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Project Report On

Relationship between Customer & Manufacturer.

Prepared for,

Md. Mahamudul Hasan

Associate Professor

Department of Business
Administration

Uttara University.

Prepared by,

Name: S M Saifullah Alvee

ID: 2183021010

Batch: 47th

Program: MBA (Regular).

Department of Business
Administration

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Letter of Transmittal

27 August 2020

Md. Mahamudul Hasan
Associate Professor
Department of Business Administration
School of Business, Uttara University.

Subject: Submission of Project Report on “Relationship between customer & manufacturer”.

Dear Sir,

With due respect, I would like to state that it is an immense pleasure for me to submit my project report on “Relationship between customer and manufacturer”. I am glad to pursue my dissertation under your active and cooperative supervision. I think it has been a great accomplishment for me that I have pursued my project under your guidance throughout this semester for which it has been possible to complete the report successfully.

I will be really thankful to you if you would be kind enough to receive my project report and give your valuable feedback so that I can utilize your judgment for my future prospects.

Sincerely yours,

S M Saifullah Alvee
ID: 2183021010
Batch: 47
Program: MBA (Regular)
Uttara University.

Student's Declaration

I am S M Saifullah Alvee student of Masters of Business Administration (MBA), under the department of business administration at Uttara University.

I hereby declare that the project report on “Relationship between customer and manufacturer” has been furnished by me.

I also declare that this paper is my bona fide outcome resulting from my four month experience and the same has been prepared for academic purpose which is a requirement for completing MBA program.

S M Saifullah Alvee

ID: 2183021010

Batch: 47th

Program: MBA (Regular)

Uttara University.

Supervisor's Declaration

This is to certify that S M Saifullah Alvee, ID# 2183021010, (Batch: 47) student of MBA, Department of Business Administration under School of Business has successfully completed the project report on “Relationship between customer and manufacturer” & was under my supervision & guidance. This report is submitted as a partial requirement for the fulfillment of MBA program at Uttara University. Hereby I accept the report as successful completion of internship.

During the period he was sincere proactive & attentive to his work. I wish him every success in his life.

Md. Mahamudul Hasan
Associate Professor
Department of Business Administration
School of Business, Uttara University.

Acknowledgements

At first, I would like to remember the name of Allah who has created us and given us knowledge and always help us to giving His inexhaustible Mahamudul Hasan & he is the best of providers.

I would like to show my humble gratitude to the entire individuals who have helped me to prepare the report. Without their help it would be difficult to prepare a comprehensive report.

Summary

Bangladesh is one the most celebrated country for the ready-made garments in the world's apparel manufacturing dome. They handle world-class buyers at present. Labor costs are fast increasing day by day in Bangladesh and other Asian countries. To retain the competitiveness, Asian Apparel industry will have to pay increased attention to productivity improvements. Garments manufacturers usually work with a short vision of the demand to come in the following months. So, they want to borrow as little as possible while still making a good profit at the end of the year. Many researchers have proposed some initiative to improve productivity in the garments.

Marketing can broadly be referred to as needs, drives or impulse within an organization. In order to enhance productivity, employers of laborer in apparel industry are always anxious about the way of Consumer Behavior, Business strategy and Advertising and Promotion. That is why the fact that the survival of the apparel industry vastly relies on elevated rate of productivity.

Table of contents

Particulars	Page No.
Title Page	1
Letter of Transmittal	2
Student's Declaration	3
Supervisor's Declaration	4
Acknowledgements	5
Summary	6
Section -01: Justification of the study	9
Section -02: Objectives of the study	10
Section -03: Methodology	11
3.1 Data description	11
3.2 Methodology of the data collection:	11
3.3 Processing and presentation	11
3.4 Relevant journals	11
Section – 04: Discussion	13
4.1 To get analysis of relationship between manufacturer and customer.	13
4.2 To find out major issues that interrupt building relationship between manufacturer and customer in garments industries.	16
4.3 I want to discover the goals and the benefits of long-term relationships for customer and manufacturer.	16
4.5 Conclusion of the study	18
Section – 05: Future Forward	19

References	20
Appendix	21

Section – 01:

Justification of the Study

In the global industrial marketing, a long-term relationship builds in between customers and manufacture's is very important to sustain the competitive market. Customer Supplier Relationship is the business relation between the customers and the suppliers in terms of product quality, services, complaint handling, deliveries etc. Customers and Suppliers are the vital cogs in business. Both have the same goal to satisfy end consumers.

And industrials are characterized by confrontation and a relentless power struggle, in the present weak economic climate, price negotiations are a sticking point that can result in a bitter struggle and a sometimes-dramatic outcome for suppliers.

Be systematically short, less than a year, perhaps just a few months, with no intention to build a long-term relational dynamic with the manufacturer based on commitment and trust in their shared values. While this context indisputably exists, it should not overshadow the fact that a new way of considering the exchange between retailers

And manufacturers are currently emerging that is far more oriented towards the medium or the long term. Of course, price negotiations remain a key aspect of sales transactions, but it no longer excludes the will to collaborate in order to find ways to develop closer relationships and improve the efficiency of logistics systems, the introduction of products in stores, or the optimization of promotional sales operations. In other words, some retailers, more or less timidly, appear to show a desire for greater commitment to selected manufacturers, probably because they gain significant economic advantages in terms of value creation.

B2B relationships with vendors, suppliers, distributors, and other associates can also benefit from relationship management. Business relationship management (BRM) promotes a positive and productive relationship between a company and its business partners. BRM seeks to build trust, solidify rules and expectations, and establish boundaries. It also can help with dispute resolutions, contract negotiations, and cross-sale opportunities.

All these things motivated me to study this topic.

Section – 02:

Objectives of the Study

There are plenty of studies in this issue, but a very little works has been done in garments industries of Bangladesh. So I want to explain this topic in Bangladesh viewpoint especially in the garments company of Bangladesh as follows,

Objective: 01: To get analysis of relationship between manufacturer and customer.

Objective: 02: To find out major issues that interrupt building relationship between manufacturer and customer in garments industries.

Objective: 03: To discover the goals and the benefits of long-term relationships for customer and manufacturer.

Section – 03:

Methodology

3.1 Data description

The study requires a systematic procedure from selection of the topic for preparing the final report. To perform the study, the data source was to be identified and collected, classified, analyzed, interpreted and presented in a systematic manner and key points were to be found out.

3.2 Methodology of the data collection

- It is the first stage of the quality of data collected for the output. The collection process needs to ensure that the data gathered are both primary and secondary data.
- Some types of data collected through worker and employees in these industries and collected their opinion.

3.3 Processing and presentation

It is when the data is subjected to various methods of manipulation, the point where a computer program is being executed. The process may be made up of depending on the operating system like, Microsoft office. Here I change the data size, bold the many lines, uses many color, use many table, many shapes medium of Microsoft word file.

3.4 Relevant journals

Some relevant journals that help me to enrich this project as follows,

1. How to better manage apparel supplier relationship. ^[1]
2. Measuring Customer Satisfaction-Approaches for Getting Reliable Information for Textile and Garment Industries. ^[2]
3. Implementing policies for competitive garments manufacturing. ^[3]
4. How to build winning buyer-supplier relationships. ^[4]
5. Different Departments in a Garment Factory and Their Functions. ^[5]
6. Supply Chain Management in Garments Industry. ^[6]

7. Textile industry in Bangladesh. ^[7]
8. Importance of building customer relationship in retail industry. ^[8]
9. Management in the garment industry. ^[9]
10. Customer Focused Textile and Apparel Manufacturing Systems. ^[10]

Section – 04:

Discussion

4.1 Objective: 01: To get analysis of relationship between manufacturer and customer

After analysing from collected data I found some points that are directly related to building a long term relationship between customers. These are,

- 1. Always pay on time:** For the sake of emphasis, I'll repeat this one: Pay bills on time. We can negotiate for favorable payment terms before we place an order, but once the order is placed, don't renege or attempt to change the rules. If you can't, call up your suppliers and tell them why and when we will pay. Don't play games with suppliers' cash. We'll be absolutely amazed at the goodwill and benefits we will earn by observing this simple rule.
- 2. Personalize the relationship:** *Customer relationship management (CRM) is used to define the process of creating and maintaining relationships with business customers or consumers (Moon, 2003).* A long-term relationship with the customer ensures their repeat business. It costs more money to gain new customers than it does to retain current ones. Visit customers' offices. While we're at it, include them in some of our strategy meetings. Invite them to break bread and invite them to our office parties and picnics.
- 3. Share information:** Keep the good suppliers aware of what's going on in our company. Tell them about changes in key personnel, new products, and special promotions and so on. Many times, we'll find that good suppliers can be help we find new customers.
- 4. Provide adequate lead times:** Try to give suppliers as much lead time as possible on our orders. Unless there's a compelling, competitive reason not to, share with them an honest projection of your needs and keep them abreast of any significant changes in that estimation. When developing our lead times, it helps to be knowledgeable about our suppliers' production methods and needs.
- 5. Timeliness:** Their timely deliveries are crucial to how customers view our reliability. A quick turnaround can become the key to minimizing your inventory,

which in turn translates to less risk of inventory obsolescence and lower cash needs.

6. **Competitiveness:** They can give us the one-up on our competition based on their pricing, quality, reliability, technological breakthroughs and knowledge of industry trends.
7. **Quality:** Supplier components can positively or negatively affect the quality of our product. Higher quality increases customer satisfaction and decreases returns, which adds cash to our bottom line.
8. **Innovation:** Suppliers can make major contributions to our new product development. Remember, they live their product more than we do; they're working to be on the cutting edge of innovation for their product. The good ones will understand our company, its industry and needs, and can help us to wealthier new idea.
9. **Finance:** If we have proven to be a considerate, loyal and paying customer, we may be able to tap into our suppliers for additional financing once we hit growth mode or if we run into a cash crunch. That financing may take the form of postponed debt, extended terms on new purchases, a loan, or an investment in our company. All of these improve our cash position.

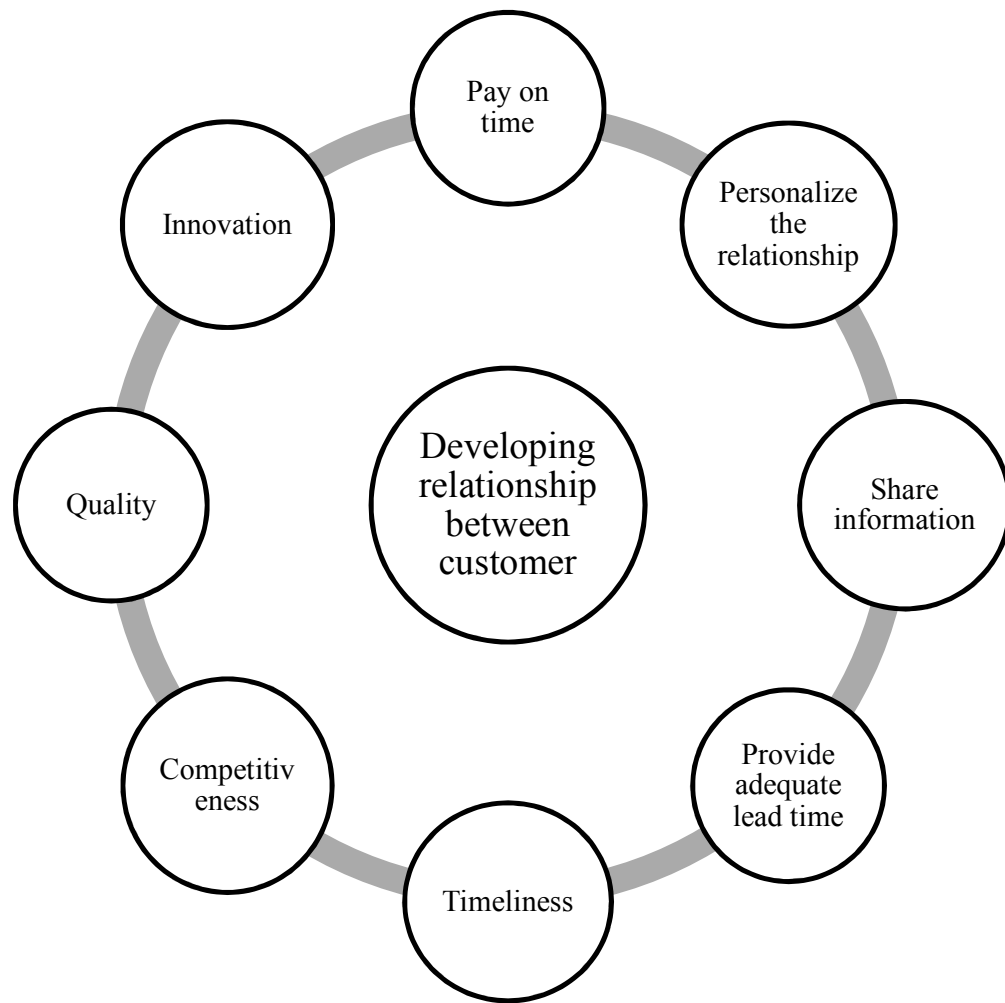


Figure: Developing relationship between customers.

4.2 Objective: 02: To find out major issues building that interrupt building relationship between manufacturer and customer in garments industries

There are also some local and international issues which impact negatively to develop a good relationship between manufacturer and customer in garments industries. these are,

- ✓ This promising industry has some problems impeding its development. Bangladesh imports raw materials for garments like cotton, thread color etc. This dependence on raw materials hampers the development of garments industry.
- ✓ Foreign suppliers often supply low quality materials, which result in low quality products. Most of the illiterate women workers employed in garments are unskilled and so their products often become lower in quality.
- ✓ Sufficiency of loan in time, uncertainly of electricity, delay in getting materials, lack of communication, problem in taxes etc. Often obstruct the industry. In the world market 115 to 120 items of dress are in demand whereas Bangladesh supplies only ten to twelve items of garments. Vietnam, India, South Korea, Hong Kong, Singapore, Thailand, Taiwan etc., have made remarkable progress in garments industries. Bangladesh is going to challenge the garments of those countries in the world market.
- ✓ Garments industries often pay dearly for political unrest, herbal and terrorism etc. Moreover, some countries have withdrawn quota advantage over garments export form Bangladesh since December 2005.
- ✓ Bangladesh has to advance cautiously for getting better position of her garments in the world market. Finally, destruction of twin tower in 11 September 2001. Invasion of Afghanistan and Iraq and depression in world Economy have seriously affected the export trade of Bangladesh. Now covid-19 is the most affected in world economic of this sector.

4.3 Objective: 03: To discover the goals and the benefits of long-term relationships for customer and manufacturer.

There are some goals and benefits to build good relationship between manufacturer and customer. These are,

1. **Loyalty:** *In any alliance between two organizations, trust is an essential ingredient to the success of the joint endeavor. (Cyr 1999; Norauskys 1998).* It goes without saying, but if we invest time and effort into getting to know our clients, listening to their needs and serving them to the best of your abilities, you are well on the way to successful relationship building. Offering a great service will encourage repeat business, establishing a loyal customer base. Once you have the right reputation, it is easier to gain trust and confidence in those with whom you do business.
2. **Reduced marketing effort:** When we focus on the process of building relationships, you are creating life-long connections. Having a regular, established client base means that you do not need to use excessive marketing to try and win new customers, which can reduce overall costs. Nurturing those with whom you have already built relationships can grow your business through repeat use and recommendations to others.
3. **Brand advocates:** When we look after clients correctly, they are more likely to be satisfied with your service, which increases the chances of them promoting your business to others, through recommendations. By acting as brand advocates for your business, long-term clients are effectively doing the marketing of your brand for you, building your reputation and increasing awareness.
4. **Successful outcome:** If we take the time to get to know our clients you will be better equipped to fully understand what they want. In our case, this would maximize the chances of placing the correct candidate with the most appropriate employer, creating a successful outcome for all parties. This, in turn, will encourage repeat business and enhance your company's profile.
5. **Competitive advantage:** The recruitment industry is buoyant but crowded, particularly since the internet has revolutionized how this sector conducts its operations. With an increasing number of businesses jostling for the attention of candidates and clients, any recruitment firm looking for success needs to make sure that it has a competitive advantage over its peers. One of the most effective ways for any business to do this is by forging long-term business relationships.
6. **Network opportunities:** *"The old economy was a market-based economy, while the new economy is informationbased" Nicholas Noecker, (2001).*

Solid relationships with clients can prove advantageous if we need advice, information or have a specific requirement. A long-term client may be able to put you in touch with another business that could be looking to recruit, for example. Clients you know well may even prove to be an asset the next time your own company is looking to recruit, where you already have a strong base of network opportunities at your disposal.

7. **Testimonials:** These days, many people consult end user reviews and experiences before they buy or use a product or service. Glowing testimonials from satisfied clients can go a long way to accelerating the growth of your business. And when we build long-term relationships, we increase our chances of engendering positive feedback from others.

4.4 Conclusion of the study

- ✓ Customer satisfaction is customer's perception of the degree to which the customer's requirements have been fulfilled.
- ✓ Customers complain are a common indicator of low customer satisfaction but their absence does not necessarily imply high customer satisfaction.
- ✓ Our organizational performance may be outstanding but of our customers feel that it is poor – or even no better than the competition they may report that their satisfaction is low.

Section – 05:

Future forward

After almost four months of my study I have come across many questions and issues which are very important and also relevant to this study. Some are already discussed and some are not. But in near future I will want to explore those issues.

1. In my study it is noted that, “*world market 115 to 120 items of dress are in demand whereas Bangladesh supplies only ten to twelve items of garments.*” I want to know about how we can rid of this situation through developing long-term relationship with customer so that we get more item order from them.
2. To get more competitive advantages from other countries, which steps should be taken from government that impact positively on this sector?
3. Is it possible to develop customer-manufacture relationship with unsatisfied labor force?

References.

1. <https://www.sgtgroup.net/textile-quality-management-blog/how-to-better-manage-apparel-supplier-relationships>
2. <https://www.fibre2fashion.com/industry-article/5352/measuring-customer-satisfaction-approaches-for-getting-reliable-information-for-textile-and-garment-industries>
3. <https://www.theigc.org/wp-content/uploads/2017/06/Hamid-Nabi-2017-Final-report.pdf>
4. https://www.just-style.com/analysis/how-to-build-winning-buyer-supplier-relationships_id131351.aspx
5. <https://www.onlineclothingstudy.com/2018/11/different-departments-in-garment.html>
6. https://globaljournals.org/GJMBR_Volume14/4-Supply-Chain-Management-in-Garments.pdf
7. https://en.wikipedia.org/wiki/Textile_industry_in_Bangladesh
8. <https://www.textiletoday.com.bd/importance-building-customer-relationship-retail-industry/>
9. <http://gordanacolovic.blogspot.com/2013/09/customer-relationship-management.html>
10. https://textiles.ncsu.edu/tatm/wp-content/uploads/sites/4/2017/11/May_Bae_full.pdf

Appendix:

Appendix I **Introducing Consulted Articles**

SL	Article Title	Authors	Journal Name	Volume & Issue	Year	Publisher
1	System Dynamics Modelling in Supply Chain Management	Angerhofer, B. J. & Angelides, M. C.	Simulation Conference,	Volume 1, pp. 342 - 351.	2000	Research Review
2	Measuring supply chain performance	Beamon, B. M.	International Journal of Operations & Production Management	19(3), pp. 275-292	1980	Project Management Journal
3	Dyer, J. H. & Singh, H.	The Relational View: Cooperative Strategy and Sources of Interorganizational Competitive Advantage.	Academy of Management Review	23(4), pp. 660-679.	1998	Journal of Supply Chain Management
4	Gill, P., Stewart, K., Treasure, E. & Chadwick, B.	Methods of data collection in qualitative research: interviews and focus groups.	Journal of Purchasing and Supply Management	Vol-10 Issue-2	2008	BRITISH DENTAL JOURNAL

Appendix II

Complication of Objectives/ Purposes/ Questions/Hypotheses Addressed by the Articles

Article	Objectives/ Purposes/ Questions/Hypotheses
1.	Lee, C.W., Kwon, I.-W.G., Severance, D.: Relationship between supply chain performance and degree of linkage among supplier, internal integration, and customer. Supply Chain Management: An International Journal 12(6), 444–452 (2007)
2.	Stölzle, W.: Industrial Relationships. Oldenbourg Verlag, München (1999)
3.	Das, T.K., Teng, B.: Between trust and control: Developing confidence in partner cooperation in alliances. Academy of Management Review 23, 491–512 (1996)
4.	Brown, J., Lusch, R. F. & Nicholson, C. Y., 1995. Power and Relationship Commitment: Their Impact on Marketing Channel Member Performance. Journal of Retailing, 71(4), pp. 363- 392.
5.	Cousins, P., Lamming, R., Lawson, B. & Squire, B., 2008. Strategic Supply Management. Principles, Theories and Practice.. 1st ed. Harlow: Prentice Hall.

Appendix III

Complication of Methods

Article	Method
1.	Huang, G. Q., Lau, J. S. K. & Mak, K. L., 2003. The impacts of sharing production information on supply chain dynamics: A review of the literature. International Journal of Production Research
2.	Jackson, M. C., 2003. Applied Systems Thinking. In: Systems Thinking: Creative Holism for Managers. Chichester: John Wiley and Sons Ltd.

Appendix IV

Complication of Conclusion

Article	Method
1.	Lee, H. L., Padmanabahn, P. & Whang, S., 1997. Information Distortion in a Supply Chain: The Bullwhip Effect. Management Science, 43(1), pp. 543-558.
2.	Nielsen, B. B. & Michailova, S., 2007. Knowledge Management Systems in Multinational Corporations: Typology and Transitional Dynamics. Long Range Planning,
3.	Sahay, B. S., 2003. Understanding trust in supply chain relationships. Industrial Management, 103(8),

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