



# **Market Exploration of BRAC Dairy (Arong) along with other Dairy industry in Bangladesh**

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## **Letter of transmittal**

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**Subject: Submission of intern project**

Sir,

With due respect this is my pleasure to get opportunity in presenting the project namely “Market Exploration of BRAC Dairy (ARONG) along with other Dairy industry in Bangladesh” I have to tried to give best effort for preparing this project and provide some important information which makes my project theorative and consistent. It is mentionable that this project helps me acquiring knowledge of marketing and imagines the perspective of daily market.

So therefore it would be a great pleasure for me if u will take into account this project and obliged thereby

Yours sincerely

Bipasha rani kundu

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## **Acknowledgement**

Praise to the god the most gracious and amiable, by whom I am blessed to finish my project with the courage and knowledge.

I would like to my show my gratitude to my teacher Mr. Sarker Rafij Ahmed Ratan, Assistant professor of United International University. who supported me and gave me good guidelines aspiration for doing this project, namely Market analysis of dairy industry of Bangladesh: A case study on BRAC Dairy(Arong) farm.

In addition, I would like to express my deepest appreciation to my university, teachers, library, and lab facilities for giving me inspiration and knowledge to improve the quality of this project.

## **Executive Summary**

At once It was appeared that some traditional, milk collectors and sellers known as goal as used to sell fresh milk by visiting households with their milk containers every morning. Over the last 2 or 3 decades several dairy industrial processors have appeared for collecting, processing and selling milk in packaged form with the promise of hygiene and quality.

Nowadays, Dairy farming sector has played an important role in the economic development of Bangladesh. Our first dairy firm was milk vita, owned by “Bangladesh Milk Producers Co-Operative Union Limited” founded in 1974. In 1998 BRAC dairy has commissioned which is well known brand in dairy farming sector. BRAC (arong) dairy has several milking cows and from which they collect milk, processing butter and cheese and sell them to the urban people. At present arong dairy is in a good position in dairy farming sector but they are not in leading position. They maintain hygiene and quality in dairy products because of their vision namely making strong and healthy Bangladesh. however most of the customers are satisfied with the quality of their products.

At present Bangladeshi people is browsed everything in website for gaining information. So Brac dairy arong needs to develop their website about their dairy products. They should focus on customer demand for their dairy product marketing They should take new marketing policy and monitoring policy for acquiring market leading position and also focus on price of the dairy product because any type of customer because any type of customer can purchase their product.

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## CHAPTER ONE

<b>1</b>	<b>INTRODUCTION</b>
<b>2</b>	<b>SOURCE OF STUDY</b>
<b>3</b>	<b>OBJECTIVE</b>
<b>4</b>	<b>MOTIVE OF THE STUDY</b>
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Milk for Good

## **1.0 Introduction**

Day by day dairy farming sector are improving productivity their cows through artificial insemination, providing better care and proper feeding. There are 10 types of dairy industry in Bangladesh such as milk vita, BRAC dairy, Pran foods, Polashi Dairy Farm, Aftab milk & Milk products Ltd, Partex star group, Abdul monem limited (Amomilk), Rangpur Dairy & Food Products Ltd, Goalini Condensed Milk, New Zealand Dairy Products Bangladesh Limited.

Milk vita starts their business since 1952 and the company was formed at 1974. It is owned by Bangladesh milk producers cooperative union Ltd, a cooperative managed by the government of Bangladesh. now a days milk vita produces milk half of the country people in Bangladesh. In the meantime BRAC dairy has launched their dairy farm at 1998. For the development of dairy production, BRAC dairy dealers purchased milk directly from dairy farmers (around 40 thousand) and transferred it BRAC dairy chilling station, which are located at Khulna, Dhaka, Rajshahi and Ranpur.

Subsequently Pran dairy has stablished as 3<sup>rd</sup> largest dairy farming sector in Bangladesh. They cover 10% market of the dairy production. The above mentioned 3 largest dairy industry in Bangladesh cover the most of the dairy market in Bangladesh. Besides them other dairy firms are developing. At present per capita of milk consumption is less than 60 ml. and yearly basis milk demand is 12.82 million but we can produce only 2.28 million.so in this situation every year we need to import milk from abroad 10.54 million and we are spending 10 billion takas for importing milk powder from abroad.

### **1.1 Source of case study:**

I have acquired many information and function about the dairy farming sector during my project time. At the time of doing project I have decided to work with this sector because there has lots of opportunity to expand and develop the market of dairy farming sector and growing profit. I have selected this project for the course requirement of BBA program and I wish this experiment will give some important information about the activities of the dairy farming sector which play an important role in our economy.

### **1.2 Objective of the study:**

The core objective of the project is to identify the marketing strategy and opportunity which can successfully assist to become a market leader in dairy farming sector and establish the product in the market. To meet the customer demand, product quality and availability is urgent and BRAC among dairy maintain the market of its products accordingly. Actually dairy firm industry collects milk from rural area so they need to focus on the rural milk production and give the other facility to the rural people for motivating its market.

#### **1.2.1 Main objective:**

The board objective of the study is to get a concept of actual information of market segment about dairy industry of Bangladesh.

#### **1.2.2 Supportive objective:**

1. To explore the current market condition of the brac dairy farm.
2. To gain the knowledge about marketing strategies of the brac dairy farm.
3. To make some recommendation for improving the performance of brac dairy farm.

### **1.3. Motive of the study:**

The motive of this report is to collect information regarding the dairy industry and try to understand the basic need of the dairy industry. There are some purposes behind every study and my work is not exceptions. I would like to find out actual scenario of dairy sector through survey make some questions for retailers and consumers. There after I visited different shops and try to identify the findings of dairy sector. Among dairy could not reach to leading position still now due to some lacking but in a few time they can overcome their lacking

#### 1.4 Methodology:

For preparing this report we have some questions in our mind, which is types of data and quantity of data we need where from we would collect them. Then we made our data into two divisions one is primary sources another is secondary sources.

**Survey:** I have visited shops ,departmental stores super shops and take interview different retailers consumers and employees for gathering vital information. Time to time I also discuss with my supervisors about the gathered information.

<b>Primary sources:</b>	<b>Secondary sources</b>
<ul style="list-style-type: none"><li>• Survey over market segment</li><li>• Face to face converse with retailer consumer and distributor.</li><li>• Self-remarketing</li></ul>	<ul style="list-style-type: none"><li>• Browsing tv channels, website, annual reports of the organization, books etc.</li><li>• Previous official data</li></ul>

#### 1.5 Barrier of this study:

Every project work has some limitations when conducting different activities which are bellows:

- Sufficient data is not available in the organization website;
- Lack of sufficient resources;
- Time constraint one of the major limitation to do this project.

## **Chapter two**

### **Dairy Industry of Bangladesh**



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## **BRAC Dairy (ARONG):**

### **2.1 History:**

BRAC dairy (arong) is one of the reputed organization in dairy farming sector and plays an important role in the Dairy market, was launched in 1998 by dairy social project of development organization BRAC, to assist rural dairy farmers develop and progress dairy enterprises and their income by accessing urban market. On the other hand urban people get easily milk and milk products by BRAC dairy farm. However BRAC Dairy arong started its working with a vision to make healthy and strong Bangladesh. so they focus on public demand and quality of the milk product.

BRAC offers microfinance loans for the livestock and the market of dairy products services including processing, branding, distribution, pasteurization and transportation. The dealers purchase milk directly from the farmer about forty thousand and transport it to the BRAC dairy' one hundred chilling stations which are located mostly in the western divisions – Khulna, Dhaka, Rajshahi, and Rangpur. Brac generally offers high price, farmer receive fair market price.

BRAC Dairy arong farm reach a leading position in dairy farming sector and capturing 33 percent of market share among establishment of 19 years by milk and other dairy products such as flavored milk, it captured 59 percent of the market within ten years, curd products it captured 71 percent of market, ghee product it captured 35 percent market etc. Fresh pasteurized milk was the first product of brack dairy in 1999. After that the started to manufacture various kind of milk such as HUT milk, low fat milk, Mango and chocolate milk, yoghurt drinks cream etc in verities sizes and packages, verity of fruit drinks chees were launched by BRAC Dairy arong in April 2003.

Now a days Brac Dairy has various kind of milk and milk product which has produced in the market under the brand range arong dairy. This products cab easily get by the customers in every where as super shop, general shop, departmental store etc. Brac dairy has sold fifteen types products in the market.

### **Manufacture of Arong dairy:**

BRAC (arong) products include fresh and powder milk, flavored milk, sour curd and flavored yoghurt. BRAC is the second largest dairy firm in Bangladesh and they covered 20% of the countries by producing milk.

SL NO	Product name	Quantity
1	Laban	250500 ml
2	butter	100,200 ml
3	Butter bulk	1000 gm
4	ghee	900,400,200 gm
5	UHT milk	500ml
6	UHT chocolate milk	200 ml
7	Pasteurized milk	1000,500,200 ml

### **VISION:**

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realize their potential.

### **MISSION:**

Our mission is to empower people and communities in situations of poverty, illiteracy, disease and social injustice. Our interventions aim to achieve large scale, positive changes through economic and social programmers that enable men and women to realize their potentia

### **Other Dairy Farm in Bangladesh:**

Name of Other Dairy Farm in Bangladesh as

- Milk Vita
- Pran Milk
- Polashi Dairy Farm
- Aftab Milk & Milk Products Ltd
- Partex Star Group
- Goalini Condensed MILK
- Rangpur Dairy & Food Products Ltd

- New Zealand Dairy Products Bangladesh Ltd
- Abdul Monem Ltd

### **Dairy industry of Milk vita:**

At first milk vita has started their processing and marketing. Milk vita starts their business since 1952, and its name was eastern milk products Ltd, a private company. After independence It is owned by Bangladesh milk producers cooperative union Ltd, a cooperative managed by the government of Bangladesh and the company was formed at 1974. Now a day the brand name is milk vita, a largest dairy. At present the members of the milk vita has taken technical training, livestock genetic, veterinary and extension service, and various other protection input. milk vita produces milk half of the country people in Bangladesh.

### **Product line:**

1. Liquid Milk
2. Ice – cream
3. Butter
4. Ghee

### **Pran Dairy Farm of Bangladesh:**

Pran dairy firm is associated with LAND O LAKES, tetra pack, and the US department of agriculture (USDA) and it becomes the largest agro processing firm in Bangladesh. Pran dairy firm introduce our country with ultra-high temperature (UHT) treated as milk in the Bangladesh school nutrition program. The during this project time the technical expertise was develop and it shared with other companies to expand their local commercial production of UHT milk. Now a days Pran dairy firm ten percent of the dairy market in bd and it has become 3<sup>rd</sup> largest dairy firm.

### **Manufacture of pran dairy firm:**

Powder milk  
Liquid milk  
Ghee

### **Polashi Dairy industry of Bangladesh:**

Now a days Polashi Dairy firm has provided good service in the Dhaka city. It has near about two thousand farm in the Dhaka city and take lots of care the firms. Their firm has sufficient man power and land for taking care the cows and processing the dairy product. They makes their places in the dairy market and try to fill-up customer demand. Actually

polashi dairy firm focuses the customer demand and quality for getting market in the economy.

#### **Aftab Milk products ltd.:**

Aftab milk and milk production Ltd. is another medium size Dairy firm in Bangladesh. It launched modern Danish automatic milk pasteurization plant with the capacity process and pack fifteen thousand liter per hour. It takes all types of technical measure and appoint skilled and expert personnel which supportive the farmers for making improvement in the production of milk and producing hygienic and qualitative food products. In a few time it get peoples mind and market in the dairy farming sector. Aftab milk and milk production Ltd products line constitute of pasteurized milk, mango milk, curd and ghee etc.

#### **Partex star group:**

Danish food Ltd. is a part of the partex starship group and one of the largest food and beverage producing and marketing company in Bangladesh it produces different type of foods and beverage under the brand name Danish food Ltd. Danish foods Ltd. is serving the best for the customers and gaining superiority in the market. Danish food Ltd. is always tried to fulfill the customer need and the reach their goal.

Danish food Ltd. takes an immense approach to all kinds of agro process food products and try to make their lives enriched through ensuring hygienic and quality food products. It ensures to reach best quality food product to the customers with HACCP compliance and they maintain a hygienic manufacturing process. Danish food products appointed skilled and experience personnel and used high quality machineries and maintained monitoring for producing hygienic food products. Due to this Danish food Ltd has become favorable and known to the customer and get food market.

#### **New Zealand Dairy:**

New Zealand Dairy products were constituted in Bangladesh in the year 1992 as an company of Fonterra Ltd. As a Bangladesh company it launched its business since 2004. This company is mainly known for the products of Diploma, Red Cow, Farm land etc.

#### **Abdul Monem Limited (amomilk):**

IGLOO Dairy milk was incorporated on 31 august 2004 with the goal to maintain the production of IGLOO ice cream as well as meet some market. Demand for pasteurized milk. Bangladesh is densely population country so milk production and availability need to be increasing for this long population for balance diet. IGLOO dairy has ability to produce 14000 liters per day from the initial 5000 liters. We envisage the production of skimmed

milk powder, UHT, FCMP, Functional milk, cheese and butter in international standard specifications and packaging.

**Rangpur Dairy & food Products Ltd.:**

Rangpur dairy and food products ltd. is the northern area based dairy farm in Bangladesh. They pick up the raw milk from the northern area of Bangladesh and the raw milk is processed for reducing risk of infection and cooled quickly to 4 degree C . Then the systemic the raw milk for the UHT treatment at 135 to 140 degree C in 2 to 3 seconds, Then the cooled and packed in 5 layers of packaging materials for assigning the safty and quality of the milk. This milk can keep in a normal temperature without refrigeration.

**2.2 Demand and supply of dairy products:**

Dairy product is totally depends on livestock, though our country is an agricultural country but we can remove our livestock crises. Now a day we are not depended on Indian cattle because our farmers can supply sufficient cattle and they get their price. In every year over 5 million cows are sacrificed across the country and amongst them very less number of cattle have come from India. Our government takes adequate initiatives for meeting up the livestock crises. At present all of the dairy firms collect milk from the rural area in Bangladesh. Our country every year has to import more than 1 lacks tons of powder milk and during products by spending taka 2000 corer in year for the reasons of market crises because at present daily per capita of milk consumption is 120 ml.

Bangladesh: thousand metric tons of milk

July, June fiscal year	2004/05	2005/06	2006/07	2007/08	2008/9	2009/10	2010/11	2011/12
Quantity	2140	2270	2280	2650	2286	2365	2947	3463

Bangladesh: Milk and cream imported by Million USD and value

<http://www.thedairysite.com>

July June fiscal years	2004/05	2005/06	2006/07	2007/08	2008/9	2009/10	2010/11	2011/12
Quality	86	73	83	137	96	106	161	221

Year of 2015

( [Http://en.banglapedia.org](http://en.banglapedia.org))

In Bangladesh economy contribution of livestock sector plays a vital role. According to the Bangladesh bureau of statistic (BBS) its contribution has fallen by 0.6 percent from approximately 2.4 to 1.8 percent, in past 8 years. It's a labor intensive sector. The sector contributes 20 percent of total agricultural output. According to the latest labor force survey of 2010, 6.4 million people get employment for this sector.

Thereby dairy farming sector employees more than ten percent of the country amongst total employment. Moreover this sector contributes total countries export by way of leather products. The livestock sectors contribute hardly to fill up protein demand in Bangladesh such as meat, eggs, milk, curd, chees, etc.

Now days to feel up dairy product demands, milk supply are vary essential but our country has some milk crisis. In Bangladesh 25 percent of the population are under plump and 36 percent children are suffering under nourished. According to word health organization, Bangladesh is on the lower end of the global protein conjunction specially that of milk.

Actually the production of milk is too little for the large population. Due to this we have to import milk powder from abroad. It is also mentionable that per capita milk consumption in Bangladesh is one of the height cattle density country. I.E numbers of cattle has per hectare. Due to land shortage high population density erosion of soil problem, its arable and pastoral lands are declining. Moreover the cow of our country is low yielding local breeds rather than cross breeds. This can grow two or three times more milk. So the growth of the country milk is very low. Now a days the cross breed have been yielding in numbers.

Due to milk shortage Bangladesh has import from the abroad from the beginning of the century to the present the growth rate of milk production is 3.6 percent in Bangladesh. Which is alarming shortage in milk supply in Bangladesh the other hand demand of milk has been increased at the rte of 40 percent due to this, this shortage has filliped by imported milk or body formula rather imported powder milk or context milk has been used in tea stall at for making drinking tea which is most popular in every people in Bangladesh

other than imported milk and milk derivatives can purchase in a cheap rate. Other than nation milk so the tendency of using context or powder milk in everywhere is increasing and it is largely imported from 3 advanced economies Denmark ,Holland, New Zealand.

The dairy sector in Bangladesh can not grow up due to via traditional informal markets because the farmers sale their milk to the middle man and urban people collect this milk through this middle man that's why the price of the milk has been rising. On the other hand the farmer get 60 percent lower prices then urban counter parts so this the main obstacle in rising the dairy sector in Bangladesh. However dairy farm of our country has done their service in a cooperative way and they cover the 20 percent of the market. Such as milk vita which is first agro processing cooperative and it covers the concrete of the route of many enterprises for example arong, pran, which is adopt the cooperative model.

The Bangladesh government has taken the matter of milk crisis in their consideration and takes some initiative to meet up this crisis such as Bangladesh bank, has made a fund of 127 million dollar to finance to milk production group in a cheap interest. Now the dairy farmers on dairy farm can take a loan in a 5 percent interest rate from the bank for their growing up production and this bank will get 5 percent subsidiary from Bangladesh bank due to giving dairy loan.

Now we have to do work for expansion of dairy sector with the assistance of the government fund and make polices for expansion and avoid any restrictions in a dairy farming sector. The number of cross breed cows has to increase. This can meet our demand of milk and meat. We should appointed expert and skilled personnel to enrich the livestock sector and continue the financial support from the bank. If we maintain the above maintained matter, we will expand our dairy sector and import at large in future.

Dairy farming sector can play a important role in Bangladesh economy if we take appropriate measures for this sector. Bangladesh is most suitable for dairy fermentation but due to some lacking we can not improve this sector if our dairy farming sector can meet the demand of peoples of Bangladesh, it will generate both employment and income. So we should take right measures policy and skilled persons for promoting this sector and it will become a important part of the economy.

### **2.3 SWOT analysis of dairy farm:**

Dairy farming sector has some crisis for their expansion. So we should focus on supply demand, lacking for improving this sectors, threats, problems and opportunities of dairy farming sector are mentioned below

### **2.3.1 Strength analysis of company:**

1. Enhance the number of cross breed cows which will increase milk production.
2. Reduce the price of the nation milk for the customer ability
3. Training the livestock offer for growing their skill and expertise and appointing them in the dairy farm.
4. Make polices and set dairy plants for improving sector.
5. Develop our transportation system for easily getting milk products any where in Bangladesh.
6. Favorable weather and land are good for improving dairy industry.
7. Efficient matter of this sector is cheap labor both male and female
8. Enhance researching for improving dairy farming sector.

### **2.3.2 Weakness of company:**

1. Inconsistence milk supply system from rural area.
2. Production of cows is poor.
3. Power supply system are not adequate capital problem for investment in dairy farming sector. Lacings of information and awareness about doing loan from bank and financial institution for growing up dairy farm.
4. Lacing of publicity about milk and milk product of the dairy farm.
5. Lacking of adequate initiative for fluctuation in milk production and different sections.
6. People are not aware fresh milk.
7. Dairy industry has no congenial technology for tropical climate condition which will hamper.
8. In different agro client zones dairy development program have to been fully implement as per the need of regions
9. Lacings of software for preparing appropriate dairy projects.

### **2.3.3 Opportunities of company:**

1. Entering market for traditional dairy products all over the Bangladesh
2. Enhancing supply and demand of milk and milk product
3. Dairy polices and plants are easy from others in growing up dairy farm.
4. Too much marketing are not needed for dairy product
5. There has an advantage to export milk and milk products in traditional type in farming country by way of changing processing system.

### **2.3.4 Threats:**

1. Enhance using of foreign products.
2. Enhance practice of imported product in Bangladesh.
3. Enhance use of chemical preservative in milk
4. Milk quality is not good for poor microbiological
5. Over pasturage pressure on small lands in complete milk
6. Scarcity of monitoring and evaluate in dairy farming sector.
7. Land is spiriting day by day and cultivated land is decreasing, so most of the dairy product are importing from abroad.

### **2.4.0 Marketing Structure and segmentation:**

Without milk and milk products cannot be think a day in everyday life. These are our basic food for balance diet. Globally demand dairy food and beverage are increasing day by day. In western country milk cream, butter, cheese, yoghurt etc are use in most of the food for nutrition. However dairy food products are nutrias and growth and strength of the body. The demand of dairy product can be fulfilled through certain animal that can adapt to their surroundings.

Globally dairy industry development is increasing day by day. They are highlighting on the facts and circumstances of the public demand and make statistic for the development of the dairy products. Foreign country full fill their own demand of dairy products alone with the imported other countries.

All type of religious people like eat milk and milk products and have no religious barriers over the dairy food products. Moreover all class of people including children should eat dairy food products for nutrition. A different type of functional food is included by Bangladesh dairy product market which is favorable to the people. And this type of food is adding extra demand in dairy product market. In future it wills increase4 revenue in the market.

Globally dairy product market includes product variation in the time based segments of yoghurts, frozen dessert, cheeses and ice cream. In a developed economic country product variation is making a high demand for dairy products. Moreover variation in dairy food enriched the food with the vitamin and organic dairy products that act as supplementary foods to regular diets. Our dairy farming sector try to add ready to eat products and make easy our modern busy life style which convene with busy life  
In the dairy industry some limitation has found, if we remove this we will develop our dairy farming sector.

#### **2.4.2 Import of Dairy product:**

In our country we have some livestock crisis and we have to import dairy products in the global dairy products market Europe and Australia has maintained a leading position in terms of both production as well as consumption. This region is committed to meet the consumption of dairy products and such as yellow fact dairy products bitter, yoghurt and cheese.

Asia pacific and Latin America are exhibiting the grow of conjunction rate in dairy production. Asia pacific has become a high volume of producer and demand on dairy products.

Farther growth in population and the demand of high quality is increasing day by day globally. So if we focus on the development of the dairy products then some people get employment and make their own income.

**Chapter Three**  
**Resolution and finding of Bangladesh BRAC dairy**  
**(ARONG)**



**Milk for Good**

### 3.1 Market share:

BRAC Dairy Product plays an important role in dairy farming sector due to its quality and hygiene. However Brac Dairy product i.e milk products are good for child health, brain, body and Bones. Which is using in making dessert, tea etc. This dairy has capacity to process 2,50,000 liters of milk per day and it covers 24 percent national market share.

### 3.2 Operation network :

Food project of arong dairy



So above mentioned structure, marketing department (BRAC dairy and food product) or arong dairy is an ideal composition in dairy farming sector and its employee follows the organogram of the organization by way of reporting their boss for the task. That why BRAC organization reach the root of the success easily and employees maximum 1500 employee.

### **3.4 Market Segmentation:**

BRAC Dairy farm are dividing its market in four ways for example geographical, Demographical, psychological, Behavioral. This dairy has capacity to imagine best distribution and communication channels.

#### **3.4.1 Demographic part:**

**Consumer's income** is the most important part of the market of BRAC Dairy products and accordingly they maintain a minimum price beyond the purchase limitation of all classes people.

**Consumer's Age** is the important factor of the market of Brac Dairy Products and accordingly they processed their dairy products for all aged people. So all ages people can get nutrition by using their dairy products.

#### **3.4.2 Psychographic part of dairy product:**

**Equality:** Brac dairy maintain socialism and equality, due to this all classes consumers can purchase its dairy products. However BRAC dairy product is fulfilled with quality and hygiene of the food, which can meet usually the demand of all classes consumers because they are more conscious about their health.

**Target audience:** Milk and milk products are basic daily needs for all classes consumers and milk is used to make any type of dairy food and desert. So there is no specific division for milk in using because all classes people takes milk and milk product daily in different way. Brac Dairy focuses on all classes of people and maintain quality and hygienic of the milk product.

#### **Competitor observation:**

Bangladesh has some of dairy industry which produces milk and milk products. Amongst them Brac Dairy Arong is holding a leading position in the dairy farming sector due to a strong management team which always tries to give their best to make it a successful one. Milk Vita, Pran Milk, Aftab Milk etc. produce their milk and milk products locally. Brac Dairy Arong has maintained quality, hygienic, and focused on all classes of public demands. So its dairy products have reached everywhere in Bangladesh to all classes of customer. In the Dairy market Brac Dairy Arong has a well reputation and production damage is zero which helps to produce its product at a cheap rate. They always try to bring variation in their dairy product which is more favorable to the customer. Some skilled and expert personnel, employees in the BRAC Dairy industry which enriches its product.

**Channel of distribution and role of logistic:**

BRAC Dairy Arong works in a group of thinking and working together i.e. maintain supply chain management which is maintained by telecommunication system. So Brac Dairy Arong produces its customer quality full milk product to the customer in a proper time by using cellphone by way of communicating with the customers and transportation partner across the country. The entire department works together for serving information of collecting products, managing the suppliers providing service erecting report etc.

**Plan of management:** Top management of the BRAC Dairy set plans and policies for maintaining supply chain management. This management always tries to make balance to the need and demand of production delivery and return requirement.

**Source of dairy product:** Brac Dairy Arong collects milk from the rural area and they have a large pool of source to meet the collection of milk then they process the milk as the need and demand of the customer.

**About processing:** The dairy farms are collecting milk from rural areas by the agent and then it is delivered for processing to the processing unit of the dairy farm. After that the milk and milk products are prepared for using by the customer.

**Distribution of Brac Dairy:** Brac Dairy Arong in the dairy farming sector has its own team for Distribution and transportation. They distribute their products directly to the customer and

their transportation employee has responsibility to deliver the milk product properly and in time.

**Responsibility of Logistic:** Brac dairy along farm has a supply chain management which make effect over top level management plans supportive relations to their customers and control of all other factors.

Narration of Marketing Mix: Marketing mix needs a fourth hings which makes a market product effectively this are product, price, place, and promotion -



Which are given below:

**Product strategy of BRAC Dairy:** the dairy food product is our basic food in our daily life. Which fulfill our nutrition, makes strong human bone develops, the children body brain and bones. Now a days in Bangladesh fourteen dairy farms serves dairy food products. Which products can easily get the customer from everywhere like super shop, general shop, departmental store etc.

- **Core Value Product:**

This dairy milk product is good for child and human body and soul benefit of this product is developed the brain, body and bones with nutrition so people should always take milk product for good health.

- **Actual value product:**

Actual milk product is same as other milk products for example pasteurized milk, UHT chocolate milk which is very tasty and healthy and specially develop children health and brain.

- **Augmented product:**

The facility of augmented product is non-tangible o in this circumstances there has cash back opportunity to customer and retailer if any defective product is delivered according to company policy.

**Pricing strategy of Brac dairy:**

Growing up turnover of the organization is originated from the income of this organization. So the organization should maintain a reasonable price of it products for all types of people because pricing is the most important elements of the marketing mix. Pricing can develop the economics of an organization. Cost of the arong dairy product is depends on its quality. And its product is suitable for any class of people other than any milk product. The damage arong dairy product is zero which assesses to reduce the price. More over arong dairy has capacity to process 250000 liter of milk is 60 tk. Sour curd is 70 tk and then other yogurt drinks are 30 to 40 tk varies on the amount.

**Available place for Brac dairy:**

Everywhere in Bangladesh arong dairy milk and milk products are found which is available in the confectionary and super stores.

**Promotion type of BRAC dairy:**

Arong dairy always focus on the quality of the milk and milk product according to the public demand. Furthermore they do “Bolishtho Bangladesh Gorbo – I campaign which is inspired by the positive “can do” attitude towards Bangladesh. This campaign focus the commitment of arong milk i.e making Bangladesh strong by producing best quality of pure milk for developing brain, body and bones of child and human. This campaign has found

every channel including bill- boards, tv, print media pose displays, mobile bill board, and radio.

## **Chapter Four**

### **Resolution and finding of BRAC dairy (Arong)**

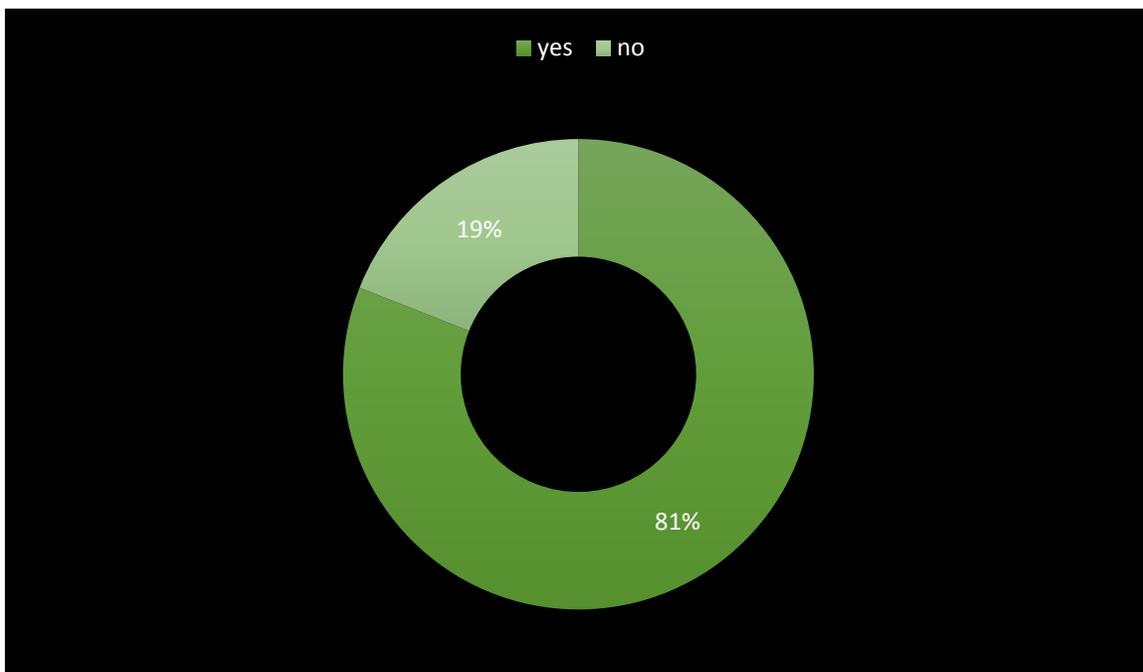


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### 3.5 Resolution and finding of BRAC Dairy:

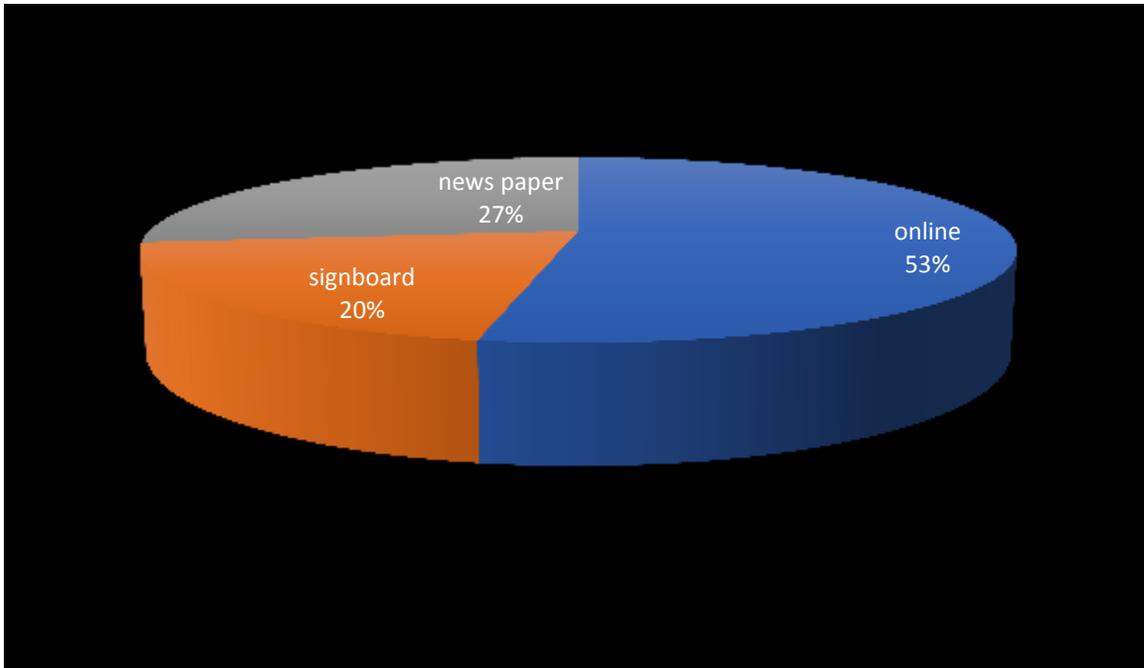
BRAC Arong farm collect milk from rural area and process it for using urban people, that's why rate of price is increasing. But BRAC Arong farm try its best to sale dairy products iun a minimum price with quality and hygiene. On the other hand Brac arong should focus on online publicity for the market of Brac dairy product. I communicated with some consumers to analyze the market of BRAC dairy products, and asked following questions about BRAC dairy products.

#### Q.1. Does consumer knows about all dairy products of Arong?



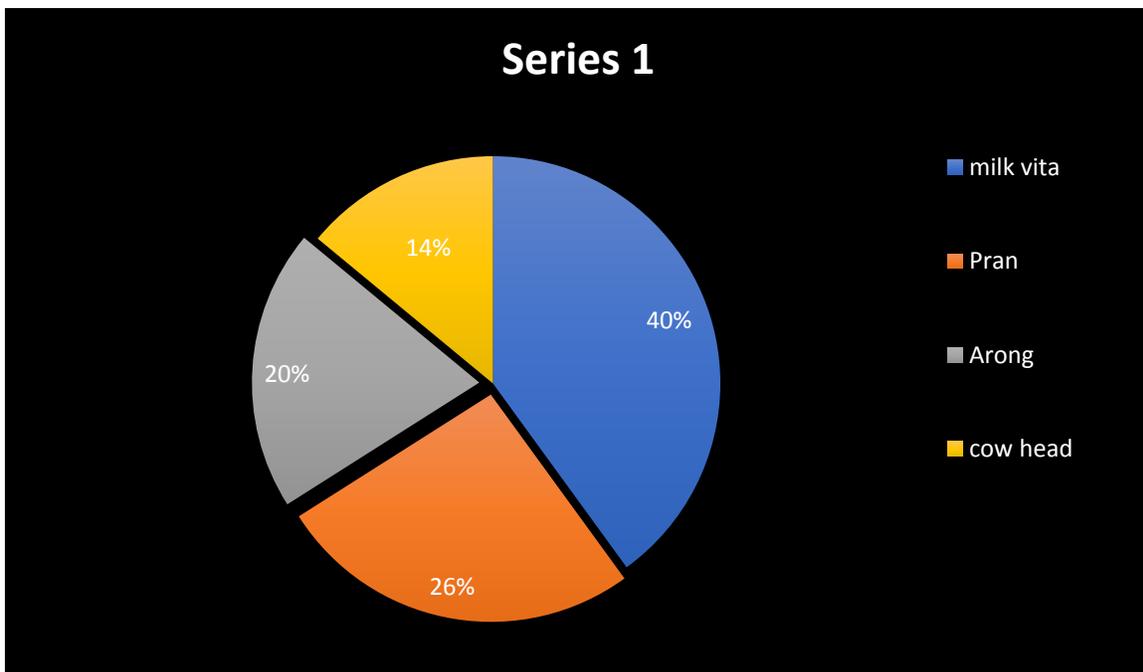
Survey result express that 81 percent consumer knew all Arong dairy products and rest of 19 percent people did not know the product of Arong dairy. So BRAC (Arong) should increase their advertisement for making familiar with their product to the consumers.

**Q 2. How would be all BRAC dairy Among products known to the consumer?**



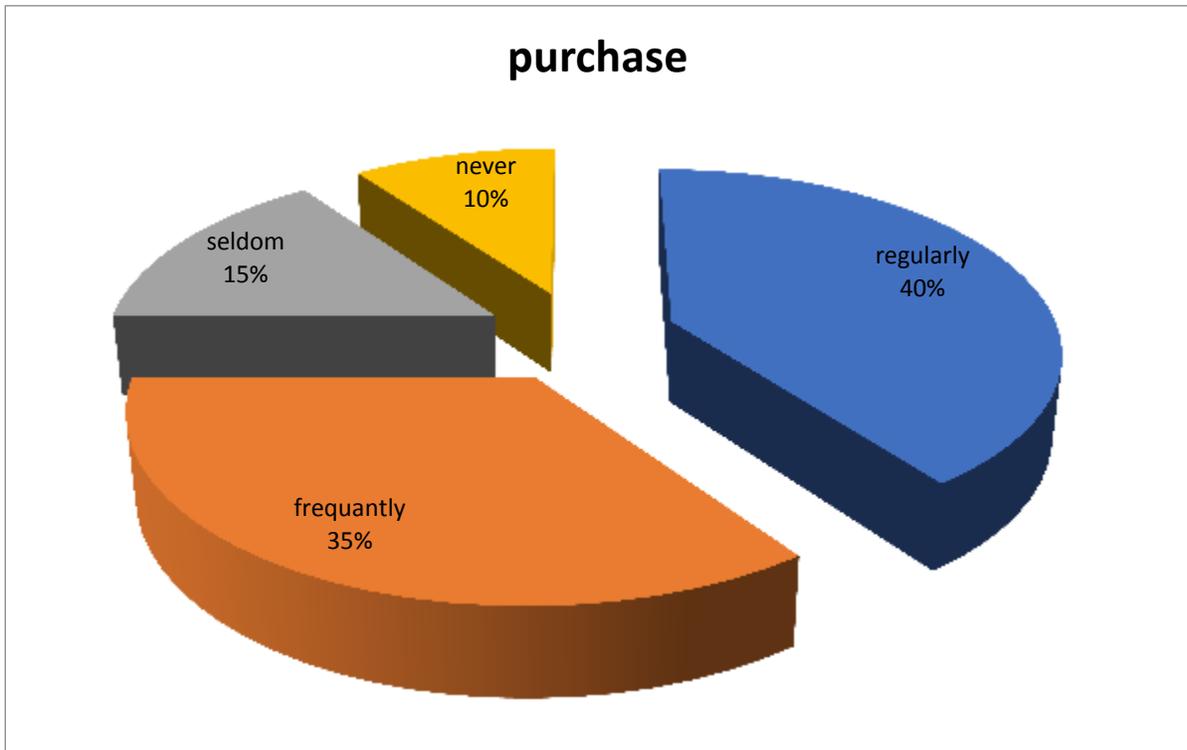
After survey we observed that different people knew Among dairy product in different way.as 53 percent consumer knew the same by online, 20 percent consumer new by signboard and lower portion is 27 % consumer knew by newspaper.so BRAC dairy should enrich their website for customer engagement than other advertisement strategy.

### Q.3 Which brand is more favorable to the consumers?



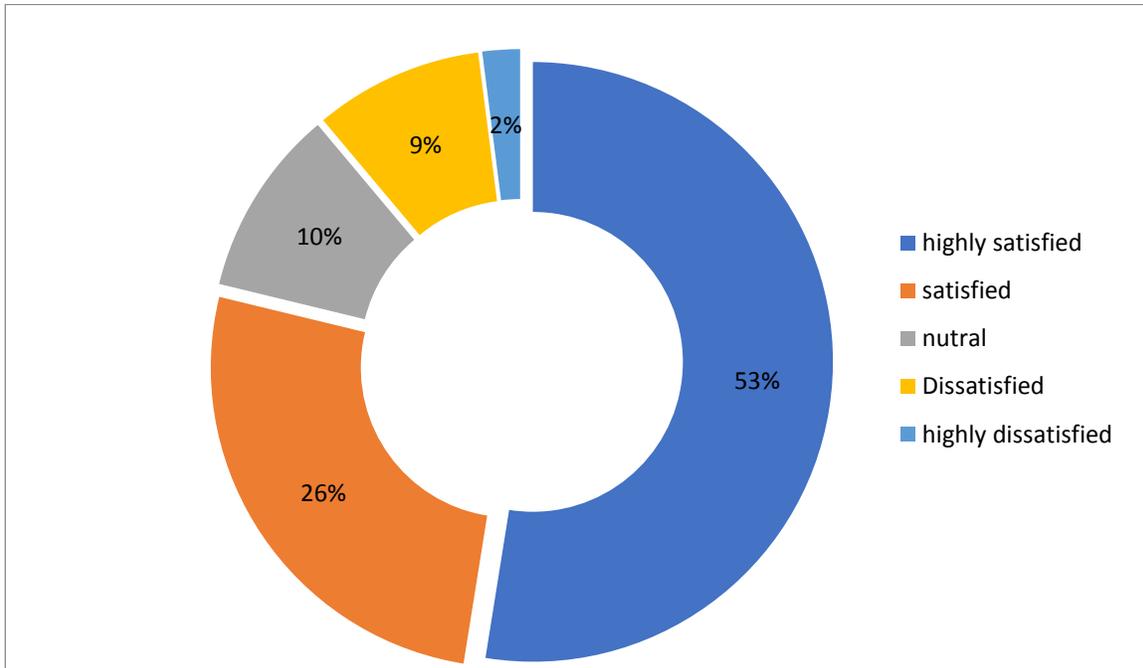
Survey result said that 40 percent consumers prefers to purchase dairy products from milk vita, 26 percent consumers from Pran 20 percent consumers from Arong, 14 percent consumers from cow head. So it is necessary to take more initiatives for Arong dairy for serving better quality dairy products than its competitor.

**Q.4 Whether the customer purchase among dairy products frequently/regularly /seldom/never?**



Survey result said 40 percent consumer purchase among dairy products regularly for their family choice, healthy or tasty etc. 35 percent consumers purchase Among dairy products frequently, 15 percent consumers by the same seldom,10 percent customer never purchase the same. So among dairy should focus on pricing policy and make the price reasonable for increasing consumers willingly purchase the same. In addition they should increase sales commission.

**Q.5. Observation about the quality of Arong dairy product:**



Survey result depicted that 53 percent consumers are highly satisfied about the quality of arong dairy product and purchase regularly, 26 percent consumers are satisfied about the same, 10 percent consumers are neutral, 9 percent consumers are dissatisfied about the same and 2 percent highly dissatisfied. So Arong dairy should take initiative for removing customers' dissatisfaction and work hard to improve it.

## Chapter Five

<b>1</b>	<b>Recommendation</b>
<b>2</b>	<b>Conclusion</b>
<b>3</b>	<b>Reference</b>



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## **Recommendation:**

- BRAC dairy should place their processing unit at the collection unit for reducing time consumption.
- They should make different types of advertising plan for the market of BARAC dairy product competing with other dairy products.
- For the development of the dairy product, dairy development board of Bangladesh with professionals should be formed.
- BRAC dairy should increase price commission. Though the price of the Brac dairy product is not higher than other dairy product.
- They should appoint more skilled professionals for making and processing BRAC dairy products fast and new addition.
- BRAC Arong dairy should provide more chillers distribution for the shop so they should increase chillers distribution
- BRAC dairy should take initiative to monitor their employees task at the market place for getting better output.
- BRAC Arong Dairy should take damage return policy for getting better output
- Government national and international assistance in the milk sector both for plant establishment and infrastructural
- BRAC dairy Arong should take necessary initiate for the vision to make “strong and healthy Bangladesh “

## Conclusion

Brac aron dairy is in a good position but not in a leading position in a dairy farming sector. They should take some strategic plan and policy for reaching leading position. To prepare this project I have done a survey for estimation of the quality of BRAC dairy products and observe that consumers now a day depends of website but BRAC Arong dairy website information is poor. So they should upgrade their website and give more information. There after they should take pricing policy, thou the price is not too much from other dairy products but people always depends on reasonable price. Product availability everywhere in Bangladesh is the urgent issue for the market of the BRAC dairy product. For that they can increase chiller distribution for the shop. Brac dairy arong

Appendix  
Questionnaire

This questionnaire is made for preparing this project, because I need to collect some dairy product information from the consumers. So I made this questionnaire for preparing a survey.

1. Occupation:  serviceholder  business unemployment  student  housewife
  
2. Sex :  male  Female
  
3. Age :  20-30  30-40  40-50  50- above
  
4. Do you hear the name of ARONG dairy products ?  
 Yes  No
  
5. How do you know about the brand arong dairy products?  
 Online  signboard  newspaper
  
6. What is your favorable brand?  
 Milk Vita  Arong Pran cow head

7. Whether the customer purchase ARONG dairy products –

Regularly  frequently  seldom  never

8. Why do you purchase ARONG dairy product?

good quality  healthy  family choice  tasty

9. Are you satisfied quality about the ARONG dairy product?

Highly satisfied  satisfied  neutral  dissatisfied

Highly dissatisfied

1	2	3	4	5	6	7	8	9	10
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10. Are you satisfied price range of ARONG dairy products?

(1=lowest satisfied, 5 = neutral 10 = most satisfied)

## **Reference:**

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