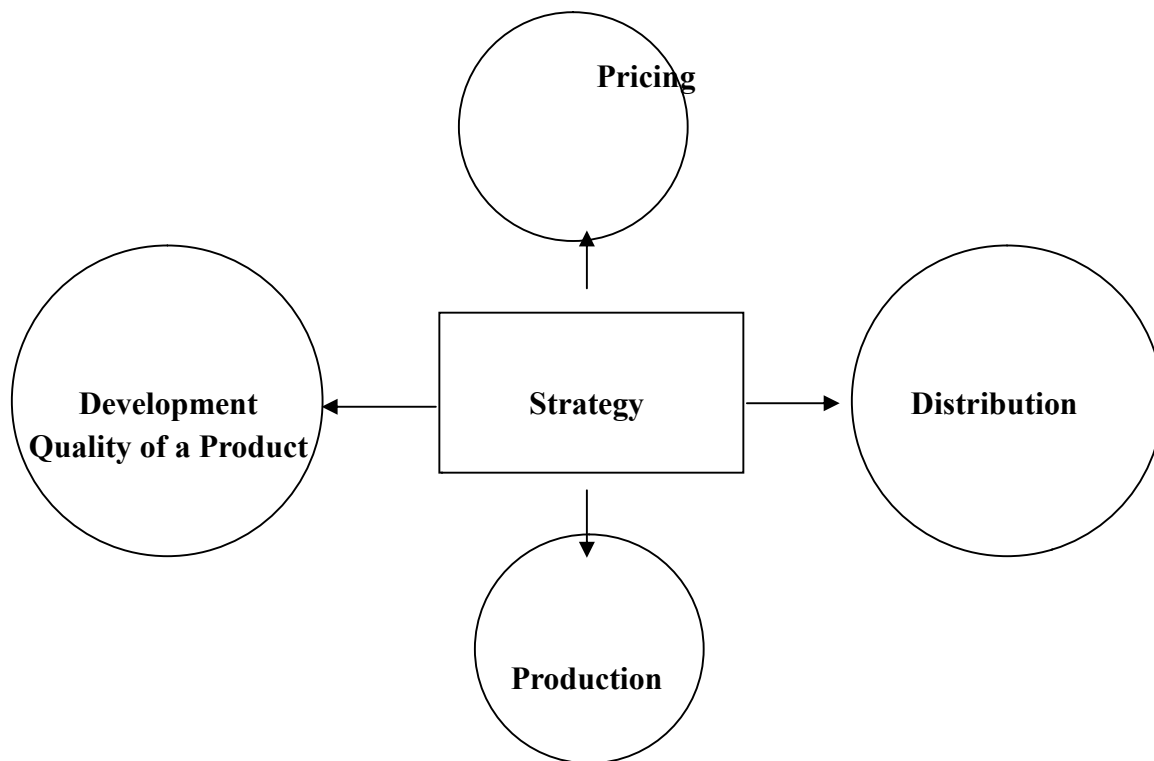
We believe in maintaining, operating our business in such a manner so that it is sustainable for the future. We want to combine the use of wood and create wood substitute product for our furnishing needs and constantly devote our production, research & development to remain

environmentally responsible. We are committed to find new methods and technologies to improve our services .we believe excellence is our only standard for ail our approaches.

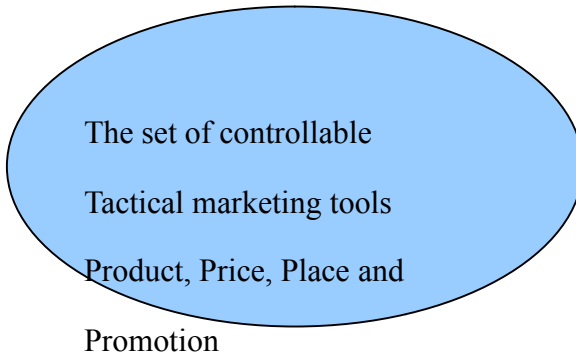
Integrity

We are committed to conduct our business in such a way that demonstrates highest ethical standards .We believes integrity is our imperative utility to succeed in what we do.

Summary of Marketing Mix Strategies



Marketing Mix



Products:

We know that Partex is the 2nd biggest furniture brand of our country. They have about 26 different types of furniture. Not only is that Partex furniture the symbol of status now a day. Most of the big corporate house now purchasing their office furniture from Partex. They provide both customize and standardize product. For customize product a buyer give the order and Partex produce according to that and in case of standardize product Partex make the product itself and keep it in the outlet for buying of the people. Among the 26 different brands the main brands of Partex are,

- Home Care
- Corporate Care
- Industial Care
- Lounge Care
- Edu Care
- Medi Care

Not only that they also take the orders for kitchen fittings. The main advantages with the Partex products are,

- Multiple colors
- Knock Down System
- Elegant Design
- Competitive Price
- After Sales Service

Price:

We know that Partex now a day is one of the symbols of status. The price of Partex furniture is a bit higher than that of the competitors. According to the officials of the outlet of Partex “As they are giving the best quality raw materials in each furniture their price is a bit higher.” They also told us that they import each of the raw materials from the country where they get the best one. But according to them though their raw materials are more costly than their competitors their price is competitive. The price range of different furniture are given below,

Table: Price Range of the different products of Partex Furniture

Products	Price range
Chair	Tk.1970 – 35,000
Table	Tk. 4,600 – 40,500
File Cabinet	Tk. 8,900 – 65,500
Bed	Tk. 14,900 – 100,000
Dining Table	Tk. 5,300 – 120,000

According to the officials of the Partex Furniture their price is depends on the quality of raw materials, high technological machineries and overhead cost.

Place:

The target market area of Partex Furniture is the metropolitan city area. The addresses of the showrooms are,

- Partex Corporate Office: Baiush Sharaf Mosque Complex (4th Floor), 149/A Monipur Para, Bir Uttam Ziaur Rahman Sarak, Dhaka – 1215, Bangladesh
- Monipuripara: 149 monipuripara, Bir uttom Ziaur Rahman shorok Dhaka 1215
- Mirpur: 1246 East Monipur Begum Rokeya Shoroni.
- Gulshan: 108 Gulshan Avenue (1st floor) Dhaka 1212
- Uttare: Nawab Mansion (Ground Fl and 2nd to 5th Floors), Plot: 22, Sector: 11, Sonargaon Janapath, Uttara, Dhaka-1230,
- Moghbazar: 8, Gulfesha Plaza (1st Floor) Shaheed Sangbadik Salina Parveen Sarak,
- Badda BH Plaza (1st, 2nd & 3rd Floors), Ka-50/2 Shahid Abdul Aziz Road, Progoti Sharani, Badda, Dhaka,
- Panthapath: Plot # 6, DH Tower, Panthapath, Dhaka-1215, Bangladesh, Tel: 9101570,
- Shakhipur, Tangail: M/s A B Enterprise Girls school Road, Shakhipur, Tangail
- Tangail: M/S A. B Enterprise Hazi Market, Biswas Betka, Mymensing Road Tangail
- Chittagong: Zohora Tower, 1401, Agrabad C/A, Chittagong 1400
- Mohammadpur : M/s Star Furniture World 24/8, Tajmahal Road (In front of Japan garden City)
- Manikgonj: M/S Liton Enterprise Khan Tower 45. Ganga Dhar Patri Manikgonj
- Keranigonj,: Dhaka Anu Enterprises Hazi Nazrul Islam Market Kadam Toli Golchakker
- Mymensingh: M/S-Azad Steel house 82/A, C. K Ghosh Road, Mymensingh
- Narayangonj: M/S Haji Sultan Uddin Ahmed 46, Salimullah Road, (Near Don Chamber) Khanpur, Narayangonj
- Bhairab, Kishoregonj: M/S Nushrat Enterprises Bangobandhu Sharani Road Bhairab Kishoregonj

Promotion:

All the firms try to keep their brand on the top ladder of the people mind by its promotional activities. Partex also has its own promotional activities to keep itself on the top of the people's mind of Bangladesh. Partex use both ATL (above the line: TV, Newspaper, Direct Selling) and BTL (Poster, Banner, Neon Sign) promotional strategies. But for a product like furniture "Above the Line" promotional strategies specially direct selling, are the main one.

Direct Selling:

Partex Furniture has some very skillful and experienced marketing executives. Usually they go to the big corporate houses of Dhaka and Chittagong city with their leaflets and other promotional tools.

Banner:

The banner is specially made because of the present Rainy season. In fact they use another ATL strategy in the banner. To promote the sales in this season they give 15% discount to all the furniture. This information and their showrooms are given in the banner.

Paper ad:

The paper ad basically shows the high status of Partex Furniture. Not only that as when International trade Fair was on going the special offer 18% discount was also mentioned in the newspaper ad.

People:

Partex has very skilled and efficient human resources to run its business. The whole firm is lead by the Managing director of Partex. About Five thousand and five hundred employees are working with Partex star Group.

Packaging:

It is not possible to give packaging for furniture. But after purchasing the furniture they rapped the whole furniture or the sensitive portion by the plastic raping paper.

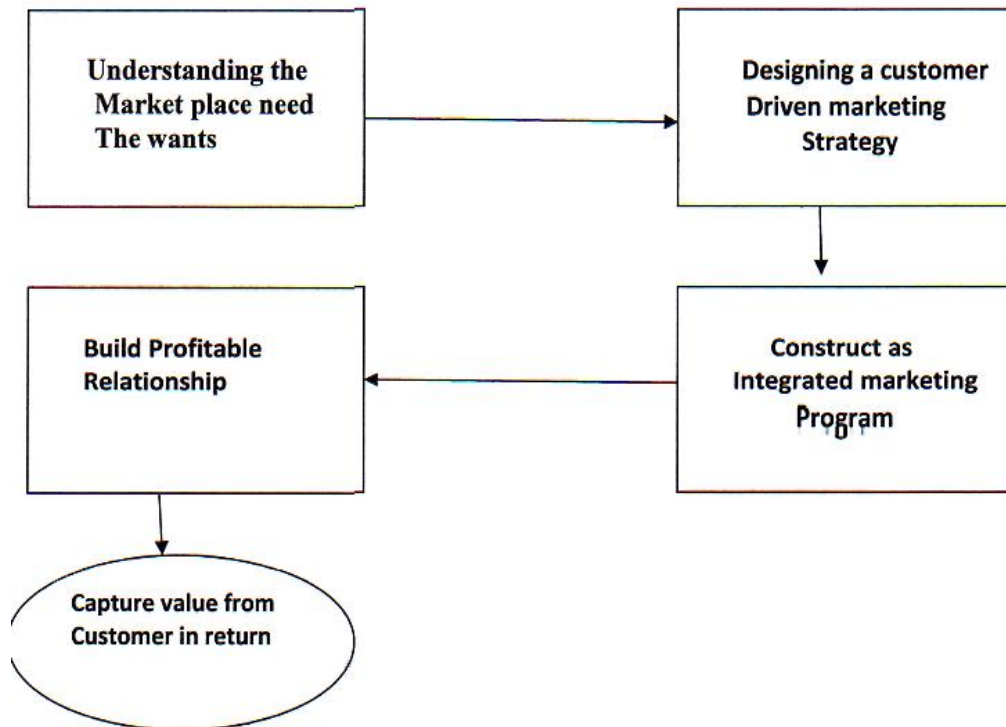
Physical environment:

This refers to the way product, service, and everything about the company, appears from the outside. Decisions need to be made about the size, shape, color, material, UPC bar code, and label of the packaging. This should be customer tested and updated when needed.

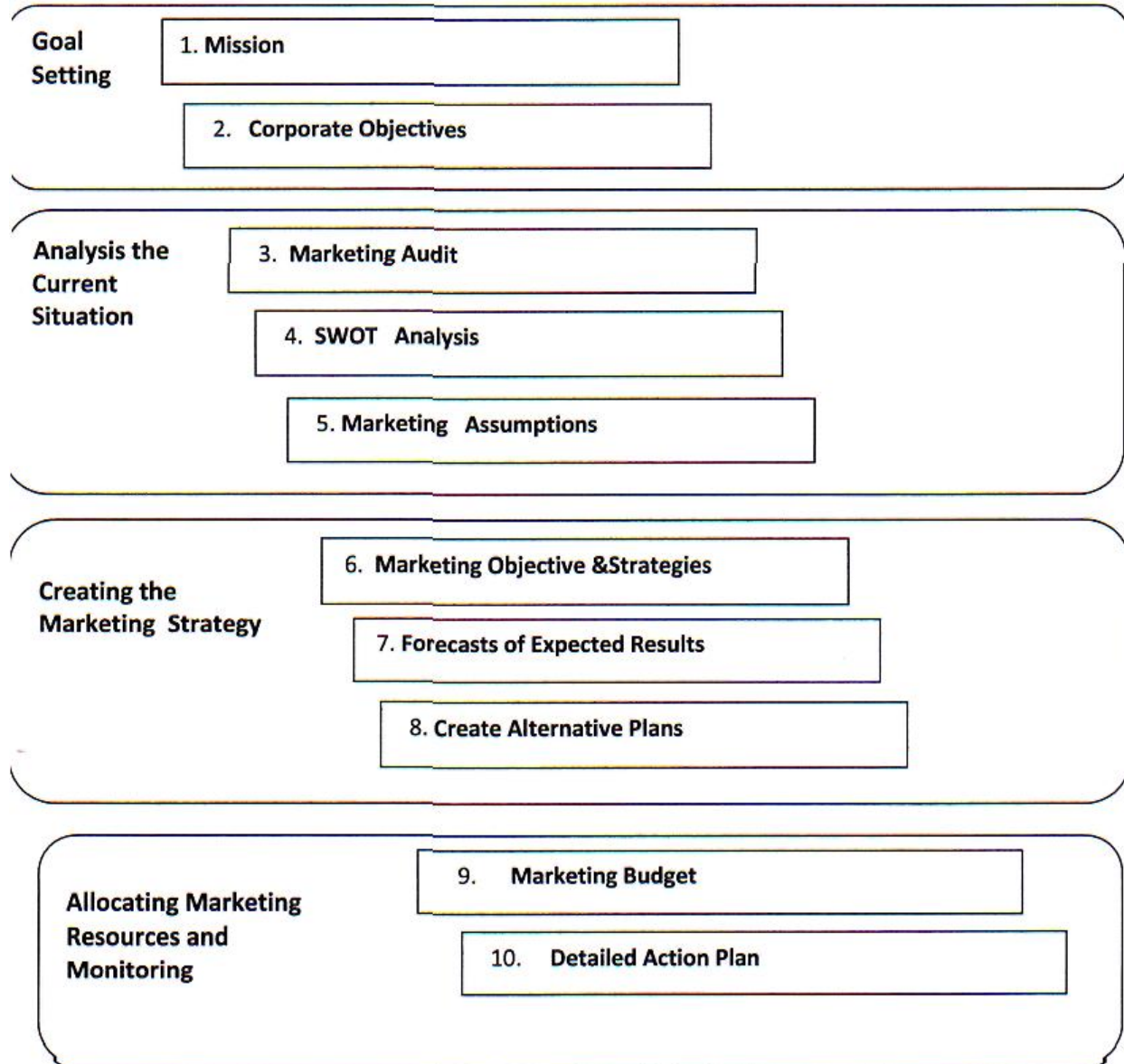
Process:

The Value-added services that differentiate the product from the competition (e.g. after-sales service, warranties)

The Process of Marketing



The Marketing planning process



Corporate Strategy

Partex has vertically integrated in to the furniture industry. Partex had the upper hand in producing the particle board which is the raw material to produce furniture and they used to supply this particle board to other furniture making companies to produce furniture .But the corporate manager decided that they could vertically integrated in to the furniture industry since they would be producing their own raw material .they also came up with an innovative idea of making use of the unused part of the log which they use for making particle board. Partex also has a widespread distribution network which it can use for the furniture as well.

It may be added that Partex has vertically integrated in other businesses as well apart from the furniture industry .Fr example, under complex -Partex had Danish condensed Milk (BD) Ltd. Danish Food product, Danish milk mills Ltd .Then Partex vertically integrated and came up with Danish Distribution Network Ltd.

Because of vertical integration, Partex enjoys some competitive advantage compared to its competitors.

Partex has invested in the furniture industry and this huge investment acts as an entry barrier to its potential new entrant.

Partex will also be able to realize Economics of scope since they are fully integrated in the furniture industry i.e. from producing raw materials to distribution them.

They have two

In the furniture industry: one is timber based furniture and the other is panel based furniture

Timber Based:

This

is considered as Question Marks since the relative market share is low, but there is tremendous potential for growth in this industry .this SBU need a lot of cash injection which Partex has already done and plans to do the same in furniture.

Panel Based:

This is considered to be a cash cow. They have a high market share and they are generating positive cash flow for Partex.

Drawback of the Current Strategy

Partex is finding it very difficult to integrate all their businesses in the industry in addition; Partex has a very complex structure. Thus their bureaucratic cost is very high.

Recommended Strategy

Partex should change its current organization structure and make it simpler so that their bureaucratic cost can be lowered which will give them a competitive advantage.

Corporate level strategy

Partex has vertically integrated both into the panel based and timber -based furniture industry because of strength in raw material supply.

Because of vertical integration, Partex enjoys competitive advantage compared to its competitors.

Partex has invested tk. core in the furniture industry and this huge investment acts as an entry barrier to its potential new entrant.

Integrated in the furniture industry i.e. From producing raw materials to distributing them.

Thus the two

in the furniture industry: One is timber based furniture and the other is panel based furniture

Business-level Strategy:

Interestingly enough the generic strategy for Partex is 'cost Leadership and Differentiation' rather it is differentiation (not pure differentiation) backed up by absolute cost advantage. The result is premium price charged for products similar to the competitors and obtaining lower cost than pure differentiation and higher levels of profits than firms pursuing only one of the generic strategies.

Principal Issues

Partex strategy manager's plan of action for using the companies resources and distinctive competencies to gain a competitive advantage over its rivals in the local market is based mostly on its cost advantage over the competitors. At the heart of the generic business level strategy for the company lie the choices concerning product differentiation, market segmentation, and distinctive competency. These issues of Business level strategy information according to Partex are discussed below:

The differentiation of furniture according

The study on Partex product offerings con not that the company follows two different strategies for both panel based furniture and Timber based furniture. These current are as below:

Current product Differentiation Issues:

Type of furniture Issues for product differentiation Panel based. This type of furniture is target to satisfy special category of needs office furnishing, kitchen and home appliance, lower middle class home furnishing by offering low -priced products.

However, selected customization of these products is also offered allowing minor differentiation for upper middle to higher economic classes in the local market Timber This type of furniture offers uniqueness through the product appeal to the consumers physiological needs such as brand image and perception of Partex furniture being high end product.

Recommended Differentiation Issue:

The capacity and the market forces suggest that the current strategy is sufficient for Partex to continue in the industry.

The Segmentation of the furniture market:

Partex management grouped their consumer in terms if the income based classification and performances. The segmentation is unusually large and looks apparently unrealistic to allow Partex to gain competitive advantages. However, due to the nature of the business of two types of furniture, the target group is bound to be relatively larger. The current segmentation strategy is followed for both panel and timber based furniture market.

Current Segmentation Issue;

The current segmentation strategy of Partex for both of its product line panel based and timber based is a broad rang -lower middle class to the upper up per class of the economic division of the Bangladesh market,

Recommended Segmentation strategy:

Type of furniture	Issues of segmentation
Panel -based	Lower middle to upper, upper furniture class as panel based consumer can be targeted for: <ul style="list-style-type: none"> • Office furnishing. • Kitchen furnishing with customization. • Home furnishing for lower middle class
Timber	Timber based furniture with new conception of brand furniture is suitable for the upper middle to the upper end market with focus on appeal.

Distinctive competency for the business -level strategy:

As previously discount Partex current distinctive competency is focused on:

Current distinctive Issue:

Focused on continual product quality Partex strive to reach for better customer responsiveness through a clear focus of the market trends and product innovation by newer designs. The organization of distinctive competencies includes superior efficiency in production for the panel based furniture but does not entail for the timber based furniture This is however not a weakness, rather a characteristics for the timber furniture industry,

Recommended Distinctive Issues:

Since costs -Eldership is followed is panel -based furniture the corresponding distinctive .similarly ,for timber -based furniture following a differentiation strategy should ideally have R&D sales and marketing as its distinctive competency Partex fulfills both these criteria .

The choice of the Generic Business level strategy:

Partex enjoys a distinctive production development within the system as the raw materials for its panel and timber based furniture both come from the single source .As a result the company manager to reap gains from cost advantage as well as brand image and appeal, leading to differentiation strategy.

Current Business —Level Strategy:

Interestingly enough the generic strategy for Partex is not cost Leadership and Differentiation rather it is differentiation backed up by absolute cost advantage. The result is premium price charged for product similar to the competitor and obtained lower cost than pure differentiations and higher levels of profits than firms pursuing only one the generic strategies.

Recommended Business -Level Strategy:

Outwardly, the Generic Strategic for Partex may seem to be a stuck in the middle as no pure strategy is followed and as a result wrong resource allocation decision may occur leading to a loss of control in the genetic strategy .however the cost advantage achieved by vertical integration and the image of Partex brand helps the company to be an a position where it can change presume price for the product. Which has differentiation ability? This recommendation strategy should be;

Types of Furniture	Generic strategies
Panel -based	Cost Leadership and Differentiation as competitors (otobi) follows Differentiation strategy as well.
Timber	Differentiation strategy with absolute cost advantages gained from production development and vertical integration.

Current Investment Strategy:

Partex is investment resources to develop new sales and marketing strategy. The new show room and the plan to employ architects in the sales forces is an example to this strategy implementation .Also the investment of Tk.180 crore is a strategy to build resources that the company is following now.

Recommended Investment strategy:

Aside from following the current strategy Partex should also engages in R&D to maintain their lead as a differentiator and introduce newer designs to capture more market share . The Recommended Business –

Level strategy:

Partex should follow two different Businesses -Level strategy for panel timber furniture market. More narrow segmentation should be focused with differentiation strategy for timber furniture and cost Leadership in panel furniture backed up by the cost advantage achieved from vertical integration in both the field. Finally, investment should be made to capture more market share by innovation and furniture growth .this will increase the profit margin in even higher extent.

Chapter Four



Company Profile ParTex Furniture Ltd.

Location:

ParTex Furniture is one of the 18 sister concerns of the ParTex Group. The plant for ParTex Furniture Ltd. Is located at Madanpur, Bandar, Narayangonj, Bangladesh. The site enjoys excellent in restructure like good road communication ,gas, power, water, telecommunication and manpower.

Background Objectives:

It is committed to produce the best quality import substitute perform and closures with the best machineries. All around the world there has been a noticeable growth and success of the Plastic packaging industry. Being inspired by this excellent growth, financial performance and future prospects of the Plastic market, sponsors are confident that it would be beneficial and worthy to invest into the plastics industry. With this end in view the company has decided to set-up a whole new line of business under the same management. The excellence of the technology, the genius of company's personnel, clear vision and commitment of management "Simply the best" in the PET Plastic arena is the main stay of this bold initiative.

Marketing Advantage:

The promoters of the company are members of Partex Group who owns and successfully operates more than 25 manufacturing and trading concerns and offers the best (value of money) to customers of Bangladesh. All the directors of Partex Group have contributed a lot as promoter-directors in the growth of all Group. Sponsors of the project properly utilize this cumulative strength of knowledge to solve the manifold problems of fast-changing economy. Thus this management set-up is a marketing advantage.

Main Furniture companies in Bangladesh

1. Name of the companies:

- a) Otobi Ltd.
- b) Partex Furniture
- c) Hatil
- d) Navana Furniture
- e) Akhter Furniture
- f) Brothers Furniture
- g) Legacy

Source: Bangladesh Furniture Indus. Owners Association Report-2010. Segmentation, Targeting & positioning (STP) of Partex Furniture:

Segmentation:

Partex Furniture Industries Ltd. products international quality furniture. A combination of special imported board, stainless steel accessories and high standard plywood offers the best quality and cost effective substitute for natural timber for custom made innovative, modern and stylish furniture. Partex Furniture produces a diversity of products maximizing the use timber substitutes as well as products of solid timber. Partex Furniture segregates its product with individual care wise .such as:

- **Home care**
- **Industrial care**
- **Lounge care**
- **Edu care**
- **Medi care**

Targeting:

The Sky is not the limit for Furniture Market but expectation is within limits Therefore, our imagination soars beyond conventional barriers. You share or destiny with our beloved motherland. You went to serve her in the greeter quest for national uplift .Partex Group is committed to the prosperity of Bangladesh. Your enterprises play a positive role in alleviating poverty and generating employment an important objective of our country .his has been possibly though continuous customer support and loyalty which we are proud .You endeavor to reach our product and services at the client doorstep through a network of sales and distribution outlets. Human resources is Your key asset, who translate the group's objectives into realistic performance. You are committed to have the best people and train them to get best from them. Your is a free market economy, where privet sectored plays a key role in establishing an industrial base. You believe in new ideas and technology which the road to the furniture. You shall travel this road hand in hand with our customers and Your employees to seek and find

prosperity for the Group and the country .You are the leading furniture solution provider in Bangladesh achieving your business vision through growth in market reach activities by the being most customers focused& Innovative, cost effective& efferent, environmentally responsible &quality concerned company in the business. To be the most consumer focused, competitive, efficient, innovative, and environmentally responsible and quality concerned leading market oriented furniture manufacturer, sales and distributor of Bangladesh.

Positioning: positioning or market Share : per year

a. Otobi Ltd	-500 Crone/year
b. Partex Furniture	-150
c. Hatil Furniture	-45
d. Navana Furniture	-40
e. Akhter Furniture	-20
f. Brothers Furniture	-15
g. Legacy	-10

It is clear that Partex Furniture is in the second position in the Furniture market of Bangladesh.

Chapter Five

Internal Analysis- Summary



Corporate Structure

Strengths	Weaknesses
<ul style="list-style-type: none"> • Top level Decision Making with vast information seeking from low level managersftake inputs 	<ul style="list-style-type: none"> • Complex structure- difficult to understand
	<ul style="list-style-type: none"> • Centralized DM
	<ul style="list-style-type: none"> • Poor understanding of the structure by the mid level manager
	<ul style="list-style-type: none"> • Present structure hampers successful growth in the future

Corporate culture

Strengths	Weaknesses
<ul style="list-style-type: none"> • Consistent culture 	<ul style="list-style-type: none"> • Family owned business concept very prominent



<ul style="list-style-type: none"> Emphasis on quality, craftsmanship and design and <p>Integrity is maintained.</p>	<ul style="list-style-type: none"> Promotion only up to a certain position, which may be de-corporate ladder
<ul style="list-style-type: none"> Customers are not refused a certain limitation of the company 	

Strengths	Weaknesses
<ul style="list-style-type: none"> Wide range of customer base 	
<ul style="list-style-type: none"> The corresponding strategy is to focus on quality first and then respond to demand 	<ul style="list-style-type: none"> Planning many program but not clearly stated ,mereiy implied
<ul style="list-style-type: none"> Planning many programs for growth 	
<ul style="list-style-type: none"> Programs consistent With corporate mission 	<ul style="list-style-type: none"> Positioning by high quality product at affordable price. Therefore product mx needs to be suited for each income group
	<ul style="list-style-type: none"> No past trends to base its judgments or strategy formulation but can be countered with good research and forecasting

Strengths	Weaknesses
<ul style="list-style-type: none"> Technologically advanced in terms of developing new product 	<ul style="list-style-type: none"> Research is mainly observational and participation
<ul style="list-style-type: none"> Cost and quality can be controlled as they are already in the supply side 	

<ul style="list-style-type: none"> • Consistent with mission and values 	
--	--

External Analysis –Summary Five factor model

opportunities	Threats
<ul style="list-style-type: none"> • Intensity of Rivalry 	
<ul style="list-style-type: none"> • Due to the size of Partex, the business can expect lower intensity of rivalry 	<ul style="list-style-type: none"> • Brand image pioneered by hatil and otobi -Partex not the pioneer
<ul style="list-style-type: none"> • Current in an oligopoly 	<ul style="list-style-type: none"> • Timber based furniture industry is in mature stage
<ul style="list-style-type: none"> • Possibility for being highly consolidated in the future due to its size, investment and integration 	<ul style="list-style-type: none"> • Economies of scale and experience curve effects are not present in timber
<ul style="list-style-type: none"> • The brand furniture is growing 	
<ul style="list-style-type: none"> • Demand is increasing every year by 15% 	
<ul style="list-style-type: none"> • The main forces in the market are differentiated 	
<ul style="list-style-type: none"> • No prominent labor union leading to low exit barriers 	
<ul style="list-style-type: none"> • Layoff cost is low leading to low exit barriers 	
<ul style="list-style-type: none"> • The group is not so dependent in the furniture leading to low barriers to entry 	

<ul style="list-style-type: none"> • Threat of potential competitors 	
<ul style="list-style-type: none"> • Partex already has a brand image 	
<ul style="list-style-type: none"> • Absolute cost advantages 	
<ul style="list-style-type: none"> • Advantage over economies of scale and experience curve efficient in panel 	

Based furniture	Based furniture
<ul style="list-style-type: none"> • High capital requirements for entry 	
<ul style="list-style-type: none"> • Chairman being the member of the parliament can forecast regulatory changes better than competitors. 	<ul style="list-style-type: none"> • The market is a free market and opens to any new entrants.
<ul style="list-style-type: none"> • The current differentiation strategy of Partex strong enough to bar both new and existing competition. 	
<ul style="list-style-type: none"> • Partex gauges expected retaliation 	
<ul style="list-style-type: none"> • Threat of substitutes 	
<ul style="list-style-type: none"> • Close substitutes are not performing in the same market segment 	

Functional -Level Strategies Marketing

Always tries to pursue new product development focusing on quality, design and customer needs, providing, feedback to both customer and specialized functions, in order to expand their market.

Research & Development

Depends mainly on customer feedback for new product development and communicates this to other functional areas, such as production

Production

Concentrating on reaping most benefits out of panel based furniture due to low lead time, automation and sound vertical integration .At the same time, inefficiencies in timber -based furniture are attempted to be cantered withhigh design and craftsmanship quality and doing batch processing to minimize cost.

Global - Level Strategies

It is not planning To put any manufacturing set up in the host country, Partex will manufacture its products exclusively in the home country .As Partex's current targeted foreign market is USA it has low pressures for cost reductions.

Pressures for Local Responsiveness are low as well.

Functional Level Strategies

Marketing

Marketing &efficiency	<ul style="list-style-type: none"> • Pursuing quality customer needs and design research • Showroom situation at a poor location • TV media not yet utilized
-----------------------	---

Marketing & quality	<ul style="list-style-type: none"> • Very customer focused • Providing customer feedback on quality
Marketing & innovation	<ul style="list-style-type: none"> • Provides result of research to business development function
Marketing & customer responsiveness	<ul style="list-style-type: none"> • Customer focused • Communicated customer feedback to appropriate

Current Strategy;

Always tries to pursue new product development focusing on quality design and customer need, providing feedback to both customer and specialized in order to expend their market.

RECOMMENDATION:

Enhance aggressive marketing through consistent pricing perceptions within customers, having more outlets, and pursuing other media to promote.

Demand forecast

RESEARCH DEVELOPMENT

R&D and efficiency	<ul style="list-style-type: none"> Focusing only on new product which are not necessarily easy to produce
R&D and quality	<ul style="list-style-type: none"> Product design based on what is wanted by customer -not based on manufacturing ease
R&D and innovation	<ul style="list-style-type: none"> Develops new product but process innovations low Cooperation with other function done
R&D and customer responsibility	<ul style="list-style-type: none"> Innovation customer in identification their needs

Current strategy:

Depend mainly on customer feedback for new product development and communicates this to other functional! areas, such as production

RECOMMENDATION;

Include example Develop product that are needed by consumers but focusing mainly on manufacturing ease and process innovation, 3.

PRODUCTION

Production & efficiency	<ul style="list-style-type: none"> Flexible manufacturing already done for panel - based furniture No optimal capacity allocation done for timber based furniture
Production & quality	<ul style="list-style-type: none"> Long production runs for panel based furniture making it difficult to judge source of defects

Production & innovation	<ul style="list-style-type: none"> • Ease of manufacturing considered -timber based batch processing. • Some innovation in process both for panel and timber furniture
Production & customer responsiveness	<ul style="list-style-type: none"> • Customization done but not always with flexible manufacturing • Resource time good for panel based furniture b/c lead time low • Response time bad for timber based furniture

CURRENT STRATEGY:

Concentrating on reaping most benefits out of panel based furniture due to low lead time automation and sound vertical integration. At the same time, inefficiencies in timber-based furniture are attempted to be countered with high design and craftsmanship quality and doing batch processing to minimize cost.

RECOMMENDATION:

While concentrating on efficiency the company needs to create task forces to enable flexible manufacturing for timber based furniture.

Strategy in Global Environment for Partex

Choice of Entry Mode Exporting

- It is not planning to put any manufacturing set up in the host country.
- Partex will manufacture its products exclusively in the home country. Strategic choice
- As Partex current targeted foreign market is USE it has low pressures for cost reduction,
- Pressures for Local Responsiveness are low as well

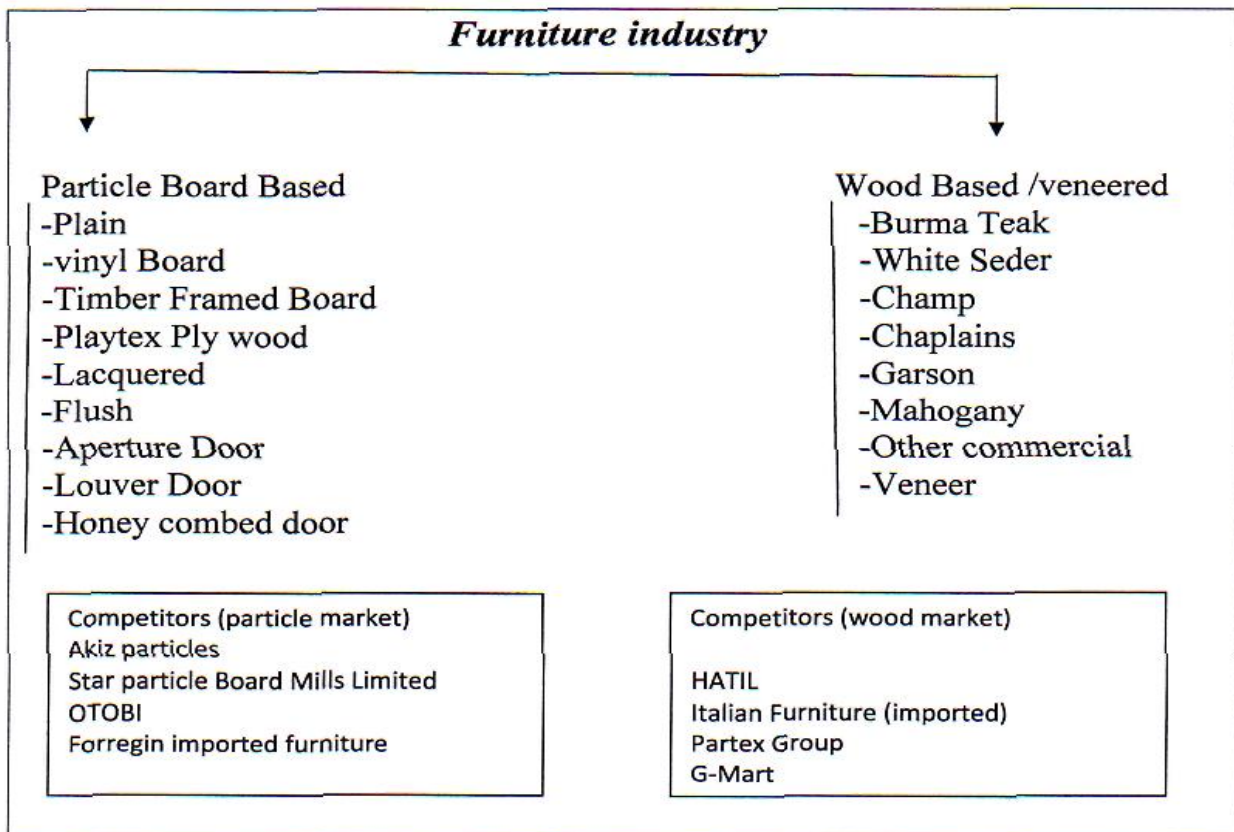
Present Situation;

- At present Partex furniture is targeting USE as their foreign market.
- Cost of establishing manufacturing operations in foreign country is being avoided.
- Manufacturing only in home country will enable the company to realize substantial economies of scale with added global sales volume.
- Moreover, Bangladesh being the home country Partex has the advantage of cheap labor and cheap raw materials.

Recommendations:

Should calculate regarding the pros and cons that will be associated with trade barriers of the foreign country.

The company should also carefully verify the transportation costs associated with exporting, and then compare it with possible profit gains.



Buyer power

The buyer is the next person downstream in the channel of distribution. Thus the buyer for the subject firm in our case was previously the manufacturer while now it is the wholesaler and the final consumer.

The factors that increase a buyer's power are the mirror images of those that increase a supplier's power thus buyers have enhanced power;

When they are concentrated and buy in volume. These condition give buyers power over small, fragmented suppliers.

However furniture buyers can integrate backward if suppliers cannot offer satisfactory prices

(Macro)General Environment The general environment is composed of five sectors:

Socio- cultural : Society's traditions ,values ^attitudes, beliefs ,tastes, and patterns of behavior, and how they are changing effect the operation of any business .Partex is no exception in this regard. A few variables in General environment is provided below:

Technological Environment	Macro economic Environment
Biotechnology	Interest rates
Consumer electronics	Exchange rates
Superconductivity	Rotation rats

High definition television technology	Savings rats
Process innovations	Trade deficit /surplus
Industrial disasters	Budget deficit /surplus
Political/ Legal Environment	Sociocultural Environment
Deregulation	Women in the work force
Relaxed antitrust enforcement	Health and fitness awareness
Environmental product laws	Erosion of educational standards
Similarity in consumer tastes and	Spread of addictive drugs
Powerful economic alliances	Concern for the environment
Opening of eastern bloc countries	Aging of the population
Third world debt problems	Ethnic composition
	Maturing of the baby boom generation
	Regional changes in population growth and decline.

Political -Legal Forces:

The government of Bangladesh according to the policy it follows allowed an open marked scenario in the furniture industry where foreign companies and their products compete side by side. There is no cartel on local or foreign product .as a result of this competitors market not many local firms exits in the market.

There is also a protection law for wood logging here hi Bangladesh. In addition to this, Partex itself is an environment concerned organization that uses less wood to produce more substitute product.

Technologies Forces:

In Bangladesh the use of technologically advanced wood framing equipment is not present. This is primarily because of the nature of the business : wood crafting is highly customized and depend on craftsmanship .Thus over the year skilled craftsman with individual catering towards a small group of customers have shaped the consumer behavior as well as the nature the business. The result is technologically not advanced procedure of making wood furniture.

Chapter Six

SWOT Analysis

SWOT Analysis of Partex Furniture Limited.

SWOT stands for strengths, weakness, opportunity and threats. A company must have strengths and weakness in different section. Also it has some potentiality and faces some different kinds of markets threats and opportunity. This analysis provides a through picture about the company's overall conditions.

Strength

- Partex Furniture Limited has large amount of asset.
- Their top management is very strong. They have taken all decision timely and manage all things in a systematic way.
- The labor forces of the company are very cheap and readily available. They are skilled and effective workers.
- The important policy of the company has been flexible and friendly for import of raw materials of garments accessories.
- The company has a strong base of buyer to sustain in the competitive market.
- Partex Furniture Limited have independent sample production unit, having highly dedicated professional merchandising and quality control team to ensure buyer satisfaction.
- Partex Furniture Limited serious about their shipment of their orders.
- Partex Furniture Limited has expert and skilled workers.
- Partex Furniture Limited has highly improved machinery and information technology to ensure the best quality.
- Management staff has adequate transport facilities.
- Their employee turnover rate is low.
- Their medical facilities are highly available.
- They paid salary at a right time

Weakness

- Research and development (R&D) practices are not available. It has become a barrier in effective and efficient market research, new product development, corporate strategic planning etc.
- Partex Furniture Limited depend on 80% imported raw materials and technology.
- Partex Furniture Limited administrative cost is comparatively higher than any other company.
- Because of the world wide bad economic condition, textile industry is earning limited profit.
- Window-dressing of Partex Furniture Limited is not good.

Opportunity

- Very higher quality product which have a good demand in international market.
- Fashion institutes are growing day by day worldwide which increases the opportunity to textile industry by increasing large number of buyer's orders.
- There is a good opportunity for marketing in knit wear garments in future.

Threats

- Very competitive in international market, especially in China for their lower labor cost.
- Many new competitors are coming in front with new product style and technology.
- Dependency in foreign countries so far raw materials price in increasing day by day.
- Partex Furniture Limited is affected by the Govt. regulations of exports and import policy. And customs facilities are not well mannered which hang the company's business operation smoothly.
- These are the terms that help us to understand the condition of the Partex Furniture Limited.

Chapter Seven

Major Finding;

1. Production: production capacity of modanpur Factory is more than the market demand.
2. Technology: Technology used for the production is not fully automatic, some are semi automatic.
3. Production personnel: They have some lack of knowledge about the use of machine.
4. Marketing Reporting: Marketing intellect report are not systematic and well organized.
5. Sales Analysis: The sales analysis of each product life -cycle is absent.
6. Marketing Research : Marketing research for each product has not been done;
7. Dealer promoting : Dealer promotion only at commission level has been done;
8. Dealer: number of dealer is not up to the make and still so many districts are still untapped.
9. Brand Management : Complete brand management is absent for individual brand;
10. Distribution: The distribution process is not systematic
11. Outdoor Marketing: There is no plan for outdoor marketing, which is very effective for complete market
12. Advertising and promotion: Advertising and promotion plan is not wed enough for find out competitive market.
13. Information Flow: Information flow between department to department and people to people is very slow.
14. MIS: Management information system is not up to date.
15. Budget: The budget of this company is not enough.

Recommendation:

1. After Sales Service: After sales service should be provide at all the show -room .It will save time and effort of the people.
2. Design of some furniture: some product design of the company is very traditional .There are so many products similar to our design are now available to our competitor.
3. Drop out slow moving product.
4. More Advertising: To increase the sales advertising on print media, Electronic media should be increase.
5. Dealer increasing: Dealer should be available in all districts. Then I have to find out according to the market potentiality for more than one dealer in the same market.
6. Marketing plan for slow moving product: plan for slow moving product such as; Hospital furniture.
7. More Training for the officer Level: At present more training is needed about the salesmanship. Market research for find out the target market, dealing product knowledge, product development marketing product etc.
8. Marketing Research: Marketing research for each brand has to be done for getting the clear picture for product positioning against the competitors product and finding out furniture.
9. Budget: The budget will be required to up greeted future.

Conclusion:

It is impossible to have a clear -cut idea of a big company within a short time. But according to my observation this company is suffering from a tremendous problem in following areas, which are the main obstacle for the company optimum growth.

Company is in developing stage. Gradually it is trying to figure out its system fall and weak comer. In spite of many problems, it is the pioneer in furniture industry in our country. Hope it will be a systematic and standard organization.

Bibliography:

1. *PARTEX* Gallery, Monipuripara.
2. <http://www.Partexgroup.com>
3. E-mail: furniture@Partex.net