

Project report on

The Beverage Industry in Bangladesh

(Present, Past & Future)



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Submitted To:

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Muhammad Rehan Masoom

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Subject: Submission of Project Report on the Beverage Industry in Bangladesh (Present, Past and Future)

Dear Sir,

I really blessed to complete my project report and being able to submit it to you. I was dedicated enough to complete the report as per strictly following your instructions. However, I would request you to consider the unintentionally mistakes those can be considered and accepted.

You support throughout the report completion journey inspire me a lot and at the same time I have learned so many things from it. Thanks to the Almighty Allah for giving me so patience to complete it.

Sincerely yours,



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Declaration of the Student

I am **Md. Shafi Arman**, hereby declare that –

- The project report on “**The Beverage Industry in Bangladesh (Present, Past and Future)**” has been prepared by my original works and efforts.
- Without following any unethical ways, I have prepared the report and this report is prepared for only academic purpose and under the supervision of **Muhammad Rehan Masoom**, Assistant Professor, School of Business and Economics, United International University.

Sincerely yours,



Md. Shafi Arman

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Acknowledgement

For the very first time I got the opportunity to work a project report as a part towards getting BBA degree from my beloved United International University. I was really in a dilemma how to start and continue with the job, but by the immense help of my honorable supervisor Mr. Muhammad Rehan Masoom it became a handy job for me. His assistance and instructions show me the path to complete it on right way.

Simultaneously, in earlier age, I would like to express my gratitude to my university mates, seniors and none other than my parents. I would also express my gratitude to the Almighty Allah for having such a university and such good soul mates and eventually my supervisor.

I got some assistance from some of my familiar persons related to the area that I researched and prepared my project report. I would also like to thank those good hearts.

Finally, thanks to Allah for take me to the closer to be a graduate.

Sincerely yours,



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Executive Summary

The focus of this analysis will be on Present, Past and Future conditions of The Beverage Industry in Bangladesh. The journey of the beverage industry in Bangladesh began with traditional beverages like tea and locally made carbonated drinks. In the 1960s Bangladeshi beverage industry began to take shape. That time Coca-Cola and Pepsi dominated the Bangladeshi beverage industry. These two brands were very popular in the Bangladeshi beverage industry. Coca-Cola entered the Bangladeshi beverage market in 1965 and after that in 1976 PepsiCo entered the Bangladeshi beverage market. After that in the 1980s and 1990s, Bangladeshi local companies like Pran and Akij Group entered the beverage market. They offered varieties of beverages including carbonated soft drinks, fruit juices, dairy-based drinks, and bottled water. Day by day the Bangladeshi beverage industry is increasing and many new beverage brands are entering the beverage industry. There is a high possibility that more new global and local beverage companies will join the Bangladeshi beverage industry with their new brands. I have tried to highlight the entire issue about present past and future conditions of the beverage industry through this project.

CHAPTER 01

INTRODUCTION

1.1 Introduction

Among the various sectors that contributed BDT 1,071.77 crore in revenue under the VAT system implemented by the National Board of Revenue (NBR) in the fiscal year 2020–21, the beverage industry stands out. Despite the abundant variety of drinks available in the market, encompassing diverse branding, names, and flavors, it is noteworthy that all these beverages are owned by a limited number of large conglomerates. In addition to internationally recognized brands, the beverage industry also thrives due to the contributions of smaller local businesses. Nevertheless, it is interesting to observe that the majority of the most popular drinks are produced by two market leaders, who effectively dominate the entire market, leaving little space for competition.

1.2 Origin of the Report

As a part of like other credit course, Internship or Project is another one to accomplish the degree as per the university policy. I had no other choice rather project since I had to be busy with my job. But, I tried to use my job experience in preparing the project titled “The Beverage Industry in Bangladesh (Present, Past and Future)” approved by my honorable supervisor Mr. Muhammad Rehan Masoom. I myself was also happy to work with such interesting topic for which I may collect information easily and thus, eventually I did my report with a full effort as much as I can pay.

UIU is one of those universities where maintaining quality of every aspect for every student’s side is really a challenge. Quality for excellence is the slogan of UIU, so I am the proud student of that very university. From that accountability I also own my university and thus tried myself to prepare my report with some quality content with paying effort from my best.

1.3 Objectives of the Report

Obviously, objective is vital factor from a reader can get the vibe in short about the report. In my study, I tried to depict a picture of the overview of the beverage industry which is familiar among us. Everyone knows that soft drinks are unhealthy but still consumers love to have it especially during different occasions. I tend to make it rather easy study on different beverage by getting its overviews.

1.3.1 Broad Objective

In fact preparing this report is an obvious requirement of getting my BBA degree from UIU. I was dedicated enough for preparing a better report with the help of my supervisor. I spend much time for making this report effective and acceptable.

1.3.2 Specific Objectives

- To analyses the present scenario of beverage industries of Bangladesh.
- To analyses the past scenario of beverage industries of Bangladesh.
- To analyses the future scenario of beverage industries of Bangladesh
- To depict an overall clear picture of the global beverage industry.
- To depict an overall clear picture of the local beverage manufacturer.

1.4 Methodology of the Report

Methodology tends to the fact with the method or source should be used in the report. I have used only the secondary sources to gather and accumulate information. I gathered the information for my report was from different articles related to the research from internet. I took some information from a reputed online newspaper. From the online newspaper I got the most organized sources of information which leads me make easier access of source to complete my report. I also got different other journals from internet which also helps me for preparing my report as well. Nonetheless to say that by using internet source it really becomes easier to get the proper information.

1.5 Scope of the Report

This study is prepared towards the general readers who may get vast information regarding the beverage industries of global and local. Beverages include carbonated soft drinks, energy drinks, sports beverages, different juices, dairy beverages, packaged drinking water, local sherbet etc. are well consumed by the native Bangladeshi locals. Through this report, they would come to the history of beverage they used to consume. Also, there have a scope of learning from various aspects beverage industries, its present, past and future. Readers may come to know that, the Bangladesh has a huge market of soft drinks which is

probably to Tk 4,000 crore to TK 6,000 crore is branded by two soft drinks makers Coca-Cola and PepsiCo. Some other Bangladeshi local company also includes in producing and marketing the soft drinks in Bangladesh like PRAN-RFL Group, Akij Food & Beverage and Partex Beverage.

1.6 Limitation of the Report

Actually limitations tend to face the difficulties found during preparing the report. Here, difficulties may cause like time constraints, lack of information in the internet or book, could not find the proper information etc. Here are some remarkable limitation of report is stated;

- Preparing this type of research was a challenge for me since I don't have any previous experience on it but finally overcome the issue and finalize my report as presentable.
- A common problem that everyone faced of lack of source of related information.

CHAPTER 02

DIFFERENT BEVERAGE INDUSTRY

ANALYSIS

2.1 Background of the Beverage Industry in Bangladesh

Bangladesh is a land of huge people and thus, she becomes the attractive market for the business tycoon. Where there is customer there is business, it's the harsh reality. After the war held on 1971, the food habit of Bangladeshi citizen has been changed rapidly. At the same time, food consumers of Bangladesh started to have western food after 1980's. Eventually, different foreign food tycoons got the chance to start their business here and in no time they establish their desired industry here. Among the different industry that established in or after 1980s, beverage industry is one of them. The real fact is, beverage is actually our cultural part, as if not only carbonated drinks are beverage but yogurt, soup, lacchi, shorbot is very old traditional beverage in Bangladesh. Now, in the digital age, Bangladeshi people welcome their guest at home with a glass of shorbot first. It is needless to mention that, Bangladeshi people are familiar with traditional beverage from more than 100 years. But, yes carbonated beverage is absolutely new in Bangladesh. Carbonated beverage was started to be available in Bangladesh in the later part of 1980, but only a few companies were in Bangladesh on that time.

But, after the course of time, Bangladeshi becomes influences by the media advertisement, beverage become more popular rapidly. By 2000 year, so many renowned foreign beverage companies started their business in Bangladesh. Mostly popular beverage in Bangladesh is Coca-Cola, Pepsi, Fanta, Miranda, 7up, Sprite etc.

2.2 Beverage Brands of Bangladeshi Beverage Industry

Bangladesh has verities of global and local beverage brand. Some are very popular some are less popular in Bangladeshi beverage industry. Bangladesh beverage industry increasing day by day. Day by day many brands enlisted in the beverage industry. Now I will enlisted the beverage brands of Bangladesh and I will try to short discuss each of them:

2.2.1 Coca-Cola

In the year 1893, the official registration of the brand name "Coca-Cola" took place within the U.S. Patent and Trademark Office. Subsequently, in 1941, the trademark for "Coke" garnered equal prominence in advertising alongside "Coca-Cola," and later in 1945, "Coke" was officially registered as a trademark. The Coca-Cola Company engages in the production of concentrate, which is subsequently distributed to authorized Coca-Cola bottlers worldwide. This brand is very famous in world wide.



Abdul Monem Ltd. (AML) is the only official bottler of **Coca-Cola**, **Sprite**, **Fanta Orange**, and **Fanta Lemon** in Bangladesh authorized by the Coca-Cola International headquarters located in Atlanta, USA. Through three bottling plants located in Dhaka, Comilla, and Chittagong and with a devoted distribution channel spread all around the country, AML has well established its strong and dominant presence in the beverage industry of Bangladesh.

2.2.2 PepsiCo

This prestigious company boasts an extensive portfolio of popular brands that fall under its vast umbrella. Presently, PepsiCo holds ownership of an impressive 23 brands, which collectively yield a substantial sales figure surpassing \$1 billion as of January 20, 2021. The operational reach of PepsiCo spans across numerous regions worldwide, ensuring that its diverse range of products reaches consumers in over 200 countries. In addition to the iconic Pepsi brand itself, PepsiCo is also credited with the ownership of other highly esteemed brands such as 7UP, Mountain Dew, Mirinda, Slice, and many more.



It is one of the oldest brands in Bangladesh. The late Mia Amanullah, former executive director of Pepsi Cola Co. Bangladesh, introduced the brand in Dhaka in 1976. At first, Pepsi and 7UP were separate companies. However, in 1989, the companies merged and were named Pepsi Company Ltd. Bangladesh. Transcom Beverage Ltd (TBL) is the exclusive PepsiCo Franchisee for Bangladesh. TBL owns and operates several modern plants in Dhaka and Chittagong for bottling the renowned soft drink manufacturer's beverages such as Pepsi, 7UP, Mirinda, Slice, Mountain Dew, Pepsi Diet, and 7UP Light.

Here is some popular beverage brands list of PepsiCo -

- Pepsi.
- Diet Pepsi.
- 7UP.
- 7UP Light.
- Sting.
- Mountain Dew.
- Mirinda.
- Slice.
- Aquafina.

2.2.3 Akij Food and Beverage Ltd.

Akij Nourishment and Refreshment Ltd. (AFBL) is one of the driving nourishment and refreshment companies within the nation that fabricates a wide run of nourishment and refreshment items like carbonated refreshments, natural product drinks, and other nourishment items for both nearby and universal markets. It began its travel in 2006 and as of now features an effective worldwide nearness because it trades items to 26 nations. The company incorporates a wide extend of items of delicate drinks, natural product drinks, vitality drinks, malt drinks, drinking water, drain, and milk-based items.



They have accomplished numerous acknowledgments and certifications over the long time. This incorporates winning the Leading Brand Grant 4 times. In addition, national and worldwide certificates like BSTI, HALAL, ISO, and HACCP demonstrates the quality of the company's items.

Here is some popular beverage brands list of Akij Food and Beverage Ltd -

- Mojo
- Speed
- Frutika
- Aafi Mango Juice.
- Clemon
- Wild Brew.
- Rivera
- Spa
- Farm Fresh Milk

2.2.4 Pran Foods

PRAN is the biggest nourishment and refreshment company in Bangladesh and is respected by millions of individuals all over the world. PRAN was set up in 1981 and in 1986, PRAN amplified its operations by entering into farming through contract cultivating.



In 1992, with its nourishment preparing plant in Ghorashal, PRAN encourage set up its position within the industry. Beneath PRAN nourishments, there are different brands of refreshments. PRAN items are well known all over the nation and a few of them are too sent out. Pran food has verities of popular brand.

Here is some popular beverage brands list of Pran Foods–

- PRAN UP.
- Cheer Up.
- Oscar.
- Maxx Cola.
- Tango.
- Drinko.
- Pran Juice.
- PranFrooto.
- Braver.
- PRAN Drinking Water.

2.2.5 Partex Beverage Limited (PBL)

Partex Refreshment Constrained (PBL) started its commercial operations within the year 1997 as the sole bottler of Illustrious Crown Cola Co. Other than distinctive flavors such as RC Cola, RC Q Lemon, and RC Q Orange, they propelled Upper 10.



In spite of the fact that PBL begun by bottling in conventional glass bottles, it before long begun bottling all its refreshment items in PET bottles. They were the pioneers of this kind of bundling in Bangladesh and consequently captured an enormous cut of the refreshment advertise. Partex beverage ltd. also has country very popular drinking water brand which is known as MUM. Mum started their journey in 2001. However, Partex Beverage has a variety of popular brands. Here is some beverage brand list of Partex Beverage—

- RC Cola.
- RC Orange.
- Upper 10.
- MUM.

2.2.6 Globe Soft Drink & AST Beverage Ltd.

With a pharmaceutical foundation, Globe Delicate Drink Ltd. was presented into the refreshment advertises within the year 2002. Uro was the primary refreshment brand from this company, which advertised three grouped ranges of flavors: cola, lemon, and orange. This victory propelled the company to present an unused pop drink, Bubble Up, and mineral water, Alma, which moreover got to be exceptionally prevalent.



The company at that point presented the vitality drink, “Royal Tiger,” with development in taste and flavor. For its advantageous taste and tonic impact, Tiger got to be the first-mover vitality drink brand within the nation. Another vitality drink from Globe – Dark Horse, has too gotten to be exceptionally well known among youngsters. Since of expanded request and a tremendous opportunity to trade refreshments, Globe set up one modern generation unit, AST Refreshment Ltd., in 2006 at Naryangonj and begun sends out in 2007. Both the fabricating plants utilize advanced and robotized generation lines of European root and are planned to meet the universal standard rules of HACCP for ISO, Intertek for Halal, conjointly other pertinent rules to guarantee the GMP standards in our items and forms. Here is some beverage brand list of Globe Soft Drink & AST Beverage Ltd. -

- Black Horse.
- Royal Tiger.
- Uro Cola.
- Uro Lemon.
- Uro Orange.
- Fizz Up
- Lemonjee.
- Oranje.
- Lychena
- Mangolee
- Mango King.
- Alma

Just like the rest of the world, the individuals of Bangladesh moreover cherish delicate drinks and other refreshments. Subsequently, even though there are as it were a number of refreshment companies within the nation, the showcase isn't little by any implies. Right now, the refreshment industry is for the most part ruled by Pepsi and Coca-Cola. In any case, things may alter at any minute as all these refreshment producers are battling tooth-and-nail to secure a put at the best spot.

CHAPTER 03

THE BEVERAGE INDUSTRY IN

BANGLADESH

(PRESENT CONDITIONS)

3.1 Overview of Beverage Industry in Bangladesh

The beverage industry in Bangladesh is a growing sectors that catering to the needs of a large and increasingly diverse population. The industry in Bangladesh has seen significant growth over the past decade, driven by rising disposable incomes, urbanization, and evolving consumer preferences. A variety of new beverages have come into the market, like PepsiCo has launched a new soft drink named STRING, Verities of beverage like carbonated soft drinks, energy drinks, fruit juices, bottled water and dairy based beverages has become growing competitive in the market. Local and international brands have both expanded their presence, catering to a young, dynamic, and growing population.

In recent years, consumer behavior has changed influenced market trends, with increasing demand for healthier, more natural and premium products. Factors such as changes in consumer's lifestyle, increasing the consumer's health awareness and concerns about environmental sustainability have started to shape the preferences of Bangladeshi consumers. In this report I am going to provide a comprehensive analysis of the current situation of the beverage industry in Bangladesh based on information and insights from The Daily Star and other sources.

3.2 Market Trend and Key Players

There are two types of market trend and key players in Bangladesh. One is Global Brands another one is Local Beverage Manufactures. The have verities of beverage brands. Now I will discuss about this two of them:

3.2.1 Global Brands in Bangladesh

Coca-Cola and PepsiCo this two are main global brands in Bangladeshi beverage market. These two global brands are biggest players in Bangladesh's beverage market. They are each other's biggest competitors. They have verities of beverage brands like as carbonated soft drinkss, Non-carbonated fruit drinks, energy drinks, Bottled drinking water etc. Now I will discuss about the global brands In Bangladesh –

3.2.1.1 PepsiCo

PepsiCo, in particular views Bangladesh as a key growth market due to its large population and increasing purchasing power ability. They represented locally by Transcom Beverages in Bangladesh, holds a significant market share in the carbonated soft drink (CSD) sector.



PepsiCo offers varieties of beverages in Bangladeshis market.

- Cola-flavored carbonated soft drink which is known as **Pepsi**.
- Low-calorie cola available in Bangladeshi market which is known as **Diet Pepsi**.
- Lemon-lime flavored soft drink which is known as **7UP**.
- Orange-flavored carbonated beverage which is known as **Miranda**.
- Citrus-flavored carbonated soft drink which is known as **Mountain Dew**.
- Mango-flavored Non-carbonated fruit drink which is known as **Slice**.
- Fruity flavor new energy drinks which is known as **Sting**.
- Bottled drinking water which is known as **Aquafina**.

All of this listed brands are available in Bangladeshi beverage market.

According to Khurshid Irfan Chowdhury, Managing Director of Transcom Beverages, PepsiCo has grown 18 times since its entry into the market in 2000. With brands like 7 Up, Pepsi, and

Aquafina, PepsiCo dominates the carbonated soft drink clear category, capturing over 50% of the market share. The company has invested around Tk 4,000 crore in the industry over the past few years, aiming for continued growth despite the challenges posed by high taxes.

3.2.1.2 Coca-Cola

Coca-Cola is one of the leading beverage brands in Bangladesh, They competing directly with PepsiCo and other global and local brand in the soft drinks market. Coca-Cola has different types of products in the Bangladeshi market. Some Carbonated Soft Drinks (CSD) products of coca cola are -Classic cola-flavored soft drink which is known as Coca-Cola, Sugar-free version of Coca-Cola which is known as Coca-Cola Zero Sugar, Lemon-lime flavored soft drink which is known as Sprite, Orange-flavored carbonated drink which is known as Fanta and Mango flavored carbonated drink (local flavor) which is known as Fanta Green Mango in the Bangladeshi Market. Some Juices and Non-Carbonated Beverages products of coca cola are -Orange juice-based drink which is known as Minute Maid Orange, Orange juice with pulp which is known as Minute Maid



Pulpy Orange, Mango juice-based drink which is known as Minute Maid Mango, Blend of various fruit juices which is known as Minute Maid Mixed Fruit in the Bangladeshi market. Coca-Cola also offered bottled drinking water which is known as Kinley.

The Coca-Cola beverage market in Bangladesh is growing steadily, with Coca-Cola İçecek (CCI), a Turkish-based bottler recently acquiring Coca-Cola Bangladesh Beverages Limited (CCBB). This acquisition finalized in February 2024, gives CCI full control of Coca-Cola's operations in Bangladesh, including bottling and distribution. CCI now serves around 10 crore consumers in major regions such as Dhaka, Mymensingh, Rangpur, and Rajshahi, operating through a network of 3 lakh sales points and partnering with 500 distributors. Coca-Cola has one bottling plant and

three main warehouses in the country, contributing significantly to the local economy with over 300 employees.

Coca-Cola continues to expand its operations and influence in Bangladesh, reflecting the country's potential as a growing market. The company has recently made significant investments, including a \$200 million expansion plan over the next five years, aimed at boosting production capacity and aligning with Bangladesh's economic priorities. This is on top of the \$100 million already invested in the country. One of Coca-Cola's key initiatives in Bangladesh is the opening of a \$60 million bottling plant in Bhaluka, which is part of its broader \$74 million investment strategy in the country. This plant is expected to increase the production of Coca-Cola beverages, including Fanta, Sprite, and Kinley water. It also marks a significant foreign investment in Bangladesh's fast-moving consumer goods sector

Apart from Coca-Cola and PepsiCo, there are several other global beverage brands in Bangladesh such as, Red Bull, Nestle and Monster Energy etc. Now I will discuss about this all global brands.

3.2.1.3 Red Bull

Red Bull is the world's most leading energy drink brand. It is available in Bangladeshi beverage market. They are targeting a young and urban base consumer. Its presence in Bangladesh market is smaller compared to Coca-Cola and Pepsi, but it has a niche market in Bangladesh, Particularly among sports enthusiasts and people seeking energy-boosting drinks.



3.2.1.4 Nestle

Nestle is a multinational food and beverage company. It has a massive presence in Bangladeshi beverage market. They are offering variety of products like Nestle's key products include Nescafé

(coffee) and Milo (chocolate drink). These are very popular among different types of consumer segments, especially for quick and convenient beverages.

3.2.1.5 Monster Energy

Monster Energy is another world's leading drink brand like as Red Bull. Monster Energy is available in Bangladeshi market. They focus on the energy drink segment. They are very famous among in younger consumer. Particularly those interested in high performance activities or needing quick energy boosts. These global brands



have adapted their product offerings to meet local preferences while maintaining international standards, and they have created significant competition within the beverage industry in Bangladesh.

3.2.2 Local Beverage Manufactures

The beverage industry in Bangladesh is growing rapidly driven by rising consumer demand and economic growth. Local beverage manufacturers cater to this demand by offering a variety of brands or products for both urban and rural markets and they have become key players to meet this consumer demand day by day. Local brands like Akij Food & Beverage Ltd and PRAN have become household names. Every people and every family member known their products or brands name and they also like their products. These companies manufacture and deliver to customers a wide range of products including soft drinks, energy drinks, dairy beverage, fruit juices and bottled water. These beverages are becoming popular among consumers in Bangladesh day by day. Now I will discuss the notable local beverage manufacturers in Bangladesh-

3.2.2.1 PRAN Foods (PRAN-RFL Group)

PRAN is one of the largest and most diversified conglomerates in Bangladesh. They are major player in the food and beverage industry in Bangladesh. Their produces wide and variety of products, including fruit juices, carbonated drinks, and bottled water.



Popular brands of PRAN Foods –

- A popular carbonated drink that competes with international brands which is known as **PRAN UP**.
- Water with clear lemon flavor sweet taste carbonated soft drinks which is known as **Cheer Up**.
- Very popular non-alcoholic totally halal malt beverage which is known as **Oscar**.
- Pran Popular Cola Drinks which is known as **Maxx Cola**.
- Pran popular orange flavor of drinks which is called **Tango**.
- The fruit drink with real tastes of Mango, Litichi, Pineapple, and Strawberry which is known as **Drinko**.
- Various flavored juices like mango, orange and mixed fruits known as **Pran Juice**.
- The country top most favorite healthy fruit drinks which is known as **Pran Frooto**.
- Intense excitement malt beverage which is known as **Braver**.
- They have one of the leading bottled water brands in the country which is known as **PRAN Drinking Water**.

PRAN-RFL Group has Strong presence across in Bangladesh. They have wide range of distribution channels in urban and rural areas. They also export beverages to over 145 countries.

3.2.2.2 Akij Food & Beverage Ltd. (AFBL)

Akij Food & Beverage Ltd (AFBL) is a subsidiary of the Akij Group. They are another major player in the beverage sector in Bangladesh. The company established in 2006 and they have rapidly expanded, becoming one of Bangladesh's leading food and beverage manufacturers. They produce a variety of products, including soft drinks, fruit juices, milk-based drinks, and snacks. Their products are very popular both locally and internationally.



Popular brands of Akij Food & Beverage Ltd are –

- A very popular cola drink in Bangladesh that competes in the Bangladeshi market with the international brand Coca-Cola which is known as **MOJO**.
- An energy drink that is very popular among the youth which is known as **Speed**.
- Fruit juice made from natural fruit pulp which is known as **Frutika**.
- Rich, sweet mango flavor juice which is known as **Aafi Mango Juice**.
- A lemon-flavored carbonated drink which is known as **Clemon**.
- They have Nutritious malt-based drinks which are known as **Wild Brew**.
- A dairy-based beverage line including flavored milk which is known as **Farm Fresh Milk**.

- They also have bottled water brands in the country which is known as **Spa** another one is **Rivera**

Akij Food & Beverage Ltd has strong marketing strategies and they are appealing to younger demographics with trendy and affordable beverages.

3.2.2.3 Partex Beverage Limited

Partex Beverage Limited is a part of the Partex Group. They are focusing primarily on soft drinks and bottled water. They began the company operations in 1997 as the exclusive bottler of Royal Crown Cola (RC Cola) in Bangladesh. The company produces a variety of beverages, including RC Cola, RC Orange, and very popular drinking water which is known as MUM.



3.2.2.4 Acme Agrovet & Beverage Ltd.

Acme Agrovet & Beverage is a part of the larger ACME Group. They have a long-standing presence in Bangladesh. Acme Group initially started with a small range of products like mango and orange juice, but now offers a wide range of products including mineral water, tea, spices, ketchup and powdered drinks.



Popular brands of Acme Agrovet & Beverage Ltd are -

- ACME Mango Juice
- ACME Orange Juice
- ACME Fruit Lychee Juice
- ACME Premium Drinking Water

These beverages are produced with a strong focus on quality control, and the company uses Tetra Pak technology to ensure that its juice products have a longer shelf life without preservatives.

3.2.2.5 Globe Soft Drink & AST Beverage Ltd.

Globe Soft Drinks Ltd. established in 2002 and there are prominent beverage company in Bangladesh. They started with the launch of their popular "Uro" brand, offering flavors like cola, lemon, and orange.



Popular brands of Globe Soft Drink & AST Beverage Ltd -

- A popular cola brand in the country which is known as **URO Cola**.
- A lemon-flavored carbonated drink which is known as **URO Lemon**.
- Another carbonated drink catering to orange-flavored beverage lovers which is known as **URO Orange**.
- They have vitality drink which is known as **Royal Tiger**.
- They have famous energy drink which is known as **Black Horse**.
- Lime soda Carbonated soft Drink which is known as **Fizz Up**.
- Orange flavor of carbonated soft Drink which is known as **Oranje**.
- Lemon flavor of carbonated soft Drink which is known as **Lemonjee**.
- Lychee - flavored soda Carbonated soft Drink which is known as **Lychena**.
- Mango flavor very popular juice which is known as **Mangolee**.
- Mango flavor Drink which is known as **Mango King**.
- They have also Mineral water brand which is known as **Alma**.

Globe Soft Drinks Ltd. brands Known for affordable pricing and availability across Bangladesh, particularly in semi-urban and rural markets.

3.2.2.6 Challenges and Opportunities in the Local Beverage Industry

There are lots of challenges and opportunities in the local beverage industry. Now I will discuss each of them –

- One of the main challenges is, In Bangladeshi beverage industry has lots of global brands, so the local beverage manufacturers face various challenges. They also facing fluctuating raw material prices, and rising production costs challenges.
- There is growing demand for health-conscious and natural beverages, presenting opportunities for manufacturers to diversify their product lines. The expansion of the middle class and increasing disposable income also boost the potential for market growth.

3.3 Product Categories in the Beverage Sector

There are various types of product categories in Bangladeshi beverage sector. Now I will discuss all of them.

3.3.1 Carbonated Soft Drinks

Carbonated soft drinks are one of the most popular and most consumed beverage categories in Bangladesh. The market is dominated by international brands like PepsiCo, Coca-Cola and 7-Up.



Local brands are strengthening their position day by day in the competition. Lately Bangladeshi very famous cola brand Mojo has been consolidating their position. Coca Cola, Pepsi, 7UP, Fanta, Mojo, Clemon, Pran Up, RC Cola, Uro Cola Lemu etc are available in carbonated soft drinks market in Bangladesh.

3.3.2 Energy Drinks and Sports Beverages

Currently, energy and sports beverages are becoming very popular in the Bangladeshi beverage market. Energy and sports beverages especially very famous among the younger people in Bangladesh.

Here are some energy drinks brands which are available in Bangladeshi beverage market -



- **Speed** - This is another leading energy drink which is produced by Akij Food & Beverage Ltd.
- **Royal Tiger** - A premium version of the Tiger energy drink which is manufactured by Globe Soft Drink & AST Beverage Ltd.
- **Sting** - Energy drink manufactured by PepsiCo.
- **Power Energy Drink** - This energy drink manufactured by Globe Soft Drink & AST Beverage Ltd.

- **Black Horse** - This is a strong energy drink available in the Bangladeshi market which is manufactured by Globe Soft Drink & AST Beverage Ltd.
- **Shark**- A Thai-origin energy drink that is available in Bangladesh beverage market.
- **Red Bull** -This is globally popular energy drink which is widely available in Bangladesh.

Here are some sports drinks brands which are available in Bangladeshi beverage market -

- **Pran Power Drink** - A leading Bangladeshi brand which is manufactured by PRAN-RFL Group.
- Gatorade - This is international sports drink which is available in Bangladesh.
- **Royalty Isotonic** -It is a lesser known brand but day by day it is becoming an increasingly popular brand.
- **Speed Energy Drink** - Speed energy drink has a great market in Bangladesh. It is also as a sports beverage. Their targeted customers are appealing to younger people.

3.3.3 Juices and Dairy Beverages

Juices and dairy based drinks are increasingly popular in Bangladesh. Juices and dairy beverage has significant growth especially among health conscious consumers. In present of view of Bangladesh local brand like PRAN have a strong presence in this category.



Here are some juices beverage which are available in Bangladeshi beverage market:

- Pran Juice
- Frutika
- Fruit-X
- Mangolee
- Slice
- Acme Juice
- Aafi Mango Juice.
- Shezan Juice

Here are some dairy beverage which are available in Bangladeshi beverage market:



- Milk Vita
- Aarong Dairy
- Farm Fresh
- Pran Dairy
- Igloo Milk

This all brands are available in Bangladeshi beverage market and this all brands have a significant growth.

3.3.4 Packaged Drinking Water

Concerns about water safety are increasing in Bangladesh, for this resulting in increased demand for packaged drinking water. Many international and local brand are available in Bangladesh and they established a strong presence in the market. In present of view local brands such as Aquafina (Pepsico), Spa and Jibon have captured significant market shares.



In present of view here are some of the leading packaged drinking water brands in Bangladesh:

- **MUM** - One of the most popular brands in Bangladesh, MUM is produced by Partex Beverage Ltd. It has a strong distribution network and making it widely available across the country.
- **Aquafina** - A global brand from PepsiCo and it is also a popular brand in Bangladesh.
- **Jibon** - Jibon is a product of Citigroup. It is also a popular packaged drinking water brand in Bangladesh.
- **Kinley** - It is a very premium packaged drinking water brand from The Coca-Cola Company. It has a very wide market in Bangladesh.
- **Pran** - The PRAN-RFL Group offers packaged drinking water which is known as PRAN. It is a very affordable brand in both urban and rural are in Bangladesh.
- **Fresh** - It is produced by Meghna Group of Industries.

- **Spa** - Spa is produced by the Akij Group. It has gained popularity for its affordability and taste.
- **Rivera** – is also produced by the Akij Group.
- **Alma** - is produced by the Globe Soft **Drink** & AST Beverage Ltd.
- **Acme** - Acme drinking water focuses on health conscious consumer. It Produced by the Acme Laboratories Ltd.

3.4. Government Regulations and Safety Concerns

The beverage industry in Bangladesh is subject to various government regulations and safety standards in view of increasing consumer awareness regarding health and safety. The government and regulatory bodies, including the Bangladesh Standards and Testing Institution (BSTI) and the Ministry of Health and Family Welfare, have implemented measures to ensure beverage safety, quality, and consumer protection.

The Key Government Regulations are - BSTI Certification and Standards, Food Safety Act 2013, Labeling Requirements, VAT and Taxation Policies, Environmental Regulations on Plastic Usage. Now I will discuss Government Regulations and Safety Concerns about beverage industry in Bangladesh.

3.4.1 BSTI Certification and Standards

The Bangladesh Standards and Testing Institution (BSTI) mandates that all beverage manufacturers acquire certification to ensure product safety and quality. This includes inspections of production facilities, ingredients, packaging, and labeling practices. All beverage manufacturers or companies doing business in Bangladesh are required to comply with BSTI regulations.

3.4.2 Food Safety Act 2013

The Food Safety Act of 2013, administered by the Bangladesh Food Safety Authority (BFSA), sets comprehensive standards for food safety, directly impacting the beverage sector. The Bangladesh Food Safety Authority (BFSA) recently filed a case against seven company owners

for selling five popular brands of electrolyte drinks without the required approval. The brands are SMC Plus, Bruvana, Turbo, Aktive Plus and Recharge.

3.4.3 Labeling Requirements

Beverage brands must label products correctly. Labeling must include expiration dates, manufacturing details, guidelines for ingredient disclosure, and nutritional content. Proper labeling helps to consumers make informed their choices. Especially customers are regarding nutrient and additive content in beverages.

3.4.4 VAT and Taxation Policies

Carbonated and energy drinks face higher VAT rates in Bangladesh. In recent years, the government of Bangladesh has repeatedly increased the tax burden on these products. For example, the 2024-25 budget increased the supplementary duty on carbonated drinks from 25% to 30% to reduce consumption due to health concerns.

3.4.5 Environmental regulation of plastic use

Plastic is very harmful for human body. The Bangladesh Department of Environment (DOE) has imposed regulations to encourage plastic use, plastic recycling and eco-friendly packaging. This regulation is significant for the beverage industry, as there is a need to ensure single-use of plastics.

3.5 Challenges of the Beverage Industry

The beverage industries of Bangladesh are facing various challenges while running their business. Now I will discuss about the challenges of beverage industry of Bangladesh-

3.5.1 Regulatory and Compliance Issues

A major challenge of the beverage industry in Bangladesh is the complex regulatory environment. Both local and global companies face this challenge.

3.5.2 Public Health Concerns

In recent years, Bangladesh has been growing concerns about the health and safety issue. In Bangladesh consumers are becoming very health conscious day by day. Due to this reasons there is increasing concern about the quality of drinks sold in the Bangladeshi market. So beverage industries has to do business keeping in mind the challenge of Public Health Concerns.

3.5.3 Political Instability

Due to political instability, the beverage industry in Bangladesh has to face various problems. Currently, the political situation of Bangladesh is not good at all. Political instability creates an uncertain business environment. Periodic political unrest in Bangladesh, such as protest schedules, strikes, etc. disrupts the distribution channels, delays production which affects sales. For this reasons makes it difficult for beverage companies to plan long-term investments.

3.5.4 Environmental Changes

Environmental changes is another challenges for beverage industry in Bangladesh. The beverage industry of Bangladesh face several challenges that impact beverage production and sustainability. Climate change is the most important challenges for beverage industry. Climate change also hampered production and sales. Sales in the beverage industry in Bangladesh increase during the summer season or hot months. According to The Daily Star industry report, beverage sales increased by 20-40% during the recent heatwave. For example, every year in Bangladesh, the amount of beverage sold during the summer season is much more than the amount sold during the winter season. So environmental changes is a big challenge for the beverage industry.

3.6 Opportunities and growth potential

The Beverage Industry of Bangladesh has opportunities and growth potential. As the demand for beverages in Bangladesh is increasing day by day, local production is expanding. As a result, the local and global beverage companies are increasing investments to expand their production capacity. Not only that, the export potential of local companies in Bangladesh is increasing day by

day. Bangladeshis beverage sector has also started to play a role in exports. Bangladeshi companies are exporting their products, especially to the neighboring South Asian markets.

Here are some of Bangladeshi beverage brands that are known to be exported to various countries:

- Pran RFL Group is already exporting its products to the international market. Among the products exported by Pran RFL Group are - Pran Mango Juice, Pran Frooto, Pran Up, Pran Lassi, Pran Energy Drink etc.
- Ajik Group also exporting their products to international market. Among the products exported by Ajik Group are - Frutika, Mojo, Clemon etc.
- ACME Group is exporting ACME Juice and ACME Energy Drink.
- Partex Beverage Ltd. is exporting RC Cola and AMCL Soft Drinks.

Several other beverage companies are exporting their products abroad.

3.7 The shorbot and juice culture of old Dhaka

Bangladesh is such a country with hot weather most of the year is the summer season, shorbot and other traditional juice should be popular is needles to mention. Both rural and urban peoples love to have a mug of traditional juice from a long since the Bangladesh established. The citizens from Old Dhaka part still now start their day with a mug of matha, a traditional milk shake which is none other than a juice.



Having beverage in Bangladesh is pretty much older tradition, but having soft drinks is newer option for them. During the raw mango season, rural people love to have a raw mango juice which refresh from the sun hot. In the old Dhaka, so many shorbot shops is exist from very ancient period to till time, that their fame is a crossing from decade to decade.

In the wedding program or any other cultural program, the tradition is to offer different types of shorbot or juice to the guests for welcoming home. Bangladeshi's are famous all over the world as guest lover nation. Behind this achievement, offering the shorbot at first sight has of course some credits.

Soft drinks market of Bangladesh is approximately to TK 4,0000 crore to TK 6,000 crore, is particularly provided by US-based soft drink marketers Coca-Cola and Pepsico, with other some numerous local beverage industry like Pran, Akij and Partex.

On February 2024, a Turkish beverage company Coca-Cola Icecek (CCI) has signed an agreement to acquire Coca-Cola Bangladesh Beverages Ltd. (CCBB) for about \$130 million. CCBB is another beverage giant in Bangladesh engaged in the production, marketing, and branding of Coke brands all around the country. According to the agreement, CCI will acquire all the shares which net value is of \$130 million, or more than TK 1,400 crore. The acquisition is about to be financed by CCI International Holland BV's (CCIHBV) with existing cash resources and will have a decent impact on CCI's net leverage.

In the last five years, the company has kept focus on increasing its capacity to compete with the rival in Bangladesh to become the market leader in the soft drinks industry in beverage category with a 45.3 percent share as of 2023.

CHAPTER 04

THE BEVERAGE INDUSTRY IN

BANGLADESH

(PAST CONDITIONS)

4.1 Past Conditions of the Beverage Industry in Bangladesh

Bangladeshi beverage industry has a dynamic history of local beverage manufacture and global brands. In the beginning, the Bangladeshi beverage market was very small. The journey of the beverage industry in Bangladesh began with traditional beverages like tea and locally made carbonated drinks. Bangladesh's beverage industry began to take shape in the 1960s. Very popular international brand Coca-Cola entered the Bangladeshi beverage market in 1965. Later, in 1976, PepsiCo entered the Bangladeshi beverage market. PepsiCo had started a partnership with Transcom Beverages Limited to manufacture and distribute soft drinks like Pepsi and 7UP locally. This was a very important time because at that time Coca-Cola and PepsiCo established the demand for carbonated beverages among Bangladeshi consumers. After that In the 1980s and 1990s, Bangladeshi local companies like Pran and Akij Group entered the beverage market. They offered varieties of beverages including fruit juices, dairy-based drinks, and bottled water.

At the beginning of the beverage industry in Bangladesh, Local beverage industries did not have any export system. The export journey of Bangladeshi beverage industry began in the 2000s. The journey of the beverage industry export business in Bangladesh began under the leadership of local companies like Pran-RFL and Akij Food and Beverage Limited. They started their export business by targeting countries with large South Asian diaspora communities. However, at that time the export system was not as large-scale as it is today. It was limited. Initially, The company continued to find particular success in exporting Pran's fruit juices and nectars, leading to the company gradually expanding its export footprint to the Middle East, Africa, Europe, and Southeast Asia.

CHAPTER 05

**FUTURE OF THE BEVERAGE
INDUSTRY IN BANGLADESH**

5.1 Future of the Beverage Industry in Bangladesh

The future of the beverage industry in Bangladesh appears promising. The demand for beverages in Bangladesh is increasing day by day. There is a possibility that more new global and local beverage companies will join the Bangladeshi beverage industry with their new brands. So the future of the beverage industry in Bangladesh is very bright for local and global brands. The industry is projected to experience substantial growth, with estimated revenues expected to rise from \$204.4 million in 2024 to around \$412.2 million by 2029, at a compound annual growth rate of 15.06%. (Source: [upturn](#)). However, the beverage industry of Bangladesh faces challenges related to public health concerns, political instability, environmental change, and regulatory compliance. Global companies like PepsiCo and Coca-Cola will expand in the future and add new production lines to bring more innovative products to the Bangladeshi market.

CHAPTER 06

CONCLUSION

6.1 Conclusion

The study's goal is to analysis present past and future conditions of the beverage industry in Bangladesh. Since the inception of this industry in Bangladesh, the industry has gradually become a dynamic and competitive sector. Many national and international brand involved in Bangladeshi beverage industry. Many national and international beverage company doing their business in Bangladesh and they are constantly bringing new brands to the beverage market. Currently, domestic companies are exporting their popular beverage brands to different countries, thereby contributing significantly to the national economy. As a result, Bangladesh is gaining increasing recognition in the export market. For all these reasons, new entrepreneurs are entering this beverage sector of the country and the beverage industry is witnessing growth day by day.

The future of the beverage industry in Bangladesh appears promising. By addressing the challenges of environmental change, political instability, public health concerns, regulatory and compliance issues, and adopting forward-thinking strategies, the industry can continue its upward trajectory and make a significant contribution to the economic development of Bangladesh.

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