

Eden Mohila College

Department of Marketing



Term paper
On
Analysis CRM activities of Aarong

Submission to
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Submitted by
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Letter of transmittal

To
Khadiza Akter Suma,
Assistant professor,
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Subject: Submission of a term paper on **analysis CRM activities of Aarong**, Bangladesh.

Dear sir ,

With due respect I state that I am very thankful to you as you gave us the opportunity to write a term paper on “an analysis CRM activities of Aarong”. I had a great opportunity to learn a lot about one of the most leading and popular lifestyle retail chains in Bangladesh. While preparing the report I tried my best to find out actual and updated information about this country. I may have some errors on my part but I tried my level best to prepare this report to the required standard. I am looking forward to your kind appreciation on this term paper.

Finally, I would like to thank you for your valuable guidelines and support in preparing this term paper. I would be very grateful for any clarification when required and highly obliged if you approve this term paper and provide your valuable judgment on it.

Sincerely Yours

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Student Declaration

I do hereby declare that this term paper titled "**Analysis CRM activities of Aarong**" Has been written by me under the valuable guidance of khadiza Akter Suma, Department of Marketing, Eden Mohila College, Dhaka in fulfillment of the requirements for the award of BBA Hon's (4th year). I am also declaring that I have not submitted this term paper for any degree, diploma and title recognition before.

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Supervisor's Certificate

This is to certify that Sayeda Romana, Department of Marketing, Eden Mohila College, Has completed his term paper titled "**Analysis CRM activities of Aarong** " This Term Paper was free from plagiarism as per any knowledge.

I wish her success in life.

Khadiza Akter Suma
Assistant Professor
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Eden Mohila College, Dhaka.

Acknowledgement

I am very glad that in spite of having many limitations I have completed the **Analysis CRM activities of Aarong**. Preparing this term paper, I received cordial and sincere assistance from many concerns.

First of all I would like to express my gratitude and deepest thanks to almighty Allah for whom I became able to prepare this term paper successfully.

I also would like to express my sincere gratitude and deepest thanks to our honorable Principal Professor Supriya Bhattacharjee, Head of the Department Md Abdul kader and honorable my course instructor Khadiza Akter Suma, Assistant Professor, who encouraged me to prepare and submit this term paper due manner and who provides me guidelines and materials to prepare the term paper. I also thank her for assigning me such a practical term paper.

I also wish to express my gratitude to family members and friends that gave me the support to prepare this research term paper.

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Executive Summary

Aarong, a name associated with one of the most popular lifestyle chains in Bangladesh, was established in 1978 with a purpose of reducing poverty from the rural areas. Working under BRAC, a non-profitable NGO, Aarong operates its production as a part of social enterprise. Born From humble beginnings, Aarong is now Bangladesh's largest lifestyle retail chain owning a total of 25 outlets all over the country. Aarong has turned 40 this year and it operates 15 AAF centers while ensuring the livelihood of over 70,000 artisans spreading throughout the country. The primary objective of this report is to get hands-on experience of CRM of Aarong and applying the theoretical knowledge in real life situation. CRM entails all ways of interactions which a company uses to communicate with its customers whether it is sales or service related issues, or how they are going beyond even after a purchase has been made. Aarong is operating two loyalty marketing programs for maintaining CRM. The Loyalty marketing program means a company's membership card holder customers own to get discounts or privileges from Aarong and all their brand alliances. Aarong provides a membership card policy named "My Aarong Rewards Program" and "Club Taaga" for its regular customers depending on the purchase value of Aarong and Taaga & Taaga Man products. There are three types of membership cards for both MARC and Club Taaga. There are some very important issues and information that I have learned about during making this term paper. I could not share those issues and information because of being too confidential. However I have tried my best to work with all the important CRM activities and to provide all the valid and legal information in the report.

In the end we like to thank our instructor Bhanu priya mam who gives us such a project to enhance our knowledge and to implement all our studies practically.

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Chapter-1

1. BACKGROUND OF THE REPORT

1.1 Introduction

Aarong is one of the most popular lifestyle brands of Bangladesh. The word 'Aarong' which means 'village fair' in Bengali. Being a sister concern of the world's largest NGO 'BRAC', Aarong is meant to invoke a deeper connection with people to their rural roots with a purpose of women empowerment and reducing poverty of rural people. Aarong, the ethical brand has been founded by Ayesha Abed, the wife of Sir Fazle Hasan Abed, founder of BRAC (NGO) BRAC in 1978 with a humble project of removing poverty by creating opportunities for rural people with skills of their crafting work and artisans. With the goal of supporting poverty stricken rural people, Aarong has created a unique market segment that created a ray of hope for many crafters. Born from humble beginnings, Aarong is now Bangladesh's largest lifestyle retail chain owning a total of 25 outlets all over the country. Aarong has turned 45 this year and it operates 15 AAF centers while ensuring the livelihood of over 70,000 artisans spreading throughout the country. Serving as a social business, Aarong uses a decentralized system for its manufacturing process to accomplish its goal by employing production workers in various rural and semi-urban areas. Aarong boasts a product line consisting of clay pots, diamond jewelry, silk and cotton fabrics to brass and leather merchandise. And these are all backed by the marketing activities of Aarong which has turned them into a household name in Bangladesh. And it has been acknowledged internationally, when The Asian Marketing Federation (AMF) awarded Aarong with the Marketing 3.0 award promoted by renowned marketer Philip Kotler on September 23rd 2016. (Aarong, 2023) An overview of the organization structure, organogram of marketing department, SWOT analysis, marketing mix, most important the outstanding CRM policy of Aarong and a bunch of data shown in various tables & graphical forms are outlined in the appendix part.

1.2 Topic of the report

In order to make this report, I had to select a topic to work with. This topic will be the key of discussion for my report. The topic that I have worked on is analyzing "**Customer Relationship Management in Aarong**".

1.3 Origin of the report

This report will prove that I have used my academic knowledge which I can put to use in the real business world. Only having a degree is not enough if I am unable to put it to any use for the betterment of the economic world. This report will show that not only Aarong just makes clothing items and accessories, but a lot of thought goes into place to make sure how it will fit into their lifestyle and how being a loyal customer will bring them additional privileges from other brands too.

1.4 Background of the Report

The very last course of my undergrad program is making this term paper. This will actually prove whether I was able to put my academic knowledge in the business world. I got to work closely with the people of Aarong and learn about the functions of that organization. This program has enabled me to develop my analytical skills and scholastic attitude. And thus for

mine making this term paper, I got the opportunity to train myself about crm activities of Aarong in the Aarong Centre Tejgaon, as a sales associate of Dhanmondi 2 branch. This report would be based on- **The Customer Relationship Management in Aarong.**

1.5 Objective of the Report

Making this term paper is a realistic and practical subject to understand the situation. It is a career development activity to help a student to build their career. The making term paper provides me the following things:

1.5.1 General Objective

The general objective of this study is to complete making the paper. Obviously, the acknowledgement after making this paper would lead me towards what information we want from the market. Therefore, it is very important for me to have objectives of my own to carry out the paper in order to have proper guidelines throughout the process.

- Training myself about crm activities of Aarong.
- To know how to work in a practical market field.
- To develop my knowledge about the marketing field that helps me to build my career as a marketing department in future.
- To have an overview of customer relationship management of Aarong as one of best lifestyle brands and as the retail industry of Bangladesh.
- To meet academic requirements.
- To prepare my term paper as I want.
- To explore the unity of all departments of Aarong in sync to achieve a single goal.
- To identify the potential scopes, opportunities and possible solutions for upcoming rising problems.
- To know about the practices of Aarong CRM department for attaining higher sales volume as well as customer satisfaction, and placing the image of Aarong as something beyond a lifestyle brand.
- To bring out the indicators of successful CRM campaigns.

1.6 Scope of the report

During the whole making term paper, it was a great learning to know how CRM tools are deployed across all customer-facing parts of Aarong. The study helped me to know about the indicators of customer satisfaction for lifestyle brands. I got the opportunity to learn about the effectiveness of CRM campaigns and marketing campaigns while working with the CRM professionals. This study will help learners to explore CRM more effectively. It will also help individuals working in lifestyle brands to improve their customer satisfaction. It will generate ideas for marketers to learn about their strengths and weaknesses and how they can satisfy their customers more with the help of innovative CRM campaigns. It will also provide some evaluations which will help the professionals to make decisions choosing better CRM tools. They can focus on some additional factors such as ease of shopping and inquiries online, continuously taking customer feedback to fix any room for errors or how they can meet up with their expectations, updating customers about new collections and events and privileges they can enjoy through brand alliances, etc in their further project work.

1.7 Methodology of the report

The study is descriptive in nature and contains the data which have been received from Aarong Centre and Aarong Dhanmondi 2 branch during making this term paper. The reason for conducting this study is to give an overview of Aarong's CRM department and the tools used by them to attain business strategies. It results in preferring qualitative approach mostly. The primary data used in this study are required to understand the key factors and indicators of CRM. In addition, the secondary data are presented through different tables, figures and graphs.

1.7.1 Primary sources

- Trained up from the Aarong central service.
- Face to face conversation with the Project Supervisor.
- Direct observations
- Face to face conversation with the customer about satisfaction about CRM

1.7.2 Secondary sources

- Official website of Aarong
- Advertising journals
- Credential
- Official website of BRAC.

1.8 Limitation

In preparing this paper certain limitations were faced:

- Time limitation is the main reason to complete this report.
- The unavailability of related information and data.
- Not having access to all data and information.
- Confidentiality had to be maintained in collecting and using data.

Chapter-2

2. Organization Part

2.1 Overview of the Organization

The inception of Aarong

The ethical brand Aarong started its journey under BRAC in 1978 with an aim to empower rural artisans to rise above poverty. The purpose was dedicated to create economic opportunity for disadvantaged artisans and rural women through the revival and promotion of their traditional handicrafts. In 1970, BRAC, the world's largest development organization was examining any and all possibilities for alternative forms of productive livelihood, especially for women, and the proper channels of arts and crafts turned out to be a promising option. In 1976, Ayesha Abed, the wife of Sir Fazle Hasan Abed, founder of BRAC (NGO) BRAC, initiated many of the major activities of Aarong by identifying and experimenting with various crafts that women could produce at home such as nakshi kantha, embroidered goods, baskets, mats and items made of cane, bamboo and jute. Over the past four decades, Aarong has carved out a unique market segment for handicrafts, reviving Bangladesh's rich heritage and impacting the lives of more than 325,000 people through 850 small entrepreneurs and the Ayesha Abed Foundation. The foundation acts as Aarong's production hub, where artisans find employment and access to BRAC's holistic support including, maternal health care, hygiene awareness and subsidized latrines, micro-credit, legal aid, day care and education for their children. Its growing presence outside of Bangladesh-through fair-trade networks and the online shop- continues to broaden the market for Bangladeshi crafts globally, creating more opportunities for artisans to protect their age-old art and livelihoods.

Aarong also wanted their products to have a deep meaning that will stay embedded in the minds of the people. For that purpose they put a lot of thoughts in it and came up with the logo that we see today.

Today, Aarong's reach has spread beyond Manikganj to the rest of the 64 Districts of Bangladesh districts of the country. It has grown into a thriving enterprise showcasing ethnic wear to crafts from silks, handloom cotton, endi to terracotta, bamboo, jute and much more. From a single shop. Aarong has grown into one of Bangladesh's biggest retail chains, with 25 stores and also a e-commerce website spread across the major metropolitan areas of the country-in Dhaka, Chittagong, Comilla, Khulna, Sylhet, Narayanganj, Bogra and Mymensingh and also internationally. The company also operates 13 AAF centers while ensuring the livelihood of over 65,000 artisans.

There are some other brands of Aarong including-



Meaning of Aarong

The logo shows an image of a peacock that reflects the festival look of the village fair. The orange color of the peacock in the logo reflects energy. This unique logo of Aarong communicates that the products are as stunning and unequalled as a peacock. It emphasizes its natural and eco-friendly products by the logo. And whenever we look at the image of a peacock and the color orange, Aarong will immediately pop in our minds.

Naming

The name of the organization "Aarong" is a Bengali word. It means Village Fair. The village fair provides craftsmen of all trades a marketplace to display and sell their traditional handicrafts. The naming of Aarong as such upholds the organization's commitment to promote the indigenous goods of our country, which are a part of our rich culture and artistic heritage. "AARONG" means. A: Active: we will execute our plans in an active manner. Appealing: we will make ourselves and our workplace appealing R: Reliable: we will carry out our duties in a reliable manner. O: Outstanding: we will perform in an outstanding manner N. Novel we will always look for novel creative ways of improving everything we do G: Genuine; we will be genuine in our thoughts and actions.

Aarong recently celebrated their company turning 40 years at the Army Stadium. It was a three day event which celebrated their artisans, their crafts and all their achievements in the past 40 years.

Day 1 October 25

Inauguration

Producer Awards

Live Performance by Runa Laila

Day 2. October 26

Aarong Fashion Show also featuring TAAGA, TAAGA MAN and HERSTORY

Day 3. October 27

Concert featuring Nagar Baul James, Joler Gaan, Nemesis and Minar

There were also live crafts stalls holding jewelry making, pottery making, block painting, tie dye, and many more



Aarong logo:

Aarong's logo shows an image of a peacock that reflects the festival look of the village fair. The orange color of the peacock in the logo reflects energy. This unique logo of Aarong communicates that the products are as stunning and unequalled as a peacock. It emphasizes its natural and eco-friendly products by the logo.

History

"To provide a stable and gainful source of employment for the underprivileged rural artisans. lift up the traditional identity and the commitment of quality service" On the basis of these

principles Aarong started its journey in Bangladesh. Aarong began as a means to an end for a quiet organization fighting to uphold the dignity of the marginalized. In 1976, when BRAC-a Bangladeshi NGO dedicated to alleviating poverty and empowering the poor, first began encouraging sericulture for women in Manikganj, their only buyers were a few scattered retailers in Dhaka. Weeks, even months would pass between supply and payment, until BRAC intervened. Aarong was born out of a need to ensure that the penniless silk farmers of Manikganj were paid for their goods upon delivery, so that they could feed their families. Today, Aarong's reach has spread beyond Manikganj to the rest of the country. It has grown into a thriving international enterprise showcasing ethnic wear to beautiful crafts from silks, handloom cotton, Endi to terracotta, bamboo, jute and much more. From a single shop, Aarong has grown into one of Bangladesh's biggest retail chains, with eight stores spread across the major metropolitan areas of the country in Dhaka, Chittagong, Khulna, Narayanganj, Comilla and Sylhet and one in London UK. Throughout Bangladesh and in international destinations, the name Aarong is synonymous with quality, originality and uniqueness. The women Aarong employees are among the countries most disadvantaged. Through Aarong they have been offered a way out of destitution and degradation where before they had none. And the benefits that they receive extend well beyond simply the wages they pay for their products, since every single woman who works in Aarong-owned production facilities is also a beneficiary of BRAC's multifaceted development programs. As it

has grown into a thriving international enterprise showcasing ethnic wear to beautiful crafts from silks, handloom cotton, Endi to terracotta, bamboo, jute and much more. From a single shop. Aarong has grown into one of Bangladesh's biggest retail chains, with eight stores spread across the major metropolitan areas of the country in Dhaka, Chittagong, Khulna, Narayanganj, Comilla and Sylhet and one in London, UK. Throughout Bangladesh and in international destinations, the name Aarong is synonymous with quality, originality and uniqueness. The women Aarong employees are among the countries most disadvantaged. Through Aarong they have been offered a way out of destitution and degradation where before they had none. And the benefits that they receive extend well beyond simply the wages they came for their products, since every single woman who works in Aarong-owned production facilities is also a beneficiary of BRAC's multifaceted development programs. As a support entity of BRAC, a significant portion of Aarong came directly into financing the NGO's development programs in healthcare, education as well as economic and social development. Aarong symbolizes fairness in the global village. The organization has identified three basic constraints for gainful employment of the low income and marginalized people in the rural areas: lack of working capital, marketing support and opportunity for skills development. In order to bridge these gaps. Aarong provides a wide range of services to its workers and suppliers:

- Spot payment on product delivery to encourage efficiency and productivity
- Reach out to producers in remote areas to ensure fair value for their efforts
- Marketing communication and information for artisans
- Advances against purchase orders where necessary
- Training & Education in skills development to raise product quality and marketability
- Product Design and Support in Product Development
- Quality Control to increase producer awareness of the importance of quality

These values reflect fair trade principles which have been developed by registered Fair Trade Organizations. It contributes to sustainable development by offering better trading conditions to, and securing the rights of marginalized producers and workers in Bangladesh

The Ayesha Abed Foundation

The Ayesha Abed Foundation (AAF) is an organization that aims to provide avenues for employment and income generation for underprivileged rural women. It is an enclave for women, formed to uplift them economically, through their work as producers, and also socially, through their development into entrepreneurs. The Foundation provides an appropriate working environment, financial and technical assistance, and training to develop the women's skills in various crafts. The Foundation was established to commemorate the memory and work of the late Mrs. Ayesha Abed, a co-worker and wife of the Founder and Chairperson of BRAC.

AAF is closely interrelated with other programs, especially BRAC Development Programs (BDP) and Aarong. The women workers of the AAF come from the BDP organized Village Organizations. Working at the AAF thus gives the women access to other BRAC programs. All of AAF's finished products are sold through Aarong, which additionally provides designs, raw materials and financial support to AAF. Since AAF supplies exclusively to Aarong, it is treated as Aarong's Production Center.

2.1.1 Aarong's timeline in a nutshell

1978 – Launched its first retail outlet in Dhaka.

1982 – Established the Ayesha Abed Foundation, a community of manufacturing centers.

1987 – Started exporting products in the international market.

1999 – Took part in its first fashion show that was held internationally.

2001 – Set up a retail franchise in London, United Kingdom.

2003 – Launched its sub-brand 'Taaga' & 'TaagaMan' women's and men's western fashion wear.

2007 – Received Fair Trade certification from World Fair Trade Organization.

2011 – Launched its flagship outlet in Uttara, Dhaka, Bangladesh.

2012 – Launched an outlet in Comilla, Bangladesh, received UNESCO Award of Excellence.

2013 – Launch the Artisan Development Initiative, a BRAC integrative development program.

2014 – Started a retail outlet in Jamuna Future Park, Dhaka, Bangladesh, launched an e-commerce website.

2018 – Celebrated its 40th anniversary at Army Stadium, Dhaka.

2021 – Nominated as best retail brand from Bangladesh Brand Forum, opens its 23rd outlet in Feni, starts shipping aarong products at USA, Australia and UK.

2022- Started shipping products to Germany, Singapore and UAE.

Aarong Ecommerce

The e-commerce platform of Aarong(www.aarong.com) launched on 16th July, 2014. For the first time, Aarong brought Western web composition to Eastern crowds by giving a high-end user experience in Bangladesh. Tamara Abed, Senior Director, BRAC Social Enterprises, said - “Aarong took great care in ensuring that users get a high-quality shopping experience in their online shop in sync with the brand promise” (Cochran, 2014). Now Aarong products are shipped in Bangladesh and also in 6 countries including USA, UK, Australia, Germany, UAE, Singapore. The whole website is managed by Magento. All product lines of Aarong.com are available on the website. While most of the E-commerce in Bangladesh are focusing on the local market Aarong is crossing the local borders.

2.1.2 Vision

Aarong's vision is to establish itself as the market leader of Bangladesh and being world's one of the famous fair trade fashion houses throughout its business. It has a dream to develop more artisans in Bangladesh and to attract more and more foreign customers towards Bangladesh as it has expanded its business in the international arena.

2.1.3 Mission

"To make Aarong the best in the world in providing a unique Bangladeshi lifestyle experience to empower people and promote Bangladesh while protecting our environment."

2.1.4 Goals & objectives of Aarong

BRAC-Aarong takes a holistic approach in conceptualizing and developing each of its enterprises. As BRAC enterprises have expanded from program support mechanisms to surplus generating enterprises with financial and social missions, each enterprise has ensured that it complies the four fundamental objectives of a BRAC-Aarong enterprise:

- Creating job opportunities
- Generating surplus for BRAC in order to minimize donor dependency
- Ensuring long-term support and contribution toward the sustainability of BRAC's development interventions such as microfinance, education and skills development etc.
- Becoming viable investments in the long run in order to act as 'hedge against future liquidity.

- Empowering destitute rural women by providing opportunities for employment and income generation.
- Ensuring commercial success of the enterprise of women producers.
- Reviving traditional skills of rural artisans.

2.1.5 Values of Aarong

Aarong's value has remained a constant source of inspiration, encouragement and pride with over 300,000 people across the country benefiting from Aarong's initiatives.

Innovation: BRAC-Aarong has been an innovator in the creation of opportunities for the poor to lift themselves out of poverty. They value creativity in program

design and strive to display global leadership in ground breaking development initiatives.

Integrity: BRAC-Aarong values transparency and accountability in all our professional work, with clear policies and procedures, while displaying the utmost level of honesty in our financial dealings. We hold these to be the most essential elements of our work ethic

Inclusiveness: BRAC-Aarong are committed to engaging, supporting and recognizing the value of all members of society, regardless of race, religion, gender, nationality, ethnicity, age, physical or mental ability, socioeconomic status and geography

Effectiveness: BRAC-Aarong values efficiency and excellence in all our work. constantly challenging ourselves to perform better, to meet and exceed program targets, and to improve and deepen the impact of our interventions.

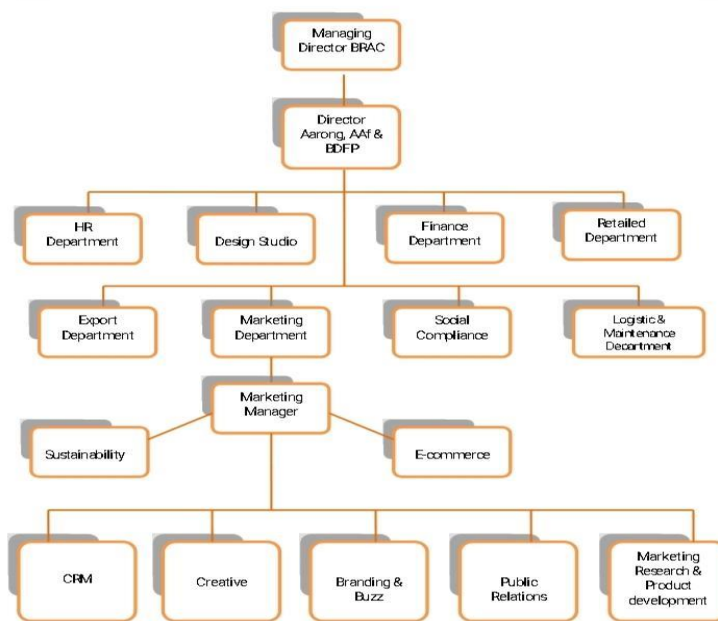


Figure 1Aarong organogram

Figure 01: Aarong organogram

2.2 The Current Information System at Aarong

Although Aarong started its operations in 1978, the Information System was not implemented in the organization before 1985. Initially Aarong set up only 3 computers and a server with SQL Software to support its operations. However, currently, Aarong provides Hardware Support (more than 300 computers), In- House Software and a company-wide Intranet network to ensure superior performance and information management. These are connected to the various outlets of Aarong via optic fiber using Central Services (CS). This enables the employees located at the head office to obtain real-time information on Inventory levels, Sales transactions etc.

Aarong is a support entity of BRAC. Initially it implemented software developed for BRAC. Then Aarong purchased Software from Southtech limited and Documenta Ltd. Now, however, Aarong uses customized in-house software developed by its IT department.

Aarong mainly uses customized software developed for carrying out the specific functions involved in the various functional departments. The Key In-House Software used by Aarong is as follows:

1. Central Office Management System (COMS): COMS also used by the export department for handling export orders. The retailing department uses COMS to check inventory levels and maintain reorder levels by analyzing data such as amount sent to outlet, amount on display and amount in the warehouse.

2. Point of Sale (POS): Point of sales software is used in all the outlets of Aarong. When a sales staff scans the barcode of any product, the software records the transaction. This database enables the organization to identify the demand of the product and adjust their inventory level accordingly.

3. Ayesha Abed Foundation Software (AAFS): Ayesha Abed Foundation, which is the primary manufacturing unit of Aarong, uses this Software to check production levels.

4. Customer Relationship Management: This software enables Aarong to identify the most loyal customer and to retain them. Customer databases are maintained with the help of this software. It also enables Aarong to provide special services, such as "My Aarong Rewards", and "club Taaga" to loyal customers. With the buying and contact information of all loyal customers, Aarong is able to notify them whenever products that suit their taste are available.

2.3 The Functional Departments at Aarong

The Functional Departments of Aarong playing a key role in the business process are as follows:



Figure 02 : functional department of Aarong

1. **Designing Department:** This is located at the Head Office of Aarong and consists of about 40 designers.
2. **Merchandise Procurement Department:** This place orders to the in-house production unit of Aarong, Ayesha Abed Foundation or AAF and to Private Producers. These Private Producers are individuals working for Aarong. Approximately, 80% of all orders are placed to AAF and the remaining 20% to these individuals.
3. **Quality Control Department:** QC department is also located at the head office of Aarong. The quality check process at Aarong is completely manual.
4. **Marketing Department:** At present, the marketing department has nine employees. Of these four are permanent and the rest are part-time employees.

hired for specific jobs such as performing audit, competitor surveys or for assisting marketing executives when new projects are undertaken.

5. **IT Department:** This is responsible for building in-house softwares for the functional departments and for maintaining them.
6. **Human Resource Management:** All functions in this department are conducted manually. E.g. evaluating performance of employees.
7. **Accounts Department:** The basic financial procedures are conducted manually, such as preparing financial reports. For other purposes, IS is used. For example, customized softwares is used for determining Market Share.
8. **Retail Department:** This department is responsible for monitoring inventory levels and maintaining reorder points.
9. **Export Department:** handles all export related documentations and formalities. Maintains foreign buyers contacts and carries out market intelligence research on prospective countries.

2.4 A Detailed Breakdown of the Current Business Processes at Aarong Overview

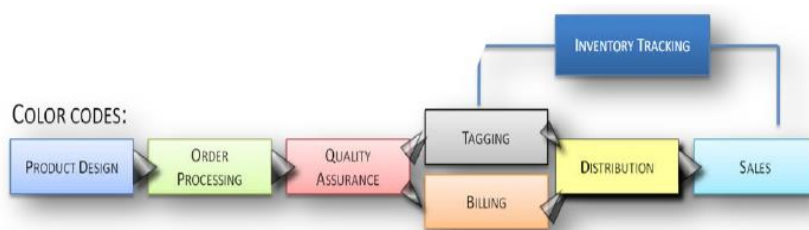


Figure 03: business process of Aarong

Product Design:

Aarong currently has about 40-45 employees working as designers at the head office. These designers develop product designs for various textile and other product lines. Designs are created using software such as Adobe Photoshop. The designs are then presented to the head designers. Finally the designs are approved by the director herself.

After the screening process, designs that are approved are provided to suitable producers for development of the prototype. These producers are either members of Ayesha Abed Foundation (AAF) or Private Producers. Ayesha Abed Foundation is an in-house production unit of Aarong. A deadline is set for the producers regarding the submission of the prototype (this usually ranges from about 5-10 days). The Marketing department then conducts another selection procedure during which the prototypes are examined and their unit costs are computed. The samples that meet certain requirements are then approved.

Order Processing: Order quantity is determined based on Sales and Marketing Reports. Order is then placed to either private producers or to Ayesha Abed Foundation. A date is specified for the submission of the products. After completion, orders are shipped to the warehouse at the head office.

Quality assurance: The Quality Check process at Aarong is completely manual. At the quality control department, the QC officers check every product piece-by-piece at the. The Products that do not meet the minimum requirement standards are rejected and returned to the producers. Aarong uses the customized cross-functional software COMS-Central Office Management System, to record the transactions involved in the Quality Assurance process. After quality assurance, tagging and billing of products take place simultaneously.

Tagging and packaging: Products that pass the quality check procedures are shipped to the Central Storage. There the products are tagged using bar codes. Tagged products are then packaged and stored.

Inventory tracking of goods start from this step onwards:

Payment Calculation

Based on the quantity purchased and adjusting for any return outwards, payment amount is calculated. Invoices are then prepared and payments made to the respective producers.

Demand Analysis and Distribution of goods

Every outlet maintains a record of all product lines and related product information. Based On information obtained from the sales managers of the various outlets, regarding demand, goods are then delivered to the respective outlets. A hard copy of data is sent along with the deliveries.

Sales: At the outlets, during a sales transaction, the sales staff scans the barcode on each product to determine their price. If customers are members of "My Aarong Rewards" & "club Taaga", they are offered special services such as discounts and gifts. Invoices are then prepared and payment collected. All relevant information involved in the transactions such as item code, item quantity, discount provided (if any), cash collected and return inwards (if any), are recorded in the Product and Sales Databases.

Inventory Tracking: After the tagging and packaging of goods, inventory levels are recorded in a database using IS. The database is then adjusted and updated to take into account changes in the inventory level that take place due to distribution and sales transactions. Information on inventory levels is obtained via COMS and POS.

2.5 Porter's five model at Aarong

This theory is based on the concept that there are five forces that determine the competitive intensity and attractiveness of a market. Porter's five forces help to identify where power lies in a business situation. This is useful both in understanding the strength of an organization's

current competitive position, and the strength of a position that an organization may look to move into.

Aarong uses Porter's five forces to understand whether new products or services are potentially profitable. By understanding where power lies, the theory can also be used to identify areas of strength, to improve weaknesses and to avoid mistakes.

Porter's five forces of competitive position analysis:



Figure 04: porter's model

Supplier power

An assessment of how easy it is for suppliers to drive up prices. This is driven by the: number of suppliers of each essential input; uniqueness of their product or service; relative size and strength of the supplier, and cost of switching from one supplier to another.

Buyer power

An assessment of how easy it is for buyers to drive prices down. This is driven by the number of buyers in the market; importance of each individual buyer to the organization; and cost to the buyer of switching from one supplier to another. If a business has just a few powerful buyers, they are often able to dictate terms. Handicraft based retail industry has a strong potential buyers. so they may reduce their switching cost as well as increase the buyers value.

Competitive rivalry

The main driver is the number and capability of competitors in the market. Many competitors offering undifferentiated products and services will reduce market attractiveness. Aarong follows the differentiated market strategy for different segmented customers.

Threat of substitution

Where close substitute products exist in a market, it increases the likelihood of customers switching to alternatives in response to price increases. This reduces both the power of suppliers and the attractiveness of the market. Aarong may face the threats but because of its differentiated market strategy and quality of product customers are not willing to switch to alternatives.

Threat of new entry

Profitable markets attract new entrants, which erodes profitability. Unless incumbents have strong and durable barriers to entry, for example, patents, economies of scale, capital requirements or government policies, then profitability will decline to a competitive rate. As the handicraft based lifestyle retail industry encourages new entry, Aarong creates a high entry barrier through its high level of quality and brand value.

Chapter-3

3. Marketing Strategy of Aarong

3.1 Marketing Mix of Aarong:



Figure 05: marketing mix analysis

To grab more markets Aarong needs to maintain a marketing mix which refers to putting the right product in the right place, at the right price, at the right time.

It is really important for Aarong to design a perfect marketing mix for their brand in order to compete with the other competitors in the market.

Product:

"Innovation and creativity are at the heart of its product design" Aarong is not only limited within the clothing products; they sell everything from clay pots to diamonds. They produce not only traditional products but also non-traditional products. Aarong try to create trends in every product category. Aarong's exclusive merchandise offers its customers wide range of products like:

Mens Brand: Traditional Kurta, Executive Shirts, Maanja, Fotua, Short Kurta, T Shirt, Shawls/Stoles, Sandals.

Women's Brand: Traditional, Western Taaga, Nightwear, Fabrics,

- Bags

- Shoes

- Scarves

- Textiles

- Fabrics

- Wallets

Nakshi Kantha

Though Aarong is a fusion fashion brand, they created a distinct category of clothing for urban youth. They also emphasize on developing unconventional uses for crafts such as Nakhshi Kantha and aiding in the revival of these crafts. Aarong continues to set trends with jewelry. They are the first brand who introduced the use of silver jewelry.

The use of candles as home decoration was also first popularized by Aarong in Bangladesh and it now leads the market in this segment. They have developed a new technique for producing a new fabric named Endi. They use the wastage cocoons of Mulberry silk to produce the fabric. Aarong works with a vast and diverse range of traditional materials like from silk and cotton fabric to terracotta, bamboo, jute, brass and leather.

Place:

To sell a product, place is the most important thing. Aarong has their own stores at different locations. Aarong has 13 outlets in Dhaka and 12 outlets outside of Dhaka and also has an e-commerce website. Aarong has placed their outlets according to the demand of their products. For their consumers' convenience they set up these outlets at their consumers' nearest place. Statistics say that 3 people enter an Aarong outlet every second.

And now consumers can easily buy from Aarong e-commerce. And internationally, Aarong e-commerce is now open in six countries.

Price:

Aarong focuses on innovation, quality, value-based pricing and superior in-store customer service. Aarong always wants to make sure that their consumers get the right value on what they are paying. Aarong has products from reasonable to expensive products. The exclusive

products usually cost a bit high. They also have products with reasonable prices for their mass consumers. Aarong follows a different pricing policy. as they charge higher prices and better quality which create value to customers.

Promotion:

Promotion helps a business to go further. Different companies choose different promotional activities. Like Aarong they largely focus on billboard ads and print ads. They don't usually do TVC and RDC. They have a lot of billboards at different prime locations. Along with that their ads are seen in different dailies and magazines. In these ads they try to portray Bangladeshi culture through their products. The ads convey a hidden message to encourage buying traditional products and to maintain traditional things. Some of their billboard designs are given below:



Figure 06: billboards ads of Aarong.

3.2 STP of Aarong (Segmentation, Targeting, Positioning)

STP is the abbreviation for Segmentation, Targeting, and Positioning - a three-step model that focuses on segmenting the product and services for different customer groups as well as the way we communicate the product's benefits to specific customer segments. Aarong has a good focus to follow this strategy. Based on this model aarong run their campaigns and offerings. Those are given below:

3.2.1 Market Segmentation

Aarong has a huge range of product lines. They're very conscious about market segmentation. To reach the target customer they introduced the following segmentations-

Demographic Segmentation- Aarong has made a large variety of products to satisfy each and every segment. Aarong has segmented its market according to information such as age, gender, occupation, orientation, marital status, a measure of cash spent during past buy and so forth. This data helps them in concluding who might be seeing what ad and to make the kind of items to be requested later on.

Geographic Segmentation- Now Aarong focuses on urban areas of Bangladesh and also abroad where there is a demand for hand-craft items. Besides, they build their brand image in the urban area. Similarly, all the outlets of Aarong are situated in

major cities and towns. Besides, aarong products are shipped in 6 countries including USA, Australia, UK, Germany, UAE and Singapore.

Behavioral Segmentation- Aarong has also made segmentation over customer’s attitude toward products, purchase behavior on different occasions, loyalty of customer, status, readiness stage etc. Aarong launched different campaigns on different occasions like eid, puja, pohela boishakh, falgun, wedding and other seasonal occasions where they introduce new products for customers. It additionally partitioned the availability of its customers to help them by giving sufficient information. **Psychographic Segmentation-** Aarong also segments its market based on customer’s lifestyle, activities & social status. They mainly focus on some groups of customers. Those are upper class, upper uppers, lower uppers, upper middle, middle class. They promote their product by focusing on the customers lifestyle, ambition, personality and trends and offer products on many price ranges to fulfill the needs of different groups of customers.

3.2.2 Targeting

Targeting refers to those segments which are more in size, high profitability, reachability and have a low cost of acquisitions. Aarong has wisely determined their target customers. In the segmentation, we can have a clear idea about the target customer of Aarong. Its target customers are higher to middle class people, all age groups and even foreign visitors from different parts of the world.

3.2.3 Positioning

Positioning is the final step in the framework of STP. It refers to setting a product or service apart from the competitors in the customer's mind. Aarong has successfully made their positioning in the market through their huge variety of products, quality, promotion and offerings in the mind of its customer group. This positioning allows them to have competitive advantage and lead the market with around 85% market share. The following perceptual map will help to visualize the positioning of Aarong-



Figure 07:A perceptual map of Aarong’s Positioning

They basically follow the following positioning factors-

Symbolic Positioning: Aarong has enhanced their brand image, belongingness, superior value for their customers so that both of the parties may enjoy a win-win situation. While they serve the same purpose as any other clothing brand, they are also boosting their customer's self-esteem and image.

Experiential Positioning: They also focus on the emotional connection of customers that they have with aarong's product & services. As we know Aarong is a social enterprise working for rural development, women empowerment and other social development works. That's the reason behind grabbing customer's emotional connection with the brand.

3.3: Pricing method of Aarong

They do pricing of the product according to the promotional activities. they do to promote the product and to recover the fixed cost of the product.

Aarong follows a different pricing policy. as they charge higher prices and better quality which creates value to customers.

Differentiate pricing strategy

Differential pricing is achieved by developing different prices and offerings to cater to different customer segments, or based on varying situational factors, such as timing, cost difference than previous slot of produced product, and the competition. Its principles are founded in the recognition that specific groups of customers have different needs, price preferences, and product requirements.

Most of the products are high in price following a different pricing strategy. Again they sell products with 50% to 80% markup in the international market.

Most of the non textile items of aarong's pricing are based on differentiation strategy.

Cost leadership strategy

Aarong is a firm that chose the cost leadership strategy that aims to lower its production costs by implementing cost reduction through experience, constant cost control, cost reduction in the areas of research and development, advertising, promotion, etc. Having relatively lower costs than competitors becomes the goal of the strategy, although quality of services and other areas must not be ignored. Aarong concentrates its quality and features, and follows the promotional activities like sponsors on fashion shows, online advertisement, exhibitions to retain its market position in the industry.

In the twentieth century firms have realized the cost leadership strategy through mass production, mass distribution and economies of scale (experience curve). In the twenty-first century. However, the focus of managers' switches to lean production, restructuring of the organization and outsourcing. Companies are therefore engaged only in those activities which bring them distinct cost advantages, and the rest is being outsourced.

Most of the textile items of aarong's based on cost leadership strategy.

3.4:Distribution method of Aarong

Distribution Channel and Outlet of Aarong Aarong Directly distributes its product to the consumers.

From the background of the company we get to know that the production center of Aarong is Ayesha Abed Foundation. And many artisans work with it. A flow chart is drawn below for the clear conception of the distribution channel of Aarong.

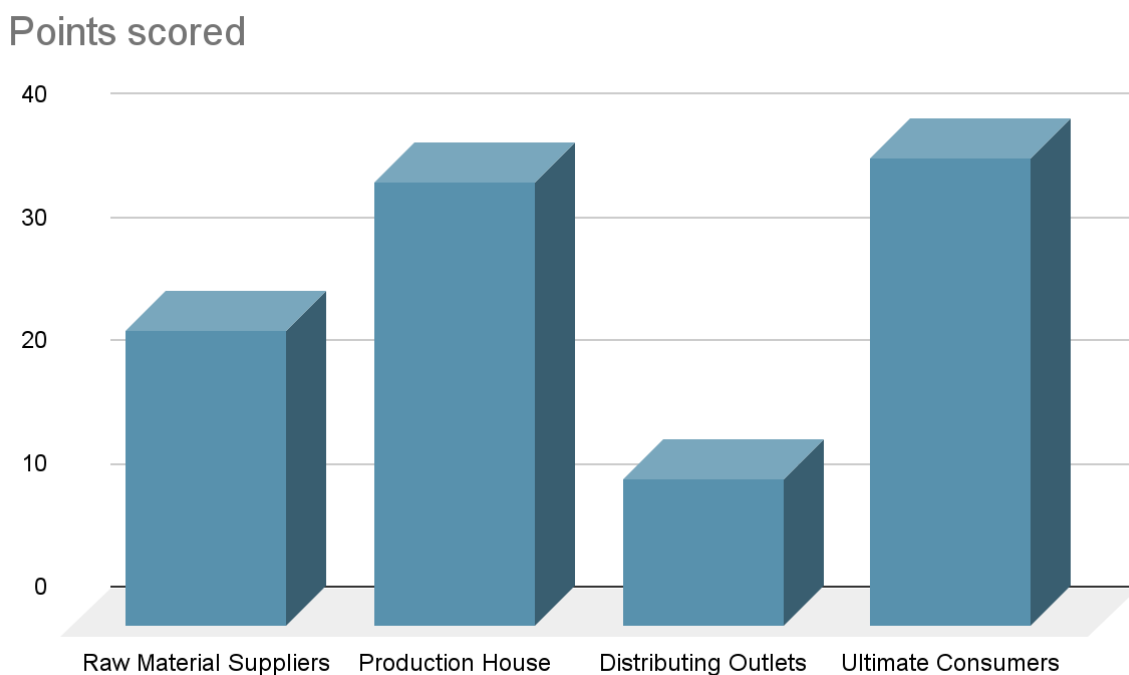


Figure 08: distribution channel of Aarong

Aarong has its own outlet in the big cities of the county. Aarong is the most popular shop in our country. Not only to the Bangladeshi people but also to the foreigner it has appeal. Here is the list of aarong's outlet:

Aarong at Dhanmondi

Aarong at dhanmondi 2

Aarong at Gulshan

Aarong at Moghbazar

Aarong at Uttara

Aarong at Wari

Aarong in sholosohor, Chittagong

Aarong in Haliashahar, Chittagong

Aarong in Sylhet

Aarong in Khulna

Aarong at kushtia

Aarong at faridpur

Aarong at rangpur

Aarong at Rajshahi

Aarong at basabo

Aarong at banani

Aarong at bashundhara city

Aarong at mirpur

Aarong at mirpur 2

Aarong at comilla

Aarong at Mymensingh.

Aarong at Narayanganj.

Major Outlets of Aarong:



Figure 09: major outlet of Aarong.

E-commerce Launching

The bundle of an e-commerce website is Aarong's latest initiative to provide greater market access for marginalized Producers in rural areas Consumers globally will be able to experience the rich cultural craft of Bangladesh through the convenience of purchasing

products online. Aarong joins the first wave of retailers in Bangladesh to offer online shopping to its customers.



Figure 10: Aarong e-commerce work processing.

The website features products from all Aarong product lines. Shoppers will be able to view the product and instantly purchase items 24 hours, 7 days a week. Cash on delivery, credit cards (VISA & MasterCard), and b-cash (Bikash) are all accepted forms of payment. The items will be shipped directly to any address within Bangladesh through courier service, and soon expanded globally. Additionally, customers are able to exchange or return the product if they are not satisfied at their nearest outlet. It creates competitive advantage among the competitors of Aarong by creating an online shopping strategy.

Aarong.com is now shipping to 6 countries around the globe.

Explore Now:

AUS: <https://www.aarong.com/au/>

GER: <https://www.aarong.com/de/>

SIN: <https://www.aarong.com/sg/>

UAE: <https://www.aarong.com/ae/>

UK: <https://www.aarong.com/uk/>

USA: <https://www.aarong.com/us/>

Now it's easy for the consumer to buy anything from aarong. The distribution channels are getting easier for consumers day by day.

3.5 SOWT analysis of Aarong

SWOT analysis is a powerful technique for understanding organizations Strength & Weakness and looking for the Opportunities & Threats it may face. Used in a business context it helps organizations carve a sustainable niche in a market. This analysis is mainly based on an imaginary situation.



Figure 11: swot analysis

Strengths	Weaknesses
1. strong financial foundation	1. dependence on BRAC (decision making)
2. legal enterprise	2. decentralized production
3. good brand image/ good awareness	3. lack of automation
4. handmade and unique products	4. lack of inter-departmental coordination
5. traditional	5. lack of standardization quality
6. dedicated workforce	6. lack of planning & implementation & follow up
7. socially responsible 8. backward linkage	7. lack of customer and other information
9. fair trade leader	8. matching of skills with responsibilities and expectations
10. good office environment 11. one stop shopping	9. standard of customer service
	10. lack of parking space

	<ul style="list-style-type: none"> 11. space constraint 12. products do not appeal to the younger generation 13. high production lead times 14. salary structure is low for sales staff 15. high price (validate).
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Table 01: Strengths & Weaknesses of Aarong.

Opportunities	Threats
1. automation	1. new competitors (local and global)
2. setup ultra modern factory	2. economic crisis
3. e commerce and m commerce	3. commitment of the political parties
4. new outlets (local and international)	4. smuggled goods
5. develop exports	5. traffic jam
6. new product lines	6. security
7. growing craft industry	7. westernization
8. growing middle class having purchasing power	8. the market may become price sensitive.
9. abundance of artisans	
10. franchise ventures	

Table 02: Opportunities & Threats of Aarong

3.6:Product mix of Aarong

Aarong, a leading handcraft & fashion of Bangladesh has been playing a part in invigorating the traditional Arts and artworks of Bangladesh. By utilizing the merchandise of the country Aarong offers a huge range of items. With development, the product offerings of Aarong have additionally grown-up. The product price of aarong is higher than other competitors. All

the products are handmade. So, it takes a lot of time and effort to make any product. At the same time hand crafted products are much reliable and good in quality. Aarong offers more than 100 product categories including women, men, kids, home décor and other gift items in both outlets and websites. Besides, they bring new collections for all campaigns and seasons. Some of the product categories are-



Figure 12: products of Aarong.

In depth product categories:

Men's Products	Women's Products	Home
Panjabi Shirts	Sarees	Bed covers
T-Shirts	Shalwar Kameez	Table covers
Fatua	Kurta	Rugs
Kurta	Shawls/Scarves	Dining Lamps
Scarves	Shoes	Pillow covers
Sandals	Bags	Photo frames
Sherwani		
Leather Products	Children Products	Jewelry Products
Shoes	Clothes	Gold
Bags	Silver	Terracotta
Wallets	Toys	Pearl
Belts	Books	
Boxes	Shoes	
Photo Frames		
Food	Herbal	Nakshi
Ceramics Products		

Figure 13: product categories.

3.7:CRM of Aarong

Aarong's marketing and customer relationship management department are primarily data centric. Any major marketing decision is based on data such as what type of advertisements to follow, type of brand alliances to be formed, whether to focus on in store promotion or go online etc. I have been directly involved in sorting customers such as data editing, cleansing and data mining which is used in almost majority segments of the business including important decision making such as opening of new store locations, type of products to be sold etc. The CRM department handles most of the data and later passes it onto the different

relevant departments such as inventory, quality, marketing. E-commerce etc. Various software is used to track consumer purchase patterns, frequency of purchase, basket size of goods bought etc. Data is later extracted to form visual representation which is composed in the form of pie, bar chart, scatter plot graph etc. based on these data which are then used for data centric marketing strategy. Aarong uses various vendors and third parties to engage in digital marketing and effective targeting of the customers. These independent institutions are used for tracking customer online behavior through the help of various search engines such as Google, Facebook, type of pages liked by that person, and many other techniques such as lead generation where people can be sent advertisements in the form of Email and SMS in order to inform them of offers and discounts through collection of contact address like phone number or email address which is a part of tailored advertisements. Data is also obtained from another software system which primarily deals with customer complaints and feedback. Every complaint, feedback and issues relating to customers are processed through this system and these are later used to often redesign, reevaluate their existing methods of doing business. Through the help of these data any major issue could be represented in the form of graphical representation and major decision making becomes easier.

The integrated software systems play a vital role in the effective management of data as most of the data collected are saved in a form of master database which are then extracted as per need. Because of advanced enterprise resource planning systems the particular period can be tracked along with which outlet has sold the highest quantity of a certain product can be traced as well. This type of software helps in understanding the segmentation of the market and form decisions accordingly. My primary job has been to do data cleansing, data editing, and data entry. Taking data from Excel sheets and entering them into the CRM software was a major part of my job. Everyday thousands of new people are entering one of Aarong's membership programs such as Insider, Lifestyle, Platinum, and Gold etc. and by doing so they get registered into the system through this formal procedure. As they join the membership family of Aarong they get entitled to the point system through which rewards can be earned by redeeming them. A certain balance of points gives them the privilege to move up the hierarchy of the system. This database of customers plays a pivotal role in deciding campaign winners as well because very often the top shoppers are rewarded during the campaigns that are deployed by Aarong's marketing team for special occasions as mentioned previously. Having a complete database helps them in identifying and selecting the top shopper and then rewarding accordingly.

In chapter 4th CRM activities are described clearly.

3.8:Competitors analysis of Aarong

Industry Competitive Analysis:

- Aarong holds a strong competitive position in the handcrafted industry it operates in. For example, quality, development, and consumer loyalty are the main reasons for holding a competitive advantage. Aarong's inventory management, supply chain, and customer base are so strong that other competitor organizations can't replicate them.

- Kept on the check and every single feedback and complaint of the customer is considered and worked upon to improve their experience. The reason by which Aarong is driven is to engage women from the root level is something with which a great deal of its target market can respond and accordingly the customer is emotionally attached with the brand.
- Aarong may fall behind in certain aspects when contrasted with its rivals as Deshi dosh brand including Anjan's, Rong's, Banglar Mela, Kay Kraft, and so on mainly on the parts of cost. Sometimes customers gripe that Aarong's items are normally overpriced and they frequently can't legitimize the purpose for it. Despite the fact that they truly do offer premium quality, the value makes Aarong a luxurious brand. Aarong E-business has created alternatives for the offer of its products and redirected its only reliance on retail outlets. Now, Customers can come across internationally to Aarong, thus, leading to more sales and leading position of the overall industry for them.

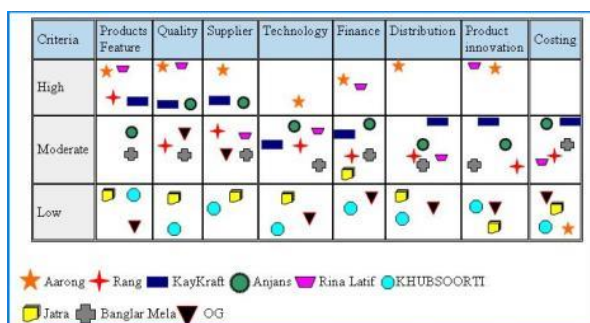


Figure 14: competitive analysis of Aarong.

3.9 Aarong's Promotional Mix

A promotional mix is a mix of marketing strategies for communicating our offering to the target audience which includes publicizing, sales, advertising and direct marketing to accomplish a particular objective. The promotional mix is only a part of the marketing mix. This part is one of the main focuses of this report. Aarong has effectively utilized the promotional tools to build its brand value. In this changing marketing, they have adopted new strategies with traditional ones.

The marketing department is assigned to plan centralized promotional campaigns for both outlets and e-commerce for effective communication with customers

Most of the time Aarong uses the following element of promotional mix:

Advertising- From the very beginning Aarong has been using some traditional forms of advertisements. Such as Newspaper, magazine ads, Commercials on TV, Banner, Poster, Brochure giving, billboards etc. Recently they opened new outlets in Feni which were covered in newspapers. On special occasions, they introduce a new product range which is promoted mostly on billboards. To grab the attention of a high number of people at the same time they use this form of advertisement.



Figure 15: Aarong ad on Magazine.



Figure 16: Billboard Ad of Aarong

Interactive/Internet Marketing- Nowadays advertisement channels have changed a lot. With the trend aarong has also adopted internet marketing which is obviously less costly and easy to reach potential customers. Since 2014 they have started e-commerce and f-commerce, Instagram platform. On this platform, they promote the latest news, offers and campaigns. Besides, they have monthly model shots of new and existing products which are promoted through their website and social media platforms.



Figure 17: News & offers on Aarong website.



Figure 18: Social Media Ads of Aarong

Sales Promotion- Every month aarong launch new campaigns to boost their sales. Besides they have campaigns for different occasions like Eid, Puja, Falgun, Boishakh, Victory Day etc. Besides, Aarong offers Aarong reward points for their customers. Any customer purchasing product with a value of 10000 tk can avail the aarong reward point. The points are added to every purchase from Aarong outlets and e-commerce. Customers can redeem these points to have discounts on future purchases. They also have an annual discount sale at the end of the year where they give huge discounts on select women’s, men’s and kids’ apparel, accessories and other items. Last year a special sale was held at the new Tejgaon multi-brand outlet’s parking area where customers enjoyed deeply discounted prices on all categories of products from the suppliers of aarong.



Figure 19: Annual discount sale campaign 2022



Figure 20: Victory Day sale campaign.

Publicity/ Public Relation- An organization may use public relations to enhance their promotional mix and attempt to influence a specific group’s attitude toward its business. Aarong is also involved in this type of promotion with the purpose of communicating the organization’s product & services and positive image to the public. Aarong was the proud manufacturer of Bangladesh team jersey in The ICC T20 World Cup 2021. They also have

partnership with novoair, Piaggio- Vespa & Aprilia, foy's lake and many more. Aarong reward members and club Taaga members can have special discounts on their services. Aarong also sells their product to corporates like Shah cement (<https://www.aarong.com/shc/shah-cement>) at a discount price. They sponsor social and educational events in the society. Moreover, they do fashion shows to inform customers about their forthcoming trend of Aarong.



Figure 21: Aarong, official manufacturer of Bangladesh team jersey



Figure 22: Aarong dairy sponsored in DIU Marketing Fest 2017

Social media advertisement strategy

Social Media Marketing is a trending promotional strategy that helps to reach target customers at lower cost and to create personalized experience for them. Aarong has played well by adopting these. Strategies. They promote their products and offerings to facebook, Instagram, linkedin, youtube, messenger, email marketing etc. As we already discussed, Aarong has a huge range of products. They're very selective and maintain a strategy to promote new products. When they launch a new product, they promote them on social media beside the traditional advertisements. They run ads both in the local and international market following customer segments. Their monthly model shoots are also published on social media. Besides, they provide personalized ads on different social media. Customers who are connected in these social media can get customer service and also order products on aarong Facebook page.

Basically Aarong follows the silent advertising strategy all over the world..

3.10: PESTEL analysis on Aarong

A PESTEL analysis is a framework or tool used by marketers to analyze and monitor the macro-environmental (external marketing environment) factors that have an impact on an organization. The result of which is used to identify threats and weaknesses which is used in a SWOT analysis.



Figure 23: PESTEL analysis

PESTEL stands for:

P-Political

E-Economic

S-Social

T-Technological

E-Environmental

L-Legal.

Political Factors

These are all about how and to what degree a government intervenes in the economy. This can include-government policy, political stability or instability in overseas markets, foreign trade policy, tax policy, labor law, environmental law, trade restrictions and so on.

It is clear from the list above that political factors often have an impact on organizations and how they do business. According to a political agreement of the Bangladesh government Aarong is now exporting their product in the UK and USA. Organizations need to be able to respond to the current and anticipated future legislation, and adjust their marketing policy accordingly.

Economic Factors

Economic factors have a significant impact on how an organization does business and also how profitable they are. Factors include-economic growth, interest rates, exchange rates, inflation, disposable income of consumers and businesses and so on.

These factors can be further broken down into macroeconomic and micro-economic factors. Macro-economic factors deal with the management of demand in any given economy. Governments use interest rate control, taxation policy and government expenditure as their main mechanisms they use for this. Aarong concentrates on economic factors and they ask customers for tax through Vat with the actual price of the product.

Micro-economic factors are all about the way people spend their incomes. This has a large impact on B2C organizations in particular.

Social Factors

Also known as socio-cultural factors, are the areas that involve the shared belief and attitudes of the population. These factors include - population growth, age distribution, health consciousness, and career attitudes and so on. These factors are of particular interest as they have a direct effect on how marketers understand customers and what drives them. Aarong follows the social factor and by concentrating on that, it determines its target customer and marketing strategies.

Technological Factors

We all know how fast the technological landscape changes and how this impacts the way we market our products. Aarong established online shopping for distributing their product to their target customer. It follows social media as well as electronic media for communicating with their target market as well as for their promotional activities

Environmental Factors

Aarong considers environmental factors important due to the increasing scarcity of raw materials, pollution targets, doing business as an ethical and sustainable company, and carbon footprint targets set by governments. These are just some of the issues marketers are facing within this factor. More and more consumers are demanding that the products they buy are sourced ethically, and if possible from a sustainable source.

Legal Factors

Aarong follows legal factors include - health and safety, equal opportunities, advertising standards, consumer rights and laws, product labeling and product safety. It is clear that companies need to know what is and what is not legal in order to trade successfully. If an organization trades globally this becomes a very tricky area to get right as each country has its own set of rules and regulations.

Chapter-4

4. An analysis of CRM activities of Aarong

The customer relationship management department in Aarong deals with the cases of how they can retain their old customers, how they can attract new customers into their loyalty

programs and how they can serve their customers even after their purchases are done. The main goal of the Customer Relationship Management (CRM) is to use the tools for integrating and automating sales, the marketing campaigns and to provide top notch customer support. The CRM department uses practices of the Customer Relationship Management and incorporates it with technologies to collect data and analyze their achievements in sales through the campaigns and the loyalty programs. They also use it to enhance the achievements of service objectives throughout the customer life cycle stages of customer acquisition, retention and development, at the same time, supporting broader organizational goals simultaneously. This is known as POS (Point of Sale). But as always Aarong had something big for their loyalty card members.

4.1 Aarong 40 years festival

Aarong turned 40 October 2018 and it held a 3 day grand event to celebrate it. This was not any ordinary event. As promised, their loyalty card members were invited, and were given additional privileges too

The Gold and Platinum card members were invited along with the VIP entry pass, with a plus one. Apart from that, they were also given VIP seats for the Fashion Show.

This just shows that they delivered their promises of providing their loyalty card members with additional privileges even when they were done with the purchases. Aarong wanted to go a mile further and wanted their customers to know who Aarong is and what makes Aarong, this lifestyle brand that has embedded their mark in our lives.

There were live craft demonstrations that showed how the products were made and how much perfection to details are there to ensure a product of high quality.

The live craft demonstration included tie-dye, block, embroidery, pottery, woven and wooden craft, rickshaw painting, jewelry making and production of silk.

The visitors were even allowed to participate in these workshops to get a feel of how Aarong's producers spend their time and talent to craft them by hand to perfection,

CRM was performed even during the preparation of the event. We had to make sure that the food vendors would cater the needs of our visitors to their heart's content. We needed to look for food vendors who would fit out targeted groups that were partaking in the 40 years event. We had our loyalty card members and then there were the general audience. Combining these two and locking food vendors was not an easy thing to do. But we did come up with a fine list of caterers who were able to amaze us with their menu in a short span of time. The list includes Grassroots, Mad Chef, Secret Recipe, Garlic in Ginger, Brac Chicken and Aarong Dairy.

Day 1 of the event held the producer award night. This was done to pay respect and tribute to the producers who have given more than half of their life's time to Aarong. This also made the customers see that the clothes they wear have come from these very humble people who are more than happy that their works and talents are being acknowledged by Aarong through the Ayesha Abed Foundation.

Day 2 was the fashion show where the people got to see the new lines of designs Aarong is going to launch in the market in the year 2019 for Aarong. Herstory. Taaga and Taaga Man. Along with that, a new line emerged inspired by peacocks for females.

Day 3 was the much awaited concert where Aarong celebrated turning 40.

Aarong also organized a special VIP lounge sponsored by IPDC, for their privileged loyalty card members where they can sit and relax, enjoy snacks sponsored by BRAC Chicken and get them pampered from the Tonic Spa Zone sponsored by Tonic. Locking contacts with them was also a major part of the CRM department.



Figure 24: Aarong 40 years highlights.

4.2 CRM Activities

Aarong's CRM activities include:

- Attitude changing procedures towards customers.

- Acquiring potential customers and retaining existing customers.
- Providing better CRM campaigns than other competitors.
- Loyalty program development for better service
- Partnership alliances
- Providing gifts to the loyalty card holders and birthday bonuses to them as well.
- VOCM & feedback Kiosk for improving customer satisfaction

4.3 Loyalty Card Programs

Aarong provides "My Aarong Reward Programs' ' for the customers who purchase the Aarong products and there is "Club Tanga' ' for the customers who purchase from Taaga and Taaga Man, another fashion line of Aarong.

4.3.1 MARC

Another CRM tool that is practiced by almost every organization to enhance marketing activities and sales is CRM campaigns. Aarong organizes seasonal CRM campaigns for its existing MARC customers and to attract new customers. The main purpose of these campaigns is to meet up marketing objectives and to increase sales. Successful CRM campaigns are the reflection of proper planning and strategies of the organization to gain customer loyalty. Aarong has a higher brand image and brand awareness among its loyal customers which leads to the success of these campaigns. Aarong arranges these sorts of campaigns to show gratitude towards its MARC customers.

my Aarong rewards®



Types of Cards: There are three available types of My Aarong Rewards Cards

The first one is the MARC (My Aarong Reward Card) program. Anyone can become an insider upon purchasing any amount of products from Aarong. And the more points the customers earn, the upgrade will be made according to that.

Benefits	Insider	Lifestyle	Gold	Platinum
Get special offers	✓	✓	✓	✓
Receive the latest Aarong news & events	✓	✓	✓	✓
Win prizes during campaigns	✓	✓	✓	✓
Earn point(s) for every TK.100 spent & redeem *		1 point	2 points	3 points
Get yearlong benefits at partner establishments		✓	✓	✓
Priority checkout counters		✓	✓	✓
Bonus points on special days		✓	✓	✓
Premium lounge access (Uttara Flagship Outlet)			✓	✓
Outfit pre-booking & access to preview events			✓	✓
Enjoy exclusive benefits			✓	✓
Special gifts on different occasions			✓	✓

* 1 point = TK.1

Figure 25: MARC Benefits

The procedure is simple, a customer will be automatically registered as an insider upon purchasing any Aarong products. All they have to do is share their contact number while making the payment. To be eligible for availing the members of Lifestyle, 10,000 taka or above worth of products needs to be spent.

To be upgraded from Lifestyle to Gold, 3,000 points need to be collected by the Lifestyle members within 2 years of the membership. And to be upgraded from Platinum to Gold, the Gold member needs to collect 8000 points within 2 years of being upgraded to Gold from Lifestyle. Allocation of points are given below:

- Lifestyle members earn 1 reward point
- Gold members earn 2 reward points
- Platinum members earn 3 reward points
- 100 taka per point, 1 point equals to 1 taka

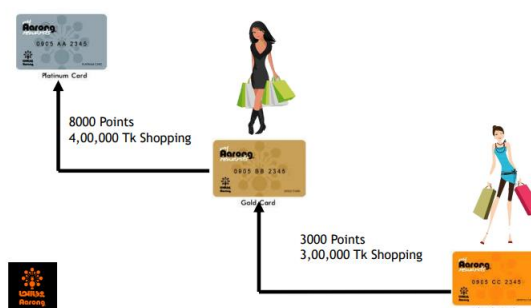


Figure 26: Aarong’s membership card types with up-gradation.

Registration Criteria:

- Managers (or other appointed persons) from outlets should inform the CRM of any staffs) (also submitting their cellular phone number) who are suitable in handling issues related to MARC, Said staff will be designated as MARC Representatives. In the event that a MARC Representative takes a leave or quits his/her job, the Manager should inform the Aarong Central Service as soon as possible, submitting the name and cellular phone number of any replacement that may have been appointed.
- New MARC Subscription Forms may be offered unofficially. Outlets should offer Aarong regular but "MARC" customers (customers who don't have MARC) the Subscription Form as a special honor to their loyalty. Sales Associates should fill up the form if the customer does not want to fill it up himself/herself. Forms should be filled up with the objective to collect maximum possible information about the customer without causing his/her displeasure.
- All customers' requests, complaints, queries etc. must be sent to the CRM within 2 days by the outlets. Sylhet, Chittagong and Khura outlets can do so through a courier service if Aarong transportation is not available within 3 days. For accidental delay, MARC Representatives must utilize the "Late Acceptance Request" form Additional transportation time will be considered for each outlet according to their locations.

CRM regularly publishes updates of the Customer Service Status and Card Distribution Status, which is accessible at <http://203.100.100.6/erm> or <http://crmsserver/crm> It is recommended for outlets to bookmark this page on their web browser. If necessary, outlets may contact CRM or IT for help or more information on this link. Outlets should cross-check with the updates and maintain an Excel file locally. In case of any discrepancy, the MARC Representatives must inform the Marketing Department. After two days, the liability of the cards, which are enlisted in the published list, will be made available to the outlets

Customers should be asked to sign in a registry book as their cards are collected. After the customer signs the book, the MARC Representatives should record/verify the Name, Mobile Number and Email Address (if available) of the customer and then sign the document to close the entry.

Benefits:

Permanent Benefits:

- Points earned on every purchase of any amount at any Aarong outlet. For every Tk. 100 of purchase value
- A lifestyle customer will get points.
- A gold customer will get 2 points.
- A platinum customer will earn 3 points.
- Redeeming points on every purchase at any Aarong outlet.
- It will be confirmed within the same date of purchasing on the customer's account.
- In case of any purchase return, points earned will be deducted during return.
- However, points can be earned during product exchange or by using Aarong Credit Voucher.

Category wise benefits:

- Special service for platinum card member at any Aarong outlet
- Bonus pts on Birthday and wishes for platinum customers.
- Special gifts at festivals e.g. new year gift, Pohela Boishakh gift.

Optional Benefits:

- Point acceleration campaigns: Aarong will issue double/triple or more points to the card holder in various occasions or events according to the management decision.
- Below follows few examples of such events:
- Event-wise (eg. Double points on Valentine's Day)
- Periodical (e.g. Day and time wise) Triple points from Day/Month/Year - Day/Month/Year, from XX am-XX pm.
- Product-wise (eg Double triple or more points on product line wise, individual product wise) Product.
- Price wise (e.g. Double/triple points on product price range)
- Customer location wise (eg All Dhanmondi customer will earn double triple points)
- Outlet location wise (eg double/triple points from Comilla outlet)
- Age wise

Aarong's loyal customers Of the Year- a yearly honor or giving program for MARC customers. Aarong will identify the loyal customers through the CRM. The following program will organize based on below criteria:

- Category wise
- Point record
- Purchase record
- For example: Aarong will identify maximum point's earners on category wise
- Then customers will be short listed based on purchase record.
- Selected MARC customer will be eligible to have rewards of complementary benefits from Aarong eg. Dinner at Westin Nandos/Travel package and many more possible benefits according to the management decision..

4.3.2 Club Taaga

MEMBERSHIP PLANS

GALAXY

UNIVERSE

PLANET



Figure 27: Club Taaga Plans

Any customers making a purchase of Taaga or Taaga Man products till 9.999 taka will be

automatically registered as a Planet.

In order to be upgraded to Galaxy from Planet, the member needs to make a 15,000 taka purchase on Taaga products within 6 months of subscription.

And to upgrade from Galaxy to Universe, the member needs collect 6,000 points within the next

two years of subscription.

Allocation of points are given below:

Planet members will get zero points

Galaxy members will earn 2 reward points

Universe members will earn 3 reward points

*100 taka for every point earned.

4.4 Building customer value through CRM

One of the reasons Aarong has been so successful is because they try building customer value with every step of the supply chain and in whatever operation they are doing. Starting from the point where the product gets designed to the point where the product gets kept in the shelves of the outlet, Aarong's main concern is to add value so that they and their customers end up in a win-win situation. The process of value creation begins with understanding the component that gets valued the most by customers and thus that becomes Aarong's value proposition as a business. Also a brand needs to identify what its competitors are failing to provide but are wanted by its customers. For Aarong this has been fairly simple because during my internship there I have noticed that Aarong provides a lot of services which are not offered by its competitors. Such as the Grassroots café which can be found in most Aarong outlets is a cozy café where customers can enjoy snacks and coffee after shopping. This cannot be found in most other brands except for Yellow. But this is a great strategy because people get to sit and relax while they are shopping and can also enjoy meals amidst. Each customer segment of Aarong would value something more than other and this would change from market to market. Aarong as a business has been able to successfully understand this and take actions accordingly. They have created more value in segments where their competitors had their shortcomings. Such as Aarong offering over hundred product categories under a single roof has given them a significant advantage over their rivals. No other brand in Bangladesh belonging to a similar industry is offering this much products to their customers. Many people consider brands such as Sailor, Yellow, Rong, Kay-Kraft to be competitors of Aarong but none of these brands offer the myriad of products that Aarong does. No other business in Bangladesh operating in the fashion industry has been able to diversify as much as Aarong has done and this has been only possible because of strategies driven to build customer value. This in turn has raised the switching cost for Aarong's customers because they are provided with more options under one roof. Everything and anything related to the fashion industry and at times irrelevant from the fashion industry can be found at Aarong, starting from leather products to Nakshi Katha products and even dairy products all of which can be found in the same premise. Lastly they value their most valuable customers and focus their investments on those groups of people. Throughout the year Aarong has taken multiple initiatives to give back to their valuable, loyal customers in the form of rewards and many more. They are treated differently as well and various new projects are in the pipeline that would provide privileges to those groups of people.

4.5 CRM Campaigns

Aarong launches campaigns on different occasions to boost sales and to attract new customers to partake in their loyalty program plans. The main objective is to let customers know that Aarong does not only sell clothing items, but they make sure that their customers' choice and preferences match according to seasons. Aarong has a higher brand image and brand awareness among its loyal customers which makes the campaigns successful. These campaigns are aimed for their MARC card holders, it is also for Club Taaga, but since it is fairly new, the main target group are MARC.

Tonic Campaign and My Aarong Wedding Campaign were in operation. My Aarong Wedding campaign is still in operation though and will end in the month of February 2019.

*The Tonic Campaign started after the 40 year festival. Aarong gave selected My Aarong Reward members free Tonic Astha coverage for 3 months if they make any purchases from any Aarong outlets. Apart from that all My Aarong Reward members will get additional telco benefits, such as up to free 4GB data and other benefits on making any Aarong's products till the 17th of October 2018.



Figure 28: Tonic Campaign News and Events.

*Another exciting campaign to highlight this wedding season is the My Aarong Wedding campaign. The rules were simple, the bride or groom had to purchase any clothing item from the Aarong for the purpose of their wedding. And one winner will be given free packages from Dream Weaver, who will shoot and cover their entire wedding for free. There will be a total of 10 winners. One winner will be announced per week.



Figure 29: wedding campaign banner

4.5.1 Win back campaign 2023.

This campaign started on 21st July 2023 and is open till 5th August 2023. In this campaign Aarong provides all kinds of MARC customers including insiders can earn points after purchasing a selective amount which will be selected from the CRM management. Different customers have different targets of purchasing to win different amounts of points.

And this campaign has started during my term. paper making period. It was really good news for the insider who purchased a lot from Aarong but not being a card holder, they can't earn points. But in this campaign they can also earn points and can redeem them by an OTP number which will be given in their phone number through SMS.

4.5.2 Aarong launches Falgun campaign

Aarong, one of the leading lifestyle brands of the country, has recently launched its Falgun/22 campaign. Customers of Aarong and TAAGA and TAAGA MAN will enjoy exciting offers courtesy of GoZayaan and Radisson Blu Dhaka respectively during the campaign period. This year Falgun campaign features an incredible collection resonating fun and boldness of the season and it is bolstered with a wide range of products featuring shalwar kameez, kurta, saree, panjabi and a carefully curated kids' range in fabrics starting from comfortable cotton to pure silk. To complement this awe-inspiring apparel collection, one can also pick from a special assortment of intricately designed silver, pearl and fashion jewelry

like necklace sets, earrings, finger rings, and crafted clutches. The Falgun/22 collection is available at all Aarong outlets, aarong.com and the Aarong app. Aarong now delivers to Australia, Germany, Singapore, the United Kingdom, the United States of America, and the United Arab Emirates through aarong.com.

One of the main purposes of the Falgun campaign this year is to encourage customers to celebrate Falgun in a grand manner staying in sync with the local and international fashion trend.

SL	Partners' Name	Location	Grand Prize	Special Offer
1	Toggi Fun World	Dhaka	Free Games and Rides	5% Discount on all Packages, Games, and Rides
2	Momo Inn	Bogura	60% Discount on Accommodation	40% Discount on Accommodation
3	Foys lake	Chattogram	Free Entry + All Rides	20% Discount on Entry Of all rides
4	Magic Paradise Park	Comilla	Free Entry with Dinosaur World and Any 2 ride	20% Discount Package Ticket
5	Seagull	Cox's Bazar	Complementary 1 Night Stoy	50% Discount on Accommodation
6	Fenian	Feni	Complementary Pizzo	20% Discount on Food
7	BCDM-Rajendrapur	Gazipur	Complementary 5 rooms (bed & breakfast)	30% Discount on Accommodation
8	Music Cafe Joshore	Jashore	Complimentary lunch or Dinner	upto 15% Discount
9	Nawab-E-Kocchi	Jashore	Complimentary lunch or Dinner	upto 15% Discount

10	7 miles Cafe & Restro	Khulna	50% Discount	10% Discount
11	Amigos Restaurant	Mymensingh	Free Dinner	10% Discount
12	Melt ng Moments	Rajshahi	Free Dinner	15% Discount on purchase above BDT 500
13	Castle Slack	Rangpur	Complimentary dinner	upto 20% Discount
14	BCDM-Savar	Savar	Complementary 1 Night Stoy	30% Discount on Accommodati on
15	Hotel Star Pacific	Sylhet	45% Discount on Accommodation	10% Discount on restaurant
16	Woondal	Sylhet	Complimentary lunch or Dinner	15% Discount on all Items except Biryani Menu

Table 03: Campaign & Offer Table

4.5.3 Shopping Eid-ul-Adha scratch and win campaign

Shopping this Eid-ul-Adha just got more rewarding! Shop BDT 5,000 or more at Aarong and get a scratch card with exciting rewards and offers from our entertainment, hospitality and dining partners!

Every card has a combination of 5 offers from 5 different partners based on our outlet location. There will be special offers or grand prizes as mentioned below:

4.5.4 Eid UL adha 2022 campaign

Campaign Timeline:

Campaign ends July 8, 2022, or until supplies last.

How to avail offers:

- Visit the location of any of our partner establishments and present the scratch card before taking service.
- The card must be scratched OFF in the area under the logo to reveal the offer.
- Advance booking is required for any hotel booking offers.

For booking, call:

Seagull: +880176666535/536/539

BCDM- Savar: +8801787680901

BCDM- Rajendrapur: +8801787680926

Hotel Star Pacific: +8801777799466

Momo Inn: +8801701219767

- Blackout days for hotel booking may apply.
- Offers cannot be clubbed with any other offers.
- Offers are not eligible for encashment. Customers who receive a ‘free item’ or ‘grand prize offer’ must forfeit the card when availing the offer.
- To find out our partners' locations, please visit aarong.com/my-aarong-rewards
- Aarong shall bear no responsibility and undertake no liability with regard to the services provided by the partner.
- For any general queries, please contact Aarong Customer Service: +8809678444777 (10:00 am to 8:00 pm)
- For qualifying purchases, the amount will be considered with VAT and one scratch card will be given upon a single qualifying purchase.
- VAT and other charges may apply.
- Terms and conditions are subject to change.

Offer on the cards expires on 31st October 2022 except for Magic Paradise and BCDM which expires on 12th August and 31st August 2022 respectively.

Aarong reserves the right to change, compensate and alter any offer(s) given in the Scratch Cards.

4.5.5 Sharodiya Getaway Campaign

Take a break from your busy life and enjoy an exciting Sharodiya getaway with GoZayaan when shopping at Aarong.

Make any purchase of BDT. 3000 or more at Aarong or aarong.com and get BDT 1000 off any flight purchase at GoZayaan.com

During the campaign period, 3 top shoppers will get a chance to win a couple complimentary round trip air tickets to anywhere in Bangladesh.

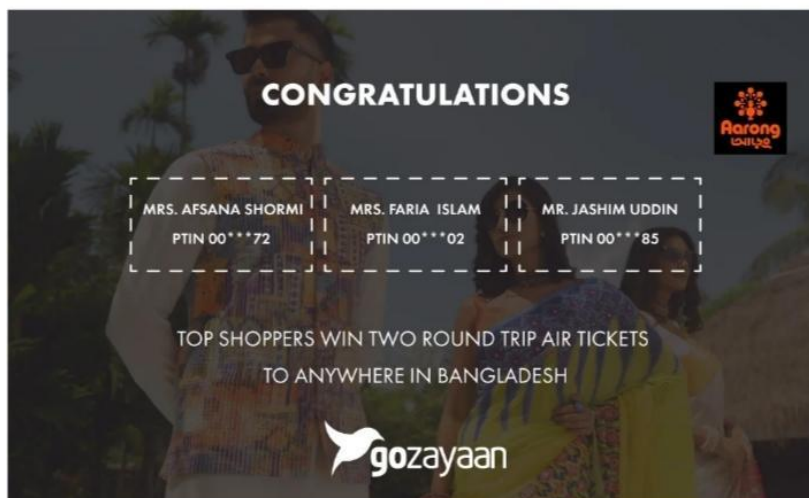
Required Purchase at Aarong or aarong.com	Discount at GoZayaan	Minimum required purchase at GoZayaan to redeem the voucher
BDT 3,000	BDT 1,000	BDT 10,000

BDT 10,000	BDT 3,000	BDT 30,000
------------	-----------	------------

Table 04: GoZayaan Offer Table

- To redeem the coupon, the customer has to visit <https://www.gozayaan.com/> and book any domestic or international flight.
- The minimum purchase value to avail BDT 1,000 discount coupon has to be BDT 10,000 or above at GoZayaan.
- The minimum purchase value to avail BDT 3,000 discount coupon has to be BDT 30,000 or above at GoZayaan.
- This coupon cannot be clubbed with any other ongoing offer at GoZayaan.
- Only one coupon can be used once during the checkout.
- One customer is eligible to use multiple coupons for multiple eligible orders.
- This coupon will be valid only for payments using cards through any of the payment gateways. However, Internet Banking cannot be used when availing of this offer.
- This coupon will be invalid in case you are using the EMI facilities provided at GoZayaan.
- Campaign ends 5th October, 2022.
- Coupon validity will be until 2 months.
- Travel Validity: Anytime

4.5.6 Winner Announcement



Aarong is delighted to announce the Sharodiyo Getaway Campaign winners. 3 Top shoppers from Aarong have been rewarded with a complementary couple round trip air tickets to anywhere in Bangladesh from Go Zayaan.

Congratulations to all the winners! The Go Zayaan team will communicate with the winners and book their flight.

4.6 Partnership Alliances

Aarong creates alliances to serve their MARC holders and Club Taaga members. The main goal is to lock at least 2 alliances a week.



Figure 30: Aarong’s MARC partner alliance

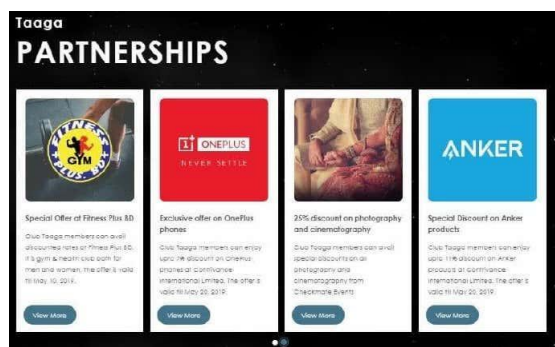


Figure 31: Aarong's Club Taaga Alliances

4.7 VOXM & Feedback Kiosk

Tablets have been given to all the outlets of Aarong to collect the customers' feedback on a regular basis. These are later analyzed and motored from the head office in order to interpret the outcomes in the report. The main objective of this is to see that all the queries and complaints are solved and that there should be a repeat of that particular solved query or complaint. NPS is used to get the feedback from the tablets or kiosk. The main purpose of NPS is used to measure the customers' experience during their shopping and how likely they are to refer Aarong to their friends, relatives or peers. The following steps are done throughout the feedback process.



Figure 32: vocm steps.

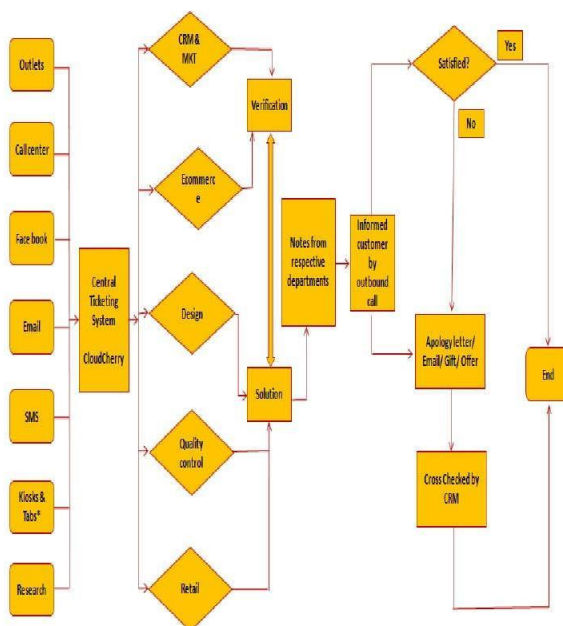


Figure 33: VOCM process flow

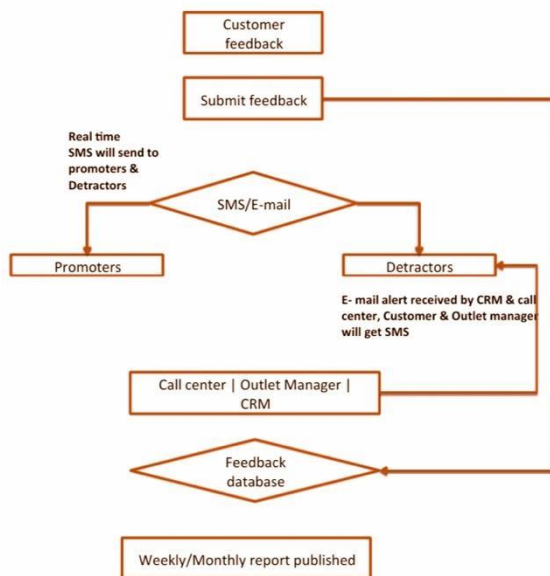
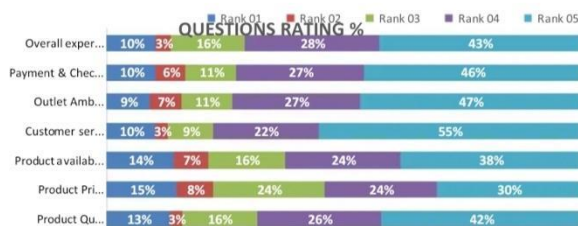


Figure 34: feedback process flow



Weekly Customer feedback rating

Figure 35: weekly customer feedback rating.

4.8 CRM Server

To keep the CRM department updated, Aarong uses a CRM server. This keeps track of all points and details of the customers L.e. from Lifestyle to Platinum and from Planet to Galaxy. There are other uses of the server too, but as an intern I was given access to manual registration and of daily registered Planet and Galaxy members counts.

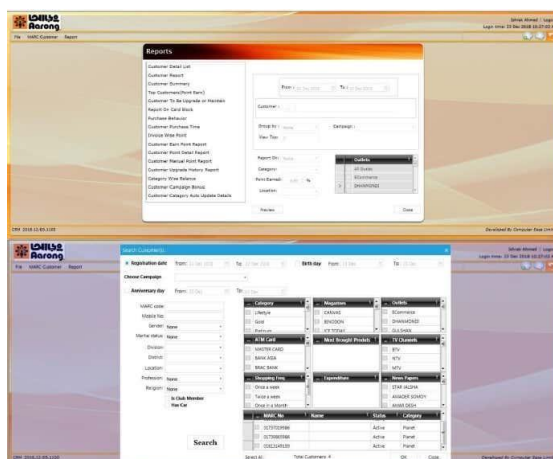


Figure 36: CRM server outlook

My time as a sales associate in Dhanmondi 2 outlet the CRM department at Aarong showed me that there is a lot of process that goes while implementing a campaign. A lot of thinking and considerations are made not only for their existing loyalty members but also for the potential customers. A lot of thought goes into the process for even making alliances and the CRM department goes through multiple organizations and picks one of the same category for their brand alliances. The outcomes are also evaluated of the campaign, this ensures that the campaigns were successful. The findings are:

- The success of a CRM campaign is positively related to sales.
- The positive NPS and quick responses leads to higher customer satisfaction.
- Solving the tickets as soon as possible leads to positive customer experience.

- The effectiveness of carrying out the campaigns leads to high turnover of sales which leads to higher registration of the loyalty programs.

CRM Campaign Achievements				
Month	Campaign Name	KPI	Achievement	Engaged customers
September	Insider launch Sep 2	<ul style="list-style-type: none"> • 95% invoice under Insider 	<ul style="list-style-type: none"> • 50% Invoice under Insider • Insider: 42,366 (Sep) • Insider into Lifestyle: 000 • Insider sales: 6,95,98,002 	Total Insider till Date 115770
September	ABV Boost campaign (Sep 12 – 25)	<ul style="list-style-type: none"> • Targeted Sale: BDT 11,991,715 • Targeted Availer: 1,944 	<ul style="list-style-type: none"> • Actual Sales: BDT 35,766,686 • Actual Availer: 3,956 • Actual Responder: 14,655 • Sales target achievement: 298.26% • Actual availer hit rate: 3.53% • Average ABV boosted: 110% 	18611
November	Tonic CRM Campaign Nov 15 - 30	<ul style="list-style-type: none"> • Targeted Availer- 4000 	<ul style="list-style-type: none"> • Actual Sale: BDT 3,688,689 • Actual Availer: 1294 	1294

Table 05: CRM Campaign achievement

4.8.1: CRM registration list of aarong

Aarong Outlets	Total (till May 12)	Reg. Target(May & June, 2023)	Achievement(%)
Ecommerce	0	65	0.00
SholoShahar, Chittagong	245	793	480.39
Moghbazar, Dhaka	176	1574	58.09
Zinda Bahar, Sylet	120	506	71.86
Lalmatia, Dhaka	178	1489	64.26
New Market, Khulna	38	335	47.50
Gulshan, Dhaka	394	2843	109.14
Wari, Dhaka	120	909	88.89
Uttara, Dhaka(Flagship Outlet)	236	1932	58.56
Halishahar, Chittagong	92	439	110.84
Mirpur, Dhaka	165	1165	58.51
Ranir Bazar, Comilla	74	459	90.24
Ukilpara, Narayngang	59	477	57.28
Jamuna Future Park, Dhaka	119	930	58.91
Dhanmondi, Dhaka	307	2816	101.66
Banani, Dhaka	140	659	93.96
Basabo, Dhaka	71	664	57.26
Bashundhara City, Dhaka	223	2162	111.50
Jaleshwaritala, Bogra	53	451	155.88
	2810	20668	98.67

Table 06: list of CRM registration.

Chapter-5

5. Findings, recommendations, & conclusion.

5.1 Findings

Major Findings of the Study

- Average Performance on aarong website: After analyzing aarong website we've found an average performance on the website. Page loading time is higher than other competitors.

Large layout of banners, non-composited animations, excessive DOM size etc. are the main reasons for lower performance on websites. The search option doesn't work well from product listing pages. Again, the website isn't user friendly on mobile browsers.

- Low Performance on Aarong mobile App: The aarong app is not user friendly at all. It takes time to load pages and product images. Sometimes the app crashes after browsing for a while. Besides, there is no language option.
- Lack of promotion on aarong ecommerce: Aarong's promotional activities are done centrally for both outlet and ecommerce. They run similar campaigns on both outlet and commerce. If we compare the geographic segmentation of both ecommerce and outlets. We'll find that ecommerce has a larger geographics segment because they are covering both national and international marketplace. Although they deliver products internationally, there are no promotional activities for the international marketplace. Again, the image of real product and model shot are quite different. Customers may get disappointed when they see the real product. The website and app need to be promoted with different and unique offerings for engaging local and foreign customers.
- Higher price of product: The products are sold at a higher price than the competitors. Besides, they charge VAT on online shopping. Again, some categories of product are not up to the mark according to price. Moreover, they sold products at 50-80% markup on selling price in the international market. Its nonstop ethical strategy may straightforwardly hamper the business in the long run. The way in which they have depicted themselves isn't genuine as they are more centered around generating profit than thinking for the prosperity of the general public.
- No Rating & Review system: Nowadays customers are more conscious while shopping online. Before buying anything, they like to check the reviews of any product. But the Aarong website and app don't have this feature.
- Product Delivery Issues: Aarong uses external third-party logistics such as Sundarbans courier, paper fly, redx etc. for delivering its product. The delivery charges are higher than other competitors. The delivery process is also lengthy. Customers have so many complaints with delivery service.
- Less Availability of Product on Aarong Website: There are less product range on aarong website compared to aarong outlets. Many products don't have enough stock, available size etc. Sometimes the campaign products remain short. Usually, customers look for products which are shown on ad banners but the products are not available on the website.
- Payment System: Aarong accepts cash on delivery, debit & credit card and mobile gateway payments. In Bangladesh people don't feel secure with prepayment. But aarong don't accept cash on delivery systems in some districts in Bangladesh. After canceling an order, they took much time to refund the amount.

5.2 Recommendations:

- Aarong should improve its customer care service as surveys result in so many objections about Aarong customer care.

- Aarong should arrange more training programs for the sales associates for learning about proper behavior with customers.
- Aarong should focus on increasing product quality & designs.
- Decreasing the price of the products is another suggestion that should be highlighted.
- Aarong should bring out new ideas for better CRM campaigns.

5.3 Conclusion:

Being a fashion house, Aarong has evolved itself as one of the most successful lifestyle brands with the passing of time. From the very beginning of Aarong's journey in Bangladesh, it led itself with the success of its purpose of lending a helping hand to the rural people in need. Through the selling of products, Aarong is ensuring that every needy rural artisan, especially the rural women, have managed to earn their own way of living. Aarong is playing a vital role in protecting and promoting Bangladeshi designs. It has been maintaining our traditions as well as trends beautifully through its products. With the growth of Aarong, it is Aarong's marketing department tribute for which Aarong is able to maintain a good relationship with its customers. Aarong's effective CRM tools that are planned by its CRM department contribute a lot in increasing sales. Different CRM activities and campaigns are held to maintain good customer value which results in achieving higher CRM registration targets.

Chapter-6

6. Appendix:

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6.2 list of acronyms

List of Acronyms

1. BRAC = Bangladesh Rural Advancement committee
2. CRM = Customer relationship management
3. VOXM = Voice of customer management
4. MARC = My Aarong reward card
5. AAF = Ayesha Abed Foundation
6. PR = Public Relations
7. NPS = Net promoter score

6.3: tables & charts

6.3.1 list of aarong outlet:

Location	Date of Inception
Sobhanbag, Dhaka(Closed)	1978
SholoShahar, Chittagong	1983
Moghbar, Dhaka	1984
Zinda Bahar, Sylet	1985

Lalmatia, Dhaka	1989
New Market, Khulna	1995
Gulshan, Dhaka	1997
Wari, Dhaka	1998
Uttara, Dhaka(Flagship Outlet)	2001
Halishahar, Chittagong	2008
Mirpur, Dhaka	2010
Ranir Bazar, Comilla	2012
Ukilpara, Narayngang	2013
Jamuna Future Park, Dhaka	2014
Dhanmondi, Dhaka	2015
Banani, Dhaka	2015
Basabo, Dhaka	2016
Bashundhara City, Dhaka	2017
Jaleshwaritala, Bogra	2017
Mymensingh	2018
Mirpur-2, Dhaka	2018
Faridpur	2022
Rajshahi	2022
Feni	2023

Table 07 : List of Aarong outlets.

6.3.2 Loyalty program of local brand:

	Loyalty Program	Eligibility	Points/Bonus
Le Reve	Privilege Card	> Purchase card by 100 TK -8000TK/Year	> 8% discount
	Gold Card	> 20,000TK/year	> 12% discount
YELLOW	Admire	BDT (0 – 50,000tk)	100tk purchase= 3 points 1 point = 1Tk
	Impressive	Eligible after Purchase has gone past BDT 50000	100tk purchase= 4points 1point = 1tk Redeem points anytime Surprise offers
	Premium	Eligible after Purchase has gone past BDT 100000	100tk purchase= 5points 1point = 1tk
Sailor	Sailor Club	Purchase 3000 tk to avail the Club card	-10% discount for new club customers -20% discount for old club customers(2 years old)

Table 08: local brand loyalty program

6.3.3 Loyalty program of international and local brands:

Program Name	Membership Card	Eligibility	Points/Bonus
Amber loyalty program	CLASSIC	By enrolling on the Amber App or at any Amber Participating Store	1 point/ 1AED spent
	SELECT	By earning 20,000TK/year customer can upgrade to select	2 point/ 1AED spent
	PLUS	By earning 150,000 TK/year customer can upgrade to Plus	3 point/ 1AED spent
Armani	Glow Club	Qualified with any purchase of GIORGIO ARMANI Beauty products and services	No points
	Armani VIP	Qualified with spending HK\$2,000 in a single transaction or accumulative spending of HK\$3,000 in 12-month	1 point/ HK\$1 spent
Addidas	3STRIPES Membership	<ul style="list-style-type: none"> Make a single purchase at any adidas store or sign up as an adidas 3Stripes member online or on your phone to get register. 	<ul style="list-style-type: none"> Be the first to hear about adidas products Stand the chance to win tickets, prizes and more Get access to exclusive adidas events and VIP areas. Receive special ad-hoc discounts throughout the year. 30% off voucher in their birthday month!

Table 09: international brand loyalty program.