Internship Report on

Procurement Process at Shopfront Limited

submitted to

Islamic University of Technology

in partial fulfillment of the requirements for the degree of

BBA in Business and Technology Management (BTM)

Submitted by:

I understand that my final report will become part of the permanent collection of the Islamic University of Technology BBA in Business and Technology Management Program. My signature below authorizes release of my final report to any reader upon request.

Rubbaiyat Jahan Preetu
ID: 170061068

Department of Business and Technology Management
Islamic University of Technology

Approved by:

25.04.2022

Dr. Mohammad Shamsu Uddin

Assistant Professor

Department of Business and Technology Management

Islamic University of Technology

Procurement Process at Shopfront Limited

LETTER OF TRANSMITTAL

Date: 20 April, 2022,

Dr. Mohammad Shamsu Uddin
Assistant Professor
Business and Technology Management
Islamic University of Technology

Subject: Submission of Internship Report.

Dear Sir,

I hereby submit the internship report titled "Internship Report on Procurement Process at Shopfront Limited" which is a part of the internship program. Working under your direct supervision was a significant personal accomplishment for me.

The following report is my best effort that reflect my personal observation and learning while working for the organization. This internship at Shopfront Limited has provided a door to a world of possibilities for learning about the corporate operations and personal development. It was an honor to work there and to meet the deadlines under your direction.

I will be highly obliged if you kindly accept this report any provide me with any kind of feedback you may have. If you consider this study helpful or beneficial in any way, it would be a big success for me.

Sincerely Yours

Rubbaiyat Jahan Preetu

………………………………………….

Rubbaiyat Jahan Preetu
ID: 170061068
Business and Technology Management
Islamic University of Technology

DECLARATION

I, Rubbaiyat Jahan Preetu, a student of the Department of Business and Technology Management of Islamic University of Technology hereby declare that I have prepared this report on Procurement Process at Shopfront Limited (ShopUp) by myself with the guidance provided by my supervisor Assistant Professor Dr. Mohammad Shamsu Uddin Sir. I have not breached any copyright purposefully. The work is authentic to the best of my knowledge. I further declare that the report was not submitted to any other party or institution for any degree of certificate.

Rubbaiyat Jahan Preetu

………………………………………….

Rubbaiyat Jahan Preetu
ID: 170061068
Business and Technology Management
Islamic University of Technology

ACKNOWLEDGEMENT

First, I would like to express my appreciation to the great almighty Allah for providing me the chance, strength and capacity to carry out my responsibilities for the given tasks.

After that, I want to show my gratitude to my academic supervisor Dr. Mohammad Shamsu Uddin sir for his constant guidance and supervision throughout the overall internship process. I'm thankful to Mohammad Salauddin Chowdhury, Head of Procurement, Shopfront Limited (ShopUp) for his constant support and advice. It will not be possible to complete and put together all of these without their assistance.

There are various persons who have made significant contributions to this report. I would like to thank my co-workers for their guidance and being an inspiration throughout this journey. I'm thankful to the whole Business and Technology Management Department and authority of Islamic University of Technology (IUT). Finally, I'm thankful to my family for their constant support.

EXECUTIVE SUMMARY

This report is an attempt to summarize and analyze the 3-months long internship program carried out in Shopfront Limited (ShopUp) and is prepared as a requirement of the BBA in Technology Management program of Islamic University of Technology (IUT). This internship is the first step of gaining practical and professional experience. This report provides my experience and insights from this internship period.

As an intern of the procurement department, I had many responsibilities and tasks to complete. All of those experiences help my personal development and influenced my career path to a greater extent. It helps me understand the industry, organization and scope of growth.

Shopfront Limited is one of Bangladesh's largest e-commerce companies, with a mission to help millions of micro-entrepreneurs achieve success and grow their enterprises. As a commercial enterprise Shopfront Limited (ShopUp) was established with the purpose of bringing about a revolutionary change in the Bangladeshi e-commerce market by providing industry players with access to financing as well as a variety of services tailored to their needs. The company is expanding its operations in order to boost revenue and provide a positive work environment for its employees. I have clarified the history, mission and vision, tasks and overall key features of ShopUp in this article.

The procurement department of ShopUp works for all its business units. Procurement is considered as a strategic function in ShopUp that serves to improve the organization's profitability and lower the 'bottom line". This report reflects the overall procurement operational flow and practices ShopUp follows to ensure optimum growth and smooth operation. Since, ShopUp is a startup and comparatively new company, it has many limitations. There are several recommendations which I believe will help ShopUp to bring positive outcomes.

I profited from the internship program in a number of ways. I learned about the startup environment and how a startup company operates as a result of my internship. I believe that this knowledge will be extremely beneficial to me in my future profession.

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Chapter-1: INTRODUCTION

This report is a required part of my course – Internship 4800 for 8th semester, Business and Technology Management department. The main objective of this report is to share the analysis of three months long internship experience in a corporate environment. This program benefited students in integrating academic content into a real-world work environment, hence enhancing student performance and reliability.

With utmost pleasure I want to say that among thousands of companies I have completed my three months long internship in the procurement department of Shopfront Limited (ShopUp) under the supervision of Mohammad Salauddin Chowdhury, Head of Procurement. ShopUp is the leading B2B e-commerce startup in Bangladesh. They started operations in 2016, and have been expanding the business ever since.

I profited from the internship program in a number of ways. I learned about the startup environment and how a startup company operates as a result of my internship. I believe that this knowledge will be extremely beneficial to me in my future profession.

This report focuses on the procurement department at the company where I interned, my duties and responsibilities as an intern, and a brief description and analysis of the lessons learned over the course of the internship.

Objective of the Report:

This report is a comparison of activities and learning with the purpose of evaluating my organizational learning yield. The main goal of this report is to demonstrate my comprehension of the work completed as well as the experience gained during this three-month long internship program.

The specific objectives of this report are as following:
- ❖ To provide an inside of duties and responsibilities as an intern.
- ❖ In depth understanding of different functions of the organization.
- ❖ To offer an overview of the B2B business model.
- ❖ Understanding the overall operational process.

Methodology:

During the preparation of this research, I acquired data and insights from both primary and secondary sources.
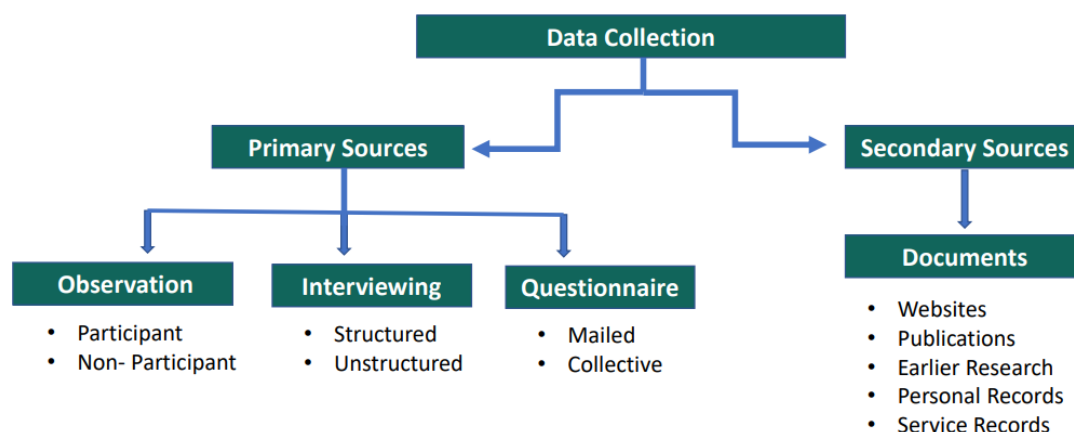

Figure 1: Data sources

❖ Primary Research:

Primary research was done based on 3 major sources: observation, interviewing and questionnaires.

❖ Secondary Research:

In this case different documents can be considered as secondary sources of data collection. Data is collected by different related websites, publications and research papers. Personal records collected by me and service records of co-workers helped for deep understanding.

Scope of Research:

This report gives an insightful overview of the organization, its business units and the industrial overview in detail. It mainly focuses on the employee perspective and provides related strategical data. This report will help to understand the e-commerce and B2B market of Bangladesh

Limitations:

❖ Confidentiality: One of the major difficulties when preparing this report was to maintain confidentiality as ShopUp is conservative to disclose internal information.

❖ Lack of Data Availability: As very little research has been done in similar industries and for that there lies a gap between the actual data and available data. Also, it was very time consuming to follow the manual and collect data related to this report.

❖ Time Constraint: Three months is a very short time to understand a huge and unique business model.

❖ Complex Working Method: As the data management system follows a manual system here, it makes the work very time consuming.

Chapter-2: COMPANY OVERVIEW

Company Overview:

Shopfront limited, also known as ShopUp, is Bangladesh's leading full-stack B2B commerce platform for small businesses. The main goal of this company is to use technology for easy access to B2B sourcing and providing last mile logistics, digital credit and business management solutions to small businesses. ShopUp brings the small and medium traders under one roof providing connection among manufacturer, wholesaler, retailer and buyer in an efficient way.

Name of the Company: Shopfront Limited (ShopUp)
Company Type: Private Limited
Industry Type: B2B Commerce
Year of Establishment: 2016
Number of Employees: 950
Website: https://shopup.com.bd/

Historical Background:

Co-founded by Afeef Zubair Zaman, Siffat Sarwar and Ataur Rahim Chowdhury, ShopUp started its journey in 2016. From the initial stage this startup had a tremendous contribution to the e-commerce market. ShopUp offers small businesses easy access to B2B sourcing, digital credit, last-mile logistics and business management solutions.

ShopUp raised a total $25 million in 2020 which was Bangladesh's largest series A investment. In the same year ShopUp acquired an Indian E-commerce platform 'Voonik' and started an office in Bengaluru, India. In 2021, ShopUp successfully raised a $75 million Series B investment. Now it's become the country's leading full-stack business working for all types of B2B solutions. For its innovative business plan and feasible operational method, ShopUp was awarded as 'The Best Startup of The Year 2019 Bangladesh'.

Mission and Vision of ShopUp:

The company's future objectives are articulated in the mission and vision statements, which define a coherent direction for the new brand and serve as a foundation for all of the company's strategy implementation.

Mission:

The following missions of ShopUp defined the foundation of all types of future aspirations:

- ❖ Support micro level and mid-level entrepreneurs to develop.
- ❖ Provide easy accessibility and fast service using technology.
- ❖ Create a feasible connection among manufacture, wholesalers and retailers.
- ❖ To serve as the best distribution platform for large multinational to small companies.
- ❖ To have significant influence on the economy by empowering youth and women.

Vision:

ShopUp was developed with the goal of improving the e-commerce industry and assisting merchants in creating a more organized existence. Small businesses have long been the backbone of our economy, and ShopUp not only assists microbusiness owners in growing their businesses, but it also generates significant revenue. Their efforts will undoubtedly have a positive impact on Bangladesh's development. Despite the fact that ShopUp does not have a publicly stated goal, the company does have an enhanced internal vision that is communicated to employees in order for them to feel more connected to it. Despite having a high intrinsic value and a desire for assisting micro-entreprenel urs in navigating a wide range of complications in their daily operations, ShopUp's most clear goal is to become a "Unicorn."

Slogan: "One stop platform for small business."

Values of ShopUp:

All employees of ShopUp put a greater importance towards the organization's shared values including:

- •   Merchant First
- •   Think 10x
- •   Pace over perfection

- Own your number
- Disagree and commit

Organogram:

ShopUp brings together many departments and teams while maintaining a hirerchy. The CEO of Shopup is the person in charge of the company's management. The people and organizational mapping of ShopUp CEO's office as follows:
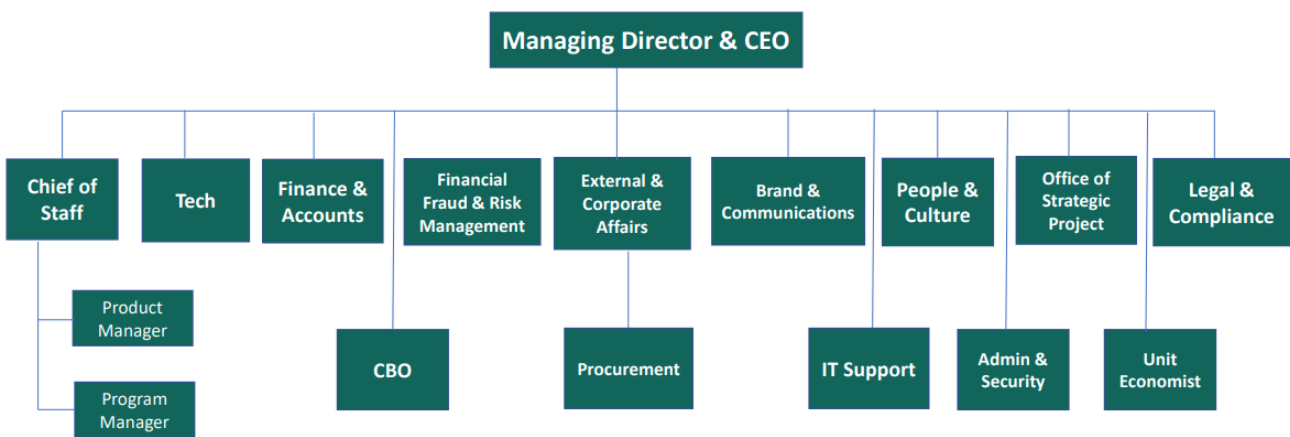

Figure 2: People and Organizational Mapping- CEO's Office

Business Units of Shopfront Ltd:

▪ **Mokam:**

Website: https://mokam.com.bd/retail/bn

Mokam started its journey in December 2019 as a B2B e-commerce platform. In Less than 2 years Mokam has become Bangladesh's largest B2B e-commerce platform with 4.5 million small retailers. In 2021, Mokam was recognized as Bangladesh's best B2B e-commerce platform at the inaugural Bangladesh Retail Awards 2021.

Figure 3: Logo of Mokam

Functionality:

Mokam works to solve the problems of the local mom and pop shops which are locally known as mudi dokan by ensuring availability of products, proper pricing and efficient delivery support. Also, Mokam gives the advantage to buy products on credit which helps the shoppers to run smoothly and expand their businesses.

Figure 4: Web portal of Mokam Website

There are sales representatives (SR) who work for order collection, also this one-stop platform that can be accessed via mobile app where all products are available for retailers. After ordering the products, the retailers will receive the products within 24 hours. Mokam has agreements with different

producers and manufactures and has the best distribution system to ensure fast delivery with less money.

Based on products Mokam has two major divisions such as:

- Mokam Branded
- Mokam Unbranded

For smooth operation Mokam operates with different segments such as:

- Mokam Fresh
- Mokam Agro
- Mokam Power
- Mokam Infra
- Mokam Poultry
- Mokam Lifestyle
- Mokam Reseller
- Mokam Payra
- Mokam Blitz

For ensuring smooth delivery Unicorn Distribution Limited (UDL), another brand of ShopUp works.

Unicorn Distribution Limited:

Unicorn distribution Limited (UDL) is the country's largest technology-first retailer distribution company. UDL's vision is to create an efficient distribution platform among manufacture and retailers. Based on retailer's order using SR or Mokam app, Unicorn intended to accelerate sales by delivering the required products to the appropriate merchants within time. It also works as a third-party distribution service for major brands of the country including Unilever, Marico, Coke, Pusti etc. UDL has nearly 100 warehouses known as distribution houses (DB houses) all over the county and the number is constantly increasing.

Figure 5: Logo of Unicorn Distribution Limited

- **RedX Logistics Service Limited:**

Website: https://redx.com.bd/

RedX is one of the largest tech-based logistics companies with 250+ delivery points in 493 Upazilas across 64 districts in Bangladesh offering end-to-end services. Currently RedX operates with 2 mother hubs,99 hubs and 12 OPS zone.

Figure 6: Logo of RedX Logistics Service Limited

It is a quite new company but still managed to grab the market through its extraordinary strategies and service performance. There are 1786 delivery agents and 660 pickup agents working in first and last mile hubs. The company was recently voted the best logistics company in Covid-19 by the Bangladesh-India Business Council for offering the best services.
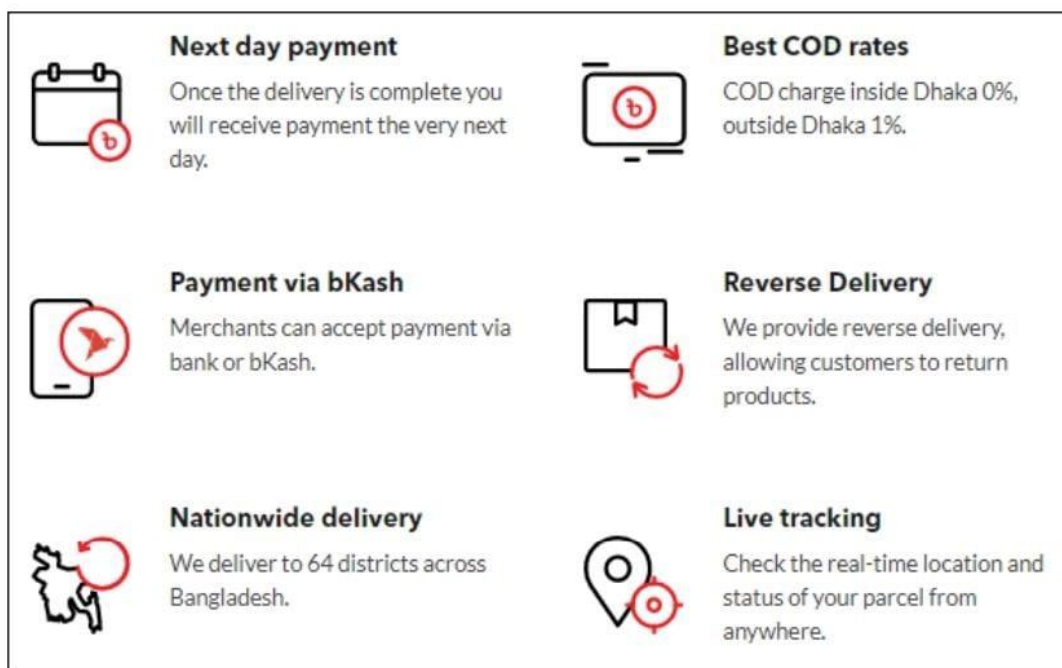

Figure 7: Main logistics activities of RedX

❖ Third-Party Logistics(3PL) or B2C:

In logistics and supply chain management, third-party logistics refers to an organization's use of third-party enterprises to outsource distribution, warehousing, and fulfillment services. In this sector, RedX's performance has been great especially during the pandemic. The REDX network handled more than half of all 3PL deliveries throughout the pandemic by helping many entrepreneurs to flourish their businesses and to survive the pandemic.

Current 3PL Express services are-
- Digital Commerce (Large E-commerce)- e.g. Daraz, Jamuna, Singer etc.
- SME (Medium and small E-commerce and F-commerce)- e.g. Beautiv, Rapanzul's Secret etc.
- OSD

❖ Cargo Delivery Services:

RedX launched its Cargo Delivery services just a few months ago but still managed to become one of the country's largest transportation companies in such a short period of time, delivering to even the most remote regions of the country. Many other companies like Sundarban Courier Service even failed to achieve this in a very short time period. Cargo first mile and last mile operations are operated by 12 zones,46 booths ,110 hubs, 15 own channel hubs and 1 mother hub.

Delivery Types:
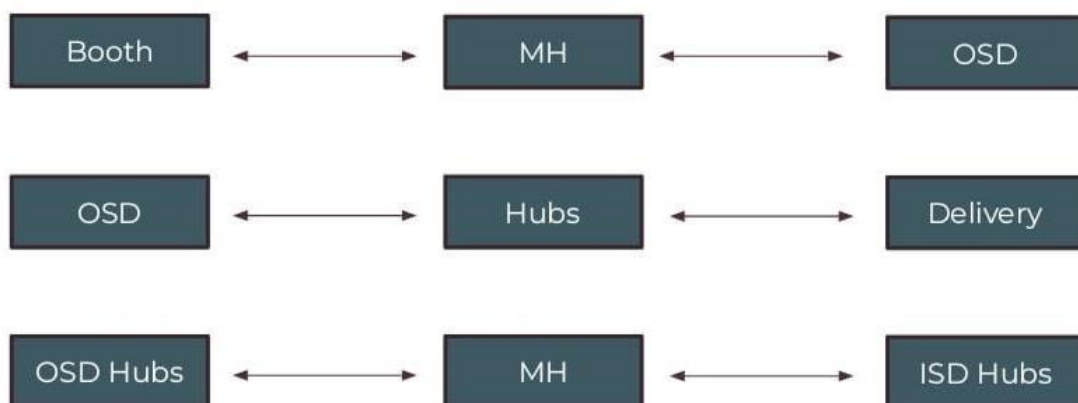1.   Home Delivery
2.   Hub Delivery
3.   Office Delivery

Cargo Corporate or B2B:
•   C2C offline agents
•   C2C offline merchants

Cargo Parcel or C2C:
•   Large volume movements
•   Transport support
•   Loader support

Cargo Corporate Operational Flow:

Booth	← →	MH	← →	OSD
OSD	← →	Hubs	← →	Delivery
OSD Hubs	← →	MH	← →	ISD Hubs

- **Baki:**

Baki supplies products on credit via a digital platform to SMEs. Baki is an effective alternative to the complexities of traditional financing and empower thousands of small traders.

Figure 8: Logo of Baki

- F-commerce merchants can get funding. The amount of credit depends on their scorecard.
- FMCG retailer of Moakm embedded funding
- Finance to the suppliers in credit
- Financing for retailers though distribution for Unicorn distribution limited.

Support Team:

The support team of ShopUp works for all of its vertices and business units.
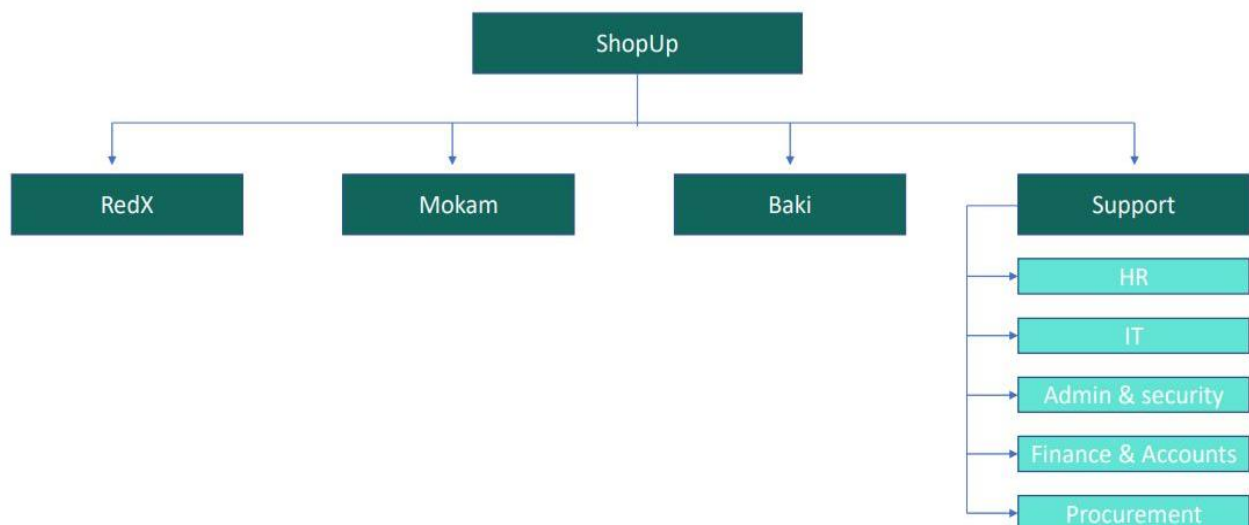

Figure 9: Different Business Units and Support Team of ShopUp

Work culture:

A company's culture reflects its core values, behaviors, attitudes, traditions and beliefs shared within its workforce. ShopUp Offers a welcoming and stimulating work environment. Here, from top management to bottom level employees maintain good connections. Employees are highly encouraged to contribute their new ideas or process. Maintaining organizational hierarchy, the organization grows like a flat organization with a rapid and fluid informational flow. The work culture of ShopUp has a positive effect on job satisfaction, employee happiness and overall performance.

Figure 10: Pohela Falgun celebration at ShopUp

Figure 11: Prize giving ceremony of ShopUp Tornedo T-20 Tournament

Chapter-3: Industry Analysis:

The main objective of this chapter is to have an inside and berief overview of market trends, factors, limitations and other parameters of the industry. In addition, this chapter will include a market development analysis focusing on future market growth.

Industry Overview:

The E-commerce industry of Bangladesh has experienced tremendous growth and development since the early 2000s. Currently with 2000 ecommerce platforms and 50,000 F-commerce platforms the total e-commerce industry is in a rapid growth stage. In the time of pandemic in 2020 more consumers started purchasing online so that the industry had immense growth in this time. According to a report from Statista, the E-commerce sector of Bangladesh is expected to increase from $1.9 million to $2.7 million in 2022, and it is forecast to reach $3.1 million in 2022.
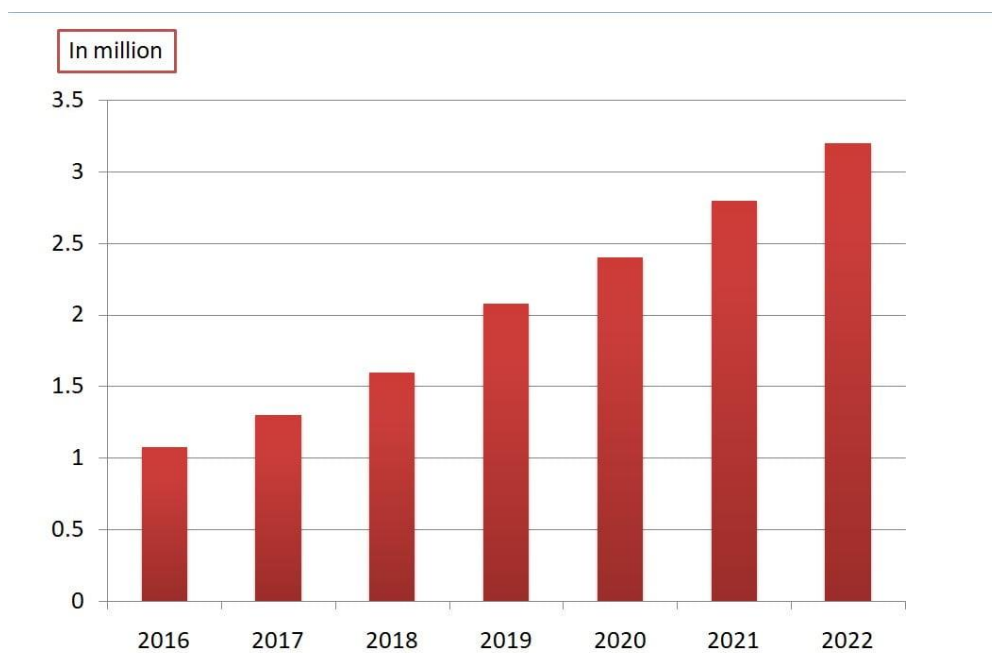
Figure 12: Bangladesh E-commerce Market Size

The wholesale and retail market of Bangladesh is also increasing at a constant growth rate.
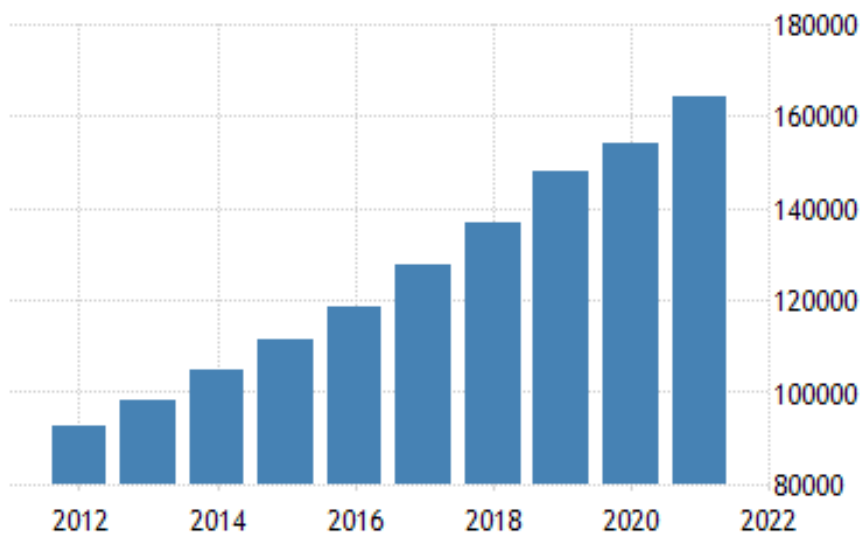

Figure 13: Bangladesh Wholesale and Retail Trade

Industry Growth and Market Size:

Both the logistics and retail industry of Bangladesh are in a growth stage. The logistics market is growing at 6 percent per year. And in recent years, the rate of retail growth rate in Bangladesh has been 7.0 percent.

Figure 14: Estimated Logistic Market Growth Summary

Maturity of the Industry:

According to a study of the World Bank, Bangladesh's retail industry is still immature and unstructured. Maximum companies follow poor logistics and supply chains that raise the price. In a price sensitive market like Bangladesh this has a huge effect.

Seasonality:

According to the sales data, It has a low seasonality effect as all of the business units work for daily requirements in most cases. Though in time of different occasions like Eid celebration, new year the sales volume of RedX increases. There is about zero seasonality effect on Mokam and Baki.

Related Industry and End-users:

Mokam has a diverse number of industries related to their business including food, electronics, pharma, clothing etc. RedX has relations with all types of courier and logistic services. Baki has involvement with micro-credit or non-bank financing.

The main end users of different units of shopUp
•   **Mokam:** Retailers especially small retailers, locally known as mudi dokaner.
•   **RedX:** E-commerce and F-commerce business, offline business, individuals.
•   **Baki:** Small Business owners.

Competitive landscape:

The main power of ShopUp is that different business units work as verticals and that creates a positive effect as a whole. ShopUp had a business boom in time of the pandemic and had a great expansion all over the country. Huge amount of invest allow them to this massive expansion.
There is no direct competitor who has the same plan to solve all types of retail and logistics problems for small businesses. But the business units face competition in the market. Paper fly, e-courier etc follows the same type of business model and can be considered as major competitors. According to data, throughout the pandemic the REDX network handled more than half of all third-party deliveries.

Now RedX is the market leader with the highest coverage throughout the country. Sindabad.com is one of the competitors that follows the same business model as Mokam. Agreement with a wide range of manufactures, leading brands and effective distribution channel allow Mokam to offer the lowest price and best quality and have competitive advantage.

Technological Factors:

In the initial stage ShopUp faces a great challenge of building their RedX and Mokam app. After acquiring 'Voonik' and recruiting best engineers from India and Bangladesh ShopUp has one of the best Tech teams now. The ULX design of apps is easily understandable and user friendly. The end user of Mokam is retailers who are technologically challenged in most cases. It is very hard to teach them how to use apps and convince them to use apps on a regular basis. Though in the case of RedX, the scenario is opposite. Both delivery men and users are successfully utilizing the RedX app. Currently RedX is using vehicle tracking technology and order tracking technology. This type of service helps to become more user friendly.
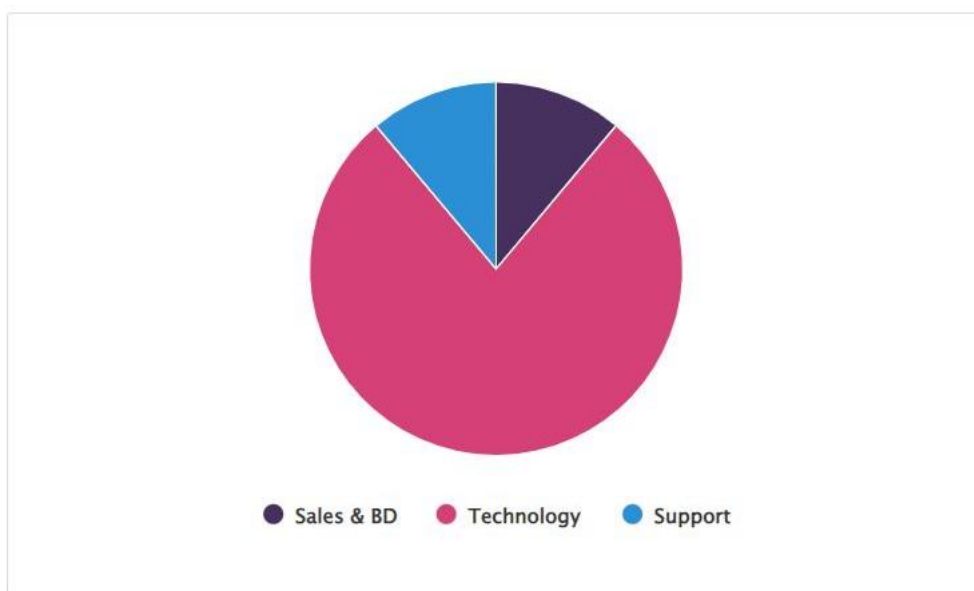

Figure 15: ShopUp Hiring Categories
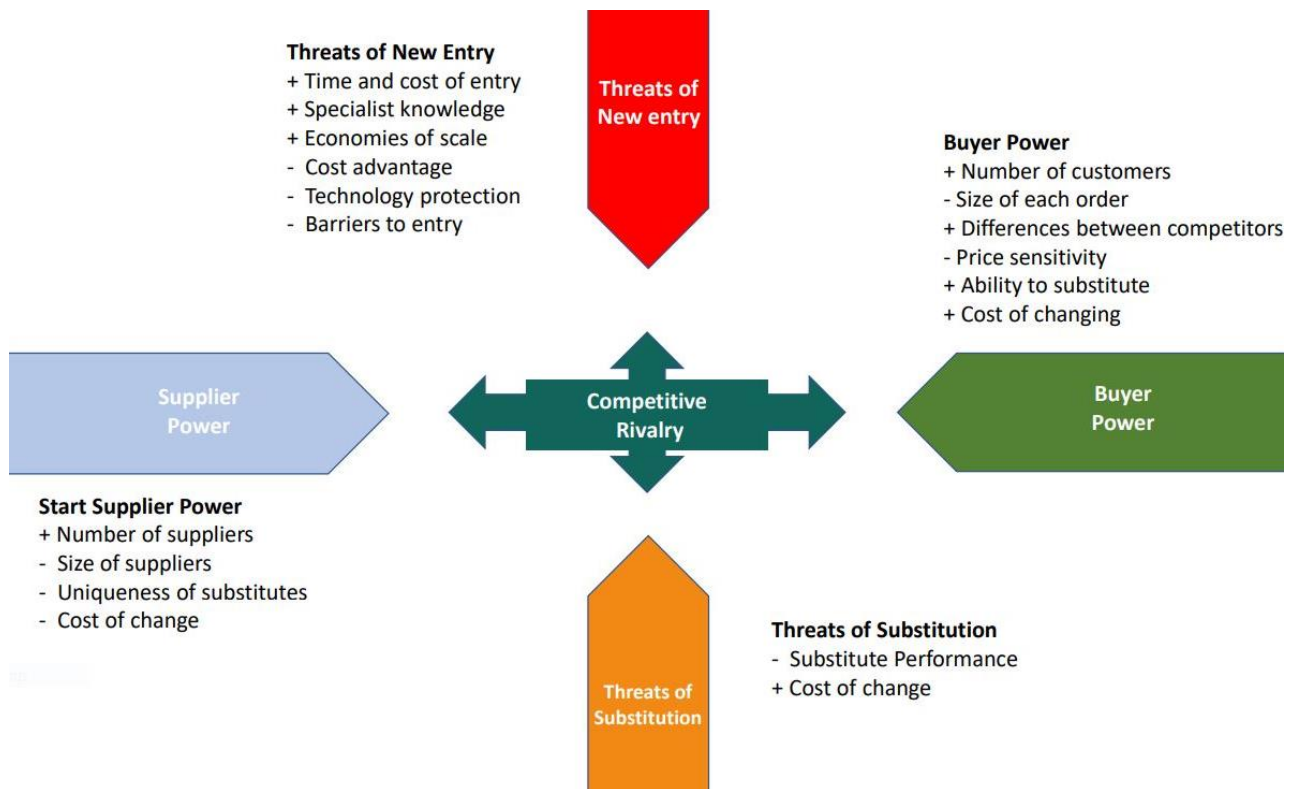
Competitive Analysis (Porter's 5 Forces Model):

Threats of New Entry
+ Time and cost of entry
+ Specialist knowledge
+ Economies of scale
- Cost advantage
- Technology protection
- Barriers to entry

Threats of New entry

Buyer Power
+ Number of customers
- Size of each order
+ Differences between competitors
- Price sensitivity
+ Ability to substitute
+ Cost of changing

Supplier Power

Competitive Rivalry

Buyer Power

Start Supplier Power
+ Number of suppliers
- Size of suppliers
- Uniqueness of substitutes
- Cost of change

Threats of Substitution
- Substitute Performance
+ Cost of change

Threats of Substitution

Figure 16: Porter's 5 Forces Model

❖ Bargaining Power of Supplier: Low to Moderate

Following a unique concept ShopUp provides services to its customers with a lot of supplies needed. Though its main operations are related to employees and their skills, there is also a need for suppliers to provide the support. The bargaining power of its suppliers are low to moderate.

❖ Bargaining Power of Buyers: Moderate

The main buyers of the company are small entrepreneurs who have very limited knowledge about business. As the maximum target does not have enough funding by themselves and the

price is already low such customers do not have much bargaining power to drive the set price down.

❖ Threats of New Entries: Moderate to High

The concept of the Tech based E-commerce industry in Bangladesh is new but growing very fast. There is a huge possibility that many individuals and companies will follow a similar B2B business model in future.

❖ Threats of Substitution: Low to Moderate

The business model of ShopUp is very unique and till now does not have much substitute in the market. So, for the customers there are very few switching options.

Swot Analysis:

Internal Factors	
STRENHTHS (+)	**WEAKNESSESS (-)**
• Company Reputation • Financial Stability • Great Work Culture • Supporting Vertical Organizations • Strong Tech Team • Experienced Management	• Insignificant Promotional Activity • Insufficient Skilled Employee • Less Training Opportunity

External Factors	
OPPORTUNITIES (+)	**THREATS (-)**
• Becoming a Global Brand • No Direct Competitor • Gaining Trust	• Risky micro loan concept • Future Competitors • Political Instability of Bangladesh

Figure 17: SWOT Analysis of ShopUp

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Strengths:

- Company Reputation: ShopUp is one of the best startups of Bangladesh. They have a great reputation for maintaining quality as a tech based B2B platform. They were also awarded as best startup in 2018 and 2021.

- Financial Stability: ShopUp was able to get a huge amount of investment in a consistent number. For that reason, they have a strong financial backup.

- Great Work Culture: The warm and welcoming environment of ShopUp makes for a great work culture for every employee.

- Supporting Vertical Organizations: In ShopUp vertical organizations create a feasible support system. The strong internal communication and operational system make it possible.

- Strong Tech Team: By accruing 'Voonik' and recruiting the best engineers from Bangladesh and India they create one of the best tech teams in the county. For continuous improvement the product team continuously work with tech team.

- Experienced Management: For top level and middle level management ShopUp hires the best resources from different MNCs. They play a vital role and contribute to the growth of the company with their immense expertise and experience in their respective sector.

Weaknesses:

- Insignificant Promotional Activity: General people do not know much about this company due to insufficient promotional activities as a brand.

- Insufficient Skilled Employee: There is an insufficient number of skilled human resources compared to its growth rate. Since very few companies have the same business model it is very hard to find experienced employees.

- Less Training Opportunity: Though ShopUp is growing so fast with insufficient number of employees, there is a lack of proper training and development opportunities.

Opportunities:

- Becoming Global Brand: ShopUp has the utmost opportunity to grow as a global brand. There is a huge possibility to grow business in India and other countries in near future.

- **No Direct Competitor:** There is no direct competitor in the maker doing exactly the same B2B solutions like ShopUp. It gives the opportunity to grab and expand the market.
- **Gaining Trust:** Height growth rate and feasible business model helps to gain the attention and trust of the target market.

Threats:

- **Risky Micro Loan Concept:** The concept of micro loan financing can become risky.
- **Future Competitors:** There is a high chance of facing lots of competitors with the same business model in future.
- **Political Instability of Bangladesh:** The political instability and legal restrictions can become a threat to expand the market and run business smoothly.

Chapter-4: Description of Main Duties

This chapter is a primary discussion of the duties and responsibility that I had while working as an intern at ShopUp. This will reflect my contributions to the company as a whole.

Position and name of Department: Intern, Procurement Department.

Typical working Day: At ShopUp, a typical week starts on Saturday and ends on Thursday.

Head Office Address: B-112, Road: 06, Mohakhali DOHS, Dhaka-1206, Bangladesh.

Time: 10:00 am to 6:00 pm. The lunch hour is not fixed in the headquarters. All employees have the time flexibility to have lunch and snacks according to their needs

Typical Workday as a Procurement Intern:

As a part of the Procurement department, I had several tasks to complete in daily basis.

- ❖ A typical day starts with collecting bills from reception. The bills are sorted according to different business units. After checking every bill carefully, I had to do GRN and other documentation processes for every bill. Bills are sent to the concerned finance department before 4 PM.
- ❖ If there is any error in the bill, I had to communicate with the concern and try to fix as soon as possible.
- ❖ I had to check and collect requisitions and update the to-do-list. Help the team by making CS and PO.
- ❖ I also had to assist in different projects. On a typical day, I worked from 4 pm to 6 pm for different projects.

Major Responsibilities:

My main responsibility was to work for procuring non-IT items and assist my supervisor. The brief description is given below:

❖ **Collecting Requisition:** In ShopUp all types of requisitions are collected via mail with concern departmental approval and budget approval from the finance side. Every requisition is listed with a unique number in 'To-Do-List'. The list is maintained to ensure time management. It was my responsibility to collect the requisition of non-IT items and update it in the list.

Figure 18: ShopUp Requisition Form

❖ **Floating RFQ:** A request for quotation is a process in which a company requests a quotation from a supplier or vendor for the purchase of any specific product or service. All the specifications and required quantity of every product or service are mentioned when floating a RFQ to the vendors. The IT department selects and approves IT related items (Laptop, CCTV Camera etc) before floating RFQ. My duty was to floating RFQ of monthly requisitions and gift items to the vendors with all the specifications and required quantity of every product or service.

❖ **Making CS:** Comparative statements are made from the price quotations sent by vendors for every RFQs. The product or service must be in 'Apple to Apple' condition while making CS. Price, quality, reliability, warranty etc are compared in maximum cases.

❖ **Negotiation:** Negotiation is the communication for a desired mutual outcome between two or more parties. There are a number of reasons for negotiation including cost reduction, value

addition, improved performance, resolve conflict, problem solution, quality assurance and reach mutual agreement. The ideal outcome of a negotiation process is win-win but that is not always possible. In procurement, Negotiation is considered one of the main skills needed for Procurement as it is used with the intention of parties reaching a mutually satisfactory agreement.

❖ **Making PO:** Purchase order or PO is a commercial document by a buyer to a seller with indicating types, required quantities and agreed prices. In SHopUp, PO is issued by using Oracle Netsuite.

❖ **Vendor Enlistment:** Vendor enlistment process is done by following two steps.

I. Collecting information: Information like BIN number, TIN, Trade Licenses etc are collected via mail from the vendor.

II. Update in Netsuite: All the information is updated in Oracle Netsuite.

❖ **Communication:** Maintaining good communication with vendors and other supportive departments was a part of my responsibility.

❖ **Documentation**: In the ShopUp procurement department, documentation can be divided in 3 categories.

I. **GRN:** Good received note (GRN) is the record that is shown as a proof that the order has been received in good condition and time.

II. **Bill Tracker:** Each and every bill is recorded with a unique Purchase order (PO) number, invoice number, total amount with vendor name before sending to the concerned finance department. The recorder used here is known as Procurement Bill Tracker. The printed copy of the tracker with newly listed bills is signed by procurement team members and then sent to the Finance team.

Figure 19: Bill Tracker

III. **Savings Report:** Savings report reflects the negotiation efficiency. It shows what percent of money is saved by each and total purchase of a period of time. I have assisted the team to make the savings report from November to February.

Figure 20: Procurement Savings Report

❖ **Market Visit:** Frequent market visits and comparing the prices with regular markets was a part of my tasks. I was assigned for regular market visit and compared the prices of printing, refreshment and stationery items with the prices given by our enlisted vendors.

❖ **Project Management**: I was assigned with many projects including making jerseys for ShopUp Tornado T-20 Cricket Tournament 2021, new year gift items, new joiners gift items and so on. This type of project needs to work with different departments including brand and communications, finance and others. For those projects I had the responsibility to follow the process and ensure highest quality.

Procurement:

Procurement is the process of activities of purchasing goods or services and is usually in reference to business spending. As long as commerce has existed, Procurement has been one of the most vital and transactional parts of it. Procurement is an important step in Supply chains. It helps companies to find reliable suppliers that can provide goods and services at competitive prices that match the company's needs.

Types of Procurement

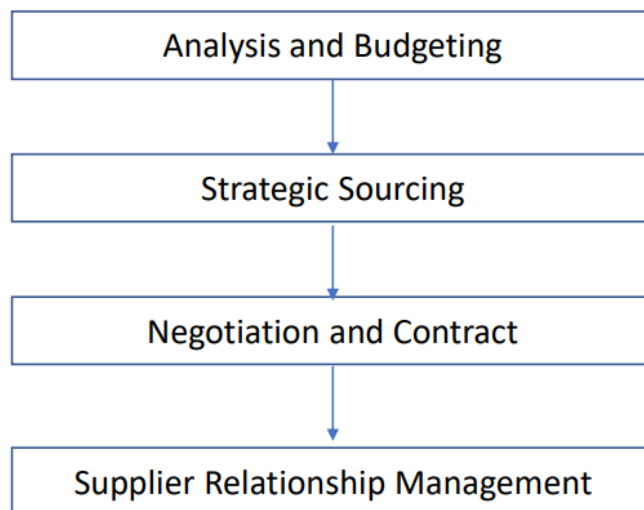|	Direct Procurement	Indirect Procurement	Goods Procurement	Services Procurement
What is it?	Any good or service required to produce an end product	All non-production-related goods or services	Physical items typically held as inventory, whether for direct or indirect procurement purposes	All people-based services procured, whether for direct or indirect procurement purposes
Examples	Raw materials, components and parts, machinery, items purchased for resale	Office supplies, marketing services, utilities	Raw materials, wholesale items, office supplies	Law firms, contractors, contingent labor, on-site security services

Figure 21: Procurement Types

The process involves every activity to obtain necessities that support the company's daily operations, including sourcing, negotiating prices, updating payment terms, purchasing items and inspecting and keeping records. The procurement team works hard to find low-cost goods that provide the best value. procurement can directly impact the bottom line. The procurement department of ShopUp works for all of its business units and verticals.
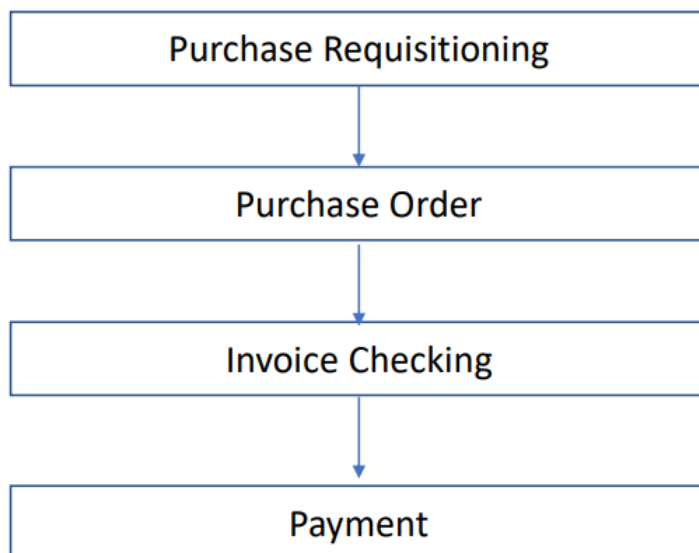
Departmental Chart:

The ShopUp procurement department's hierarchy is as follows:
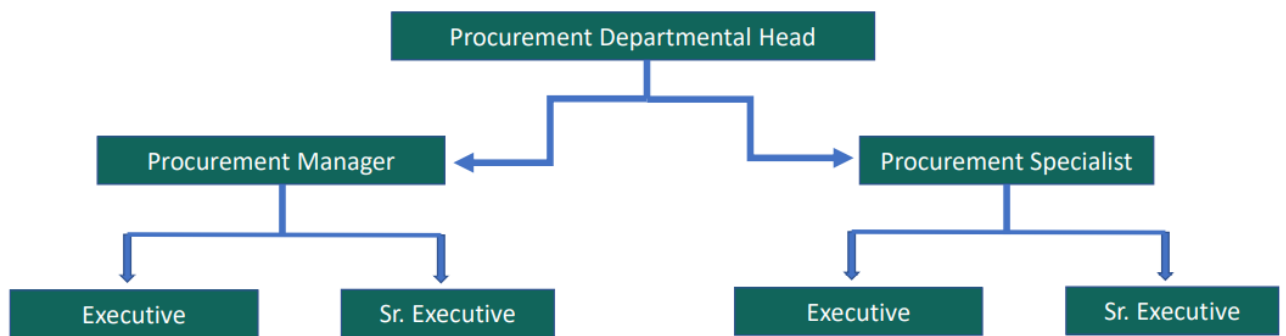
Strategic Flow Chart:

Transactional Flow Chart:

```
┌─────────────────────────────┐
│   Purchase Requisitioning   │
└─────────────────────────────┘
               │
               ▼
┌─────────────────────────────┐
│       Purchase Order        │
└─────────────────────────────┘
               │
               ▼
┌─────────────────────────────┐
│      Invoice Checking       │
└─────────────────────────────┘
               │
               ▼
┌─────────────────────────────┐
│           Payment           │
└─────────────────────────────┘
```

Major Vendors:

More than 150 companies are enlisted as vendors for ShopUp Procurement. The major vendors are listed below:

CCTV Camera	Laptop and Desktop	Printer
• Fast Sourcing • Fab Technologies Ltd.	• Smart Technologies (BD) Ltd • B-Trac Solutions • Global Brand	• Fine Print • Retail Technologies Ltd.
AC Rent	**Social Media Marketing**	**Food Vendor**
• Loknath Enterprise	• Geeky Social	• M/S Champak
Refreshment Items	**Furniture**	**Printing Items**
• Sindabad.com • Cardinal Care • Shuvo Enterprise • Mozid Enterprise	• Najah Designs • Design View • AR TEL (BD) Ltd	• Muna Printers • KR Print Line • Incom • Design Art

Vehicle Tracking Devices	Brand and Design	Event Management
• Easytrax World • Bondstein	• Bitopi • MVRK Studios Limited	• Rise Up Marketing Innovation • Arrobent International
Gift Items	**Internet Connectivity**	**Others**
• Royal International • Reliable Printers	• Amber IT • Circle Network • Aamra Networks Ltd. • Ran Online	❖ Gazi Tanks ❖ Orange Trade International ❖ Atandrila ❖ S. Islam Trade International ❖ Catalytic Interactive

Working Tools Used:

Oracle Netsuite:

Oracle Netsuite is a flexible online software that is used as enterprise resource planning (ERP). Companies use this software to track finances, manage inventory, maintain customers and so on.

Figure 22: Oracle Netsuite Management

❖ ERP: NetSuite works as an ERP that runs all key financial business processes in one cloud: inventory, accounting, order management and supply chain.

❖ Customer Relationship Management (CRM): NetSuite gives a 360 degree view providing an on-demand CRM system.

❖ Professional Services Automation (PSA): PSA is used to accurately plan a project, track updates and execute it.

❖ One-database, One-system: Oracle gives Real-time updates that unifies global business and manage operations involving multiple subsidiaries, entities, currencies and languages.

❖ E-commerce: Help to manage orders, inventory, marketing and provide support by unifying every step in a single platform.

❖ Retail: This cloud-based retail software is designed to satisfy shoppers.

❖ Manufacturing: NetSuite's solution for manufacturing allows it to focus on delivering products or services while gaining required growth.
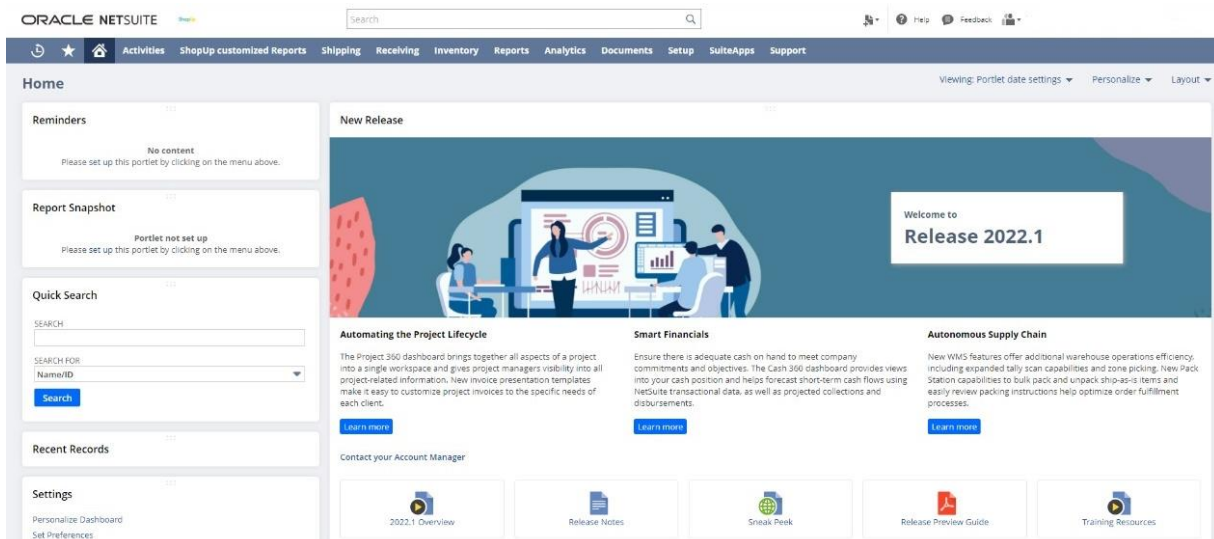
Figure 23: Home Page of Oracle Netsuite

Different Functions Used by ShopUp Procurement:

• Vendor Enlistment: For enlist any new vendor following details are required to submit:

1. Vendor Name (As a company or individual)

2. Email address,contact information and location of the company

3. Category of supply items

4. TDS info

5. Trade license

6. Any additional comments

Figure 24: Vendor Enlistment

*   **Creating PO**: ShopUp uses Oracle Netsuite to create Purchase Order (PO). A purchase order needs to have this information:

1.   Vendor name

2.   Delivery date and location

3.   Product description with required quantity

4.   Cost center

5.   Subsidiary and location

6.   All related documents

7.   Terms and conditions

8.   Payment method

Figure 25: Creating Purchase Order (PO)

- **Making GRN:** Goods Received Note (GRN) is a delivery proof from the supplier side. Every GRN has a unique number. payment is done by the concerned finance department according to GRN. While making GRN the bill copy is uploaded in the Oracle Netsuite.

Every bill contains 4 parts:
  1. Main Invoice
  2. Mushok
  3. Challan
  4. Purchase Order (PO)

- **Track the Bill:** Users can see the billing status in Oracle Netsuite. The due payment amount, credit period for every purchase order can easily be tracked.

Chapter-5: Analysis

Company Level Analysis:

In most cases startups face a great financial crisis in the growth stage. Lack of skilled human resource, high employee turnover makes it more difficult making a strong base in industry. ShopUp was able to raise a huge amount of foreign investment that helped it to constantly grow and create skilled human resources. As the business model is totally new, the human resource is always a problem here. By hiring the best management from different teams and building strong top-level management ShopUp is still trying to make a feasible business. As an intern in this type of company, I had to adopt the environment and learn very fast.
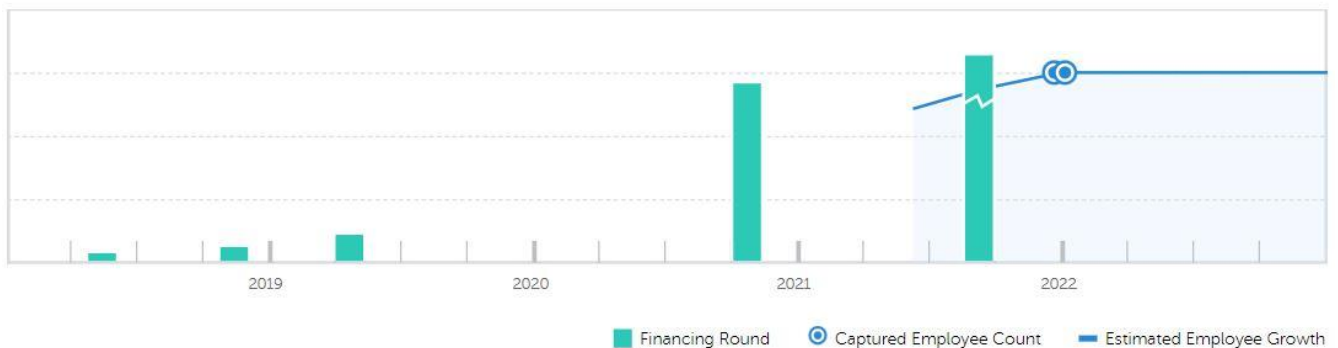

Figure 26: ShopUp Timeline

Market level Analysis:

With immense growth in just a few years, ShopUp has established itself as a market leader in the B2B E-commerce industry of Bangladesh. This internship gives me the insides if the industry. It is now one of the most growing companies in the country with a constant growth rate. The current growth rate of ShopUp is 20 percent per year, which is the highest growth rate for any companies in the private sector.
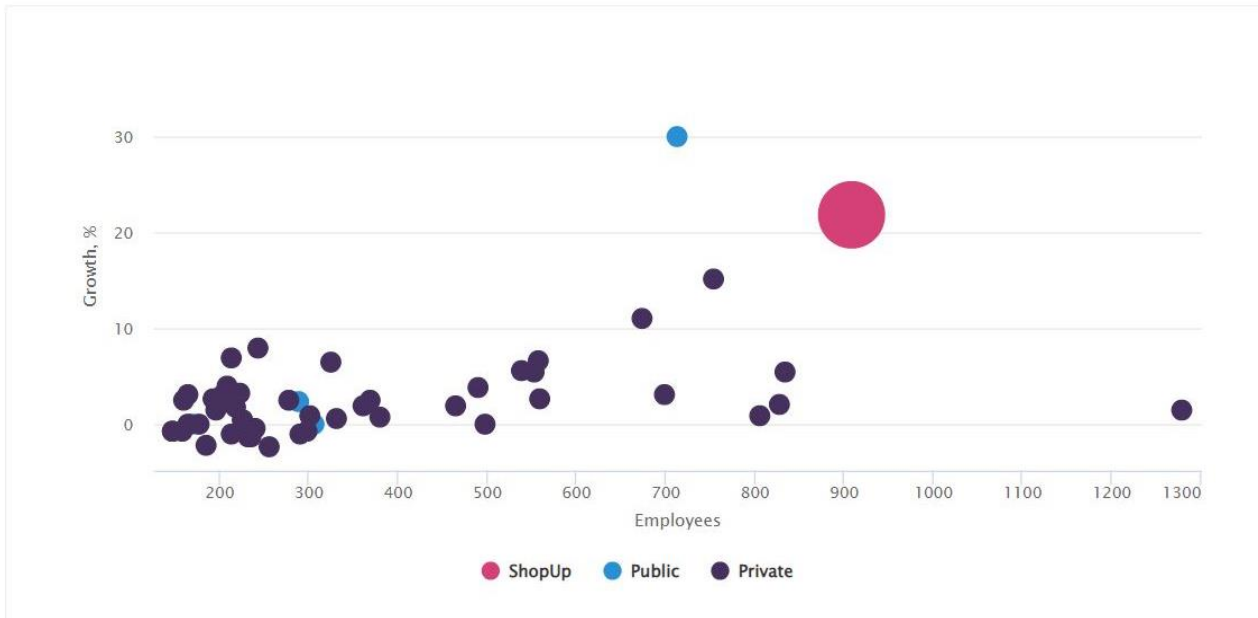
Figure 27: Market Position of ShopUp

RedX is already the market leader with 45% shares of the current market. As previously discussed, there are very few competitors of Mokam, it also has the potential to grab the opportunity.
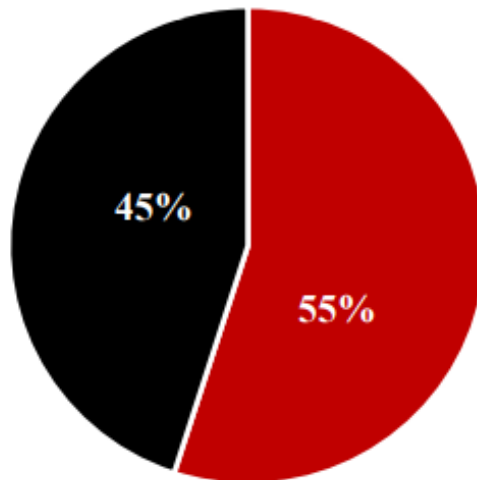

Fig 28: Market Share estimate of RedX

Professional Level Analysis:

ShopUp has a great environment of personal growth. This company helps to deeply drive the business and allow one in a corporate environment. It gives many network pointing benefits as well. Those are:

• **Communication:** Communication is the key. ShopUp maintains all type of communications very professionally. I had opportunity to learn and apply both verbal and non-verbal communication in a proper way.

• **Networking:** The value of connecting and creating a good relation with professional individuals helps to develop the career path. In ShopUp, experienced top-level managers are from different MNCs and organizations. Engagement with professionals helps to learn in various ways.

• **Constructive Criticism:** Constructive criticism is an effective way to identify the flows and that helps to solve those. In addition, praising boosts confidence and gives work satisfaction.

Main Difficulties:

During this internship, I had faced some difficulties. I had some challenges adjusting to the new environment and embracing the work culture during this internship. It was difficult to form relationships with co-workers and discuss viewpoints because the female staff ratio is low. Due to high traffic and poor road conditions, frequent market excursions were very difficult.

Chapter-6: Recommendations and Conclusion:

Recommendations:

❖ Training: As previously discussed, ShopUp does not provide enough training facilities to employees. Different sessions, hand on workshops would help the employees to enhance skills. Skill growing sessions and training will convert the work forces into human resources and assets of the company.

❖ Better working hours: By creating a constant working hours and fixing lunch time ShopUp can improve its employee satisfaction level.

❖ Proper Branding: As a result of less branding to mass people, the company is still known to most of the people. Proper brand and marketing can create better brand value and make a positive effect as a brand.

❖ Automation of Requisition: The requisition method procedures can be improved by automation. It will conform to more standard regulations and ensure optimum functionality.

❖ Cross Departmental Synergism: As a growing company, the informational gap among different verticals should be minimized and all the business units should maintain a better information flow.

Conclusion:

Shopfront Limited (ShopUp) was established with the purpose of bringing about a revolutionary change in the Bangladeshi e-commerce market by providing industry players with access to financing as well as a variety of services tailored to their needs. In just a few years ShopUp was able to have a massive growth as Bangladesh's first track B2B business.

The majority of ShopUp's business activities would be impossible to run without procurement. The Procurement department makes sure that all items and services are procured correctly so that projects and processes can run smoothly.

Though as a startup they have some limitations, but they have the potential to become the market leader for all involved business sectors. The company is expanding its operations in order to boost revenue and provide a positive work environment for its employees. By focusing more on productivity and utilizing all advantages they can surely increase the growth rate.

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