

The food products and beverage industry of Bangladesh

**INTERNSHIP REPORT
ON
A Study of Food Products and Beverage Industry**



SUBMITTED TO

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United International University
QUEST FOR EXCELLENCE

Letter of Transmittal

28th December, 2018

Nusrat Farzana

Assistant Professor

United International University.

Subject: Submission of Internship Report.

Dear Madam,

It is my great pleasure that I am going to submit the report on ***“A Study of Food Products and Beverage Industry”***

I have tried my best to follow the guidelines you had prescribed me to create my Internship report. I believe, the information I have collected, are the most important and necessary to know about the food products and beverage industry of Bangladesh and it had made my report more specific and coherent. I enjoyed a lot the challenges of preparing the report because it has given me, an opportunity to increase my understanding about the food industry.

I earnestly thankful to you for your guidance during the preparation of this report. I will be so grateful to you if you accept the report and all of your support in this regard will be highly appreciated.

Sincerely yours,

Moriom Akter

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Bachelor of Business Administration (BBA)

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Acknowledgement

At the beginning of my report, I would love to express my gratitude to Almighty Allah who has given me the opportunity to go through the total process of BBA as well as internship program. It was a great opportunity for me to get an opportunity to work on the food and beverage industry of Bangladesh which is such an important sector of Bangladesh economy.

First of all, I would like to express my gratitude to my respected Internship Supervisor, ***Nusrat Farzana, Assistant Professor***, School of Business and Economics, United International University, whose guidance, support and direction provided me the ability to finish such a long report.

My deepest appreciation and special thanks goes to ***Tuhin Sultana, Brand officer and Md. Shafiqul Islam, Assistant Manager of Akij Food And Beverage*** for giving me the time from their busy schedule to collect data to enrich my report with a lot of relevant food and beverage information.

Finally, I convey my sincere thanks to my friends who had inspired me, all the ways to complete the report and the internship course as well.

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Executive Summary

In the last term of the final year of Bachelor of Business Administration (BBA) course, I had got an opportunity by my honourable supervisor to have a practical exposure on **'The food products and beverage industry of Bangladesh'**.

Food is the most important basic needs for the Human society. The food and beverage industries is the highest fast growing industry on earth. Although this industry is moderately growing in the United States of America, It has already created the highest priority in the European countries. The competition is very high inside this industries internationally. The giant companies in this sector are: - Unilever, Nestle, Cargill and Kraft Foods. Other than EU and USA, there are an emerging industries in India and China. These countries are supplies the raw products to this industries.

The food and beverage is a fastest growing industry in Bangladesh since the year of 2000 as Bangladesh is an agriculture based country. This industry alone contributes 22% of the economy in the nation and around 2.45% of the nation's total workforce. Bangladesh being an agricultural nation with an extensive population can contribute to a great extent to the food and beverage industry. Bangladesh is additionally affecting the global market by sending out food and beverage to 90 unique nations on the planet.

Throughout my overall report, I have mainly tried to critically review the food products and beverage industry of Bangladesh. In the *first chapter*, named Introduction of the report, focuses on the background of the report, Scopes of the study, objectives of the report, methodology of the report, and

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limitation of the report etc. In the *second chapter* of the report, I've focused on global food and beverage industry and the issues of global food industry and so on. In the *third chapter*, I've focused on the overview of Bangladeshi food and beverage industry, the key manufacturers, types of foods and beverages products, and the impacts on GDP by these companies, the employment opportunities and strategic issues and finally I will share a SWOT Analysis of this industry of Bangladesh.

Last but not the least, to improve several problems in the food and beverage industries of Bangladesh, I will share some recommendations depending on my educational knowledge and I hope, the recommendations will be valuable for any new entrants of this industries.

Chapter one

Introduction



1.1 Background of the report

At the last semester in United International University (UIU), the students of BBA program have to write either Internship report with the practical working knowledge working inside of a particular organization or Project report observing an organization from the outside without working in that organization.

At these stage, UIU provides randomly a supervisor for each student who usually grant any topic or ask on what topic the student desires to work and then guides the student for preparing a well prepared internship or project report.

1.2 Origins of the report

An internship report created as a necessity for the fulfilment of the BBA program. The essential objective of the internship program is to give the students an 'at work' experience and a chance to compare the book knowledge with the real-life experience. To satisfy this reason I was encouraged to write a report on the food and beverage ventures of Bangladesh, as an assistant in such manner under the supervision ***Nusrat Farzana, Assistant Professor, School of Business and Economics, United International University.*** This report titled "A Study on the food and beverage industries of Bangladesh". Based on working knowledge for this period, I have arranged my internship report under the supervision of my honourable supervisor.

1.3 Objectives of the report

Objective is an important things of a report. It helps to the reader to get a summary of the report. The objective of the report for what I have created this report can be divide into two parts. They are:

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a. General Objectives:

- i.** This report is a pre-requirement of my Bachelor of Business Administration (BBA). So, to achieve my BBA degree is the general objective of creating this report.

b. Specific Objectives:

- i.** To present the global industry scenario of the industry.
- ii.** To analyse the issues of global food and beverage industries.
- iii.** To analyse the current scenario of food and beverage industries of Bangladesh.
- iv.** To create a SWOT analysis on the food and beverage industry of Bangladesh.

1.4 Scope of the report

The report is going to be a piece of document that provides valuable ideas and information on the global food and beverage industries as well the food and beverage industries of Bangladesh. Any reader of these report can get these ideas and get to know the global food products and Bangladeshi food products. There are very few report are available to get the analysis of Bangladeshi food products and beverage industry, So, I think, this report will be an important one for the officials of food and beverage industries of Bangladesh as well as foreign investors who wants to invest in this sector of Bangladesh. University students, lecturers, unemployed fresher's can also be benefitted to know the opportunities of this food and beverage industries of Bangladesh.

1.5 Methodology of the report

Methodology refers to the methods or sources that are used in the report. It's very important to know about the sources using what the report is made

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of. The sources from where I have collected the information that enrich my report and made it a valuable one, are divided by two sources.

a. Primary Sources:

- I. Formal and informal interview with various officials from different food and beverage companies of Bangladesh such as Akij food and beverage limited, Square food and beverage limited and so on.
- II. The economic review of Bangladeshi food and beverage products 2018.
- III. Quarterly economic review of food and beverage industries of Bangladesh 2018.

b. Secondary Sources:

- I. Valuable web articles, research on food and beverages
- II. Information from Food ministry website's of Bangladesh

1.6 Limitations of the report

Limitation refers the difficulties, I have faced during the preparation of this report. The limitations I have faced while gathering information of the report are:

- I. The collection of necessary information was tough me because most of all the food companies are situated outside of Dhaka city.
- II. Since the staff of various food companies was very busy, moreover, they had less knowledge and time to give me the accurate information.
- III. The scope of collecting primary data was limited.
- IV. Such a study was carried out by me for the first time. So, inexperience is one of the main factors that constituted the limitation of the study.

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However, I have overcome this limitations by giving extra time and efforts to make my report an informative one.

Chapter two

Overview of Global Food and Beverage Industry



2.1 Global Food and Beverage Industry

The global retail food and beverage segment has seen remarkable growth in the last five years, and its growth rate continues over the next five years at 5% of the CAGR with 2017 of \$ 5.76 billion dollars at graduation. Like the surveys, the macroeconomic factors, for example, the prosperous GDP, the increase in spending on buyers and the evolution of lifestyle, taste and inclinations are necessary to influence the timing of the conjecture. Despite inflation, the store management network and the quality control of the services and products are part of the difficulties facing the industry, the expansion sought the best retail benefits due to the abnormal state of the food and beverage market.

The general theme that regulates the food and beverage industry is the explosion of global interest and the rapid increase in food prices. The rapid economic growth of nations, for example, India, China, Brazil and Vietnam, offers billions of people the opportunity to appreciate ways that previously influenced only developed nations. The monstrous landing of customers in the global food market has caused a rapid increase in the price of food products, which has filled world inflation. Although some people in the food and beverage sector (mainly farmers and agribusiness) benefit from more expensive rates, most organizations in the area have seen their labor costs increase, which has impacted net income.

The food and beverage industry includes the foundation for the assembly of beverages, foods, pet foods and tobacco products. Industrial food and beverage organizations convert raw materials into food products and group and distribute them through different fund channels for both individual customers and corporate infrastructure.

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The five main sponsor and the largest organizations in the food and beverage market in 2017 are:



2.1.1 The Main Countries served by this Industry



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These are the main countries where global food and beverage industries highly concentrates on. But the rest of world also get served by these industries too.

2.1.2 Estimation of world food and beverage market.

The world food and beverage market is estimated at \$ 5.6 billion annually. The Asia-Pacific region is the largest district in the food and beverage market in 2017, with a market share of less than 35%. The United States is the largest market in the market in 2017, and the market share is over 17%.

2.1.3 A model of the global food and beverage market segments.

In the food and beverage market has been fragmented into alcoholic beverages, soft drinks, cereals, bakery products, confectionery, frozen fruits and vegetables, newspapers, meat, chicken, and submarine, syrup, spice, oil and general food, food pet and Tobacco products.

- a. **Alcoholic Industry:** The alcohol section contains the organization of alcohol production by the aging process and refined wheat production.
- b. **Non-Alcoholic Industry:** Some of the soft drinks include, for example, bases for producing alcohol-containing beverages for espresso, tea, soft drinks, ice water and filtration.
- c. **Grain Section:** Grain section contains the rationale used to clean up the process of preparing a mixture of flour or mixture of flour, wipe the plant or Farena, and collect koji grains, rice and other cereals.

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- d. **Confectionery and Bakery sector:** The Confectionery and Bakery parts contain the basis for the manufacture of bakery and confectionery products.
- e. **Meat, Poultry and Seafood:** meat, poultry and seafood section are based on basics and fish related to slaughter and handling of living things, birds, handling and preparation and include packaging items.
- f. **Dairy Industry:** Dairy delivery includes the foundation for a group of consolidated dairy products, dispersed and adds the production of dry milk products, ready for some substitute milk slag and waste.
- g. **Frozen, Fruits, and vegetables industry:** Frozen and fruits and vegetables contain the basis for attaching frozen foods and canned fruits and vegetables. This market does not include non-frozen and natural fruits and vegetables that are part of the agricultural market.
- h. **Syrup, oils and general Foods:** Parts of syrup, spices, oil, common foods, includes syrup, spice, vegetable oil, general food composition.
- i. **Pet Food:** The pet food part contains the foundation for making dog food, cat food, and other living things food. Other animal foods such as foods for cattle, pets, and poultry. This market also produces organisms producing pig feed and turkey feed.
- j. **Tobacco Industry:** Some of the Tobacco-related associations include an organization that scoops and disassembles snuff and basically creates snuff like cigarettes and other related products.

2.1.4 Highlights

- a. Revenues in the global food and beverage sector totalled US \$ 93,582 million in 2018.

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- b. Revenues must show an annual growth rate (CAGR 2018-2023) of 10.3%, which results in a market volume of USD 152 677 million for 2023.
- c. User penetration is 20.3% in 2018 and is expected to reach 28.0% by 2023.
- d. In the global comparison, most of the revenue is generated in China (USD 18,521 million in 2018)
- e. The average revenue per user (ARPU) currently amounts to US \$ 89.57.

(Source_Link:

<https://www.statista.com/outlook/253/100/foodbeverages/worldwide#market-revenue>)

2.2 Issues of global food and beverage industry

2.2.1 Technological development.

Many industries have taken significant steps in the sector towards sustainability and resource efficiency, but we believe that most companies focus on improving quality and creating new products. Because of the type of attention, most manufacturers do not give priority to health and health problems that are not oriented towards the development of such technologies. The trend is that the core of technological development is still focused on profits and companies want to increase efficiency without focusing primarily on sustainability. According to the same survey, companies are more focused on product innovation than more environmentally friendly technologies, but many companies are heading in this direction. As the food and beverage industry is heavily dependent on technological advances arising from the need for mass production, support for large-scale production is developing at a lower price.

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(Leatherheadfood.com, 2017)

2.2.2 Government and Regulatory issues.

The food safety guidelines are applied to each stage of the production of food and beverages, from handling to production and circulation. The laws are generally based on the safety of the products delivered and the nature of the dispersion in the industry. Similarly, the industry is subject to laws that have committed organizations to legitimately label products and meet food safety criteria to a minimum. Laws, such as the NLEA and the Food Safety Modernization Act of 2010 (FSMA), aim to make the buyer safer. There are a number of offices in the United States that control the nature of production for the food and beverage industry, for example, the FDA (Food and Drug Administration) is part of organizations that work for the legislature. It helps to stay basic in the industry. In the vicinity of these organizations, there are other neighbouring authorities that help in the management of small and medium enterprises, and legislators are helping the legitimate administration of the industry (Hg.org, 2015). Like the FDA, Bangladesh has a regulatory body called BSTI, which administers and controls all food and beverage products, protecting products for buyers.

2.2.3 New Markets around the World.

As already mentioned, the food and drinks industry is developing and the competition is also growing in the same way, which is pushing various associations to go to new markets to help. Because of the massive financial development in the creation of economies, food and beverage associations are concentrated in these countries. Furthermore, the basic concepts and headings in these countries are also much more flexible than the countries in which these associations begin. Because of the easy fundamentals, associations are often very versatile nowadays in these countries.

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Respondents of global livelihood producers think of China, India and Brazil to offer the best potential for market development in 2016-2017. As a survey shows, EE. The United States, Singapore, Taiwan, the metropolis and the Republic of Korea offer the most incredible development potential among the countries created in 2016-2017. The associations are under the relentless weight due to changes in the edges and the affability of the consumer's esteem; these problems are often overwhelmed by economies, such as China, India and Russia. Furthermore, for example, the countries of China and Asia have the greatest abundance in the world in this way, which creates surprisingly useful markets for entry. There are several buyers. United Nations agencies are now ready to receive results as a result of the extended lifestyle later, as several manufacturers are focusing on these partnerships (Prnewswire.com, 2017).

Chapter Three

An Analysis of Food and Beverage Industry of Bangladesh



3.1 Overview of Bangladesh food and beverage industry.

The food and beverage industry is a quickly developing part in Bangladesh, utilizing a noteworthy part of the workforce in the nation. In between 2014 and 2017, the food and beverage industry in Bangladesh developed at an average of 7.7 percent for each annum. Economic Census of 2016 from Bangladesh Bureau of Statistics, revealed that there were roughly 246 medium-sized food and beverage companies are providing employment facilities to 19 percent of the mechanical assembling workforce in Bangladesh or 8 percent of the aggregate workforce of Bangladesh. The food industry utilizes 2.45 percent of the nation's aggregate work power and its impact on the GDP was 2.01 percent in 2017. Also, there are various small industries and local units occupied with food and beverage all through the nation. As per some industry experts, the food and beverage sector in Bangladesh is a 4.5 billion US Dollar industry. In 2017, Bangladesh sent out over \$700 million worth of processed foods and beverages, more than 60 percent of them were shrimp and fish items.

Bangladesh's food and beverage industry faces real changes as it undergoes a growth phase in 2018. The food and beverage industry is all organizations associated with the handling of raw materials for food, packaging and dissemination. This includes new and arranged foods and also packaged foods and alcoholic and non-alcoholic beverages. Any element planned for human use, in spite of pharmaceutical products, experiences this part. The food and beverage industry is divided. The production in this segment is divided between a couples of different organizations, but as is possible, none of the organizations has a sufficiently large market share to influence the detection of area or value levels.

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There was traditionally a small range of food and beverages in Bangladesh, local or privately managed companies use basic handling for the protection and treatment of crude farming products as food and food. Business scale food handling was shown in the 1960s by using the new inventions for the development of wheat and rice processing, mustard seed squashing and highly restricted bread and treatment methods, in the development of this region until the scale of energy was not adopted until the scale of 1980. As of late the characterizing attributes of the industry have been the preparing of progressively different items to meet the changing requests of the Bangladesh populace. The real food preparing sub-divisions in Bangladesh incorporate dairy, eatable oil, sugar, rice, wheat, products of the soil, tea, poultry/hamburger, heartbeats and flavors, and fish handling ventures. Incited by the vivacious development of the various white collar class populace of Bangladesh and the developing requests for extra utilization, the food preparing area is set to observe further heavy extension in the coming years.

3.2 Key Manufacturer industry of food and beverage in Bangladesh.

There are total 17 companies listed in Dhaka Stock Exchange (DSE) till December 2018. They are listed below with their own trading code with whom they get listed in the DSE.

- a.** AMCL (PRAN) = Agricultural Marketing Company Ltd. (Pran)
- b.** BATBC = British American Tobacco Bangladesh Company Limited
- c.** BEACHHATCH = Beach Hatchery Ltd.
- d.** FUWANGFOOD = Fu Wang Food Ltd.
- e.** GEMINISEA = Gemini Sea Food Ltd.
- f.** MEGHNAPET = Meghna Pet Industries Ltd.
- g.** EMERALDOIL = Emerald Oil Industries Ltd.

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- h.** FINEFOODS = Fine Foods Limited
- i.** RDFOOD = Rangpur Dairy & Food Products Ltd.
- j.** OLYMPIC = Olympic Industries Ltd.
- k.** SHYAMPSUG = Shyampur Sugar Mills Ltd.
- l.** BANGAS = Bangas Ltd.
- m.** GHAIL = Golden Harvest Agro Industries Ltd.
- n.** APEXFOODS = Apex Foods Limited
- o.** MEGCONMILK = Meghna Condensed Milk Industries Ltd.
- p.** NTC = National Tea Company Ltd.
- q.** ZEALBANGLA = Zeal Bangla Sugar Mills Ltd.

3.2 Types of foods and beverages products made in Bangladesh.

Company	Products
Transcom Beverage Limited	Range of beverages = Pepsi, 7up, Mirinda Orange, Mirinda Lemon, Slice and Soda.
Akij food and beverage	Mojo, Lemu, Clemon, Speed, Frutika
Globe Soft Drink Ltd. & AST Beverage Ltd.	Royal Tiger, EURO Cola, EURO Orange, EURO Lemon, Fizz Up
Global Beverage Co.	Shark Energy Drinks, Zam Zam Cola, Appy Fizz
Pran Beverage	Maxx Cola, Cloudy Lemon, Clear Lime. Power Drink
Partex Beverage	RC Cola, RC Orange, Upper 10, RC Lemon, MUM Mineral Water, Danish Condensed Milk

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1. **Agriculture foods:** Rice, wheat, fruit and vegetables, tea, sugar, milk, and edible oil.
2. **Alcoholic:** In Bangladesh, there are a lot of restriction on the use of alcohol or alcoholic drinks. So, this is not a main beverage of this sectors.
3. **Non-alcoholic:** A lot of non-alcoholic beverage products exist in Bangladesh. Such as Shark Energy Drinks, Royal Tiger, EURO Cola, EURO Orange, EURO Lemon, Fizz Up and so on.
4. **Confectionary, Stationary, bakery products:** Most of these products are sold by sole proprietorship business and deliver the day to day food items such as Cake, Cup-cake, Danish, Parota etc.
5. **Dairy foods:** Variety of dairy products that are mostly sold contains the milk of cow and goats. Several firms also differentiate these products in various ways. Some of these food products are Arong Dairy Milk, Arong Dodhi etc.



3.3 Impact on Bangladesh GDP

There is a vast and quickly developing food and beverage industry in Bangladesh, which has turned out to be one of the fundamental potential employment economies regarding employment and included value. Truth be told, the Bangladesh food and beverage industry have expanded about 22% of the nation's aggregate creation and utilizes about 20% of the industrial generation workforce and 2.45% of the nation's aggregate workforce. It is a 4.5 billion dollar work that has around 700 food generation and preparing organizations. The principle sub-sectors of the food industry are rice, wheat, fruit and vegetables, tea, sugar, milk, and edible oil. One of the biggest populaces on the planet, and the populace base is developing quickly, the interest in food and drink is always expanding. Moreover, because of variables, for example, economic growth and rising pay, the request is being pushed further towards customary food products and great food. (Kundu, 2017).

The food and beverage industry was at first little and restricted to some residential and family exercises, which concentrated on essential farming products. Until the 1980s, the industry had not achieved a huge dimension in working conditions. In the mid-2000s, the nation's food and food industry expanded by 7.7% every year and, in late decades, food products have progressively expanded in Bangladesh. Craftsmanship. (Md. Khairul Akter, 2017)

In addition, the land horticultural settlement is situated in Bangladesh and its vital position is extremely helpful in the rural generation. (Mohammad Khairul Akter, 2017)

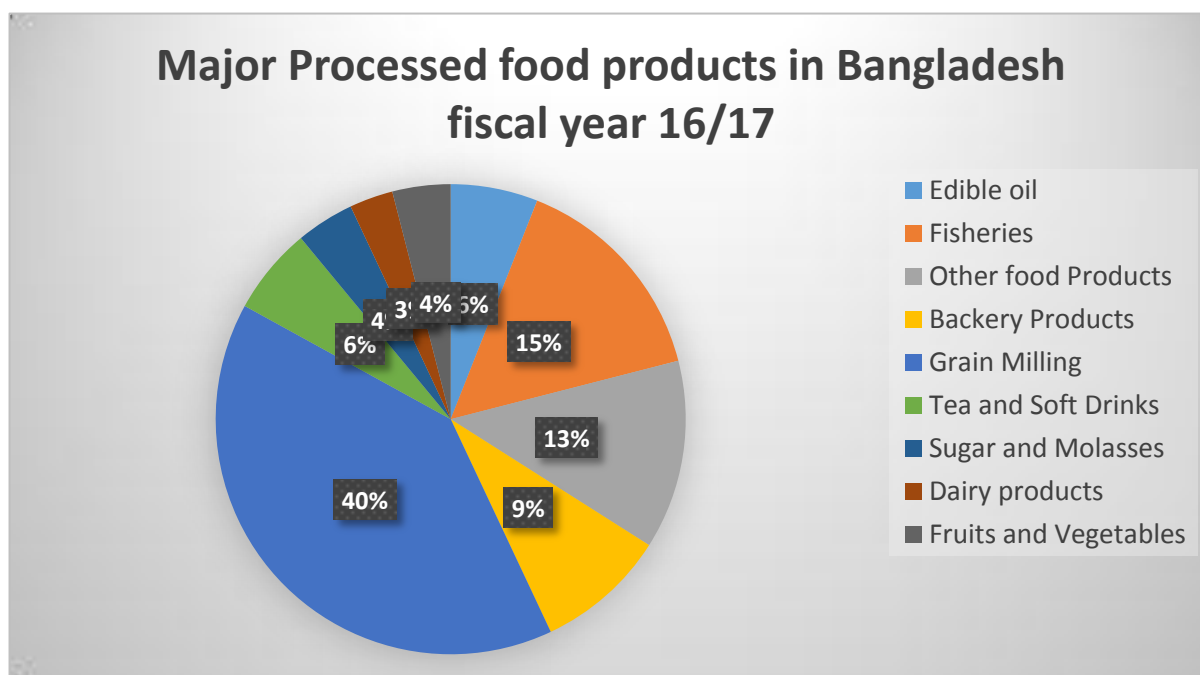
Agriculture has contributed extraordinarily to the Bangladeshi food industry. Bangladesh's fare strategy as 2012-2015, the agrarian sector is

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one of the principal needs. From the general total national output, 32% of this is delivered by the agro-food industry. (Md. Khairul Akter, 2017)

Be that as it may, even with these yields, populace requirements, for example, populace weight make it hard to address ranchers' issues and therefore lead to food deficiencies and misfortunes. For instance, a year ago the Bangladesh BSFIC Sugar and Food Ventures Partnership endured lost 5.3 billion rupees. These food deficiencies are met by the hole and meet for business imports from different nations.

Products	Sales
Edible oil	6.00%
Fisheries	15.00%
Other food Products	13.00%
Bakery Products	9.00%
Grain Milling	40.00%
Tea and Soft Drinks	6.00%
Sugar and Molasses	4.00%
Dairy products	3.00%
Fruits and Vegetables	4.00%



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Bangladesh's food and beverage enterprises assume an essential job in both national and worldwide markets. The worldwide effect can be seen by the expansion in food sends out around the world. Despite the fact that the horticultural sector of agriculture is viewed as falling, the grain industry and the nation have incredible potential. Moreover, there is a similar favorable position contrasted with different nations in Bangladesh in the field of research centre creation and the handling and generation of patio nurseries. The Bangladesh Horticultural Processors Affiliation centres on delivering, preparing and trading around 90 distinct products in almost 70 unique nations.

Besides, the nation plans to expand Gross domestic product through the food and beverage industry by sending out certain agrarian products. For instance, the richness of Bangladesh is appropriate for angling and the development of corn, which is traded in the season and in edible nations, for example, Egypt and Nigeria (agrarian preparing industry, N.D. in Bangladesh).

In 2016-2017, the picture beneath demonstrates a part of the market of various businesses in Bangladesh. As Bangladesh is quickly developing in the food and beverage sector, it very well may be expected that the market has extended, however, some general structures are comparable. There is an extensive and quickly developing food and beverage industry in Bangladesh, which has turned out to be one of the primary potential employment economies regarding employment and included esteem. Indeed, the Bangladesh food and beverage industry have expanded about 22% of the nation's aggregate creation and utilize about 20% of the industrial generation workforce and 2.45% of the nation's aggregate workforce. It is a 4.5 billion dollar work that has around 700 food

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generation and handling organizations. The fundamental sub-sectors of the food industry are rice, wheat, fruit and vegetables, tea, sugar, milk, and edible oil. One of the biggest populaces on the planet, and the populace base is developing quickly, the interest in food and drink is always expanding. Besides, because of variables, for example, economic growth and rising salary, the request is being pushed further towards customary food products and excellent food.

3.4 Employment opportunities

The employment rate in the horticultural sector has diminished -0.7 million; Just 26,000 net occupations have been added to the industrial sector. Accordingly, the aggregate employment in the agriculture sector has diminished from 42.7 percent in 2016-16 to 16.16 percent in 2011-16. This offer is regularly reallocated by the service sector.

In addition, the greater part of the retail exchange (0.6 million) in the service sector; Food and beverage products exercises (0.1 million); and family exercises as bosses (0.1 million). In spite of the sector's solid growth execution, the employment sector in the manufacturing sector has diminished by about 0.9 million. The ongoing positive pattern was not ready to make up for the past fall. Note that numerous vital manufacturing businesses, including food and beverage products, have endured misfortunes because of net occupation misfortunes. In this way, as indicated by BBS gauges, in the money related year 2012-2016, an honorable pace of economic growth was enrolled, on account of the expansion in the estimation of industrial esteem, it has not been reflected in the aftereffects of the activity.

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Sector (In Million)	2010	2013	2015-2016	2016-2007
Total	54.1	58.1	59.5	60.8
Agriculture	25.7	26.2	25.4	24.7
Industries	9.6	12.1	12.2	12.4
Services	19.1	19.8	22	28.7

In 2016-17, the quantity of occupations is partitioned into three sections, in particular. Dhaka (9 thousand), Chittagong (612 thousand) and Rangpur (23 thousand). The quantity of joint employment in the other four divisions is diminished by 524 thousand.

3.5 Strategic Issues in Bangladesh.

a. Political Emergency: Bangladesh faces a continuous political emergency which hinders day by day business exercises and in this manner impacts the industry conversely. The issue of supply of products at the season of food and beverage industry reduces and it causes a loss of sale. Moreover, since these items have been terminated since the expiry date, numerous items are not sold before the due date of the short deal because of various political crisis. This hinders the production of quality foods for the overall food and beverage industries of Bangladesh.

b. The Entry Barriers: The entry barriers to entry into this industry are essential because of starting an essential venture. Most organizations have completely computerized generation frameworks that make it troublesome for new business people to deliver indistinguishable rivalry from the principle rivalry and survival in the market. Besides, the primary competitors have just accomplished a huge part of the overall industry and brand value, which makes it troublesome for new organizations to enter the market and share their products to consumers. Despite the fact that this

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factor helped the food and beverage industry, it has influenced the industry conversely. The administrative body isn't viable in frustrating the cooperative's administrative exercises to control the nature of the products sold in the food and beverage industry.

c. Corruption: Administrative government organizations are mostly corrupted, therefore, numerous organizations make it simple to bribe and spread contaminated products in the market. This implies, there are more products in the market yet purchasers lose trust in the brands since they trust that the brand value isn't kept up. Because of countless corruption, because of the bribing of many organization authorities, it is hard to get protected products in the market, all these problems lag behind the food and beverage industry of Bangladesh.

3.6 SWOT Analysis of food and beverage of Bangladesh

A study theoretical study performed on Bangladesh food and beverage industry to find out the Strength and Weakness as well as the opportunities and Threats of this industry.

3.6.1 Strengths of Bangladesh foods and beverage industry

- Fast developing industry**
- Complete government support**
- Huge availability of labour force**
- Densely populated country**
- Availability of products by mass distribution throughout the nation**
- Easy-going legal system**
- Unique advertisement ideas**

3.6.2 Weakness of foods and beverage industry of Bangladesh

- Unskilled Labor force**
- Food and beverage safety acts**
- Less experience in global market**
- Corruption**
- Unethical practices by several company's**

3.6.3 Opportunities of foods and beverage industry of Bangladesh



3.6.4 Threats of foods and beverage industry of Bangladesh

The food products and beverage industry of Bangladesh

Existence of several Strong MNC's Such as Unilever, Nestle

Unethical Practice to the compititors

Poor Legal System

No quality standards maintain by the food companies

Consumer preference for foriegn food products

Chapter Four

Findings of the Report



Findings of the Report

The food products and beverage industry is an important industry to achieve economic growth for many countries, for example, the countries of European continent have earned a trusted and well economic growth through their the food and beverage industries. After analysing the global and national scenario of foods products and beverage industry, I have gathered some findings of Bangladeshi food industries in this chapter.

1. Though most of the food industries are primarily based on the agricultural sector in Bangladesh, the farmers are deprived of its benefits.
2. Raw materials are cheap and available. It is easy for corporations to move into this industry what is increasing the competition day by day.
3. A huge market of dairy, fisheries and fruits are served by a few companies.
4. Many foreign countries are making high profits by providing healthy food and beverage where Bangladeshi companies are lagging behind here.
5. Lack of Strict food products laws are encouraging the national food and beverage companies to use cheap food materials, colours in food products what created various health related issues in Bangladesh.
6. Lack of standard followed by the companies for their consumers.
7. A huge number of population are unemployed in Bangladesh. But report shows that these enormous industries have places only a few.

Chapter Five

Recommendations and Conclusion



Recommendations of the Report

As Bangladesh is an agriculture based country, the food industries are at stake to contribute a high economic growth. But a lot of reasons are creating barriers. According to the findings, I shared on the previous chapter, I would like to share some recommendations for the betterment of this industry.

1. Bangladesh government should take proper measures to save the farmers and plan their minimum wages of per hour so that no food companies can't provide them less than that.
2. There is a huge market for fruits, vegetables and fisheries. New investors can invest here as very few companies are participating in this sector of food industry such as packaged fruits and vegetables have great demand in Dhaka city.
3. Bangladesh government should create restrictions on foreign companies so that domestic industries can develop.
4. Proper food and beverage law standards should be introduced as fast as possible.
5. Unethical food companies, who provide unhealthy food items, need to be found out and banned immediately.
6. To reduce unemployment problem laws should be established for foreign and domestic companies to hire 70% Bangladeshi employees and if necessary train them to increase their efficiency.
7. Establish super shops rather than local vendors would be a great step to attract more consumers.

Conclusion

The food and beverage industry is an exceedingly productive and stable industry. Despite the fact that it is overwhelmed by a couple of multinational there is the degree for advancement by the SMEs. Food is a fundamental need of each human being consequently making it an inelastic product for all purchasers, in this way, unmistakably this industry will undoubtedly wind up terminated rather develop. Additionally, as examined before the food and beverage industry is safe to the economic crisis accordingly making it a fairly fascinating industry to work with. The government and the neighbourhood expert has been endeavouring to secure the SMEs for quite a while, this is to start a solid rivalry and make the scope for advancement. In Europe, the SME food and beverage industry are very secured by the government and frequently offered appropriations to enable them to continue. Comparative procedures could be taken by the Bangladeshi government to enhance the development in the food and beverage industry. Moreover, the industry is booming on the grounds that it is an inelastic product as well as in light of the developing population, along these lines, greater investment ought to be done in this industry by more enterprises in Bangladesh. Since the population is growing the opportunity seems to be the best one to grab in Bangladeshi context.

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