

VISIT TO YAŞAR UNIVERSITY TURKEY

UNDER INTERNATIONAL EXPOSURE

PROGRAM



By

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for the degree of Executive Masters in Business Administration

In

NUST Business School

**National University of Sciences and Technology (NUST),
Islamabad, Pakistan.**

2023

BUSINESS PROJECT ACCEPTANCE CERTIFICATE

It is Certified that final copy of EMBA Business Project written by Muhammad Salman Waleed Khan Registration No. 328761 of EMBA 2K20 has been vetted by undersigned, found complete in all aspects as per NUST Statutes/Regulations/MS Policy, is free of errors, and mistakes and is accepted as fulfillment for award of EMBA degree. It is further certified that necessary amendments as pointed out by GEC members of the scholar have also been incorporated in the said business project.

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Executive Summary

The "International Exposure programme" (IEP), a crucial component of the NUST Business School (NBS) Executive MBA, allowed EMBA 2K20 students the exciting chance to enroll in a study module at Yaşar University in Turkey for a full long week. The trip was led by EMBA Program Head Associate Professor Dr. Adeel Ahmed.

In addition to attending lectures by leading faculty at Yaşar, the trip participants got the chance to connect and network with peers and professionals in an international context. In line with the vision of the NBS IEP program, the EMBA students also gained insights into the operations of the Yaşar Group of industries which is one of the key market players in food and beverages in Turkey.

Established in 1927, Yaşar manufactures state-of-the-art products to enhance the quality of life. Its sub-brand 'Pinar' was launched in 1973 within the Turkish market with a ground-breaking new product. The site production engineer provided the EMBA students with a guided tour of the Pinar supply and production chain. During the tour, they were informed about different dairy products being manufactured at the plant as well as the operational and supply chain principles being utilized in real-time for optimal results and efficient deliveries. The trip provided amazing learning opportunities in more ways than one. In their leisure hours, the participants explored the ancient city of Istanbul, visiting heritage sites such as the Blue Mosque, Hagia Sophia, and Eyüp Sultan Mosque and observing firsthand the cultural, historical, and civilizational imprints of centuries past.

The purpose behind the program is to promote collaborations among students by engaging them in a meaningful tour by developing their analytical skills. Participants in the trip had the ability to interact and network with peers and professionals in a global setting by attending lectures from professors at Yaşar. According to the NBS, IEP program's mission is to give students an insight of International experience by exposing them with the secrets behind well-known enterprises like Pinar and also introduced us to successful business stories. Upon return, I had a renewed sense of appreciation for entrepreneurship and the challenges it entails.

Turkey Introduction

Overview

Turkey is a transcontinental country located in Southeastern Europe and Southwestern Asia bordering the Black Sea. Once the center of the Ottoman Empire, the modern secular republic was established in the 1920s by nationalist leader Kemal Ataturk. Straddling the continents of Europe and Asia, Turkey's strategically important location has given it major influence in the region - and control over the entrance to the Black Sea.

Turkey has a rich cultural and historical heritage, dating back to the ancient civilizations. With a population of 84.6 million as of 2021, Turkey is among the world's leading producers of agricultural products, textiles, motor vehicles, transportation equipment and home appliances. Turkey Gross Domestic Product (GDP) per Capita reached 9,591.615 USD in Dec 2021.¹ Turkey is the first Muslim country that has membership of European Union, despite 92% of its territory is situated in the Asia. Islam is the largest religion in Turkey and more than 99 percent of the population is Muslim.

In recent years, Turkey has faced political and economic challenges, including a currency crisis and a decline in democratic institutions. Despite these challenges, the country remains an important player in the region and a key member of NATO.

Overall, Turkey is a country with a rich culture, history, and diversity. Its strategic location at the crossroads of Europe and Asia has played a significant role in shaping its history and continues to shape its future.

Visit to Turkey

It is a country that is steeped in tradition and has a rich heritage that is reflected in its architecture, food, and customs. I had the opportunity to visit Turkey recently and it was an experience that I will never forget.

Two-week long tour was planned in late June 2022 from NBS which comprised of 12 students. Students were accompanied by Dr. Adeel who was liaising between

¹ <https://www.ceicdata.com/en/indicator/turkey/gdp-per-capita>

NUST and Yaşar University. The visit was divided in to two segments i.e. Pre and post university tour.

Istanbul Visit

Before the start of university classes, students have ample time to explore the parts of Turkey. I opted to explore by visiting Istanbul. Istanbul is a major city in Turkey that straddles Europe and Asia across the Bosphorus Strait. This city is a melting pot of cultures and religions. The city is home to the famous Blue Mosque, which is a magnificent piece of architecture and a must-see for any visitor.

Istanbul, with to its amenities, social and cultural wealth, and historical beauty, is the most populous city in Turkey. Istanbul has served as the capital of three different empires throughout history, and most nations have desired to conquest. Moreover, we had a chance to visit *'The Princess Islands'* which is a group of nine islands located in the Sea of Marmara, near Istanbul, Turkey. They are a popular tourist destination known for their beautiful beaches, historical sites, and peaceful atmosphere. Visitors can reach the islands by ferry from the main Istanbul port.



Izmir Visit

After completing the Istanbul visit, we went to Izmir. Izmir is the third largest city of Turkey and is one of the main hubs for exporting various agricultural and industrial products from its port. Izmir is now a modern, developed, and busy commercial center, set around a huge bay and surrounded by mountains. Izmir is best known as the most western-oriented Turkish city. A large part of the population is Muslim and mosques are found everywhere.



People over here hardly speaks English and prefers to speak in their native tongue, so for tourists, language barrier is a serious concern. Apart from this, locals are honest and nice persons and have respects for travelers. Visitors can walk, jog or bike along

the Aegean coast. There are plenty of restaurants to try along the way and several different museums to visit, including one dedicated to Mustafa Kemal Atatürk, the nation's founder.

In conclusion, my visit to Izmir was a truly memorable experience. The city is full of history and culture, and the people are warm and welcoming. I would highly recommend a visit to this beautiful city, and I will definitely be returning in the future.

Pamukkale Visit

Pamukkale, also known as 'Cotton Castle,' is a natural site located in western Turkey. It is known for its unique geological formation of white terraces and pools filled with mineral-rich thermal water. The water is said to have healing properties and is believed to be beneficial for various skin and joint conditions.



Yaşar University

In 1999 Selcuk Yaşar Sports and Education Foundation decided to establish Yaşar University. In 2001 the Turkish National Assembly approved this decision and the university began teaching in the 2002. Yaşar University is a private university located in Izmir, Turkey

A 4-day schedule was planned which compromised of three days of taught classes at Yaşar University and one day long tour of Industry. Our modules were divided in to three days which consists of following subjects: -

1. Financial Reporting
2. Contemporary Issue in Business
3. Decision Science for Business

Modules Attended

Financial Reporting

Financial reporting is systematically recorded financial data/ report which represents company's financial health. This report shows the performance and financial standing of a company over a specific time period. Financial reports are used by management, shareholders, investors and regulatory bodies to make decisions. Main purpose of financial reporting is to provide stakeholders with accurate and timely information about a company's financial performance and position.

Financial reporting consists of following components: -

- The balance sheets
- Profit and loss account,
- Cash flow statement

Balance Sheet

A balance sheet is a financial statement that shows a company's assets, liabilities, and equity at a specific point in time. It provides a snapshot of a company's financial position and is used to assess its overall health and stability.

The balance sheet is divided into two sections: the assets section, which lists all of the company's resources, including cash, inventory, and property; and the liabilities and equity section, which lists all of the company's debts and other obligations, as well as the shareholders' equity.

1. **Assets:** This section lists all of the company's current and non-current assets, such as cash, accounts receivable, inventory, property, and equipment.
2. **Liabilities:** This section lists all of the company's current and non-current liabilities, such as accounts payable, loans, mortgages, and taxes owed.
3. **Equity:** This section lists the company's equity, including retained earnings, common stock, and preferred stock.
4. **Current assets:** This section lists the company's assets that can be converted to cash within a year, such as cash, accounts receivable, and inventory.
5. **Non-current assets:** This section lists the company's assets that cannot be converted to cash within a year, such as property and equipment.
6. **Current liabilities:** This section lists the company's liabilities that are due within a year, such as accounts payable and short-term loans.

Income Statement

It is also known as a profit and loss statement which is a financial document that shows a company's revenue, expenses, and net income over a specific period of time. It is used to measure a company's performance and financial health by showing how much money the company made or lost during that period. The income statement typically includes revenues, cost of goods sold, gross profit, operating expenses, and net income.

Income statement is produced either quarterly or monthly. Business owners may keep a close eye on the company's performance and make informed choices. In the below example, you can see that the company earned \$39,000 from the sale of goods. Company spent money on various activities, to arrive at total expenses of \$604,000.

Now, to calculate the net income, let us enter the values in the following equation:

$$\text{Net Income} = (\text{Revenue}) - (\text{Expenses} + \text{EBT})$$

$$= (653,000) - (604,000 + 10,000)$$

$$= \$39,000$$

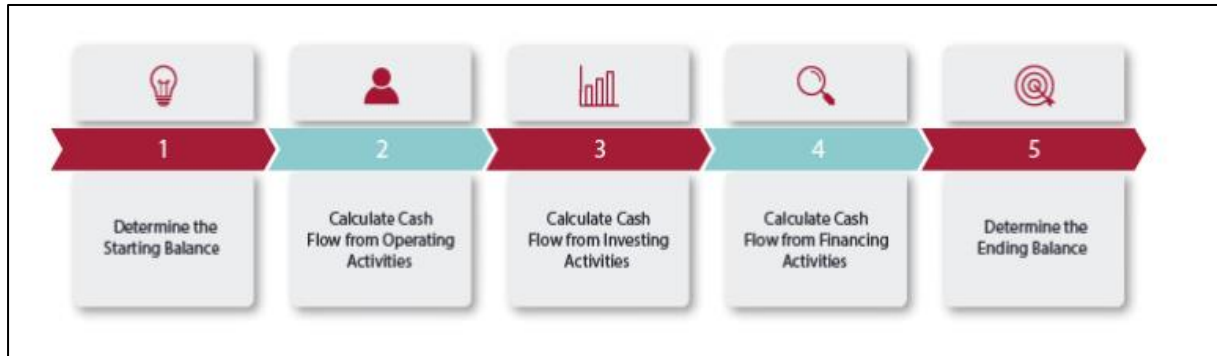
HUNTER COMPANY Income Statement For the Year Ending December 31, 20X9		
Revenues		
Net sales		\$653,000
Expenses and losses		
Cost of goods sold	\$283,000	
Selling expenses	142,000	
General & administrative	170,000	
Loss on sale of land	2,000	
Interest expense	7,000	<u>604,000</u>
Income before tax		\$ 49,000
Income tax expense		<u>10,000</u>
Net income		<u>\$ 39,000</u>

The Statement of Cash Flows

It is a financial statement that shows how a company's cash and cash equivalents have changed over a period of time. It is divided into three sections:

- Cash flows from operating activities
- Cash flows from investing activities
- Cash flows from financing activities

The statement is used to assess a company's liquidity, solvency, and ability to generate cash. It is also used to identify trends and make future financial projections. The statement of cash flows is typically presented alongside the income statement and balance sheet in a company's financial statements. To prepare the cash flows statement, following process is followed.



Source: online.hbs.edu/blog/post/how-to-prepare-a-cash-flow-statement

Market Capitalization

It is a measure of the value of a publicly traded company. It is calculated by multiplying the total number of shares outstanding by its price per share. For example, a company with 10 million shares selling at \$30 a share would have a market cap of \$300 million.

Market Value Added

Market Value Added (MVA) is a financial metric that measures the difference between a market value of a company and capital contributed by all investors.

Market to Book Ratio

It is a financial ratio that compares a company's market value to its book value. It is calculated by dividing the market capitalization of a company (the total value of all outstanding shares) by the company's total shareholder equity (book value) as reported on the balance sheet.

Measuring Profitability

Following are the three main profitability measures.

1. Return on Equity (ROE) - This measure calculates the profitability of a business by dividing the net income by the total shareholder equity.
2. Return on Assets (ROA) - This measure calculates the profitability of a business by dividing the net income by the total assets.
3. Return on Investment (ROI) - This measure calculates the profitability of an investment by dividing the net profit by the total investment.

The DuPont System

It is a financial analysis method used to evaluate a company's overall performance by breaking down its return on equity (ROE) into three different components: net profit margin, total asset turnover, and financial leverage. The DuPont system uses the following formula to calculate ROE:

$$\text{ROE} = (\text{Net Profit Margin}) \times (\text{Total Asset Turnover}) \times (\text{Financial Leverage})$$

The DuPont system is useful for identifying areas where a company can improve its performance, such as increasing sales or reducing costs. It is also useful for comparing the performance of different companies in the same industry.

Measuring Liquidity

Liquidity is a measure of how easily an asset can be converted into cash. It is important to measure liquidity because it helps investors and businesses understand the level of risk associated with an investment or asset. Ways to measure liquidity, includes:

1. **Current ratio:** This measures a company's ability to pay off its short-term liabilities with its current assets. A higher current ratio indicates greater liquidity.
2. **Quick ratio:** This measures a company's ability to pay off its short-term liabilities with its most liquid assets, such as cash and marketable securities. A higher quick ratio indicates greater liquidity.
3. **Cash ratio:** It is a financial ratio that measures a company's liquidity and ability to meet short-term obligations. It is calculated by dividing a company's cash and cash equivalents by its current liabilities.

Contemporary Issue in Business

Contemporary issue in business involves increasing focus on sustainability and corporate social responsibility. Many companies are recognizing this importance of minimizing their environmental impact and promoting ethical practices, and are implementing policies and initiatives to achieve these goals.

The Multiple Environments of Business

Businesses operate in multiple environments that can have a significant impact on their operations and success. These environments include:

1. **Economic Environment:** This refers to the overall economic conditions that affect businesses, such as inflation, interest rates, and GDP. These factors can impact a business's revenue, profits, and ability to access funding.
2. **Social Environment:** This includes the cultural, demographic, and societal factors that affect a business. For example, changes in consumer preferences or attitudes towards certain products or services can impact a business's sales.
3. **Technological Environment:** This refers to the advancements and innovations in technology that can affect a business. For example, the rise of e-commerce has greatly impacted brick-and-mortar retail businesses.
4. **Political and Legal Environment:** This includes the laws and regulations that businesses must comply with, as well as any political or government policies that can impact them. For example, changes in tax laws or trade tariffs can greatly affect a business's operations and profits.
5. **Competitive Environment:** This includes the other businesses that operate in the same industry or market as a business. Understanding the strengths and weaknesses of competitors can help a business make strategic decisions to stay competitive.



Role of Stakeholders in Business

Stakeholders are individuals or groups that have an interest or concern in the performance and actions of a business. They play a critical role in the success of a business by providing resources, support, and feedback. The following are some examples of stakeholders and their roles in a business:

- Employees
- Shareholders
- Management
- Investors
- Communities



Business Ethics and Corporate Social Responsibility

Business ethics refers to the principles and standards that guide behavior in the world of business. Corporate social responsibility (CSR) is a type of business self-regulation that aims to ensure that a company is acting in the best interests of society at large.

CSR activities may include things like charitable giving, environmentally-friendly practices, and fair labor standards. Both business ethics and CSR are important for building trust and positive relationships with stakeholders, such as customers, employees, and the communities in which a company operates.

Ethical Behavior

Ethical behavior refers to actions that are morally and socially acceptable, fair, and responsible. It involves adhering to a set of principles and values that guide decision-making and interactions with others. Ethical behavior involves:

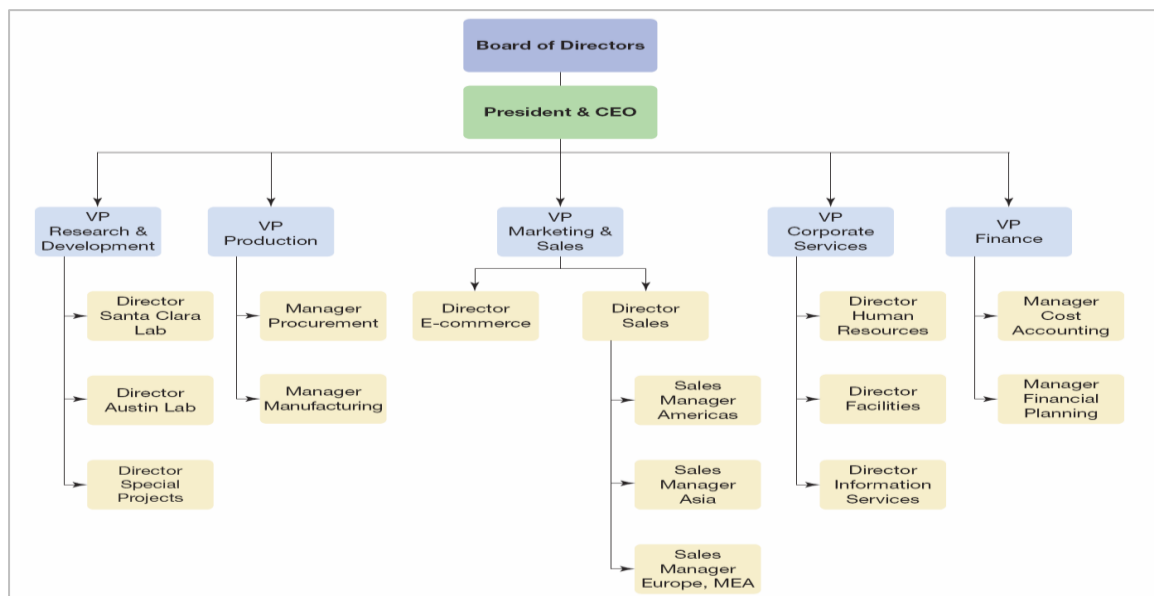
- Competing fairly and honestly
- Communicating truthfully
- Being transparent
- Not causing harm to others



Effective Organizational Structure

An effective organizational structure is one that aligns with the overall goals and objectives of the company, enables clear communication and decision-making, and allows for efficient use of resources. It should also promote accountability and foster a positive work culture.

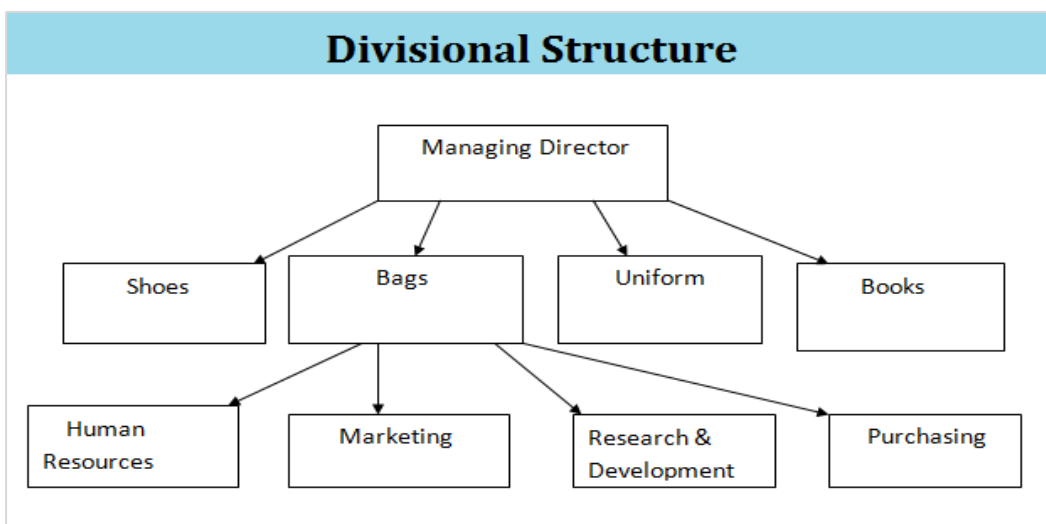
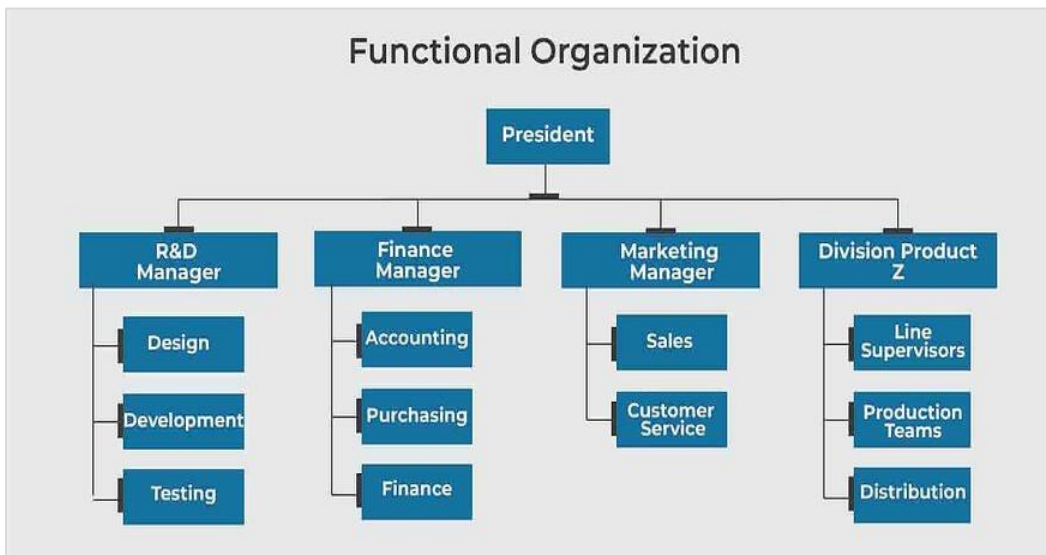
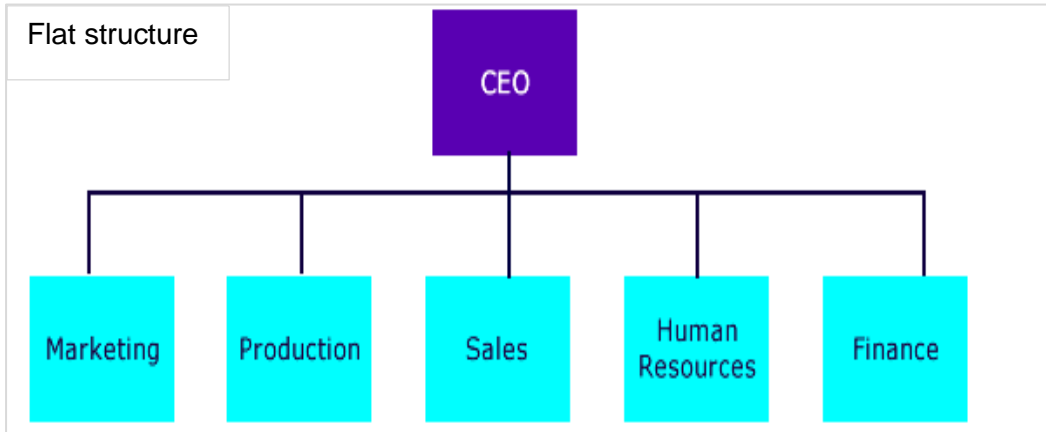
1. **Clear Hierarchy:** A clear chain of command ensures that responsibilities and decision-making authority are clearly defined and understood.
2. **Departments:** Organizing employees into departments or teams based on their skills and responsibilities helps to streamline operations and increase efficiency.
3. **Communication Channels:** An effective organizational structure should have clear and open communication channels to facilitate the flow of information and ideas throughout the company.



Types of Structures

1. **Flat structure** (also known as a "lean" or "horizontal" structure) - characterized by a flatter hierarchy and a wider span of control, with decision-making power distributed among a larger group of people.
2. **Functional structure** - characterized by a grouping of employees by specialty, such as by department, with each department focused on a specific function or area of expertise.
3. **Divisional structure** - characterized by a grouping of employees by product, geography, or customer, with each division focused on a specific area of the business.

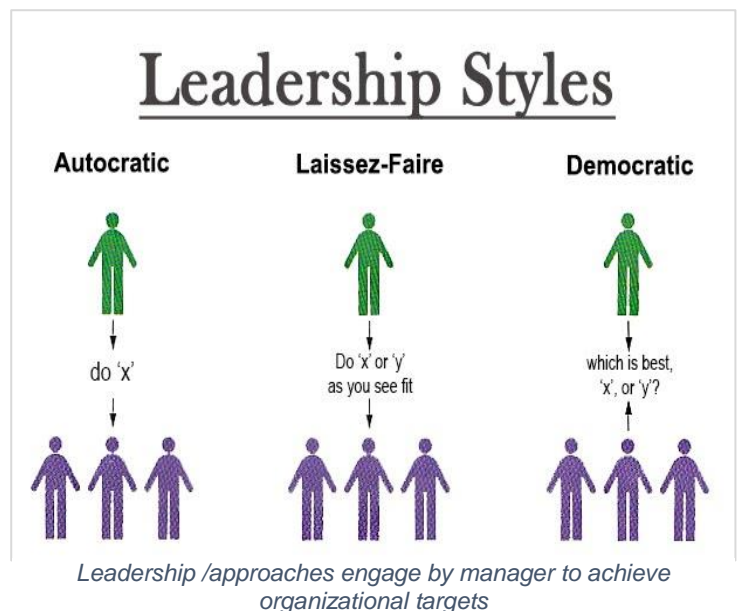
4. **Network structure** - characterized by a decentralized and loosely-coupled organization, with the company outsourcing non-core functions to external partners and suppliers.





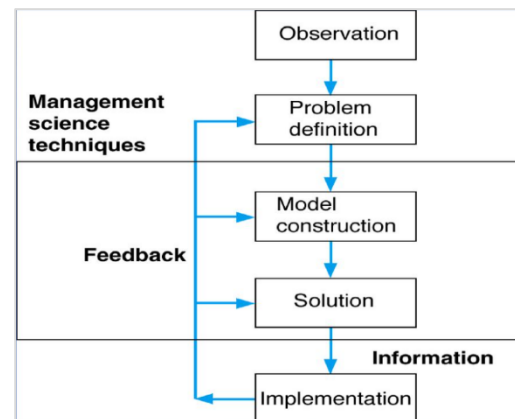
Leadership Styles

1. **Autocratic:** This style is characterized by a leader who makes decisions alone, without input from team members. The leader also tends to be highly directive and controlling.
2. **Democratic:** This style is characterized by a leader who involves team members in the decision-making process and encourages participation and collaboration. The leader values input from team members and encourages teamwork.
3. **Laissez-faire:** This style is characterized by a leader who allows team members to work independently and make their own decisions. The leader takes a hands-off approach and provides minimal direction.



Decision Science For Business

Decision science for business refers to the use of quantitative methods, including statistics, mathematical modeling, and data analysis, to inform and support business decisions. This field of study applies scientific and mathematical concepts to real-world business problems and decision-making processes, such as risk assessment, forecasting, and optimization.



Decision science for business can be used in various areas, including finance, marketing, operations, and human resources, to make informed and evidence-based decisions that drive business growth and success.

Generic Mathematical Model

A generic mathematical model is a set of mathematical equations or formulas that are used to represent a specific system or phenomenon. These models can be used to make predictions, analyze data, and understand complex systems. Examples of generic mathematical models include linear regression, logistic regression, and differential equations.

One of the key components of decision science is the use of mathematical models and statistical techniques to analyze data and make predictions about future events. By using mathematical models and statistical techniques to analyze data and make predictions, decision science can help organizations make better decisions based on evidence and data. Additionally, by understanding how people make decisions, decision science can help organizations make better decisions by taking into account how people value different options. With the help of computer science, decision science can also help organizations make decisions faster and more efficiently.

Decision Tree

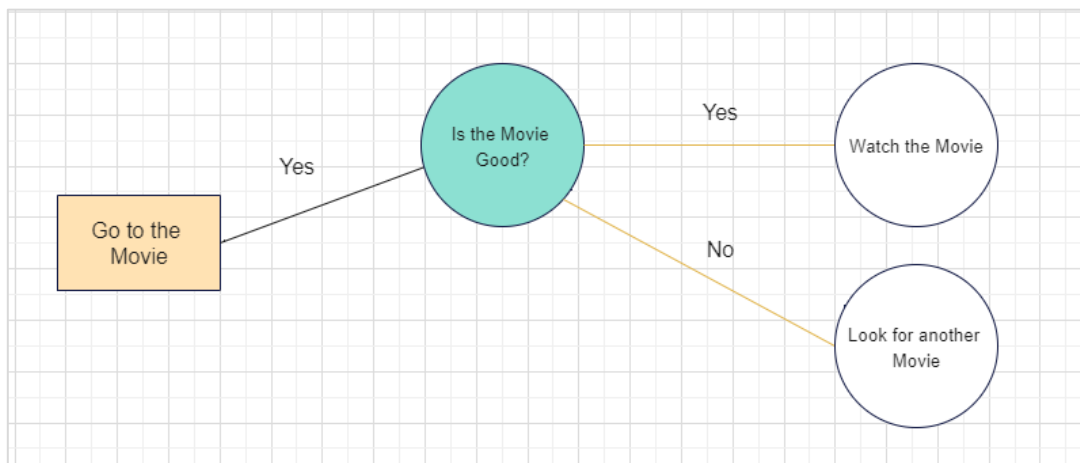
A decision tree is a graphical representation of possible solutions to a decision based on certain conditions. It is used to identify a strategy or a course of action to take based on the outcome of certain events. A decision tree is a graphical representation of a decision-making process. It is a tree-like structure where each internal node represents a test on an attribute, each branch represents an outcome of the test, and each leaf node represents a class label.

Example:

Let's say we are trying to decide whether to go to a movie or not. We can use a decision tree to help us make this decision.

- The root node is "Go to the movie?"
- The first internal node is "Is the movie good?"
- If the movie is good, the next internal node is "Is the movie theater close?"
- If the movie theater is close, we take the "Yes" branch, which leads to the leaf node "Go to the movie."
- If the movie theater is not close, we take the "No" branch, which leads to the leaf node "Don't go to the movie."
- If the movie is not good, the next internal node is "Is the movie theater cheap?"
- If the movie theater is cheap, we take the "Yes" branch, which leads to the leaf node "Go to the movie."
- If the movie theater is not cheap, we take the "No" branch, which leads to the leaf node "Don't go to the movie."

In this example, the decision tree helps us make a decision about whether to go to the movie based on various factors such as the quality of the movie and the proximity and cost of the movie theater.



Pinar Industrial Visit

Pinar is a leading Turkish food company that produces and markets a wide range of products, including meat, dairy, and packaged goods. Founded in 1962, the company has grown to become one of the largest food companies in Turkey, with a strong presence in both the domestic and international markets. Pinar is known for its high-quality products, innovative packaging, and commitment to using only the freshest and most natural ingredients.



The company prides itself on its strict adherence to food safety standards and its commitment to sustainability, both in terms of its production processes and its impact on the environment. Overall, Pinar is a trusted and respected brand in the food industry, and continues to be a major player in the global food market.

Exports

Pinar industry exports a wide range of food products to many countries around the world. Some of the major export markets for Pinar include:

- **Europe:** Germany, France, Italy, and the United Kingdom.
- **Asia:** China, Japan, South Korea, and Singapore.
- **Africa:** Egypt, South Africa, and Nigeria.
- **Americas:** United States, Canada, and Brazil.
- **Middle East:** Saudi Arabia, United Arab Emirates, and Kuwait.

Pinar's products are known for their high quality and natural ingredients, which makes them very popular in international markets. The company has a strong reputation for providing excellent customer service and timely delivery of products.

The company exports a wide range of products including dairy, meat, processed foods, frozen foods, juices and beverages, spices and condiments, jams and preserves, sauces and dressings, canned goods, biscuits and cookies, chocolate and confectionery, olive oil and other cooking oils, rice, pasta and cereal, tea and coffee, honey,



molasses, syrups, nuts and dried fruits, pet foods, sauces, marinades, snack bars and energy bars.

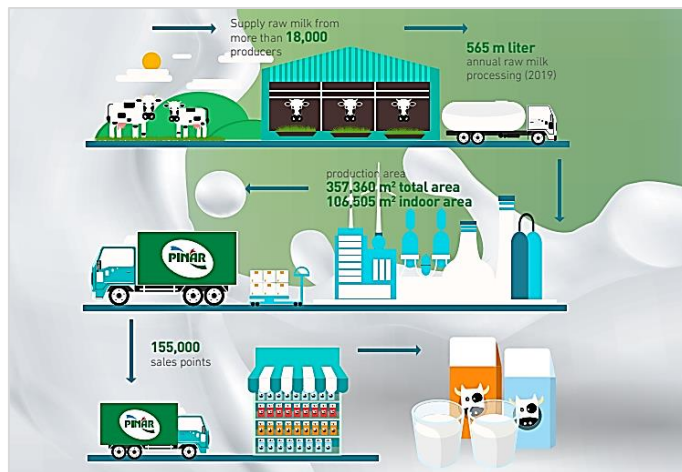
Pinar's Supply Chain

Pinar operates several production facilities in Turkey, equipped with state-of-the-art technology and equipment to ensure the highest quality of products. The company has a team of skilled and experienced professionals who are dedicated to producing the best quality products.

To generate the finished product, the entire production sector was divided into various process sections. Modern equipment is used to automate the majority of the processes. After each product achieved the specified quality criteria, it was sent to the market. Each product line has numerous categories, allowing for a variety of adjustments for different user types. A four-hour tour to the PINAR was very educational and informative.



Pinar's production process is based on strict quality control and adherence to international food safety standards. The company uses only the best quality ingredients and uses advanced technology to produce food products that are safe, healthy, and delicious.



In addition to its production facilities, Pinar also has a strong distribution network that enables it to supply its products to customers in Turkey and around the world. The company is committed to providing its customers with the best quality products and excellent customer service. Pinar industry has several production plants located in different parts of Turkey.

These plants are equipped with state-of-the-art technology and equipment to ensure the highest quality of products.

1. **Izmir Dairy Production Plant:** This plant is located in the city of izmir and specializes in dairy production and has a dedicated dairy production plant. This plant is equipped with state-of-the-art technology and equipment to ensure the highest quality of dairy products. Some of the key dairy products produced by Pinar include:
 - a. **Milk:** Pinar produces a wide range of milk products including whole milk, skimmed milk, and semi-skimmed milk.
 - b. **Yogurt:** Pinar produces a variety of yogurt products including plain, flavored, and Greek yogurt.
 - c. **Cheese:** Pinar produces a wide range of cheese products including cheddar, feta, mozzarella, and gouda.
 - d. **Butter:** Pinar produces high-quality butter that is made from the freshest cream.
 - e. **Cream:** Pinar produces fresh cream that is used in a variety of culinary applications.
2. **Istanbul Frozen Foods Plant:** This plant is located in Istanbul and specializes in the production of frozen foods such as frozen meals, dumplings, and pastries.
3. **Bursa Snack Food Plant:** This plant is located in Bursa and specializes in the production of snacks such as potato chips, popcorn, and crackers.
4. **Konya Jams and Preserves Plant:** This plant is located in Konya and specializes in the production of jams and preserves such as strawberry, raspberry, and apricot jams.

In terms of market performance, Pinar has been consistently growing over the past few years. The company has a strong distribution network that enables it to supply its products to customers in Turkey and around the world.

SWOT Analysis

Strengths:

- Robust and reliable brand identity with a reputation for producing high-quality products.
- Wide product range: PINAR offers a wide range of dairy products, including milk, cheese, yogurt, and butter, which helps to attract a diverse customer base.
- Strong distribution network: PINAR has a strong distribution network and Turkey's largest cold chain to reach to its customers.
- Sustainable production practices: PINAR is committed to sustainable production practices, which helps to attract environmentally conscious customers.

Weaknesses:

- High production costs: PINAR's production costs are high, which may limit its ability to compete on price with other dairy producers.
- Depreciation of Turkish Lira: PINAR finds it difficult to export its products due to depreciation of currency.
- Dependence on local suppliers: PINAR is heavily dependent on local suppliers for its raw materials, which may limit its flexibility in sourcing materials.

Opportunities:

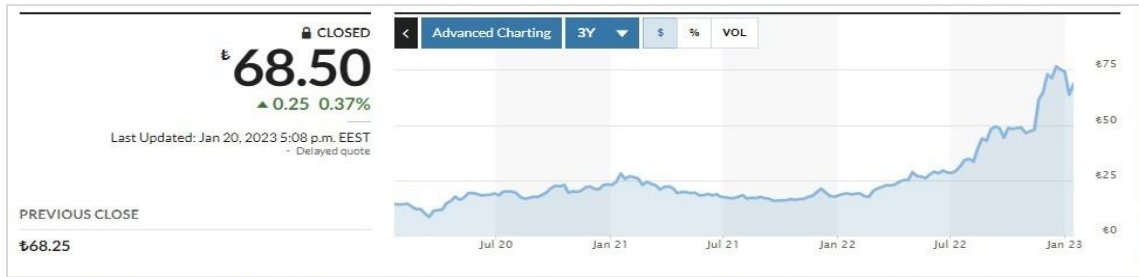
- Growing demand for organic products: As consumers become increasingly interested in organic and sustainable products, PINAR may be able to capitalize on this trend by expanding its organic product offerings.
- Expansion into international markets: Currently, Turkey ranks 9th in the world raw milk production and PINAR can expand its international presence by targeting new markets.
- Development of new product lines: PINAR may be able to develop new product lines, such as non-dairy alternatives, to appeal to a wider range of customers.

Threats:

- Intense competition: PINAR faces intense competition from other dairy producers, both domestic and international.
- Volatility in milk prices: PINAR's profitability is greatly affected by volatility in milk prices, which can fluctuate based on supply and demand.
- Changes in consumer preferences: PINAR may be impacted by changes in consumer preferences, such as a shift towards plant-based alternatives.

Market Performance

The market performance of PINAR in recent years has been generally positive. The company has reported steady growth in revenue and profits, driven by strong demand for its dairy products. PINAR has also been able to maintain a strong market share in the dairy industry, thanks to its wide product range and strong brand reputation.



Source: Market Watch²

PINAR market share has abruptly increased as depicted in the above graph. In July 2020, PINAR share price was ₺18 and in Jan 2023 it is ₺64, thus signifying greater market penetration in both domestic and international markets.

MILK GROUP		
PRODUCT	TURNOVER MARKET	SHARE POSITION
Plain Milk	24.4%	Leader
Light Milk	48.5%	Leader
Kids' Milk	75.3%	Leader
Organic Milk	86.7%	Leader
Protein Milk	50.6%	Leader

CHEESE GROUP		
PRODUCT	TURNOVER MARKET	SHARE POSITION
Total Spreadable Cheese	32.7%	Leader
Labneh	44.1%	Leader
Sliced Cheese	24.9%	Leader
Fresh Cheese	48.9%	Leader

As per the PINAR Annual Report 2019, it is well stated that they are the market leaders in milk production across numerous categories of milk produced.

Source: PINAR Annual Report 2019

Haleeb Foods Limited

Haleeb Foods Limited is a leading Pakistani dairy company that was founded in 1984. The company is known for its high-quality dairy products. Over the years, the company has established itself as a reputable brand in the Pakistani market, and it has a wide range of products that cater to the diverse needs of its customers.



The company follows strict quality control measures to ensure that its products meet the highest standards. Additionally, the company is committed to sustainability and it has implemented several initiatives to reduce its environmental impact.

² PNSUT.E stock price: Pinar Sut Mamulleri sanayii A.S. stock quote (Turkey: Istanbul). MarketWatch. (n.d.). Retrieved January 21, 2023, from <https://www.marketwatch.com/investing/stock/pnsut.e?countrycode=tr>

Haleeb Foods Limited produces a wide range of dairy products i.e. Milk, Yogurt, Butter cheese, Milk powder and Cream. All the products of haleeb are Halal and hygienically produced, with high-quality ingredients, adhering to strict quality standards, to ensure the best taste and the highest level of nutrition, health and safety.



SWOT Analysis

Strengths:

- Strong brand recognition: Haleeb Foods Limited has a strong brand name in the market, which helps it to attract and retain customers.
- Wide product portfolio: The company offers a wide range of food products, including milk, yogurt, and other dairy products, which helps it to cater to the diverse needs of its customers.
- Strong distribution network: Haleeb Foods Limited has a well-established distribution network that enables it to reach its customers in various regions.

Weaknesses:

- Dependence on suppliers: The company is heavily dependent on suppliers for raw materials, which can affect its operations if the suppliers fail to deliver on time.
- Lack of innovation: Haleeb Foods Limited lacks innovation in its product portfolio, which makes it difficult to compete major players.
- Carries out less promotional/ advertising activities compared with competitors

Opportunities:

- Expansion into new markets: The company can explore new markets, such as international markets, to increase its customer base and revenue.
- Introduction of new products: Company can introduce new products to cater to the changing consumer preferences and stay ahead of the competition.

Threats:

- Intense competition: The food industry is highly competitive, and Haleeb Foods Limited faces competition from both local and international players.

- Fluctuating commodity prices: The prices of raw materials, such as milk, can fluctuate, which can affect the company's profitability.
- Animal Diseases: Raw milk production is directly dependent on health of livestock. Occurrence of any disease can impact the supply chain.

Market Performance

Haleeb Foods which has outperformed in the Pakistani market in 2000's and at one time has enjoyed the lionshare of 70% market has tremendously nosedive upon entering of competitors. Haleeb Foods has been facing poor market performance in recent years. The company has been struggling to maintain its market share and profitability due to intense competition and changing consumer preferences.

The market is becoming more crowded, and consumers have more options to choose from. This has made it more challenging for Haleeb Foods to maintain its market position. Moreover, consumers are becoming more health-conscious and are looking for healthier and more natural alternatives to traditional dairy products. This has led to a decline in demand for some of Haleeb Foods' traditional products, such as sweetened condensed milk and tea whiteners.

The company has also been facing operational challenges, such as supply chain disruptions and rising costs of raw materials. These challenges have had a negative impact on the company's financial performance as evident from

Haleeb Foods Limited		Appendix I			
FINANCIAL SUMMARY (amounts in PKR millions)					
	June 30, 2018	June 30, 2019	June 30, 2020	May 31, 2021	
INCOME STATEMENT					
Net Sales	9,456	7,972	7,379	10,410	
Gross Profit	1,506	688	263	1,785	
Operating Profit	184	(247)	(581)	(202)	
Profit Before Tax	124	(328)	(752)	(279)	
Profit After Tax	169	(410)	(792)	(322)	
FFO	301	(186)	(616)	(78)	
RATIO ANALYSIS					
Gross Margin (%)	15.9	8.6	3.6	17.2	
Net Margin (%)	1.8	(5.1)	(10.7)	(3.1)	

the attached financial summary. The operating profit of Haleeb Foods is continuously being declining fsince 2019 till 2021.

To address these issues, Haleeb Foods has been implementing a number of strategic initiatives. The company is focusing on product innovation and diversification, improving its supply chain and distribution networks, and investing in marketing and advertising to increase brand awareness but it will take time to see the results of these efforts.

Conclusion

Pinar and Haleeb Foods are both leading dairy products manufacturers in their respective countries, Turkey and Pakistan. However, there are some key differences between the two companies.

1. First, Pinar is a much larger and more diversified company than Haleeb Foods. Pinar operates in various segments such as Dairy, Meat, and Poultry, and has a wider range of products including cheese, yogurt, and meat products, while Haleeb Foods is primarily focused on dairy products and fruit juices.
2. Secondly, Pinar has a more established international presence as compared to Haleeb Foods. Pinar exports its products to more than 25 countries, while Haleeb Foods primarily operates in the domestic market.
3. Pinar has a more robust financial performance compared to Haleeb Foods. Pinar has seen steady growth in revenue and profitability over the past few years, while Haleeb Foods has been facing poor market performance due to intense competition and changing consumer preferences.
4. Lastly, Pinar has a more diverse product portfolio and also established a strong brand reputation in the market. Pinar is known for its high-quality products and has a strong reputation among consumers, while Haleeb Foods is facing challenges in maintaining its market position due to competition.

In conclusion, while both Pinar and Haleeb Foods are leading dairy products manufacturers, Pinar is a larger and more diversified company with a more established international presence and better financial performance. Pinar also has a diverse product portfolio and a strong brand reputation, which differentiates it from Haleeb Foods. Both companies have their unique strengths and weaknesses, and their future performance will depend on how they adapt to changing market conditions and consumer preferences.