

**PROJECT TALOS:
A REPOSITIONING BRAND CAMPAIGN OF THE
AGE-OLD JOHN PLAYER GOLD LEAF**



A Report on

“PROJECT TALOS: A REPOSITIONING BRAND CAMPAIGN OF THE AGE-OLD JOHN PLAYER GOLD LEAF”

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Letter of Transmittal

Date: 18th October 2020

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Subject: Submission of Internship Report

Dear Sir,

It is an honor and immense pleasure for me to hand over my internship report on “Project Talos: A Repositioning Brand Campaign of the Age-Old John Player Gold Leaf,” where I have worked diligently during my internship attachment period with British American Tobacco Bangladesh’s trade marketing team, starting from January 15th 2020.

While constructing this report, I acquired valuable insights and a deeper understanding into the world of trade marketing. My internship stint at BATB was definitely a notable experience as it helped me develop myself in multiple ways including improving my situational adaptability, sharpening my fast decision-making capabilities and polishing my managerial skills. Although the collection of some data had been made from a compromised ground because of the effects of Covid-19 pandemic, I tried to use my knowledge and resources effectively to ensure utmost authenticity of their representation.

I sincerely hope that this report will live up to the standards of your expectations and this institution. However, I am available to respond to any of your further query and clarification.

Sincerely,

Fabia Shahzadi
Student ID: 111 163 088

Acknowledgement

I want to express my sincere gratitude to my former line manager, Sakib Anwar, Area Manager, Feni, British American Tobacco Bangladesh for delegating me with the relevant responsibilities in my respective field of work. I want to further extend my gratefulness to Mohammad Tohidul Islam Miya, Assistant Professor, School of Business and Economics (SOBE), United International University (UIU) for his unfeigned supervision and guidance in helping me completing this report.

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Executive Summary

In the current market context, British American Tobacco Bangladesh, BATB is the market leader among all players competing in the tobacco industry of Bangladesh. With various offerings segregated within five distinct segments, BATB has been able to hold its reputation for quality cigarettes for a long time now.

However, with market dynamics changing almost constantly, BATB realized that it needs to keep refreshing its products' aspects and match them according to the recent shifts in consumer behavior. Upon strong insights backed up by adequate back-end data, BATB thought it was time to opt for a value addition to one of its oldest brands in their portfolio- John Player Gold Leaf, JPGL.

JPGL was the first international brand brought into this country and has survived decades through its promise of iconic taste and quality. Now, while the brand remains unchanged, its consumers have however evolved with time. This indication was further entertained by conducting various surveys and tallying multiple data. After convincing and confirmation, a campaign was designed to reposition the brand JPGL to better fit with consumers' preferences. Project Talos, the campaign which introduced John Player Series was designed to tap into the existing mindset and be perceived as a more relatable brand to the consumers.

This internship report entails the campaign's activities and its impact in the territory of Feni-1. Along with that, the report also elaborates on some major activities that were executed in Feni-1 territory within the timeline of the internship stint.

Organization Overview

Historical Background of BAT, British American Tobacco:

British American Tobacco Bangladesh, BATB is a member of the British American Tobacco, BAT Group which is based in United Kingdom and is currently one of the leading key players in the entire global tobacco business. The company has been conducting business for over 110 years now, trading invincibly through the seething turbulence of revolutions, wars and nationalizations, as well as all the critical, never-lasting



New Logo of British American Tobacco

controversies surrounding smoking. The appearance of BAT in this section of the world stretches back to the year 1910. They started off its operations as Imperial Tobacco and established their first sales depot at Armanitola in Dhaka. Later, Pakistan Tobacco Company was incorporated in 1949 after the partition of India in 1947. The first ever factory in Bangladesh (formerly known as East Pakistan during that reign) was established at Chittagong's Fauzdarhat in the year 1949. The factory after that (which is currently also the Headquarters) of Pakistan Tobacco Company was established in Mohakhali, Dhaka during the year 1965. After the hard-earned independence of Bangladesh, aligning with the corporate identity, the company modified its name in 1998 to British American Tobacco Bangladesh, BATB.

During the peak of its operations in 1937, BAT Manufactured and distributed 55 billion cigarettes in China. By 1976, the company was reorganized under a new banner known as B.A.T industries. This new founded company reacquired its former parent American Tobacco company which brought new brands under its portfolio. They have pioneered in more than 50 markets and are currently serving more than 200 markets around the globe. The Company owns several International Major brands such as Kent, Dunhill, Camels, Lucky Strike, Pall Mall, Rothmans and also many other local brands specific to the region of operation there.

BAT has successfully acquired multiple brands in its product portfolio mix through various company acquisitions, such as Lucky Strike and Pall Mall from the American Tobacco Company. It further continued its slew of acquisitions from Rothmans, to Ente Tabacchi Italiani (ETI) and even Reynolds American and Bentoel Indonesia, which happen to be two of the largest tobacco acquisitions. It has continued its quest for market expansion through profitable acquisitions in different countries to increase its business reach of operations. BAT has also divested into many different fields of industries from BATUS retail group to retail chain Argos in the UK. The group was also a major player when it came to the financial sector after acquisition of Eagle Star, Dunbar and Farmers Group.

British American Tobacco Bangladesh:



Head Office of British American Tobacco Bangladesh

BATB runs its own operation in Bangladesh and is one of the 42 countries with its own growing, processing and manufacturing plants. The company enjoys approximately 60 percent market share and it is still growing every day. BATB proudly employs above 1500 direct employees and over 50,000 indirect employees, among whom around 38,000 are farmers spread across the production wing. The company has been making tobacco products of the highest quality for consumers of every demographic and has been running the operation from “crop to consumer” for a long time now.

British American Tobacco Bangladesh is currently one of the biggest and oldest Multinational Companies surviving in this country. The company is listed within the stock index of both, Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The majority shareholder is BATB itself, with shared owned by the Investment corporation of Bangladesh, Shadharan Bima and the Government of Bangladesh.

BATB is one of the notable and highest contributors of taxes in the country. As of 2019, it has paid BDT 22,630 crore, which is 84 percent of its total revenues. As an attempt to create a well-established international market for Bangladeshi tobacco leaf, the company has been engaged in exporting tobacco to various markets that fall in developed countries like New Zealand, Russia, UK, Poland and Germany. Export values has escalated to 44.5 million USD. This is a massive contribution to the country’s financial exchequer which it has been doing every year.

Some of the brands owned by BATB are Benson and Hedges, John Player Gold Leaf, Pall Mall, Hollywood, Derby, Pilot and Star. The company has also started export to various countries across the globe.

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Organization Structure:

BATB has a complex organizational structure which is comprised of different parts of its operation. The structure is composed of a board of directors from where branches out multiple committees, under all of them are the different operational wings, which is eventually formed of the core leadership team.

The responsibility of the Board of Directors is to protect the rights and interests of every shareholder of the company, which includes the Managing Director as well as the Finance Director. The core leadership team governs the different divisions of the company. The Managing director, Shehzad Munim is the first Bangladeshi chairperson of the executive company. The board of directors is also responsible for ensuring the effectiveness of the controls and overseeing the execution and actions of the company's leadership team.

Currently the Top Management Team of BATB is comprised of the following people:

- Shehzad Munim: Managing Director
- Stephan Mattheisen: Finance Director
- Charles Kyalo: Head of Operations
- Mubina Asaf: Head of Legal and External Affairs
- Saad Jashim: Head of Human Resources
- Golam Safwat Choudhury: Head of Brand and SP&I
- Syed Mahbub Ali: Head of Trade

Organization's Strategy and Purpose:

Mission:

“To anticipate and satisfy this ever-evolving consumer: provide pleasure, reduce risk, increase choice and stimulate the senses of adult consumers worldwide”

With the consistent changing dynamics of today's world, BATB thrives on capturing consumer moments which have overtime dwindled in size due to societal and regulatory shifts. BATB's approach to achieve their mission statement is by tapping into 2 “Must Win” factors:

- 1- **High Growth Segments-** To continue and withhold BAT's highly acclaimed, leading position in the world, the company must have abundant supply of resources to compete with its competitors. With the aim achieve its mission, BAT concentrates its resources in generating unique insights, backed by data which is gathered from genuine consumers from the market. The data allows the company to calibrate its focus upon various product categories along with attention to new consumer segments which emerge across their global business. This helps ensure constant upgrading in the consumer portfolio which further enhances the potentiality of driving a sustainable, long-term growth.
- 2- **Priority Markets-** In every country the market scenario differs from the others. Similarly, the market dynamics may also vary within a country's borders. It is crucial to identify which markets are important for the growth of the business and which markets can use development in the coming days. Being able to foresee these priorities within each market and deploy resources and intensify strength accordingly can provide noticeable opportunities for growth and sustainability which will ultimate help the company reach the depths of its mission statement.

Vision:

“A better tomorrow”

BATB believes that by stimulating the senses resonating on a continuous basis from the newer version of adult generations, their ultimate goal is to create *A Better Tomorrow*, not only for their company, rather for all their stakeholders as well; consumers, society, employees and shareholders. The vision that the company foresees speaks volumes about BAT's purpose of existence in every geographic scope of the world.

BAT Ethos:

While keeping the mission and vision in perspective, BAT also tries to live by its set Ethos, which serve as the guiding principles that are followed in all functions across the BAT Group. The Ethos are basic 5 elements that steer the behaviors of the company's people and business. Originally BAT lived through

Ethos:

1) **Bold**

The idea behind this ethos is to aspire for bigger dreams and come up with innovative solutions; to take bold decisions during crisis and be prepared to take accountability for them, if need be. Furthermore, bold means to stand fearless and show resilience in the face of adversity.

2) **Fast**

The company believes that it is imperative to drive fast towards the direction they have set in order to stay ahead of the game. The objective is to stay focused on the outcomes while keeping the process simple. Which can only be achieved by learning quickly, implementing the learning and eventually sharing them for future references.

3) **Empowered**

BAT strongly believes that once it has set the course of action for their employees, it's the task of the employees to take it from there with full integrity. They empower its people by trusting their expertise to steer through the company's objectives. Through team collaboration, healthy challenges and collective effort, the company believes that the ethos empowered is practiced in every level of the business.

4) **Diverse**

Valuing the variety of perspectives of each individual even if that means challenging the status quo; help others by building on and furnishing their ideas, knowledge and take learnings from their versatile experiences; shunning any and every bias and promoting the open-mindedness of everyone- that's the diverse ethos implicated and lived by in BAT.

5) **Responsible**

Operating in a tobacco industry, the company believes that it must act responsibly to minimize the impact on consumers' health. The ethos serves as a reminder to ensure the finest quality for its consumers, the best work environment for its direct and indirect employees as well as generate the best outcome for its shareholders. Finally, acting in a responsible manner also means to take ownership of their actions and impregnate every work with utmost integrity without failing to compromise on ethics and standards.

Portfolio of BATB

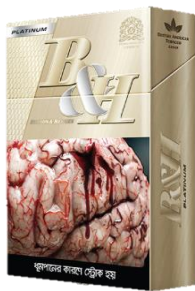
BATB has some of the most powerful international brands along with the local brands in the tobacco industry of Bangladesh. Without compromising with the quality and packaging of their products, BATB has always promised to live up to its promise and provide the best tobacco to satisfy its consumers.

While it started its journey with John Player Gold Leaf as the first international brand in Bangladesh, later it kept adding to its diverse portfolio, catering to the needs for consumers from different segments and social-economic clusters. Not only that, BATB has also kept more than one options as in different flavors within the same segment offering more to the same target group. The blend in each brand is different from the other brands making every offering own a unique positioning for itself. After careful and adequate research, the company has identified various segments in Bangladesh's market and with profound information backed up by legitimate data, targeted the profitable segments to offer their products. While the product line is constantly improving and updating with new additions, the current portfolio of BATB's product mix can be classified under five segments which are primarily based on the price bracket:

- Premium Segment: B&H
- AP, Aspirational Premium Segment: John Player Series, Capstan
- VFM, Value for Money Segment: Star
- Low Plus (Low+) Segment: Royals
- Low Segment: Derby, Pilot, Hollywood

Premium Segment

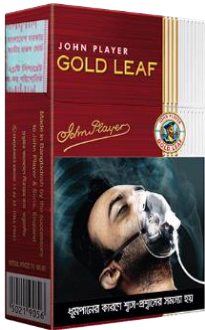
Benson & Hedges (B&H)



Launched in 1997, B&H is the only premium segment brand in BATB's portfolio and has consistently dominated this segment for many years now. It is an International Brand, IB and has three main variants- B&H Special Filter, B&H Blue Gold, B&H Switch, which was the first capsule-based cigarette in this market, and B&H Platinum, which was the first flow filter-based cigarette in the market. With four variants, the prices are all kept at BDT 13 for every stick. Consumers who fall in the high-income group slab are the primary target group for this IB.

Aspirational Premium Segment

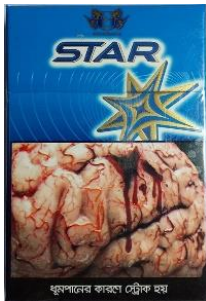
John Player Series



Launched back in 1980, John Player Gold Leaf or JPGL is the oldest and one of the most iconic brands in this series. It is the highest selling International brand in the Aspirational Premium Segment. It is a popular brand abroad as well and is mostly popular among the baby boomers and gen X consumers. The new John Player Series has been introduced which is targeted to gen Y demographic and has 2 variants- John Player Special and John Player Switch. The brand has 3 variants and is priced at BDT 10 per stick.

Value for Money Segment

Star



The solo runner in this segment, Star was launched in the year 1964 and has been competing with a current price of TK 7 in the VFM segment. The brand has a loyal base of consumers among a certain group of smokers in specific areas but is gradually being phased out by a new brand. A major reason for this unpopularity is due the price change from BDT 5 to BDT 7 in previous budget declaration.

Low Plus Segment

Royals



This is a relatively new brand which was introduced only last year, 2019 to replace Star in the TK 5/stick segment. The main idea was to grab the consumers willing to pay BDT 5 as it is a sweet price point. Royals has been a big success and was quick to gain traction as a new brand when it was launched. It continues to grow and show promise as a replacement to Star.

Low Segment:

Pilot



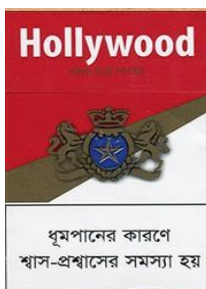
This brand was only introduced in 2009. It was a replacement to the brand Viceroy, which suffered in the market. Pilot became a successful brand through better packaging, quality and market execution.

Derby



This is the latest addition in BATB's low segment portfolio and has successfully captured a massive portion of market share. The popularity is very high nationally, especially in Khulna and Sylhet.

Hollywood



Launched in 2011, Hollywood became a popular low segment brand with a niche market following among certain group of smokers. This is mostly popular among laborers and low-income workers.

All these 3 brands are sold at TK 4.

Industry Insight:

The Tobacco Industry is interestingly diverse and very deeply embedded in our country with products ranging from different segments. These are the varieties of tobacco products found in Bangladesh's market:

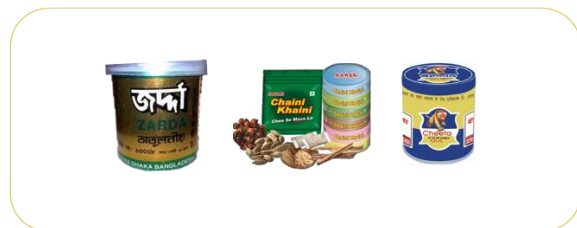
- Biri
- Gul
- Khaini
- Zarda
- Cigarettes



Cigarette



Biri



Other Tobacco Products

While BATB operates only in the cigarette industry so far, the total tobacco industry in this country is massive with approximately 55 billion sticks manufactured and consumed every year. In earlier days, Biri was the most popular form of tobacco but with a developing economy and with the country's changing dynamics, the total volume for the cigarette market has been experiencing a gradual increase over the time period. The shift initiated with the rise in economic solvency and has continued ever since.

The main cigarette manufacturers of this country are:

- British American Tobacco, BAT
- Japan Tobacco International, JTI
- Abul Khair Tobacco Company, AKTC
- Akij Biri
- Abul Biri
- Aziz Biri
- Nasir Biri

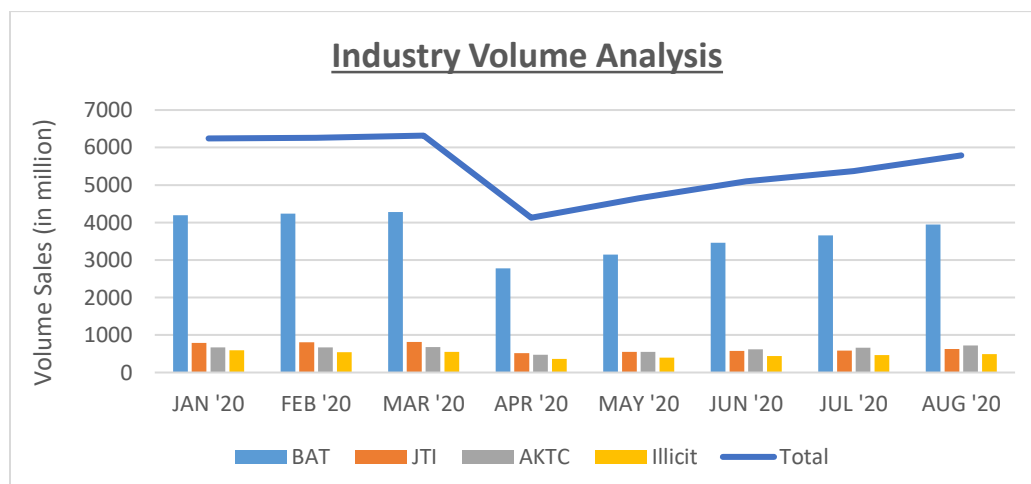
The tobacco industry is linked with two main associations- the Bangladesh Cigarette Manufacturers Association, BCMA and the Bangladesh Biri Manufacturers Association, BBMA. With the help of third-party distributors in a particular area employing their own field forces, tobacco is distributed nationally.

Illicit Trade

Now, as mentioned, British American Tobacco operates only in the cigarette industry, which falls within the broader tobacco industry. However, within the cigarette industry the topic of illicit trade cannot go unmentioned. Illicit brands are cigarettes manufactured in covert or illegal facilities. For example, counterfeit products of internationally established brands, cigarettes smuggled in and out of the country illegally and non-duty paid cigarettes ready for local consumption. The illicit brands are not declared to the government's tax authorities, meaning they evade tax and hence take the advantage of charging extremely low prices to consumers. Their distribution model also operates illegally within and beyond borders. The illicit cigarettes can be classified under 2 categories:

- International Transit Brands, ITB- Internationally acclaimed brands (Dunhill, Kent, Parliament) that aren't produced in the country, smuggled in by "luggage party" etc.
- Duty Not Paid, DNP- Illegally produced and distributed cigarette brands (Senor Gold, Peacock, Regent) often found being traded in border markets

BAT conducts a survey every month with the help of an external research firm to understand the industry dynamics from an objective perspective. The survey considers the cigarette consumption of a set of consumers and helps to draw down broader picture.

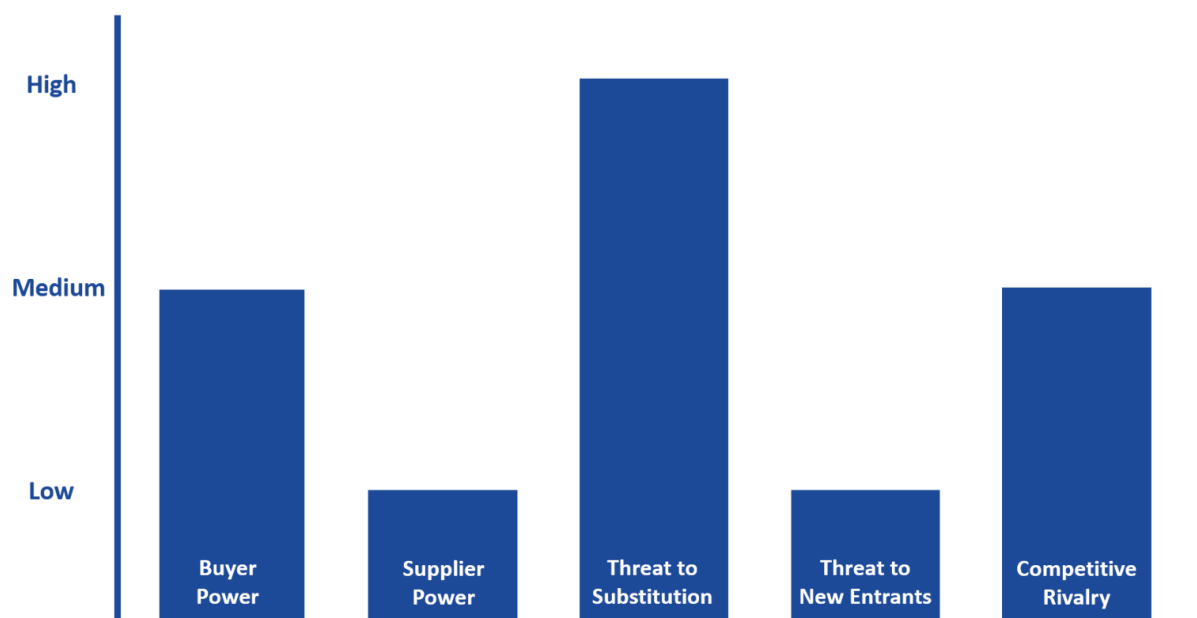


From the graph, we can see how BAT is the major player in the cigarette industry of Bangladesh with an average of 3711 million sticks sold per month (from January to August 2020), followed by an intense competition between JTI and AKTC. Illicit brands are still on the low; they started the year with 590 million sticks in January 2020 which rolled down to 490 in August 2020. Also note that all the players in the industry experienced a sharp decline of sales during the month of April and May 2020 due to the stringent regulatory impact of Covid-19. However, as we near the end of this year, we can see a positive trend in the sales for every competitor.

A unique feature of Bangladesh's market compared to other countries is that here the tobacco market operates as a stick-based market. A significantly high number of retail outlet and low capital availability has created a stick-based market. This offers flexibility and demands frequent sales visit to shops compared to other similar businesses.

Industry Analysis

Given the product is perceived as a demerit good in the society, tobacco industry in every country operates under a rigid framework of laws, limitations and sensitivities. To better understand how BAT as a business operates under such harsh conditions, here is an analysis to that captures the competitive forces working around it:



Industry Analysis Using Porter's 5 Forces Model

- 1- **Buyer Power:** BAT's buyers are outlet owners of the retail universe. Ranging from top volume carrying wholesalers to individual roadside tea stall owners, all fall within the range of BAT's customer profile. Now, while the low volume carrying outlets cannot dictate the market forces, generally the wholesalers do have an influence on the market demand and supply. By selling our products at an underrate/ overrate price to other retailers, they control the OMR (Open Market Rate). This makes it difficult for BAT to intervene in the market at their prices and hence goes for negotiation with the buyers.
- 2- **Supplier Power:** Given BAT has their own farmers and factory, supplier power is very low, if not negligible.
- 3- **Threat to Substitution:** Gradually consumers are becoming more health conscious and with new products coming in across the tobacco segment like e-cigarettes, vapes etc., the threat to substitution is high. Alternative to cigarettes is a threat for BAT but have already invested in this field.
- 4- **Threats to New Entrants:** Given tobacco industry already operates in a grey area with a lot of restrictions, advent of any new legitimate player is highly unlikely. Hence, the severity of the threat is kept to a minimum.
- 5- **Competitive rivalry:** Although BAT has absolute leadership in the cigarette industry, with players like JTI and AKTC, BAT does face challenges and competition from their rivals.

Value Chain of BATB: Seed to Smoke

In order to transform the tobacco leaves to cigarette sticks, BAT follows a very effective value chain model. Previously known as “Crop to Consumers”, the value chain of BATB has now evolved into “Seed to Smoke.”



Current Value Chain Model of BATB

Leaf Operations: BATB has the 2nd largest and fastest growing Leaf Operations globally (after Brazil) within the scope of BAT’s business and employs 38,000+ farmers across Bangladesh to cultivate the primary raw material, tobacco leaves.

Green Leaf Threshing, GLT Factory: Once the tobacco leaves have been cultivated, plucked and dried, they are sent to the only GLT Plant (in Kushtia) where the dried leaves’ stems and laminas are separated. This process is crucial to ensure the best quality of cigarettes. At this stage, BATB also exports quality leaves (which, however, are still not ready for sale) to other counties as per their requirements.

BATB Factory: Situated in Mohakhali, Dhaka, BATB’s factory is one of the largest factories globally in all of BAT. Here the factory is divided into two departments- Primary Manufacturing Department, PMD & Secondary Manufacturing Department, SMD. The finely separated lamina and stems enter the PMD where they are treated with mixtures of other ingredients, cut, sliced and sent to SMD. Once in SMD, the processed tobacco is rolled within the cigarette paper, the filter is added to the stick, packaged according to brands and the final product is accumulated in cardboard boxes, ready to be shipped to all parts of the country.

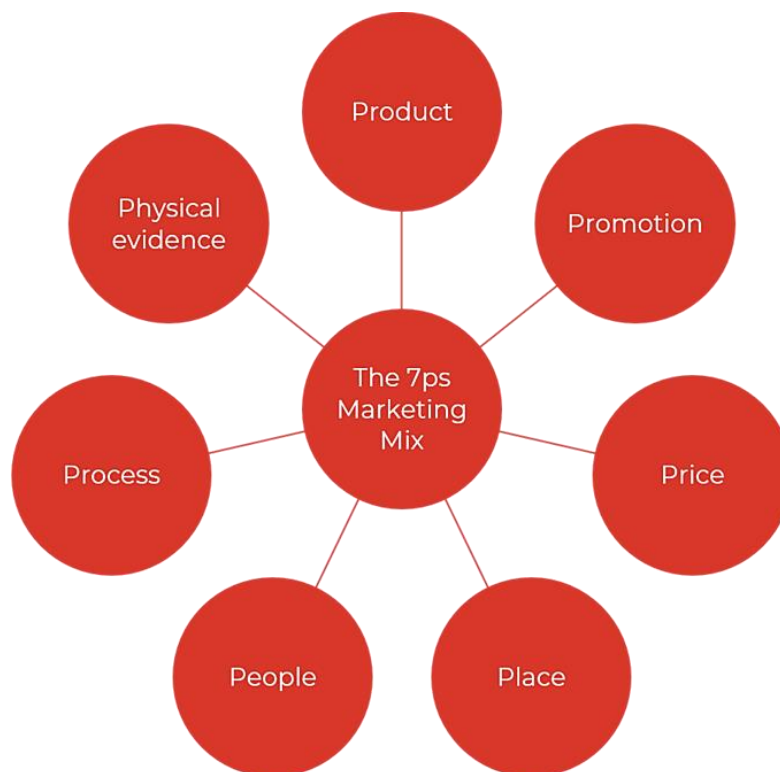
This is where the **Trade Marketing Distribution & Activation, TMD&A Operations** initiate. The finished product is now transported from Customer Service Center (CSC) to different **Regional Warehouses**. From these warehouses, they are lifted on a frequent if not daily basis by **distribution houses** to cater to the demand of consumers of a specific area/territory. The distribution house uses their sales forces to distribute the products to **retail outlets** and **wholesalers (Cash & Carry, C&C outlets)** who are responsible to sell them to consumers, thus completing the cycle of Seed to Smoke.

Marketing Perspective:

In words of Philip Kotler-

“Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit”

In others words, the term ‘marketing’ is described as a process of catering to the needs of customers using sets of activities with the intention of generating profit for the business. Marketing can be broken down to a lot of process used to create, communicate and deliver value and develop relationships with potential clients. Marketing’s scope is so wide that experts have introduced a facilitation tool called the Marketing Mix which serves as a foundation model for business to pursue their marketing associated objectives to their target market. The contemporary model involved 4Ps (Product, Price, Place and Promotion) which later has been extended to 7Ps due the dynamic nature of its field. The 7Ps of marketing are:



In this report, I will focus mostly on the Product part of the mix, with a deeper dive into the packaging aspects of a product.

Product: A product can be a physical item, a service or a virtual offering that helps satisfy the need of a customer. Every product has 3 important elements which should be considered carefully: the brand, packaging and associated services.

Packaging refers to the physical appearance of a product which is ready for sale. For a product to stand out from its competitors and to its consumers, first impression does play a vital role, and this can be ensured with proper packaging. Packaging being the first contact point of communication in the product experience, it eventually affects the customer experience too. The external appearance of a product not only sets the tone of the image quality in someone's mind but helps determine how a buyer might perceive the good, thus making packaging an important marketing tool.

The tobacco industry falls under a grey zone when it comes to marketing. Since, these products are considered as demerit goods, there are heavy regulations from government bodies regarding the promotion and advertising practices associated with tobacco related products. As of February 27th, 2005, Bangladesh has agreed the "WHO Framework Convention on Tobacco Control" which includes a "comprehensive ban on tobacco advertisement, promotion and sponsorship; effective health warnings on packets of tobacco products; and some other measures." Since this agreement, BATB and other companies operating in the tobacco industry within the country have been following strict limitations and adopted political measures in promoting their products. Under such circumstances, it didn't take BATB long to realize how crucial packaging is to sustain in this heavily restricted market. The idea is to tap into the consumers' minds and come up with the right packaging strategy which befits their needs.

Recently, a brand repositioning campaign was launched by BATB involving pack upgrade of one of their brands in their product portfolio, primarily focusing on the packaging aspects of the product.

The Campaign

Background:

John Player Gold Leaf (JPGL), commonly known as Gold Leaf has been existing as an iconic heritage brand in many countries for a while now. The founder of this brand, John Player was an enterprising businessman



Trademark Logo

who brought a revolutionary change in the tobacco industry. Back when tobacco was handmade in small cottages, in 1877 John Player started producing in making factory-made cigarettes. He catered to many people's demands by expanding his business gradually to manufacture quality cigarettes. One of his many ingenious innovations was to offer the smokers tobacco which was pre-packaged. Before factory-made cigarettes was invented, smokers would buy the loose tobacco from

suppliers and use cigarette papers to roll them in. After John Player's contributions, tobacco consumption became more convenient. For his brand JPGL, he even validated a registered TM, trademark which served as a genuine assurance to the general public, guaranteeing that the cigarettes ensured quality and could be relied upon.

John Player Gold Leaf (JPGL Full Flavor) was Bangladesh's first ever international tobacco brand which was launched in 1980. For 40 years now, JPGL has stood the test of time with absolute leadership in BATB's Aspirational Premium, AP segment. Its iconic red and white packaging along with its signature formula blend has helped it survive successfully till now and earned itself a loyal consumer base. JPGL's brand image is so strong that people in this country recognize BATB as the "Gold Leaf Company."

Problem Identification:

Given its establishment in this country, the brand has introduced two new variants in hopes to capture the younger generation; JPGL Switch and JPGL Special. However, after analyzing the consumption pattern, it has been found that JPGL is mostly popular among the baby boomers, the older generation of smokers. While the flavor is desired, the existing brand image stands as a constraint when targeted towards the ASU 30 (Adult Smokers Under 30) progressive consumers. While the conventional smokers continue to relish the rooted heritage of JPGL, this cluster of progressive youth smokers find themselves torn between the love for the product and disconnection from the brand as they perceive it as being more relevant with their parents' generation. This throws a unique challenge in the context of the brand's future sustainability. Therefore, to ensure the brand remains at par with the continuously evolving consumers

who strive for new experiences and progression while sticking true to its original roots that spur JPGL's popularity in the first place, the brand needs a new, more focused strategy.

Suggested Proposition:

In order to negate the defined problem, introduce a brand repositioning campaign for the new variants (JPGL Switch and JPGL Special) which will allow BATB to tap into the likings of the progressive consumers and help them connect better with the brand image. Given the conventional consumers are change resistant, the iconic JPGL Full Flavor will remain unchanged so that the company does not lose a sizeable chunk of its loyal consumers.

The Transition:

BATB's initial offering in the AP, Aspirational Premium segment included:



- John Player Gold Leaf, JPGL Full Flavor
- John Player Gold Leaf, JPGL Switch
- John Player Gold Leaf, JPGL Special

Very recently (February 2020), BATB introduced the John Player Series which involves a more balanced portfolio spread across a wider range of demography. The new AP segment includes:



- John Player Gold Leaf, JPGL Full Flavor
- John Player, JP Switch
- John Player, JP Special

Objective:

The campaign was designed focusing on 3 significant areas:

- Inaugurate the new brand, John Player
- A comprehensive pack upgrade of the former JPGL Switch and JPGL Special
- Keep the iconic taste of JPGL same

Campaign's Big Idea:



“Relive John Player’s pioneering spirit in today’s world”

Campaign Delicacies:

Since the campaign was targeted towards a relatively younger segment of consumers, the new pack design and the communication anchor points were modified in relevance to their traits. During the pilot phase, consumers were given options to choose their preferred version of the new series' packs and eventually the most voted designs went live on a national scale. Moreover, John Player's pioneering spirit was highlighted vividly during this campaign which resonated with the behavioral characteristics of the progressive youth these days.

Campaign's Key Performance Indicator, KPI:

To monitor the success of this campaign, 3 topline KPIs were set, each having its own dimensions:

1- Business KPI

- Volume: Drive volume
- Share:

2- Campaign KPI

- Awareness
- Trial
- Distribution
- Imagery

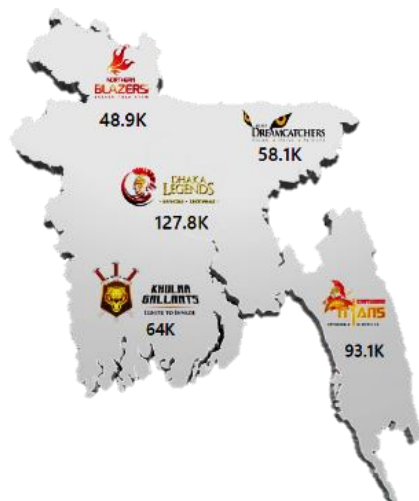
3- Operational KPI

- Consumer Contact
- Placement
- Brand call productivity, BCP



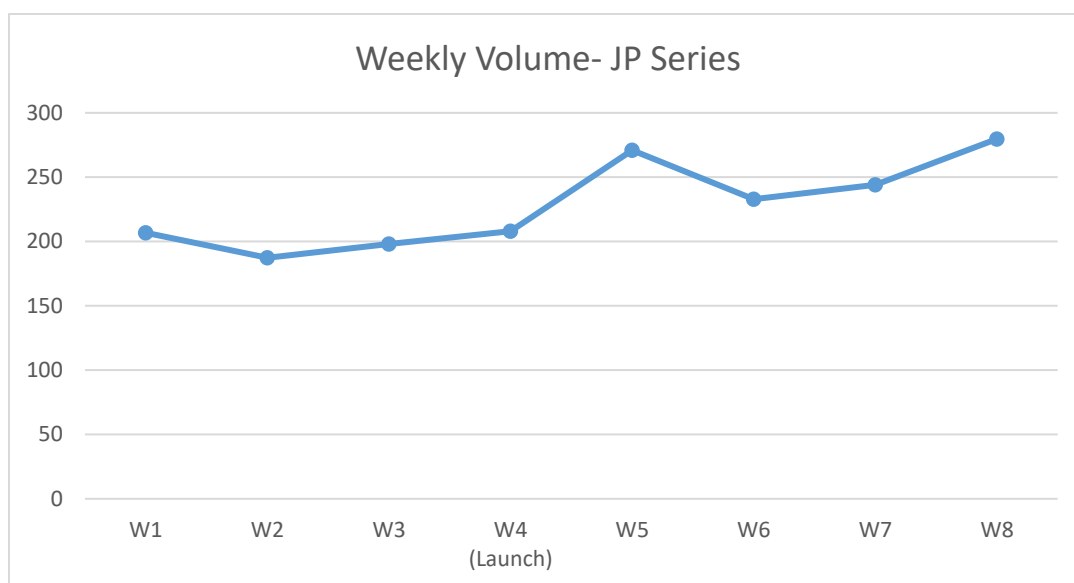
Launch Scope

In BATB's version, Bangladesh's national retail market is divided into 5 regions- Dhaka, Chittagong, Khulna, Sylhet and Rajshahi. Since each region's market and consumers demonstrates their own characteristics, the scope of this campaign also varies accordingly. For John Player Series' launch, the total target scope was 385.9k outlets nationally. Priority was given in markets where previously consumption of AP segment was high.



Outcome:

The timeline for the campaign stretched from 25th February till 29th February 2020. During this period, multiple activities were conducted to better penetrate the existing market conditions and maximize the reach of this new development in BATB's portfolio. After an intensive week of rigorous reinforcements to retailers, enough momentum was generated to show a significant volume increase in the following days. The chart below shows the week-on-week performance of JP Series during the month of February and March:



From the graph we can see that the former variants (JPGL Switch and JPGL Special) had a steady volume from W1 till W4. From W4 to W5, the launch week of John Player Series, there was sharp increase due to extensively injecting volume into the market as it was one of the KPIs of the campaign. In the following weeks (March 2020), with a new target segment approached and enough traction ensured, the overall consumption swelled denoting an increase in the volume of John Player Series as compared to its previous variants.

Findings:

While the campaign was operating in full swing, I generated a few market insights directly from the field which helped to further refine the communication process-

Retailer Feedback:

- The new name (John Player) was relatively difficult to remember and pronounce as opposed to “Gold Leaf”
- They were worried whether the new pack indicated a new taste, which would affect the consumption pattern and ultimately their sales
- They were confused between John Player Switch and Benson & Hedges Switch pack designs as they found them similar

Consumer Feedback:

- ASU30 consumers appreciated the new pack design and felt it resembled more to their taste
- Consumers were delighted when they heard that the design of the packs were chosen by consumers like them
- Consumers felt if the iconic logo JPGL was placed in the front instead of the back of the pack, it would make it easier for them to relate with the previous offering
- Many said if the taste had not changed, they were okay with the pack

Job Insight:

As of January 15th, 2020, I joined British American Tobacco Bangladesh as a Territory Officer. Since the job falls under the department of trade marketing, I am currently in charge of running operations on behalf of BATB in Feni-1, a demarcated territory within Feni district. I am posted in Feni and act as the only representative of BATB management in my territory. Feni-1 territory in particular throws a unique challenge to me since it is nationally the only territory with the lowest market share for BATB (29%). This means that there is high presence of competition here which only provides me increased opportunities to demonstrate my work.

Every territory has a distribution house which is responsible to carry out the sales functions there and as a territory officer, I am in charge of managing Rokeya & Sons', the distribution house of Feni-1 territory. My job essentially is to find out the market gaps and seek out the potential areas of growth across the territory. Based on my findings, I am expected to come up with initiatives and implement trade marketing plans to increase market share, elevate brand image, generate greater volume and contribute to higher profit margins for the company.

In BATB's mapping, a few territories make an area, and a few areas make a region; 5 regions encompass the national BATB market. Similarly, Feni-1 falls under Feni area, which falls under Chittagong Region. I directly report to my line manager who is the Area Manager of Feni. He assigns me with my responsibilities and guides me in my way of work.

Deeper Understanding of Feni 1 Territory:

Geographically, my territory occupies majority of the landscape under the Feni district. The trade marketing and distribution in the demarcated territory of Feni 1 has 4 thanas/upazillas in it, with 58 routes and 7931 outlets to serve with BATB's products. The distribution house runs its operations within this territory from 3 points- Feni Main, Chhagalnaiya and Fulgazi points.

Territory	Name of Thana/Upazilla	District	Point Name	Routes	Outlet Number
Feni-1	Feni Sadar	Feni	Feni Main	35	4838
	Chhagalnaiya	Feni	Chhagalnaiya	11	1445
	Fulgazi	Feni	Fulgazi	7	874
	Pashuram	Feni	Fulgazi	5	831

The economy of Feni-1 territory mostly depends on agriculture, industry and foreign remittance. Every 2/3 families have someone working abroad (especially Middle Eastern countries like Dubai, Qatar) making foreign remittance an important source of income in this part of the district. Furthermore, with a lot of factories operating around the territory, people are getting more opportunities to switch from agricultural practices to industrial works. Establishment of industries like PHP with over 1500 workers and inclusion of small, big factories create a strong base for working class people. As a result, demand for low segment brands is significantly higher than the other segments. The territory also has a lot of brick-making fields which during rainy season causes the sales to drop around those clusters as workers are temporarily unemployed then. However, Feni is gradually transitioning towards a more developed district as a whole. The number of educational institutions, commercial businesses and various amenities are blooming within the area. Even, e-commerce businesses like Foodpanda has also started its operations in the urban portion of the district. People's purchasing capacity was showing a positive trend before the pandemic hit. However, it is believed that once situation falls back to normal, the economic progression led by the district's local authorities will impact our business positively, generating more revenue from the premium segments along with the existing ones.

SWOT Analysis:

As mentioned earlier, The BATB operation in Feni 1 territory is handled by Rokeya & Sons' Distribution House. To get a clearer understanding of the business fundamentals of the territory and take a deeper dive into the distribution house, I have drawn a SWOT analysis.

Strengths	- Adequate working capital to make quick investments - Strong connections with external stakeholders
Weakness	- No Proper Successor may hamper business longevity - Lack of motivation among FFs - Difficult for FFs to carry down the stock from the go-down to their vehicles
Opportunities	- Due to high SOS of competition in Low and VFM, there's a chance to grab contestable space - Scope of increasing sales through proper and efficient service
Threats	- Competition foothold is very strong - Presence of illegal products, such as DNP (Duty Not Paid) and other illicit brands - Competition distribution service is very strong

PESTEL Analysis:

For any business to thrive, external environment is a crucial factor to be taken into consideration.

Hence, a PESTEL analysis will help us delve into this aspect better.

Political	Not much political turmoil is observed within Feni-1 territory. However, the power vested to the ruling political party can pose to be concerning under certain circumstances
Economical	- Agriculture, industries and foreign remittance plays a pivotal role in shaping the economy - 70% of the population comes from lower middle-class demographic segment - 60% of the households depends on foreign remittance - There are 2 major industrial areas and many small-medium industries and factories around the territory
Social	- Majority of the population are conservative Muslims - Women are rarely seen to run a business - Many business owners have previous work experience abroad
Technological	- The most common network operator in Feni-1 is Robi Telco. 4G network is enabled in Feni - Quality technological devices are difficult to source
Environmental	- There is a large area within a residential hub where huge piles of waste are incinerated causing air pollution - The lakes and water bodies are not properly maintained by the local authorities
Legal	The VBP maintains good relationship with external stakeholders, especially ASP and OC of police department

Contributions:

During my first six months in British American Tobacco Bangladesh, I worked on many national projects that positively impacted my territory's development and eventually the business of both, BATB and the distributor. During this tenure, I even ran a few projects of my own to combat the market forces, rise against the pandemic wave of Covid-19 and increase my territory's market share relatively. However, my contributions were not only limited to the business end rather extended to the people's end as well. Since my job entails me to supervise and monitor all activities of the distribution house, I have taken multiple

people-centric initiatives for the 170 sales employees working with me. All the campaigns and initiatives are summarized below:

Project Talos: Launch of John Player Series

National Project

Timeline: Feb '20 – March '20



Pre-Launch Partner Briefing at Feni Community Center

The campaign has been elaborately presented in this report. During the launch, I diligently executed the campaign activities in both pre-launch and launch phases. I have successfully conducted *one Pre-Launch FF briefing, two Partner briefings with 683 partners, and 1 Mega FF launch briefing* which included all the FFs of her

distribution house to on-board everyone about the campaign activities. In the absence of the territory officer of Feni-2, I also conducted *two Partner briefings for Feni-2 territory with a 98% attendance* achievement of the partners there. I ensured that 105,798 merchandising materials were disbursed according to the given allocation within the Feni-1 and Feni-2 territory on time and had been prepared for the launch day execution in the market. While the activities were successfully rolling out, I also monitored the consumer engagement activities of 19 BRs within my territory and ensured 99% successful contacts.

Project Accord 6.0: Pre-budget Campaign

National Project

Timeline: March '20- June '20

The main problem during pre-budget is the tendency of retailers to hoard a hefty amount of stock with the hope that the budget will increase the price and they can earn high margins of profit from overall portfolio. During this time, we also see the advent of “seasonal stockist” who only buy stocks in bulk with similar expectations. As a result, it is important to limit the products’ allocation and monitor the market activities vigilantly. As a result, I briefed the house management regarding their duties and responsibilities during the campaign tenure. I regularly analysed the data from System Governance Empowered reports to detect anomalies and enhance the service quality of the FFs. Even though Covid-19 crisis made things

difficult, I conducted multiple virtual vehicle and go-down DOMA to ensure operational compliance at my DH. I even engaged with the key C&Cs in my territory to highlight the importance of maintain the right OMR and distribution. I further ensured stock rotation of 5.17 million GHW 2 stock in the market.

Project Crescent- Eid Capitalization Plan

Area Project

Timeline: 19th – 21st May '20

The objectives of the campaign were to:

- Capitalise on the volume that could be gained during the Eid pull
- Minimise OOS in clusters where there might be high consumer footfall

I acted as the area lead and designed and implemented the full Eid Capitalization plan for all 5 territories of Feni Area during the Covid-19 crisis. Amidst the issued lockdowns, I identified 129 outlets situated in strategically important clusters to act as topping-up agents. I ensured execution of 3484 hotline stickers across the area and designed Eid greeting cards for all the topping-up outlets to enhance our trade relation with them.

Project Gratitude

Area Project

Timeline: 14th April '20

On the occasion of Bangla New year, I reached out to the FFs and their families of Feni Area to thank them for their support and service during the Covid-19 crisis. I also took initiatives to provide care packages to all SRs and ASRs within the area. This project was aimed to boost the morale of the DH's FFs and appreciate their efforts.



VBP disbursing Care Package to an FF

Project Accord 7.0: Post-budget Campaign

National Project

Timeline: June '20- July '20

While pre-budget is difficult, post-budget period has its own challenges. During this phase, the budget has been declared and all retailers start flooding their hoarded stocks in the market, significantly disrupting BATB's sales. The main concern post-budget is Price Compliance. Retailers grow a tendency to sell their

stocks at an inflated rate as compared to the nationally agreed upon rate set in accordance to the government. The price duality of the commodities creates dissonance among consumers which eventually pollutes the generic market conditions. As a result, I, along with my team had to put in extra effort to bring back the market to its normal condition by conducting all centrally communicated activities dedicatedly.

I ensured 100% right price sticker and banner execution across my territory in the 1st and 2nd wave to aware consumers about the new pricing. I virtually connected with GT, partners and C&Cs to disseminate price communication and ensure price compliance throughout the market. I had to proactively revise the route plans of 24 RAs and 2 MS to non-compliant clusters to generate actual market feedback and also kept a tab on the competition's post-budget activities within area to take necessary steps against them.

Sharehunt: FF Motivation Campaign

National Project

Timeline: May '20



SM rewarding "Hero of the Day"

Since there were a lot of challenges this year, BATB took initiatives to reward the FFs who were sincere in their work and were delivering good results for the team. As per the activity guidelines, I conducted regular briefings to announce the "Hero of the Day" in order to motivate and encourage FF to provide better service. I also ensured that the right people were being rewarded by carefully analysing the daily achievements against target of the SRs and SSs.

Lockdown Contingency Plan

Territory Initiative

Timeline: June '20

Due to the prevalent Covid-19 crisis, many areas were under lockdown under different timelines. To minimize the impact on our BAU service during lockdowns, I came up with a contingency plan to mitigate sales loss and better handle price management in the post-budget period. I built up SCR at other lockdown-free distribution points within my territory and identified 889 top volume contributory



Makeshift barricades to restrict vehicle movement

outlets who would be called from the call centre of the DH to provide price communications in order to spread awareness. I also reactivated 8 Fulfilments Centres to better serve the open outlets in my territory.

Mujib Borsho

Territory Initiative
Timeline: 17th March

Through this simple yet spontaneous project, I demonstrated my aptness to respond to market opportunities. I proactively and immediately deployed an evening FF team to top-up 12 outlets around Feni Shahid Minar as soon as I saw a window of an unexpected gathering of people there to celebrate Mujib Borsho. Although the initiative was an extremely basic hygiene check, it did generate additional sales on that day.

Consumer Facilitators

Territory Initiative
Timeline: April '20

During initial community lockdown in my territory, I identified a service gap in my market which restricted consumer movement and hence started affecting my sales volume. To mitigate the loss, I assigned Partners as “Consumer Facilitators” who would deliver our product to the consumers’ homes within his locality. I traced 127 interested consumers who were delivered 1692 sticks by the Consumer Facilitators. It was a unique project which was further replicated in other areas of the region as well

Cluster Advocates: Driving Price Compliance

Territory Initiative
Timeline: July '20



A partner, Belal Islam wearing the “Cluster Hero” badge

To generate maximum awareness in the market about the new pricing post-budget, I assigned 53 Partners as Cluster Advocates to drive price compliance in the GT outlets that fall within their clusters. I designed “Cluster Hero” badges for the partners to motivate them into taking ownership of their clusters. Along with that, I revised RAs’ and MS’s route plans to work in these clusters.

Covered Van Approach: Alternative Distribution Approach

Territory Initiative

Timeline: April '20

I used one of my covered vans to service all the open outlets at one of my OSDOs as an alternative distribution approach when all the operations had to be temporarily shut down there as per the lockdown guidelines set by the local authorities.

DH Development Initiatives:

During the first 3 months of my stint as the Territory Officer of Feni 1, I brought multiple changes in the Distribution House to improve the efficiency and quality of work around there. The changes escalated the operational processes and benefitted people's way of work significantly. Some of my notable contributions were:

- Took steps to promote better working environment for the house management by installing CCTV cameras to maintain safety and security
- Ensured the house has a first-aid tool kit for any kind of emergency and is properly maintained with necessary and up-to-date items
- During the Covid-19 crisis, I made sure the work environment is frequently disinfected, safe and hygienic for the FFs and house management. I ensured provision of hand sanitizers and masks for all the FFs and strictly asked them to maintain social distance under all circumstances.
- To keep track of the attendance of the FFs for them to maintain punctuality, new fingerprint scanners were installed in the DH
- As per my observations, the house management had all the information of the past and on-going activities; however, they were all very scattered which created inefficiency and resulted in loss of productivity. To simplify the process, I devised a system of maintaining folders for each agenda, so all the information is readily available and accessible
- Ensured all the FFs have their personal ID cards with them and asked the Business Manager to issue ID cards for the FFs who have newly been hired.
- Created a format for the house management to maintain separate folders of CVs for all layers of FFs (former, current and potential). This documentation process has helped hire new FFs whenever there is a vacancy in the system
- I noticed that the FFs of my house were under-motivated which was reflective in their service quality as well. Since then, I made it a point to encourage and appreciate the FFs during morning

briefing and even in 1-2-1 sessions. I briefed them about the importance of starting service early in order to hit the market before our competitors does. I often arranged refreshments on days the workload was too much and at times of extreme heat, I even arranged saline for all my FFs

Glossary:

Partners- Strategically important retailers brought under one umbrella- Partner Platform

BR- Brand Representatives; directly interact with the consumers upon consent regarding promotional campaigns

CM- Contract Merchandiser; works with the visual cues in the market

FF- Field Force

SR- Sales Representative

SS- Sales Supervisor

SM- Sales Manager

BM- Business Manager

C&C- Cash & Carry; wholesale outlets

OMR- Open Market Rate; rate of commodities dictated by wholesale outlets, influenced by market demand and supply

DOMA- Distribution & Operation Management Audit

GHW- Graphical Health Warning; visual cue on cigarette packs promoting health awareness

DH- Distribution House

ASR- Assistant Sales Representatives

GT- General Trade

CBC- Corrugated Board Carton

MS- Mystery Shopper

RA- Retailer's Assistant

BAU- Business as Usual

SCR- Stock Covering Ratio; number of days an amount of stock will last in the DH as per current sales

FC- Fulfillment Center; selected C&Cs to store stock in order to cater to neighboring outlets in case of lockdown

OSDO- On Site Distribution Operation; a branch of the DH at a different location/ point

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