

Report on  
A Comparison of Traditional Vs Digital Marketing Approach in the  
NBFIs of Bangladesh with Reference to IPDC Finance Limited

By

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An Internship Report Submitted to The BRAC Business School in Partial Fulfillment of The  
Requirements for The Degree of Masters of Business Administration

BRAC Business School  
BRAC University  
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## **Declaration**

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

## **Student's Full Name & Signature:**

*Tasnim Abedin*

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## **Supervisor's Full Name & Signature:**

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Lecturer, BRAC Business School

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## Letter of Transmittal

Md. Shamim Ahmed  
Lecturer,  
BRAC Business School  
BRAC University  
66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report

Dear Sir,

With great pleasure, I submit my internship report on A Comparison of Traditional Versus Digital Marketing Approach in the NBFIs of Bangladesh with Reference to IPDC Finance Limited that you have approved and assigned as a requirement to fulfill the MBA degree.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

I trust that the report will meet the desires.

Sincerely yours,

*Tasnim Abedin*

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Tasnim Abedin  
Student ID: 17264060  
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Date: June, 2020

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## **Executive Summary**

Nothing in this world is free from comparison. In the context of business comparison, the old and new ways of marketing have a lot of things to compare. There must be a sequence or a flow from the old to the new systems, but the old ones cannot be denied as, sometimes, old can be old. On the other hand, the new ones have to be well accepted to compete in the business market. A big challenge to celebrate the advantages minimizing the disadvantages. I tried to portray the comparison between traditional marketing and digital marketing as much as possible using examples of IPDC Finance Limited. In this time of technological advancement, every institution is in a competitive mood to be digitized. IPDC, as the first NBFIs of Bangladesh, is not excluded from that competition. On the other hand, the old history of marketing system also cannot be abandoned as it enriched today's image.

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## **Chapter 1**

### **Introduction: Comparison and Competition Cause Advancement and Development**

There is no such thing in this world representing the word ‘perfection’. Nothing can be glamorous or glorious enough to find out the defects or faults it possesses. From the business context, a product or an idea may have once celebrated its golden era in the market, but it has always been outperformed and beaten up by another and dragged into comparison. Comparison is the following step of ongoing competition that appears in market because of the intense necessity of survival of the business institutions and yearn for generating profit. Competition initiates comparison and, eventually, causes advancement and development. There may have a lot of advancement or development taking place in the market now-a-days. People keep researching on the past and present to sketch the future scenario coming up next. In the context of business marketing, comparing between conventional advertising or traditional marketing and digital marketing can have a huge contribution into the advancement of the future of marketing.

## **Chapter 2**

### **Brief History of Traditional Marketing**

#### **2.1 Ancient Way of Marketing**

The idea of marketing started the day people generated the idea of trading. Marketing is simply one sort of communication or conveying information. All the methods and tools used for communication become the parts in the process of marketing. There were some conventional ideas of advertising and marketing those were used before to attract the group of consumers. If we start from the ancient time, the idea of marketing was like “presenting goods in a certain way for trading” (Hardy, 2016, para. 2). That idea started evolving gradually from the industrial



revolution. There were other certain ways of advertising or marketing practiced before such as words of mouth marketing strategies and postcards, fliers, brochures, letters, catalogs in a printing format. We can well follow the course if we put those strategies or techniques in categories. Keeping aside the word-of-mouth-marketing-strategy, traditional marketing categories include printing, broadcasting, direct mailing, telemarketing et cetera. After the invention of printing machine in 1440, it became a method for advertising (Kenton, 2020, Para 1). Printed materials like placard or poster, newspapers, newsletters, magazines, brochures started being produced and used for advertising or marketing purpose.



**T**O continue to use soiled, old-fashioned playing cards reflects upon yourself as host. American Bank Note Company playing cards are the newest, prettiest and most perfect yet made. Refined by good company. Backed by a reputation. Made by a concern whose work is the standard of excellence throughout the world.

If your dealer has not yet placed these cards in stock, *send us his name.* In the meantime there is a dainty box containing two of these packs waiting to be mailed to you. Both are printed on the finest linen stock with gold edges. Both have picture backs in beautiful colors, one showing the exclusive Chantecler design and the other Van Dyck's famous Baby Stuart. Just the thing for a pleasing gift or card party prize. Send one dollar with your name and address and your package will be mailed to you.



**AMERICAN BANK NOTE COMPANY**

70 Broad Street, New York City

"LOOK FOR THE EAGLE'S HEAD"

## **2.2 Progress of Advancement in Marketing System**

It may have made things easier to convey the message, but it lacks the glamour to attract the group of consumers. It might not be appealing or lively enough. People started thinking to develop more as the idea of glamour triggered. Gradually, the demand for getting things real and lively got increased. The era of broadcasting took over the world of print media as it became more accepted to the public. It was the result of the effort to get the clients more attached emotionally and attracted to the product. Broadcasting media includes radio and television commercial. It was like “on-screen movie theatre advertising” (Traditional Marketing [APA], n.d.).

## **Chapter 3**

### **Technology Reigning Over**

#### **3.1 The Necessity of Technology in Marketing**

People tried to cross the boundary in order to expand their trading, which was never easy before. They had to cross the sea using ships or other carriers that was not only dangerous as well as deadly risky. They started using the airways as the aeroplane had been invented. It was too expensive to frequently avail the cost of traveling and trading using airways. Physical visit for trade purpose crossing the border or a certain distance was never free from complexities. People get started realizing the necessity of using technology in purpose of fulfilling trading concerns. Thus, technology took place gradually.

#### **3.2 Using Technology in the Area of Indian Subcontinent**

As a progressive territory, the Indian Sub-Continent started to develop spreading business using technology. The first step of turning towards technology was the usage of computer. And,

then, we started getting the advantage of using internet to communicate beyond the boundary. That step of using internet was the biggest of all in the commercial revolution.

### 3.3 In the Context of Bangladesh Commercial Sector and Banking



The same happened in the country of Bangladesh. As a country of a small territory, it has become easier to cover up the network of the whole region in a very short period of time. That added benefits to the commercial organizations and companies, enhanced progress and accelerated the growth of foreign trade policies to the business sectors of Bangladesh. The power of networking connectivity not only secured the smooth communication to one area from another but also successfully formed the widespread link between Bangladesh and the whole world.

The banking system of Bangladesh also gets benefited by the advancement of technology. With the gradation of time and technology, the electronic banking system took the place of traditional banking. Electronic banking can be defined as “a form of banking in which funds are transferred through an exchange of electronic signals rather than through an exchange of cash, checks, or other types of paper documents. Transfers of funds occur between financial institutions such as banks and credit unions.” Assistant Professor Mohammad Shamsuddoha has well portrayed the sequence of progress as he categorized the three generations of electronic banking in his valuable writing “Electronic Banking in Bangladesh”. Now, we get familiar with the fourth generation banking in Bangladesh. Though the NBFIs have a different segment in the banking sector, they also have developed with the advancement of technology. The NBFIs of Bangladesh may not have similarly advanced in technology with many banks, but their marketing strategy has been changed a lot. The advertising process has brought a lot of differences. The whole process of marketing has been digitized.

As I gathered experience of 1.8 years as an employee of the retail business department in the first NBFIs of Bangladesh IPDC Finance Limited, I myself have witnessed the tireless and competitive effort of converting many systems into the digitalization process in that very short period of time. Undoubtedly, it is a wonder how swiftly things are getting changed with time because of the advancement of technology. In all the departments, digitalization is getting priority and is accepted whole-heartedly. The most advanced departments in getting digitalized is the departments of marketing and brand communication. That department has to work with all the rest of the departments. Their promptness to make systems digital is the solid proof of the transformation taking place every single day of corporate world.

## Chapter 4

### Company Background



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IPDC Finance Limited had started its journey in 1981 as the first Non-Banking Financial Institution of Bangladesh with a significant purpose of reconstructing the devastating situation of a newly independent nation that took place in the liberation war of 1971. At that time, the institution limited its operation to funding in the reconstructing process. Various companies started borrowing money from that institution in purpose of revitalizing their assets and constructions.

## Chapter 5

### **Advantages of Traditional Marketing and Digital Marketing with Reference to IPDC Finance Limited**

#### **5.1 Advantages of Traditional Marketing:**

As I have discussed with an old-employee of the institution, he told me about the old marketing system applied by IPDC Finance Limited. The advertising would not be telecasted at that time as telecasting the advertisement of banking institutions was not well practiced. There was no facility of internet as the usage of computer system and wireless phone were hardly applied. Usage of such technologies were not cost-effective in those days. That is why, things were much more documented and printed than today's. In those days, the employees had to carry the hard copied documents with them. Though the usage of broadcasting had already been started, that time of marketing was word-of-mouth type more than the broadcasting type. If a company got benefited and satisfied by the service of IPDC Finance Limited, it referred the name of that institution to another. There was no chance of losing the client if once the institution would become successful to gain the trust of one. The old clients are dealing even today.

Luckily, I met one of the oldest valuable clients of the institution whose daughter was my regular client too. After meeting that respected person, I learned about the values, priorities and significance of old days' business relationship. Once that relationship is made, it runs generation after generation. Unlike the present days, there was no stress of losing clients before so frequently. That old days' marketing, can be said, much stronger than today's' as it used to make a deal for a very long period of time and to get the institution benefited generation after generation. The fact that I find out behind holding a client for such long time is trust. IPDC gives special priority and service to its old clients. That is the reason I see the satisfaction of receiving



proper service in the eyes of that old clients while I discussed about the institution with him.

There is no matter how well the companies design their website in today's era of technological advancement, people struggle to trust. Technology may have eased the marketing process, but its disadvantages shaken people's trust issue. In the case of securing assets, trust issue is undoubtedly a big deal.

## **5.2 Advantages of Digital Marketing**

Reaching such a big number of clients going door to door has become impossible today with the blessing of advancement of digital marketing. Now, the broadcasting media, social media have made it possible to reach each and every client, which was beyond imagination in the time IPDC started its journey. In the time of liquidity crisis or any other types of crisis, the institution quickly offers its new campaigning to control the flow with the help of digital marketing. In today's market of dire competition, IPDC Finance Limited accelerated the role of digital marketing to outperform its competitors. Every single day the IT department along with the marketing and brand communication departments are working to promote digital changes. There is a touch of digitalization in every single operating part of the institution. It successfully dealt with Telenor to assist the women clients for health service. Digital marketing in that institution has achieved a transcending growth with its new branding that took place in 2014. IPDC got a new color with its re-branding and stepped into the advancement of digitalization.



## **Chapter 6**

### **Disadvantages of Traditional Marketing and Digital Marketing with**

#### **Reference to IPDC Finance Limited**

##### **6:1 Disadvantages of Traditional Marketing**

Old days' word of mouth marketing might gain loyal clients, but struggled to reach large number of potential clients in a short period of time. That type of marketing would not become able to increase the clients' list as fast as today's digital marketing can. Walking door to door for finding out and reaching potential clients were not only difficult but also risky for the employees who played the role of doing that job. An experienced colleague of mine explained to me his time of struggle in the job of marketing field back to 80s'. They had to visit and travel a lot that consumed time and energy, which they could use effectively. Some of them even used to get sick in the time of summer because of the scorching heat of the Sun. An old staff of IPDC once remembered to me about a complex situation of old days. It was an incident of a fraud client that the company had to deal with. The relationship manager could not see the details of a company or a client before having the first client-meet. That is why, those complexities would be created.

##### **6.2 Disadvantages of Digital Marketing**

As I said in my first paragraph that nothing is free from flaws. No one is unknown about cybercrime that is taking place these days. As a field of competition, one institution is stealing the ideas of another through hacking website and software. If something new is discovered, it has to be kept in strict protection until launching to the market. Digital marketing sometimes becomes very expensive as the institution has to spend for protection and for updating IT systems time after time.

## Chapter 7

### Conclusion

In the short period of experience in that NBFI, it was my utter realization that trust plays a big role in investment and long-term business deal. The question is who has or have the responsibility to keep that trust of the clients. The employees working in the marketing and brand communication departments who play the central role to gain the trust of the clients' may not always have the power to keep that trust. If a company or institution become unable to give back the money the clients secured there with trust and reliance, it hampers its own image and lose trust. As a result, people started become suspicious about other organizations as well. Once the trust is gone and the image of the company is tainted, the employees have nothing to do to gain it back. They leave the company eventually with its decaying value. People's Leasing And Financial Services Limited is the best example of such situation. On the other hand, the best NBFIs like DBH, IPDC Finance Limited, IDLC Finance Limited are the all-time well-performers keeping a very good record who are successfully maintaining their image, brand and fame trustworthy to their clients. Marketing was, is and will always be there to protect and promote the image and brand of a company. It is the responsibility of that company to keep going with that protection and promotion brought by its employees.

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