

"Furniture Business in Bangladesh: A hands-on Practice through Shakil Furniture"

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Letter of transmittal

October 21, 2021

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Subject: Submission of Internship report on Furniture Business in Bangladesh: A hands-on practice through Shakil Furniture.

Dear Sir,

With due respect I wish to submit to you my internship report title as, “**Furniture Business in Bangladesh: A hands-on practice through Shakil Furniture**” that was requisite for graduation of BBA program in United International University. of Shakil Furniture. I joined under the Shakil Furniture in the organization and asked to develop a marketing strategy here i have learned a sound knowledge and understand on managerial task.

I am pleased to inform you that, I have successfully completed my 3 months of internship at Shakil furniture under the superintendence of MD Shamim, executive manager. It was a great experience for me to work at Shakil Furniture, one of the pioneering companies in the country.

I am extraordinarily grateful to you for your steering and type operation on this report. I'd be grateful if you kindly undergo my report and measure my performance.

Sincerely,

Nur A Safa Soad

ID: 111 162 113

Department: BBA (In Marketing)

Declaration of the student

I do hereby state that the work presented in this internship report has not been previously submitted to any other University or organization for any academic degree.

The work I even have given doesn't have any existing copyright and no a part of this report derived from any work done earlier for a degree or otherwise.

Nur A Safa Soad

ID: 111 162 113

School of Business and Economics

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Acknowledgement

At the very beginning, I would like to thank the Almighty Allah for all his blessings which helped me to complete this report with success.

I am highly indebted to my supervisor Sarker Rafij Ahmed Ratan, Assistant professor, School of Business and Economics, United International University for providing me the opportunity to learn about the marketing mix strategies of Shakil Furniture. Without his proper guidance it is impossible for me to prepare this report. I am very grateful to my supervisor Sarker Rafij Ahmed Ratan for providing me guideline for the completion of this report.

I am very much grateful to MD Shamim, executive manager who support me who have lent me continuous support through my internship and helped me understand the customs of Shakil Furniture Industry.

Moreover, it has been great pleasure for me to work in Shakil Furniture as an employee. At last I must mention the wonderful working environment and how to deal with several customers in certain time that has enabled me to observe their preferences during my 3 months of operating life at Shakil Furniture.

Finally, I would like to thank all the faculties and mentors throughout my 4 year's Bachelor of Business Administration Program at United International University. All these helped me to get a much better view about the present world and to overcome any challenge given to me.

Executive summary

The main objective behind preparing this report is to understand concerning the procedures of doing business with customers considering the marketing mix strategies of Shakil Furniture. There are a small scale to competitive analysis on marketing mix strategies and Present Scenario and Prospects of Furniture Business in Bangladesh.

Shakil Furniture is a potential furniture manufacturer in Bangladesh, with innovative ideas and participation during this field established since 2000s, it targeted to become the sole complete previously within the business. They ensure standard product among the target customers. They are also ensure to deliver the best output for the customer at the lowest competitive price in there marketplace. The place it is being situated easy to go and also it is the most hyped located at Sher-e-bangla national stadium Dhaka.

The furniture sector has potential to become successful and foreign investment though furnishings sector has new potential. So I intended to do intern under Shakil Furniture.

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Chapter I: INTRODUCTION

1.1 Background of the study

The report is made on the assigned tasks that I performed during my three months long internship program as approved by Department of Business Administration, United International University(UIU). This internship was a must needed for every students of UIU for completing their BBA program. The main objective of the internship program is to give at work inclusion to the understudy and to assemble genuine information from working association. I am satisfied to motivate great opportunity to function as an intern in Shakil Furniture.

1.2 Objectives of the report

The main objective of the report is to fulfill the requirement of intern program of Bachelor of Business Administration (BBA). To fulfill my requirement, I have divided objective into two aspects, general objective and specific objective.

General objective

The general objective of the report is to learn about marketing mix strategies(product ,price ,promotion ,place) and competitive analysis between Shakil Furniture and other respective organization in this field.

Specific objectives

- Analyzing the marketing mix strategies of the Shakil Furniture.
- Identify the working procedures of marketing. What they do? How they deal with customer? What are their responsibilities?

- How a sales executive communicate with the buyer, what are their process with the customers.
- How they produced the product.
- Try to analyze SWOT analysis on Shakil Furniture.
- To provide some recommendations on the basis of findings.

1.3 Scope and limitations of the Report

The scope of this report will be limited to:

- ✓ The regular B 2 B customers of Shakil Furniture
- ✓ The influencing factors of the buyers determined through a structured and open ended questionnaires answered by B2B vendors.

Limitations:

There are a few limitations of this study which could have influenced the finding:

- ✓ In general, for the B2B clients, a broad conversation was more informative, market centric and comfortable than filling up close ended questionnaires.
- ✓ The scope of the 3 month internship was limited due to time and budget constraints.
- ✓ Management of Shakil furniture is conscious about their internal data so that they do not disclose their data.
- ✓ Do not have enough information in shakil furniture's facebook and web page and annual report.

CHAPTER II: COMPANY AND INDUSTRY PREVIEW

2.1 Company Overview and history –

When it comes to furniture industry leading modern office chairs, tables and office cabinet nobody does it better than Shakil furniture at a competitive price. Since 2000s they are doing business keeping the top notch business reputation in the market where they try to best in day to day. Exceptional quality, unrivaled value, and generate innovative designs as a commitments. Shakil Furniture always concern about workplace needs in mind. The highly respected fashionable office furniture collections for conference room, executive office, and home office applications that won't break the budget as well. Plus they also work for office desks, collaborating workstations and tables.

Md mojibur Rahman mia, proprietor, Shakil Furniture since 2000s they are doing business keeping the top notch business reputation in the market. They are provide their product the people of Dhaka and Narayanganj with an exceptional merit and Excellency that the furniture industry has to offer with extraordinary service. At shakil, each and every staffs are challenged every day to create unique, comfortable, and sophisticated furniture to meet our signature style.

2.2 Customer mix – **Clients**

Shakil Furniture always concerns about their clients. So that, they enlisted so many renewed companies as their clients. Some of the client name list have been attached below.

Such as





Bangladesh Lions Foundation

2.3 Product/service mix

Product

The product is either a tangible goods or an intangible service that is seem to meet a specific customer need or demand. A product refers to an item that fulfills the customer's need or want. Moreover, Shakil Furniture made all tangible products.

List of products of Shakil Furniture offering right now in the market

SI	Product Name	Product
1	Double gear boss chair 	

2	Boss chair	
3	Medium boss	
4	Mesh chair	
5	9k	

6	2032 hydraulic	
7	2020 bend chair	
8	Boss table 	

9	Office table		
10	Office file cabinet		
11	Rexine Sofa 		
12	Multiple use Table		

Product quality:

Product qualities are always ensuring in Shakil furniture factory which name is MRS style steel this is located at Dania,Dahaka. Here they used best raw materials are

available in the market place. Though sometimes it becomes more harder to best materials on the market sector, when it comes to making products they never compromise good quality full ingredients with unique item. The factory is far from the outlets so they need to be careful when carrying the furniture's to outlets. There is one quality ensure person who inspect the whole product line which is ready for go into the market. They are so confident about the quality they do 2 year replacement warranty for wheels, handle, mechanism, hydraulic machine of a chair

2.4 Price

Price is the only variable that has implications for revenue. Shakil Furniture prices depend on the products category and competitors price rate. Shakil Furniture set their prices by considering their raw material cost, labor cost, transportation cost and others external impact etc. They always try to come up with very affordable price for bit other company and ensuring the no compromise to provide best quality.

Pricing Approach

Their pricing approach is very much simple. Products are made in factory and come to their outlet for sale. In between this process they need to handle carrying cost, packaging cost, transportation cost, delivery cost, labor cost. As the market is competitive so charging a high price is not possible and they fixed a comfortable price for customer.



Purchasing cost

Carrying cost

Packaging cost

Transportation cost

Miscellaneous cost

% of profit

Pricing strategy

Shakil Furniture deals with a varied market of customers. So they follow two pricing strategies normally, product line pricing and value pricing. Each approach is describing below:

1. Product line pricing:

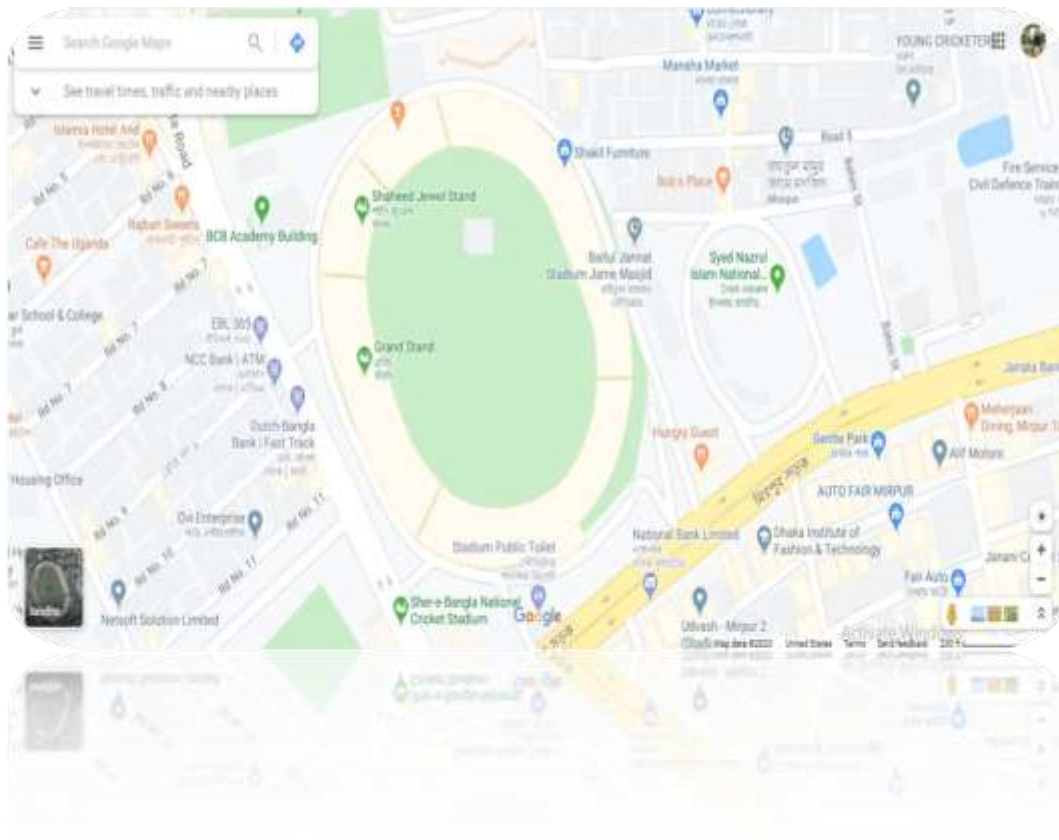
There is a range of product price reflects the benefits of parts of the range. As they do both wholesaling and retail, so they offer different price set up. For wholesaling the price is bit different in terms of selling. For example: one single set sofa price is 6k, where's the full set (two single set and one three set) sofa asking price is 18k. The same will be charge more if it purchase single like 20k. Profit is major on the range rather than single products. Same goes to other product as well.

2. Value pricing:

As the market is very competitive these days for surviving here is considered as a challenge. So Shakil Furniture set the best competitive price in the market that customers get great value for money. When they start their journey there were less competitors available in the market but change of the new era people focus on furniture more they love to decorate their house and office more uniquely. Moreover, many companies come into this business and made this competition more competitive than before. For this reason, Shakil Furniture try to follow value pricing as well, so the customers get more product in their price range without compromising quality.

2.5 Place

Their outlets of Shakil furniture are located on 54/B, Sher-e-bangla national stadium, Mirpur-2, Dhaka- 1216. For distribution of our product we are currently available in Bangladesh. The place is very convenient to reach. Besides, this place got an international recognition as it is situated inside the area of an international stadium. So both local customers as well as foreigner customer don't need to suffer to find the location. With the help of virtual map anyone can reach here easily.



2.6 SWOT analysis

SWOT analysis of Shakil Furniture:

SWOT analysis is very vital point for an organization to conduct marketing strategy. Any organization must have adequate knowledge about their strengths, weakness, opportunities, and threats. As other organization Shakil Furniture also has SWOT which are describes below.

Strength:

Strengths are those factors which may consider as plus points for an organization and can be used as advantages against competitors. Shakil Furniture strengths are:

- 1 Dedicated work force:** It has dedicated work-force team.
- 2 Goodwill:** More than 15 years they are doing business keeping the goodwill in the market.
- 3 After sales service:** They provide a good after sales service like warranty of chair one year.
- 4 Experience:** They have skillful managers who are experienced in this field for a long time. Besides the factory employees are well trained to ensure good quality product.
- 5 Successful track record:** It has successfully integrating with its dealers in the past years to streamline its operation and build a reliable supply chain.

Weakness:

Weaknesses are the areas where SHAKIL FURNITURE can improve upon.

- 1 Lack of unique selling:** The marketing of the products left a lot to be expected. Even though the product is a success in terms of selling, the statement is not clearly defined which can lead to attacks in this segment from the competitors.
- 2 Lack of training and development facility:** It provides less concentration especially on employee training and development issues; the management is only sales focused.
- 3 Weak branding strategy:** They hardly concentrate on advertising and branding.
- 4 Need investment in technology:** Needs more money in the technology sector to integrate the processes across the board.

Opportunity:

Opportunities are scopes which depend on foresight of the management. If the management can utilize those opportunities, they can create an advantage in achieving their goal.

Opportunities of SHAKIL FURNITURE

- 1 Increasing market:** In Bangladesh furniture markets are continuously increasing. Previously there were few big giants existing in the market. But people are becoming more conscious about fashion and decoration so they are investing a good amount of money for purchasing furniture.
- 2 Economic uptick and increase:** Customers are spending more than ever, is an opportunity for SHAKIL FURNITURE to capture new customers and increase its share market.

- 3 Proper use of E-Commerce:** In last few years company has invested sum of money into the online platform. As Bangladeshi customers are showing their interest to purchase product from online. Definitely this investment will help to get more potential customers.
- 4 Developing more expert work force:** through providing more training and development opportunity, SHAKIL FURNITURE can get the most valuable asset, which is skilled workforce.

Threats:

Threats are intimidations, which are beyond the control of an organization. It depends on economic, political and the condition of the market. But it can be minimize through proper precaution.

- 1 New competitors:** As the demand is increasing there are lot of new competitors are entering the market.
- 2 New brands:** Gradually new brands are entering in this field. If SHAKIL FURNITURE failed to establish its current position on the market than newer will capture the market.
- 3 New technology arrived:** New advanced technology cover the market, if they try to find out some new concept they need to stick with the advanced technology more.
- 4 Consumer bargain power:** Because of increased competition it may be consider as threat.

Chapter III: Industry analysis

3.1 Specification of the industry

Shakil furniture has own factories that is located in Dania, Dhaka. Here are they produce office chairs, tables and office cabinet. Products are made in factory and come to their outlet for sale. Product qualities square measures perpetually guarantee in Shakil piece of furniture manufacturing plant that name is MRS vogue steel. Here they used best raw materials square measure accessible within the market. Merchandise square measures created in manufacturing plant and are available to their outlet. In between this method they have to handle carrying charge, packaging price, transportation price, delivery price, labor cost because the market is competitive therefore charging a high value isn't potential.

3.2 External economic factors

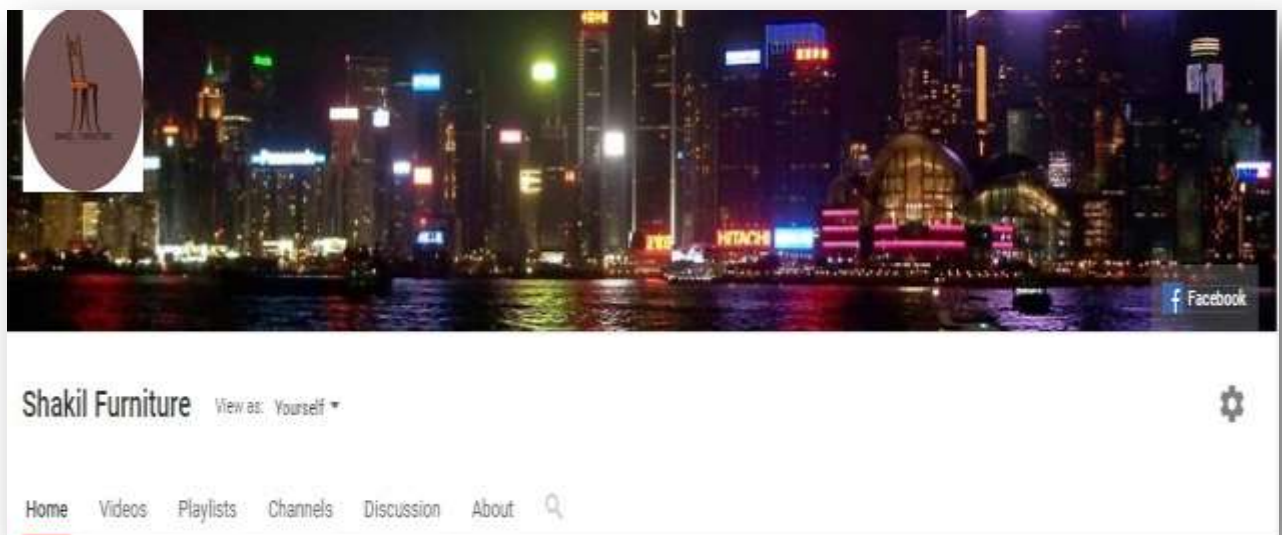
Economic factors embody prime drivers (furniture shopping for population, client value indices, etc.), indicators (initial claims, personal credit line, state rate), contributors (housing starts, home enhancements, existing vs. new home sales), and catalysts (customers confidence and private consumption)

3.3 Technological factors

The company is absolutely equipped with China automatic wood operating machinery. It's a modern and we tend toll-equipped finishing section wherever we use world notable timber coating Sayerlack and inchem.

For promotion purpose we tend to do promoting at digital platform through Facebook page, Instagram and YouTube channel. In coming back days we've a concept to make

associate web site thus customers will simply see the updates as well as sales, loyalty card provide, seasonal offers etc.



3.4 Barriers to entry

As the demand is increasing there are lot of new competitors are entering the market. Gradually new brands are entering in this field. If SHAKIL FURNITURE failed to establish its current position on the market than newer will capture the market. New technology arrived: new advanced technology cover the market, if SHAKIL FURNITURE try to find out some new concept they need to stick with the advanced technology more.

3.5 Buyer Power

New brands: Gradually new brands are entering in this field. If SHAKIL article of furniture didn't establish its current position on the market than newer can capture the market.

Consumer bargain power: Because of increased competition it may be consider as threat

3.6 Threat of Substitutes

- 1 There are many brands who sales their furniture's and they relentlessly promotes their products through TV, newspaper, magazine to stay in people's eye where SHAKIL Furniture does not have that kind of investment.
- 2 SHAKIL Furniture imports their machineries from abroad. Sometimes it impact on the pricing of the product.
- 3 Many other company offering same product like chair, sofa at a cheaper price where SHAKIL FURNITURE stay with competitive pricing strategy.
- 4 SHAKIL FURNITURE supply chain is not large enough to make their products available everywhere especially outside of Dhaka.

- 5 The market monitoring system is quite weak for SHAKIL FURNITURE. Generally, supervisor or manager of sales over watch activities of customers and competitors. They do not have enough manpower to keep the market activities in continuous track.
- 6 As it is a sole proprietorship business, so there some shortage of capital investment.

Chapter IV: Present Scenario and Prospects of Furniture Business in Bangladesh.

4.1 Overview

Market Insight Bangladesh Furniture Industry has great potential. The furniture industry is growing every year by creating great value by providing customers with products of quality and convenience.

The industry is s line of work to growing shopper demand by producing domestically or by importation. Previously, the business accustomed heavily believe foreign piece of furniture from Malaysia, India, and Kingdom of Thailand. However, currently the domestic makers are able to take the most important share of the market place by providing quality finish merchandise. Around 80% production of furniture sector of local is home furniture, 35% is office furniture. Scarcity of skilled manpower in handling modern equipment and machinery is limiting the prospect of growth of this industry, which may be putting in a lot of technical faculties with a syllabus of short-run trade courses.

4.2 Market Projection

Size & Growth

Furniture industry in Bangladesh has shown commendable performance over the last decade, registering an average of 30% export growth. Moreover, the trade is that the 2d largest supply of employment that presently employs 2.6 million employers. The domestic market is additionally exhibiting associate upward trend and is presently price BDT 67 Billion. The marketplace is dominated by numerous micro and small scale organizations (~80, units related to article of furniture producing still as backward and forward linkages) whereas there area unit medium and huge scale organizations (~80) that square measure urban area, significantly in national capital and port.

Trends & Industry Drivers

Recently the furniture market goes through a transitioning period. This shift can be found mostly in two ways: the material and design used in particular furniture. Also, there are noticeable new trends as well as flourishing of f-commerce based furniture sales activity and market expansion opportunity. Local furniture manufacturers are also expanding their reach in countries like Canada, Nepal, and Bhutan this means that Bangladesh is creating international-standard furnishing. Albeit around 90% of furniture demand in Bangladesh met domestically, the trade has managed to export USD63.18 million price of merchandise in FY 2017 -18.

4.3 The Competition

The industry is incredibly competitive because of the sheer variety of SMEs, value of furnishings is very competitive at the center and lower segments of the market. The larger firms have captured a small segment mostly catering to MAC consumers

Firm size classes	Micro & Small	Medium	Total
No. Of Enterprises	70,953	81	71,034
Local Market share at sales price (Billion BDT)	42.20	24.45	66.65
Manpower involvement (million)	1.77	0.03	1.8

4.4 Foreign Export

There is an enormous market in USA & Japan for piece of furniture. Besides, home furnishings incorporate a important contribution in overall export figure. Lately gulf countries, Middle East, Vietnam and Taiwan market have shown potential for makers to explore.

CHAPTER V: INTERNSHIP EXPERIENCE

5.1 Position, duties, and responsibilities

I was excited at the opportunity to join their post program. Being able to work in this Organization I notice myself lucky. My position was sales executive. I worked at the outlet at Mirpur. The working environment of was extremely amazing. The expertise that I collect in 3 months that is very effective for me.

Responsibilities

- Meeting with clients during sales visits or virtually.
- Presenting and demonstrating products.
- Establishing business development.
- Maintaining accurate records.

5.2 Training

Lack of training and development facility: It provides less concentration especially employee training and development issue, the management is only sales focused.

5.3 Skills applied

- Ability and desire to sell.
- To Excellent verbal and written communication skills.
- Active listening.
- Resilience and the ability to cope with rejection.

5.4 New skills developed

1. A high degree of self-motivation and ambition.
2. Maintaining Relationship
3. Time management. Arrive to figure on time daily, meet deadlines systematically, and rate tasks to point out a powerful work ethic and your level of expertise.
4. Critical thinking: Problem-solving skills area unit a vital element of success in most professions vital thinking as a sales talent helps once operating with shoppers to resolve problems and manage conflict. Accomplished sales professionals will zero in on the core objections shoppers might have to be compelled to closing procurement, realize inventive ways in which to navigate through the obstacles, and guide shoppers toward an inexpensive resolution.

5.5 Application of academic knowledge

1. Group Work: This is helps to dedicate my new knowledge. It shows me want the whole team to benefit from my expertise. It also shows me are willing to continue learning from my team.
2. Don't Try to Implement Everything at Once.
3. Set Goals for Implementation
4. Teach it To Others

CHAPTER VI: CONCLUSIONS AND KEY FACTS

6.1 Recommendations for improving departmental operations

Considering the challenges that are being face by the company, following recommendation suggested below.

- 1 SHAKIL FURNITURE needs more presence through advertising in broadcasting media to catch the target customers. Budget is the key factor for doing this activity. Thus the decision maker should allocate money for advertisement into TV channels and Radio
- 2 SHAKIL FURNITURE should establish manufacturing infrastructure so they cut down the price of their product and catch the target market with more reasonable price.
- 3 They need to ensure the availability of the product so they cover large number of market share. Otherwise they will not be competing with current leaders in the markets.
- 4 More human resource needs to be built a stronger distribution channel. Strong merchandising can help mitigate the gap in distribution channel. So, more outlets will should be brought in to make the company stronger.
- 5 They might at least one employee to observe the market condition. Research about the other companies will boost up to be better company in the market. Meanwhile, this monitoring system will find out the flaws of the company where to improve to get expected sells.
- 6 In future they can bring some SME loan for the expansion of the business or bring some other investor whose are likely to involve themselves.

6.2 Conclusion

In conclusion, it can be said that the furniture industry is very competitive market besides, being a potential one that will see more and more rapid growth with time. This company has potential to capture more market share because of their quality and quantity of their products. Thus there is a sight I found on my research they need to adjust with advanced technology more. In promotion areas they are far behind than the other competitor available in the market. However, they need to be more organized with more people in the team and adapt to mitigate lack of communication with both employees and customers for expanding the business growth.

They are updating themselves day by day. More focus should to be put on the marketing sector so that they can catch the potential customer and retain their interest over time. If they can give their best surely they will be leader someday.

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