

Report On
“Fin-Tech and the Financial Inclusion Scenario of
Bangladesh: an overview of IDLC Finance”

By

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An internship report submitted to the Department of BBA in partial fulfillment of the
requirements for the degree of
Bachelors in Business Administration

BBA
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.

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Letter of Transmittal

17/06/22

Tania Akter,

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Subject: Submission of Internship report.

Ma'am,

It is a true privilege for me to deliver my internship report on Fin-Tech and the Financial Inclusion Scenario of Bangladesh: an overview of IDLC Finance. I'm also grateful for your approval of this report topic. It's a really distinguished and exciting time for me because I've been offered an internship with IDLC Finance Ltd, the top NBFIs of Bangladesh currently. I have dedicated myself to completing my internship with the utmost commitment and concentration in order to provide a successful internship report. It's also a great opportunity for me to be delivering my internship report under your guided footsteps. I appreciate all of your helpful recommendations.

For the creation of this report, I attempted to give it my all. However, if any problems or limitations surface, it will be my pleasure to respond to any questions or suggestions you may have about this report.

Yours Faithfully,

Tasfia Islam

ID: 18104134

BRAC Business School,

BRAC University

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Acknowledgement

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First and foremost, I'd like to express my gratitude to Ms. Tania Akter, my internship adviser and Co-Supervisor, Dr. Md. Kausar Alam. Their helpful thoughts, positive criticisms, and recommendations made things very clear for me overall. I was initially skeptical that I would be capable of providing a useful report, but with their help, I was able to complete everything in a systematic and timely manner. They kept me on pace to finish my report, and their suggestions were critical in ensuring that it was as faultless as achievable.

Following that, I must express my gratitude to Mr. Ahamed Najeeb Rahman, Manager and Head of Brands at IDLC Finance Ltd. He happily accepted my responsibility, provided me with ample amounts of time, and shared his professional experiences with me. His way of doing things not only taught me about the company culture, but also how to cope with coworkers. Mr. Jane Alam Romel, the Group Chief Marketing Officer of IDLC Finance Limited, was a true inspiration and directly assisted me a fair bit. I learnt a lot more from this excellent man than I anticipated, and I will remember everything he taught me. There are no words to describe such a man who, like a big brother, was always around when I couldn't do things correctly, and he is Khandker Nagib Anwar, the Group Deputy Head of Digital Assets & CSR of the marketing communication department. Head of Events, Mr. Saad Al Ahsan has actively trained me in the background research of event sponsorships which was an amazing learning experience as well. Mrs. Farhana Sharmin, Manager in CSR Marketing, deserves special recognition for her unwavering support throughout my internship and career. In addition, I'd like to convey my heartfelt gratitude to Md.

Ferdousul Islam and all of the marketing communication department personnel who assisted me during my internship and made it a wonderful experience.

Executive Summary

This report is made to show the performance of IDLC Finance as the leading NBFIs in the market to shape the lives of the unbanked population of Bangladesh by empowering them with inclusion of financial habits in managing their monetary transactions. In this report- “Fin-Tech and the Financial Inclusion Scenario of Bangladesh: an overview of IDLC Finance”, the overall scenario of the population who are less in touch with fin-tech and proper financial habits are analyzed and scrutinized. Having one of the best deposit scenarios, IDLC has been working with online deposits, both through MFS and account holding services for a long time now (Limited, 2022). In addition, I will attempt to explain why expanding the Deposit sector can create an impact for the development of our economy and how it can assist our country in becoming a sustainable developing country with infusion of financial literacy in the veins of the unbanked population of Bangladesh (MFS in Bangladesh: Complementing an inclusive economy, 2022). Despite the hardships, I attempted to fill my report with as much information as appropriate, given the resources I had.

IDLC Finance Ltd is a prominent non-banking financial institution (NBFIs) in Bangladesh that plays an important role in SME financing (Transforming SME Lending Landscape in Bangladesh - Future Startup, 2022). The trading industry has the highest rate of SME loan disbursement in the scope of IDLC funding, followed by the manufacturing sector, and the service sector. Small and medium-sized enterprises (SMEs) play a critical part in Bangladesh's economic development. IDLC's main business is offering SME credit facilities to businesses, as well as various types of loans to individuals and organizations, and this helps to keep the country going forward.

Chapter: 01

Overview of Internship

1.1 Student Information-

Name- Tasfia Islam

ID- 18104134

Program- Bachelors of Business Administration (BBA)

Major- Marketing and Finance

1.2 Internship Information-

I was honored with the opportunity to work in the Marketing and CSR Department of IDLC Finance Limited under very skilled personnel's where I could learn a lot about the targeted consumer groups for different products IDLC Finance hosts. For example, I had the privilege to work on the project of Affordable Home Loans. Here, the core story centralizes on a scene of two people- the protagonist being an IDLC Relationship Manager (RM) and the secondary character being the old school teacher of the RM. The story then goes on related to home loan but what I learned from this project was narrating the tales of the consumers from insight mining. How the lower middle-class people like the old school teachers suffer alone but do not give a proper thought to taking help from Banks and NBFCs which could easily avail them a way out of their miseries. Not only this, in my short tenure of three months only, I have been very lucky to be working over multiple projects related to deposits, home loans, car loans, SME Financing and others (Transforming SME Lending Landscape in Bangladesh - Future Startup, 2022). Through this journey, I could derive the value of people centric marketing and how Digital Marketing is working its wonders in today's internet driven world.

1.2.1 Basic Information-

Period- 4 Months

Company Name- IDLC Finance

Department- Marketing And CSR

Address- 57 Gulshan Avenue, IDLC Head Office

1.2.2 Supervisors' Information-

Name- Mr. Ahamed Najeeb Rahman

Position- Manager and Head of Brands

1.2.3 Functions in the department/ Work scope-

- Set indicative annual Marketing budget
- Set budget for brand campaigns for all business functions including brand equity promotions
- Appointment of agencies through due diligence complying with procurement policy
- Standardize briefing agency on campaign idea generation and getting creative output from agency for publication
- Set a uniform guideline for the maintenance and development of company websites and/or microsites
- To maintain a proper guideline for publishing Financial Statements that includes Price Sensitive Information to mitigate the chances of violating confidentiality and misuse information.
- Set indicative annual CSR budget
- Obtain proposals, evaluate and select projects and initiatives to ensure maximum positive impact on the people, community and environment
- Liaise with internal and external stakeholders to ensure project objectives are aligned and implemented with highest regards to the brand image and adherence to international standards and best practices.
- Developing event scope work and objective for targeted audience either pertaining to certain project or standalone initiative, drafting event checklist, planning event activities, implementing

branding and communication materials in collaboration with marketing team, identifying event measuring tools and evaluating the outcome of the event.

1.3 Internship outcomes

1.3.1 Students' Contribution-

During the four months of internship, I assisted in the teams' members in their tasks of research, pre-study, pitch deck preparation, market visits, media visits, PPM's, Agency communication, branch visits and renovation plans, partnership and affiliation proposal study and propositions and a few other support oriented assigned works.

1.3.2 Benefits to the student-

The learning opportunity in the team was immense. Every team member was very helpful during assigning and designating tasks and before designating, they used to elaborately teach the process of doing the work due to which, I got exposure to many new apps and interfaces that helped me later to do the tasks more easily and skillfully and this knowledge will help me in the near future as well.

1.3.3 Problems faced-

Since the study focuses on Savings, banking and digital financial habits, primarily backed by the data from the project of Savings through bKash, a project that enabled all the bKash account holders to open deposit accounts from the bKash app where they could open monthly savings schemes with IDLC Finance online paying installments ranging from BDT 500- BDT 3,000 every month. The issue that we face here is, most of the data collected are from IDLC's internal team (Limited, 2022). bKash has sent very limited data and I particularly did not have access to all of those. Which is why, the limitations work here. Apart from this, few of the insights mined from the data collected are yet to be proof checked as only the derivation has been done so far.

1.3.4 Recommendation-

The organization is already very efficient in its work but as an area of improvement, they lack the use of software integration in work and are slacking behind in automation if compared to foreign companies. They have a manual way of working and if that is replaced with automated solutions, I believe they will be reaching a new level of efficiency in work.

Chapter: 02

Organization Overview

(About IDLC and its products)

2.1 Company Outline-

Vision- “We will be the best financial brand in the country.”

Mission- “We will focus on quality growth, superior customer experience, and sustainable business practices.”

Company Values-

- Integrity
- Customer Focus
- Equal Opportunity
- Trust and Respect
- Passion
- Simplicity
- Eco-Friendly

(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

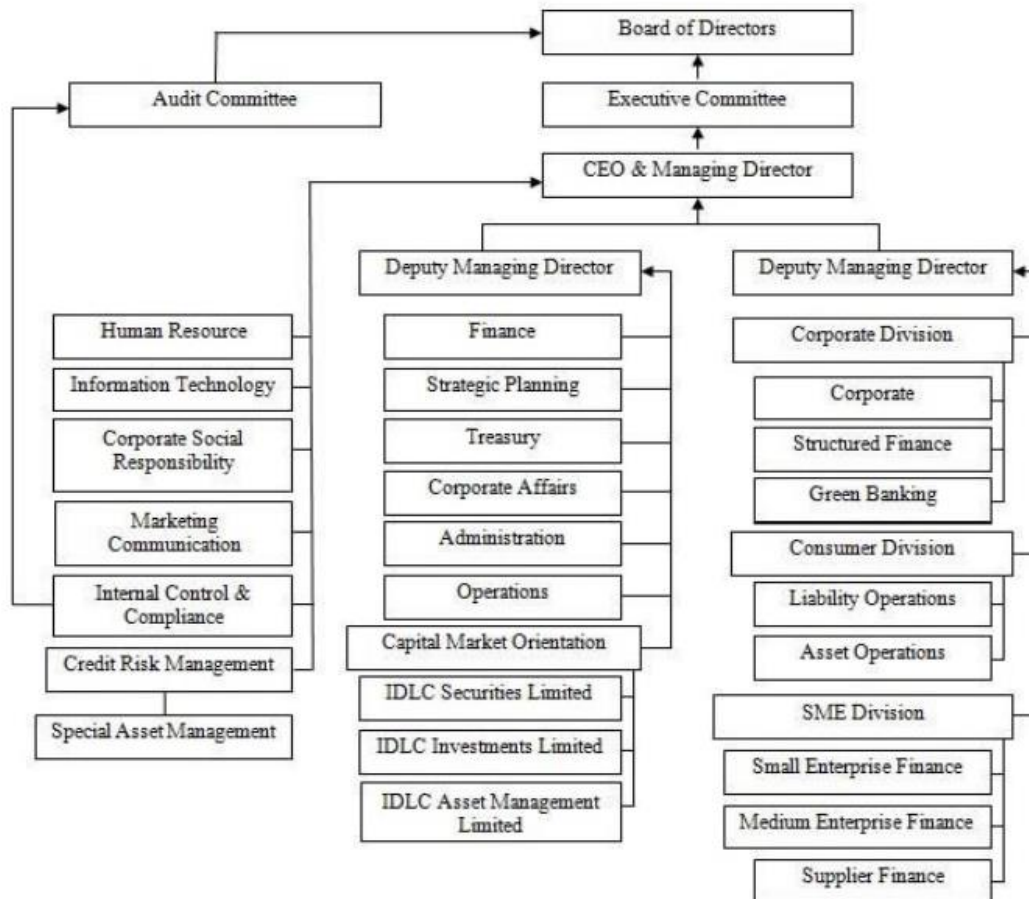
2.2 Company Overview-

Starting in 1985 as a single product leasing company, IDLC has emerged in its journey of 35 years. It has grown into the world's largest multi-product, multi-segment retailer Non-Banking Financial Institution of Bangladesh and earned its fame as one of the most prestigious financial brands of the country. IDLC now has a presence in over 20 locations, with 40 branches and booths employing over 1400 employees around the country in different territories and supporting over 45,000 clients in the industry. However, to claim that they are one of the top leading in the financial business would be limiting, as they are attempting to do more. IDLC Finance has not limited its reach to Finance Limited only. I.e., IDLC does not operate with loans and deposits only. They also operate in the three different segments of Capital Market as Securities Limited, Investments Limited and Asset Management Limited. They have multiple branches in multiple territories, even in rural segments of the country to physically deal with the customer's queries. Along with that, they have a 24/7/365 hotline designated for customer query servicing only. Not only that,

they are very active across all social media platforms for any kind of information, anytime. There are designated websites for IDLC FL, IL, SL and AL individually at the service of customers, always.

2.3 Management Board-

The IDLC Board of Directors established two sub-committees: the Executive Committee and the External Audit. The Executive Committee is in charge of topics relating to the Business's regular business operations as well as matters that the Executive board approves from time to time. The Audit Committee's responsibilities include, among other things, reviewing any matter relating to the Company's financial issues and surveying all review and assessment programs, internal control frameworks and techniques, bookkeeping strategies, and adherence to regulatory requirements, among other things. (IDLC Finance, Limited, 2015)



2.4 Branding guidelines and Marketing practices-

As a brand, IDLC aims to be the bearers of happiness in the lives of millions that they have touched. In communication they shall choose close cropped portrayals of numerous relationships that bring about the true essence of happiness (IDLC Finance, 2022). The images should convey the message of innate pleasure in being with the loved ones in a smaller scale with bigger meanings. Even the tagline of IDLC is “Financing Happiness”.

IDLC thrives on people centric marketing. Portraits are one of the prime ways to communicate with the audience through a story of a real person. They use positive-focused and confident faces for their portrait photography. All photographs focus on subject only.



Source- IDLC Facebook

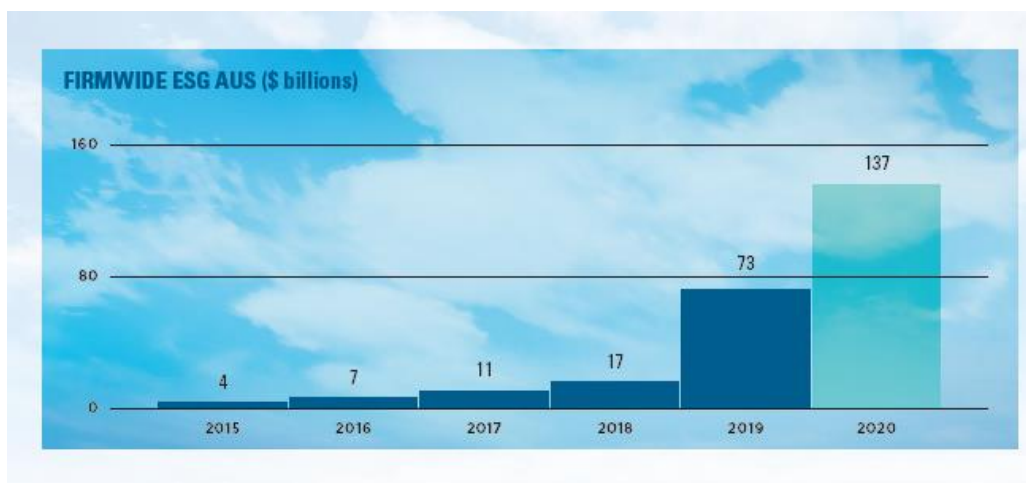
2.5 Financial Performance-

Key Financial Metrics (IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

Share capital	Authorized capital	2020	2021
		10,000,000,000	10,000,000,000
	Paid-up capital	3,770,507,800	3,959,033,190

Number of subsidiaries	03
------------------------	----

Total assets (BDT)	142,913
Loans and Advance (BDT)	91,756
Deposits (BDT)	73,171
Net Profit (BDT)	2,116
CRAR (Capital to Risk Assets Ratio) %	18%
Return on Equity (%)	13.21%
Return on Assets (%)	1.57%

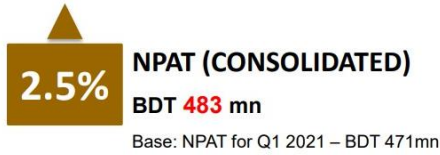


Source- IDLC Annual Report

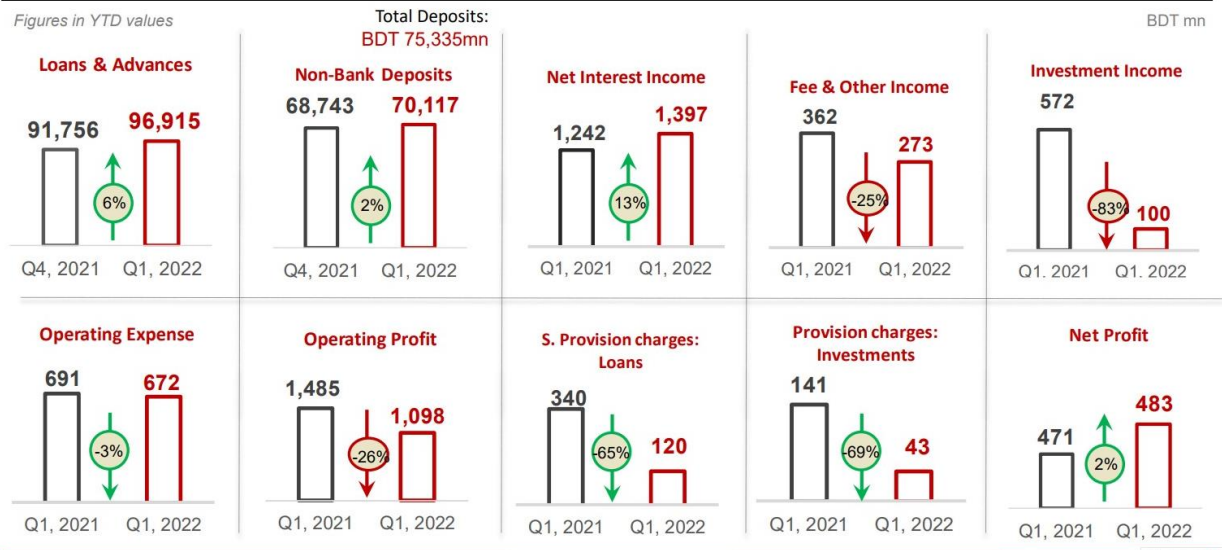
RATIOS

(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

Figures for YTD Q1 2022



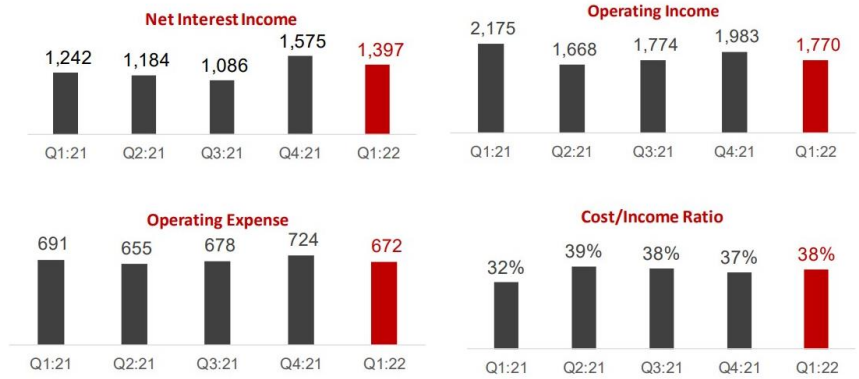
YoY Performance Metrics (Consolidated)



(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

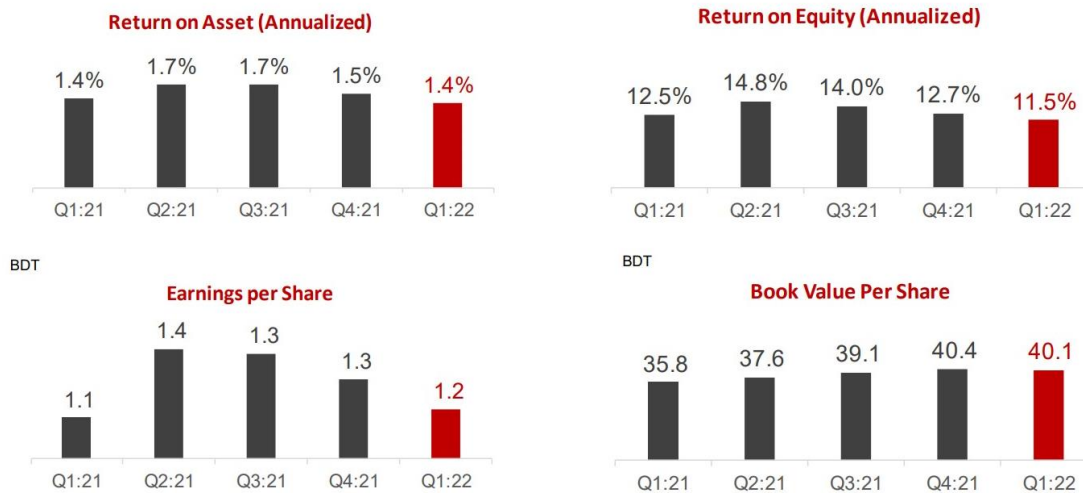
- Compared to YTD Q1'21, NII increased mainly on account of higher portfolio during YTD Q1'22. However, considering from Q4'21, NII fell on the backdrop of increased interest suspense upon withdrawal of loan classification freezing.
- Operating income reduced from Q4'21 due to lower NII & fees income
- OPEX fell from Q4'21 due to some yearly expenditures such as portfolio mgt. fee being realized then. Compared to Q1'21, OPEX savings mainly derived from
 - lower legal expenditure
 - decline in depreciation expenses & few other expenses

BDT mn



(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

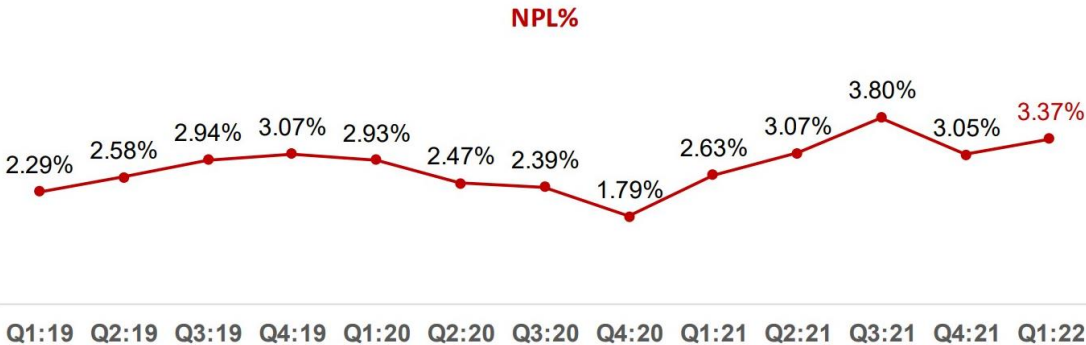
Shareholder Returns



(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

IDLC's revenues and workforce count have increased in recent years, according to the findings. In addition, a survey was conducted, with participants coming from IDLC Finance Ltd's operational section. They expressed in on a number of issues relating to IDLC Finance Ltd's SME performance. In parallel to the survey, the financial performance of competitors was compared to IDLC's performance. This was done in order to determine if IDLC has been instrumental in establishing presence in the NBFBI market or not.

Loan Quality



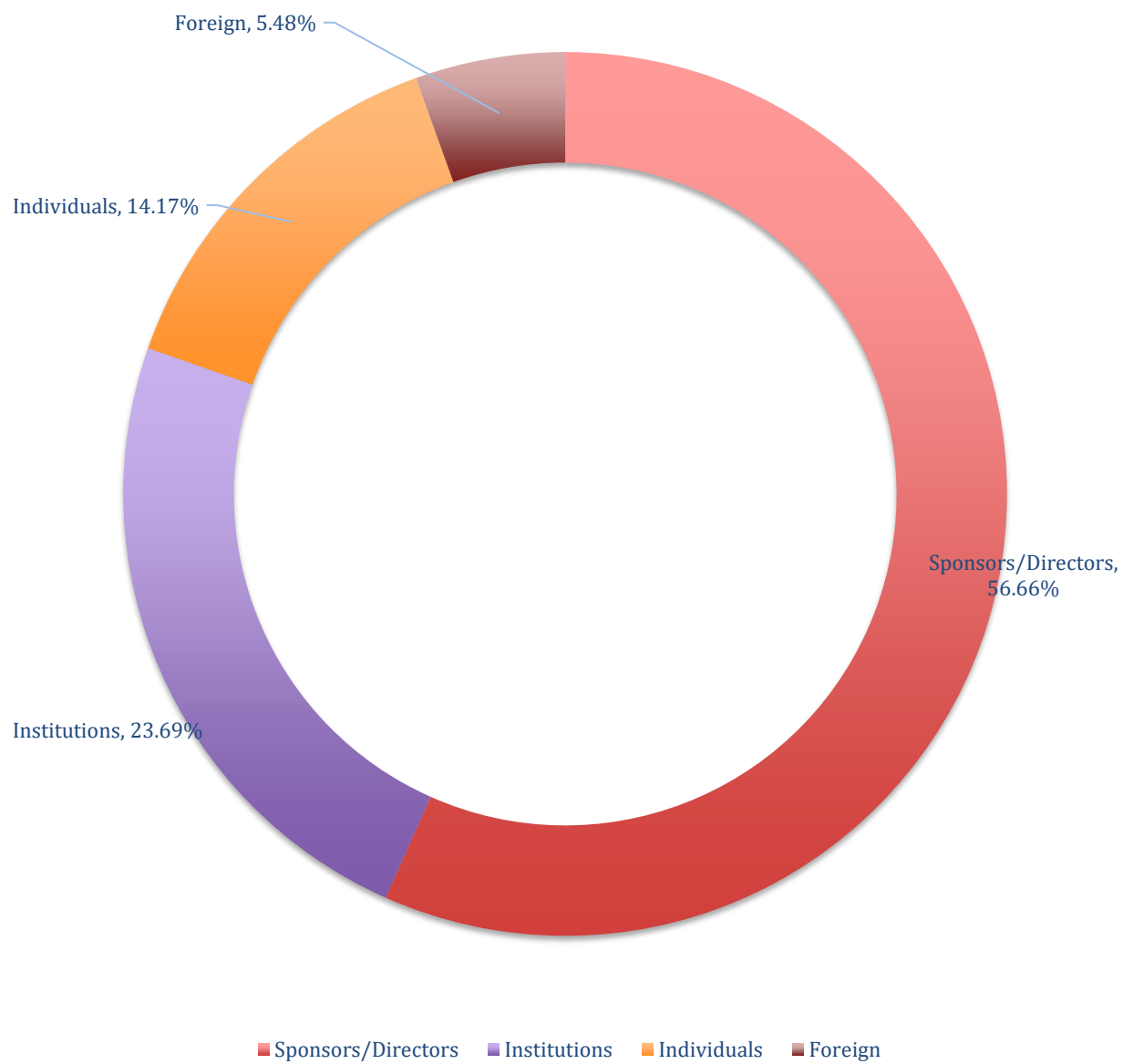
(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

Analyzing all these financial metrics, it can be interpreted that, IDLC Finance has all the capabilities of staying rooted as the top NBFBI of the country. All it has to do is compete healthily with the changing market demands with proper planning and adaptation. Though the profit margin ups and downs are there, IDLC is growing its portfolio size amongst these adversities.

IDLC Shareholding Structure
As of 31st December 2021

SL.NO.	NAME OF SHAREHOLDERS	NO.OF SHARES	AS A % OF TOTAL	
1	<u>Sponsors/Directors:</u>			
	<u>The City Bank Limited and its subsidiaries:</u>	91,886,102	23.21	
	The City Bank Limited	35,632,095	9.00	
	City Bank Capital Resources Limited	39,194,429	9.90	
	City Brokerage Limited	17,059,578	4.31	
	<u>Transcom Group:</u>	52,786,821	13.33	
	Eskayef Pharmaceuticals Limited	31,672,265	8.00	
	Transcraft Limited	15,888,634	4.01	
	Bangladesh Lamps Limited	5,225,922	1.32	
	Sadharan Bima Corporation	30,163,868	7.62	
	Reliance Insurance Limited	27,713,230	7.00	
	<u>Mercantile Bank Limited and its subsidiary:</u>	21,774,680	5.50	
	Mercantile Bank Limited	13,856,614	3.50	
	Mercantile Bank Securities Limited	7,918,066	2.00	
		Sub-Total	224,324,701	56.66
	2	<u>GENERAL</u>		
Institutions:				
Investment Corporation of Bangladesh (ICB)		30,349,154	7.67	
Bangladesh Fund		4,900,000	1.24	
Delta Life Insurance Co. Ltd.		5,116,758	1.29	
Marina Apparels Limited		3,959,031	1.00	
Other Institutions		49,451,305	12.49	
		Sub-Total	93,776,248	23.69
Individuals:				
General Public (Individuals)		56,115,268	14.17	
		Sub-Total	56,118,418	14.17
Foreign:				
Institutions & Individuals		21,687,102	5.48	
		Sub-Total	21,683,952	5.48
		Total	395,903,319	100.00

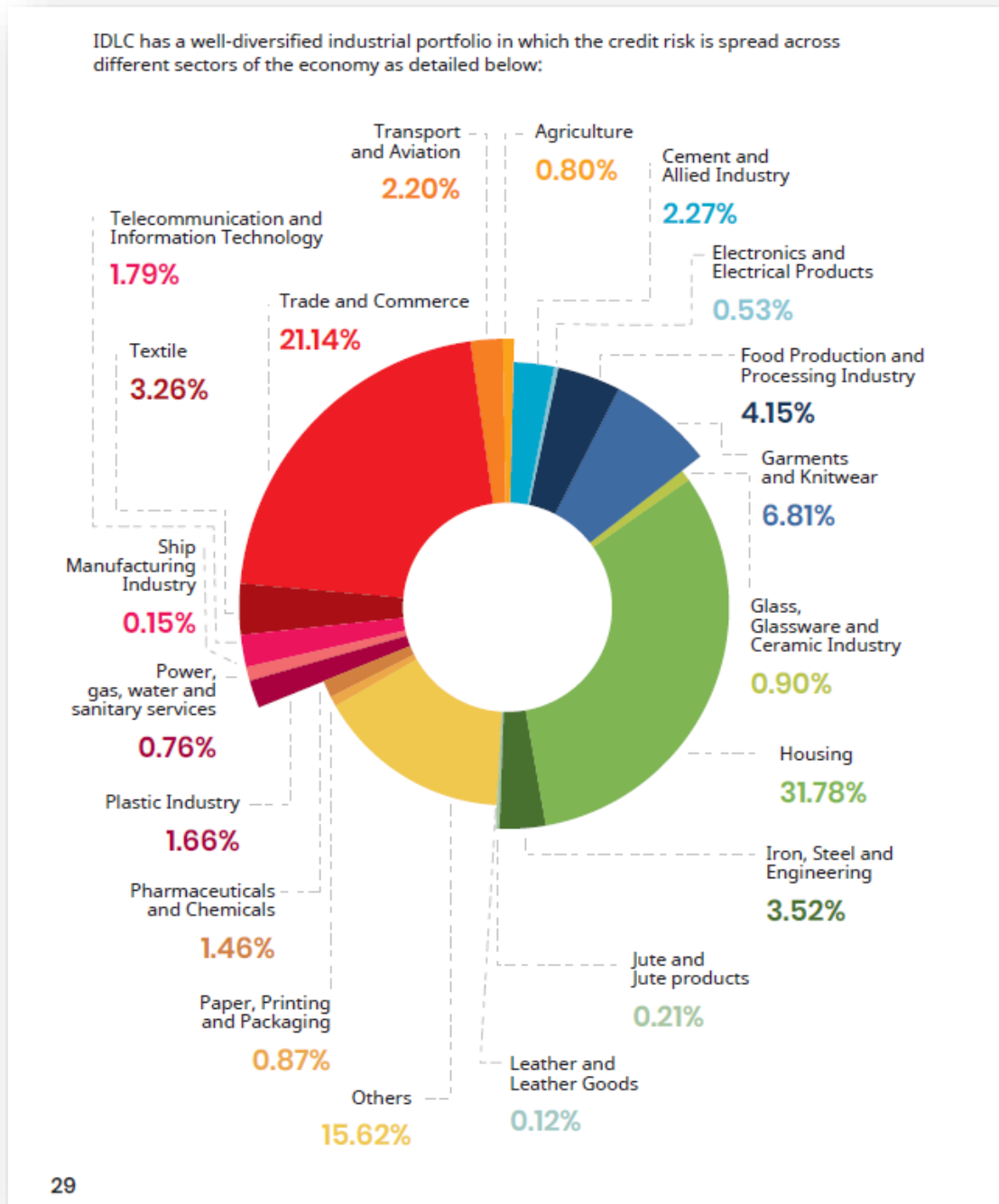
Source- IDLC Annual Report



Source- IDLC Annual Report

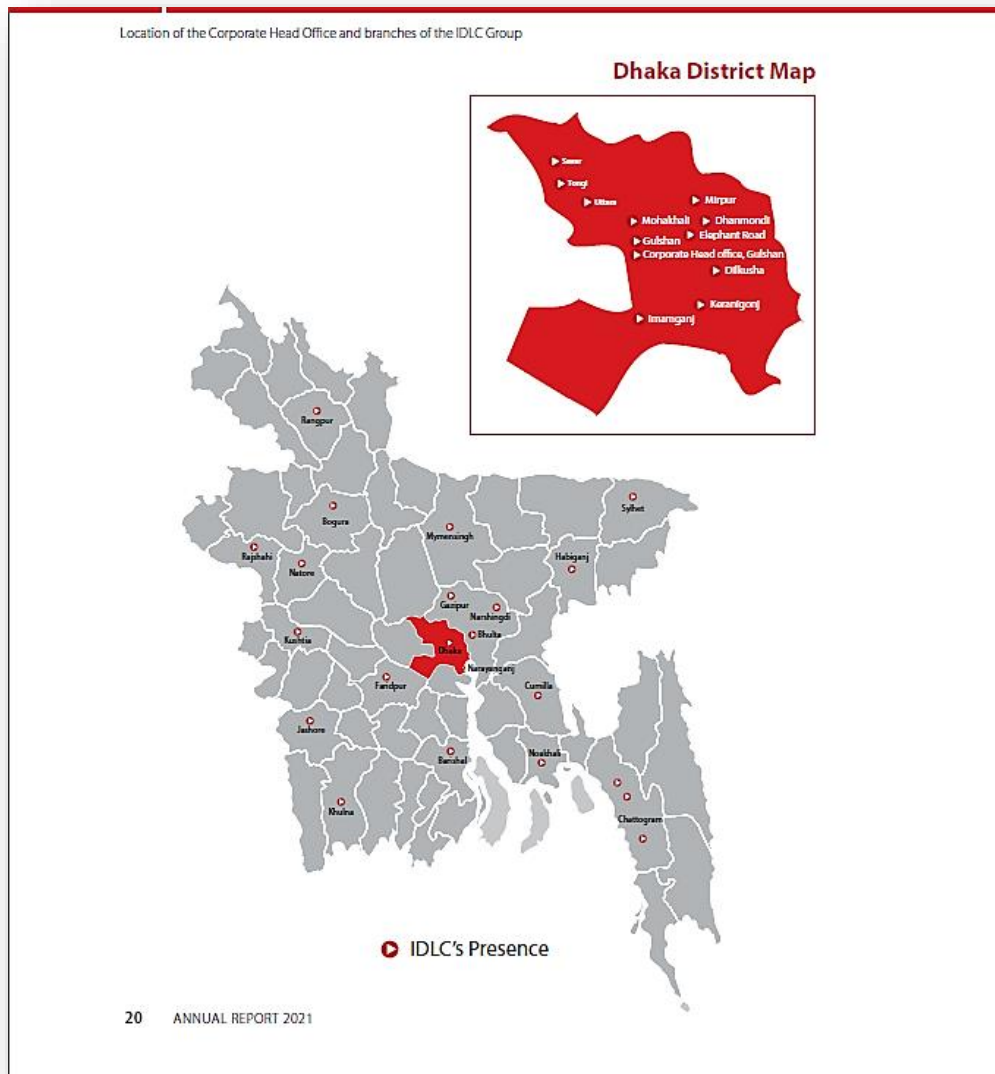
Sector-Wise Portfolio

(From Annual Report, Page 206)



Source- IDLC Annual Report

2.6 Location of Headquarter and operations-



Source- IDLC Annual Report

2.7 Product Portfolio-

Finance Limited

- SME
- Purnota
- Supply Finance
- Corporate
- Structured Finance Department
- Home Loan
- Car Loan
- Personal Loan
- Deposits

Securities Limited

Brokerage Services-

- Easy IPO
- Execution Brokerage
- Intl Brokerage
- Premium Brokerage

Investment Options-

- Bangladesh Equities
- Bonds
- Closed-End Mutual Funds
- Open-End Mutual Funds

Trading Tools-

- DSE-Mobile App/ DSE-Investor/ DSE-VIP
- i-Trade- Online Stock Trading Platform
- Trader Assisted Trading

Value Added Services-

- Bangladesh Electronic Funds Transfer network (BEFTN)
- Depository Services
- Margin Trading
- Order Management System (OMS)

Client Segments-

- Foreign Institutional Investors
- NRB Investors
- Resident Investors

Investments Limited

Discretionary portfolio management

- MAX CAP
- Easy Invest
- Profit-Loss Sharing Scheme
- Capital Protected Scheme
- Portfolio Advisory Service

Cap Invest

- Margin loan account
- Non margin account

Investment Banking

Asset Management Limited

- IDLC Balanced Fund
- IDLC Growth Fund
- IDLC Asset Management Shariah Fund
- IDLC Income Fund

2.8 Industry and Competition Analysis-

IDLC is one of the most prominent financial institutions in the market with BRAC Bank, IFIC, IPDC, bKash, Nagad and other financial players operating in the market.

On the competitor analysis, I aided my teams Group Deputy Head of Digital Assets & CSR Khandker Nagib Anwar. I went through every newspaper and clipped out all of the competitors' advertisements, articles, and press releases, then examined where they spent their newspaper money and how much they spent it. Not only did I read the newspaper, but I also looked at the daily Facebook posts of several

competitors. RDC has gained popular in recent years as radio has shown to be an effective advertising medium. With my team executives, I occasionally looked for RDCs of a few competitors.

Porter's Five Forces-



Source- MBR, IDLC Finance

SWOT Analysis-



Source- MBR, IDLC Finance

- Strength- The strength of IDLC Finance is its portfolio size and brand image, that tops all NBFIs and even to some extent some banks too.
- Opportunity- The opportunity lies in taking more and more steps for financial inclusion and literacy rate expansion.
- Weakness- Its weakness is using less automation in the working procedure.
- Threat- The threat is of competitors getting ahead through automation and more efficiency.

2.9 Summary and Recommendation-

Bangladesh is a developing country with most of its demographic dividend consisting of the middle-class people. Also, a young and emerging group of people are also getting involved in internships, part time and full-time jobs to support their expenses. This is one group that is considered when the demography is analyzed. Another big chunk of the demographic dividend consists of the lower income holders. There are many people in both the groups who are not managing their money properly due to various reasons. One might be that they do not have access to proper knowledge regarding how and another might be, the process seems too cumbersome for them to get involved in (dSPACE, 2022). The second reason was due to the lack of motivation in the banking process. Then again, one of the most important things for these groups of people in the earning stages are savings. If they do not have proper savings, they tend to loan amounts with interests which they are unable to pay in the later halves of their payment schedules. This report emphasizes on how this scenario can be resolved in order to empower these groups of people.

Chapter: 03

PROJECT

**“FINTECH AND THE FINANCIAL INCLUSION SCENARIO OF
BANGLADESH: AN OVERVIEW OF IDLC FINANCE”**

3.1 Introduction

3.1.1 Literature Review

The financial habits of the people in our country compared to ten years ago have changed drastically due to the financial market operators dominating the present market like the MFS service providers, banks and NBFCs (Express, 2022). An average person now receives his/her salary through banks, transfers money via bank to bKash and sends to his family living rurally. He/ She then pays the corner shop dues via make payment option from any choice of MFS they are using and if possible, saves the rest of the salary in his/her bank account. This means that, if not all the mentioned possibilities of using these financial operator's endless offers, an average person should be incorporating the minimum of its opportunities into their lives to grow in terms of money management. Savings comes as a very important pillar in the day-to-day money management habits as it is very difficult for people to get access to quick cash without loans every time when in need as the daily growing expenses are not matching the cash at hand for most people (Bangladesh emerges as a unique digital financial services market - Future Startup, 2022).

Unfortunately, this is the tale of the tech-savvy, financially included people of the country. But, according to the World Bank's Global Findex database, 50 percent of the population has access to a bank account, yet only 9.1 percent of the population borrows from the formal sector. In Bangladesh, the majority of bank customers are located in urban regions. As a result, the general penetration of banking services remains low. The state of savings scenario is also the same. "Less than a quarter of the population saves money, with less than a third saving through a formal financial institution," according to a 2018 MicroSave report. The MFS Scenario is somewhat different from this. According to the Bangladesh Telecommunication Regulatory Commission (BRTC), the country has 126 million active internet registrations, with mobile users accounting for 92 percent. MFS has a high occupancy rate 60% of the adult population has an active MFS account—and has created a large agent network with over 1.1 million agents across the country. MFS, on the other hand, is limited to a few designs. For example, as of 2021,

cash-in, cash-out, or peer-to-peer payments account for 95% of all MFS transaction value, while other uses such as merchant payments, wages, utility bills, government disbursements, and so on account for only 5%.

3.1.2 Objective

The normal financial institutions like banks and NBFCs do not have such in-depth access to the market. Nor do the consumers feel as easy to transfer and store money as they do in MFS. Coordination amongst banking institutions and MFS providers has the potential to improve this paradigm and expand financial inclusion to people who do not have access to traditional banking services. Thus, to give the people of our country the proper tools and empower the population towards creating a sustainable habit of saving, bKash and IDLC have come up with an exciting initiative of Saving through bKash that allows the unbanked population of the country to create small savings scheme every month and get a profit from the amount as per the interest rate mentioned. Also, this habit will be enabling the semi-urban and rural population of the country to get quick cash without the hassle of taking loans in times of dire needs as marriage, studies and healthcare. This report is about how this savings scheme is being incorporated into their day-to-day life and also, the data justifying how we need proper financial inclusion first to let the audience integrate themselves more into the financially modern healthy habits like savings.

Observation-

Problem Statement: This study sheds light on the unbanked population of Bangladesh and how they are lagging behind in their financial habits.

Objectives pointed out-

- Identifying the financial habits of the unbanked population

- Identifying reasons behind this segments' unorganized financial habits
- Identifying existing ways to include them inside the financial scenario
- Exploring points of innovation to include them in
- Knowing about the broader impacts of this segment getting included in the scenario

Research Question

Primary question

Can the unbanked population of Bangladesh be attracted towards creating proper financial habits if appropriate initiatives are taken by the Financial Market Operators?

Specific Questions

- How are the unbanked population of Bangladesh managing their money currently?
- Why are they not managing their money in an organized manner?
- What are the offered incentives in the market currently that they can utilize to change this habit of this population?
- What could be the possible innovative and helpful measures that can be taken to help include them in the financially literate segment?
- Possible impacts that are to be created if their habits are organized.

3.1.3 Significance

Current Financial Literacy Scenario of Bangladesh- The first big wave of financial players was from the metropolitan areas young group of people. The following big chunk will come from the semi-urban and rural areas. Whilst expense of serving these remote places, given the logistical hurdles, is a major worry, technology has the potential to significantly reduce that cost. The following tiers of services can be simply created on top of the existing infrastructure, thanks to the high prevalence of mobile phones and MFS services. The problem for banking traditionally is that depending on MFS companies for distributing lowers their control and, in the long term, may generate competitive issues. Decades of expertise, competence, and a vigilant regulatory structure provide banking firms an advantage. However, they must develop a model and distribution framework that helps them to serve people who are now unable to access traditional financial services. Financial inclusion, according to industry professionals, has the potential to change the economic fortunes of a massive amount of people. Furthermore, mobile devices have the potential of being the next big thing in progress. IDLC's digital savings program for bKash app users, for instance, has the potential to transform the economic future of a significant bunch of participants who originally did not have access to finance. Financial technology acceptance in the nation is still in its beginning phases. Financial firms would have to increase their advances in infrastructure as more consumers go digital in the upcoming period (MFS in Bangladesh: Complementing an inclusive economy, 2022). A hint of such future can be seen in the banks' recent enthusiasm for financial technology.

3.2 Methodology

The type of research and the research problem must always be taken into account while picking a research methodology. A variety of data collection methods are included in the Research Methodology. The research will include Quantitative and Qualitative data collection samples that will be carefully collected from proper sources. It will also include secondary data collection, survey samples and research data from corporate sourcing through internal research follow-ups.

For the Qualitative data, secondary research is applicable. Secondary data regarding the unbanked population with proper insights can be researched from articles containing information about financially illiterate segments of people. (dspace, 2022) While primary data is generally acquired through primary research methods such as interviews and focus groups, secondary market research can be as simple as going to your local library's business department and can yield valuable insight that helps drive your strategic planning (How Secondary Market Research Can Uncover Customer Insights And Scoop Your Competition, Kauffman Fasstrack, 2022). This is why, secondary data collection method was chosen for the qualitative data part.

In terms of Quantitative data collection, structured observation will be made from a comparative set of data collected through corporate links internally from trusted sources like IDLC Database. Firstly, the data will be collected from IDLCs database. Then, the collected data will be sorted according to the requirements and organized according to the target segments. The data will be sorted to represent qualifiable numerical proof to prove the hypothesis derived from research. Finally, the data will be analyzed through SPSS.

3.3 Findings and Analysis

bKash-IDLC



(IDLC Finance Limited - Loans, Deposits, SME and Corporate Finance, 2022)

The incredible rate of behavioral change that has occurred in less than a decade is exemplary for Bangladesh. What began with simple, but vital, services like Cash In and Cash Out, as well as person-to-person money transfers, has evolved into a far broader range of financial goods in present times. After years of hard work, businesses now have a solid network of merchants available across the country. Customers are moving away from cashing out and instead opting to pay for goods and services online at multiple merchant locations, avoiding the cost of cashing out. The industry has progressed past the stage of raising awareness to an extent now and is now focusing on more complex services.

Unfortunately, there are few groups of people who are still not under this umbrella and are using cash at hand only. Due to this, they are mismanaging their cash amounts. This habit of the population of

Bangladesh who are too frightened to go cashless has to be changed to bring them under the financially included umbrella to enable them with proper money management facilities.

One such empowering initiative is City Bank providing Digital Nano Loans to bKash users with 45,000 bKash users availing the loan in the first year of the pilot launching. This service allows them to take loan amounts up to BDT 20,000. This certainly has done a great lot for the bKash users who are underserved and can not avail cash loans much often from banks or other sources.

Another example of an exemplary initiative by IDLC is the bKash-IDLC Savings campaign for DPS where the bKash users can open IDLC Finance savings programs from anywhere, at any time, and make monthly installments ranging from BDT 500 to BDT 3,000 (IDLC's savings scheme through bKash app just in two minutes, 2022). The scheme lasts for 2-4 years, with a minimum of 2 years and a maximum of 4 years. An individual user can create many accounts. Savings installments can be deposited on a monthly basis with the bKash app. Customers will get their deposited amount as well as profits in their bKash account once the savings scheme has matured, and they will be able to cash out for free.

Because the process is so simple, the savings will be made automatically every month using IDLC, as long as the user's bKash account balance is sufficient. Savings is one of the earliest signals of success, thus this is another important step toward financial inclusion that will bring financial access to millions.

Data Analysis

Division	Amount	% of Amount
Chattagram	180.00 K	28.08%
Dhaka	172.00 K	26.83%
Rajshahi	75.50 K	11.78%
Mymensingh	64.50 K	10.06%
Rangpur	40.00 K	6.24%
Barishal	28.50 K	4.45%

Khulna	16.00 K	2.50%
Sylhet	641.00 K	100%
Data as of 3rd March, 2022		

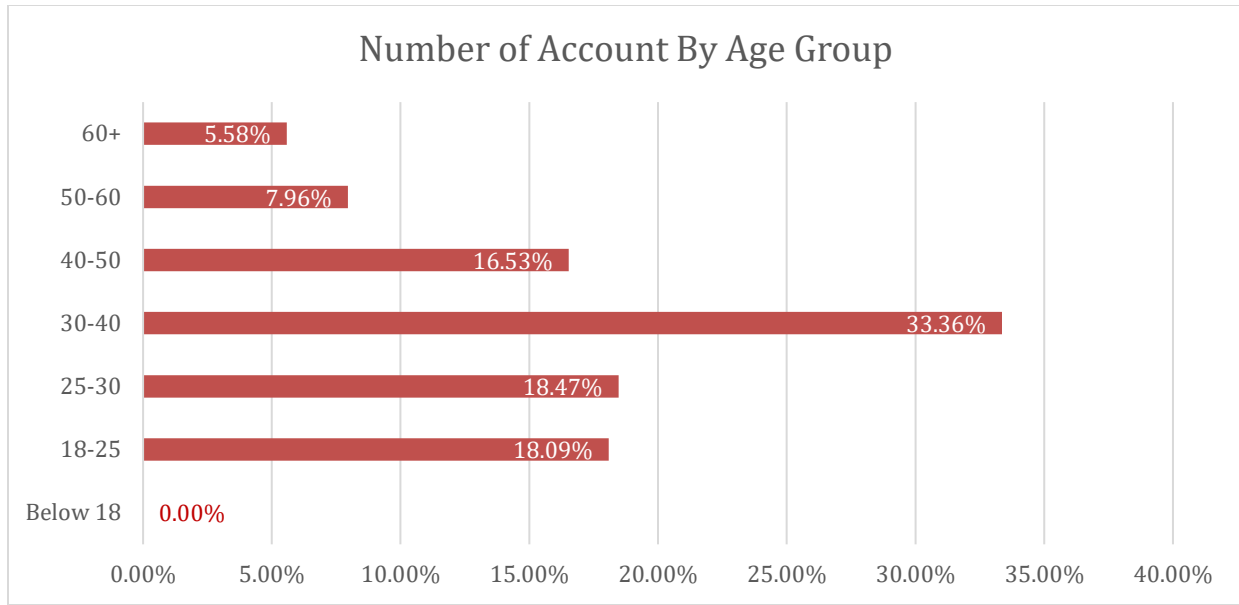
Source- IDLC Internal Reports

Going by the data projected above, we can see that, most of the users of the savings scheme are concentrated from Chattagram area only, secondly Dhaka. This is a major observation as it is mostly Dhaka that is targeted during campaigns whereas Chittagong has the highest sales.

Profession	Number of Accounts
Business	51.59%
Private Service	18.50%
Housewife	15.41%
Student	6.23%
Self-Employment	4.36%
Govt. Service	2.46%

Source- IDLC Internal Reports

Here, we can see that the data is noted according to the professions and here it is very evident that business professionals are saving up the most taking 51.59% of the account holder shares. It is because, they have the amount available in bKash during most times of the year and which is why they can pay the installment amounts with ease as well. The second being private sector service holders because they are habituated to using MFS due to professional and personal purposes. Third comes housewives as they have a positive habit of saving up, be it cash or through MFS.



Source- IDLC Internal Reports

In the chart mentioned above, we can see that the people aged 30-40 are the ones who are saving up the most. The second and third most users belong to the age groups of 25-30 and 18-25. These are the people who are the proper target audience for the savings scheme.

Other Major Campaigns

Affordable Home Loans Campaign (AHL)

The affordable home loans is a product of IDLC Finance Limited that the people of Bangladesh can avail in order to get loans in affordable range and fulfill their dreams of getting their own home without much hassle. In this campaign for AHL, as per norm, the marketing team focused on people centric marketing. They focused on a story of two people that could symbolize the stories of multiple households of the country as this is a very common consumer tension that “who will provide them with loans?”

Taking that particular tension into consideration as a target group insight, the story was narrated in perspective of the protagonist who happens to take shelter in the shades of a shaggy house during rain. He

then turns to find his old school teacher sitting in the balcony and exclaims addressing him (teacher) as sir and discovers the fact upon talking that he (teacher) has not shifted into his own home till date.

Upon asking why so, the teacher addresses that “tension point” of who will provide him that loan and that the student was crazy to think of this. The next screen then discloses the fact that the student is now an acting Relationship Manager (RM) in IDLC Finance where he pitches a home loan to the teacher and says that IDLC is there to cater all these tension points of the consumers. The OVC then ends with the CTA to contact the hotline.

We also designed a KV to post on Facebook that had a few key factors to start with- like, the focus on people only, defocusing and desaturation of the background, keeping minimum writing and emphasizing on the thought of the campaign.



নারী উদ্যোক্তাদের এগিয়ে যাওয়ার পথে
আরও কিছুটা এগিয়ে এলাম আমরা

এখন মাত্র 8% ইন্টারেস্ট রেটে সর্বোচ্চ
৫০ লাখ টাকা পর্যন্ত নিন আইডিএলসি পূর্ণতা লোন

Source- IDLC Facebook Post



Source- SME EID CAMPAIGN Post, Facebook

3.4 Summary and Conclusion

There are around 7.9 million small and medium businesses in Bangladesh. The industry accounts for around a quarter of the nation's GDP. Small and medium-sized enterprises (SMEs) account for 40% of total workforce, 11% of industrial establishments, and 40% of total manufacturing capacity in Bangladesh. However, the industry is still a long way from reaching its full potential.

3.5 Recommendations

IDLC Finance, being the leading NBFIs in the industry has a huge prospect of growth in the near future. With proper integration of knowledge and dedication, this brand can be reaching heights as greater as the leading banks of Bangladesh. One of the prospective fields are SME and retail loans as the economy is booming.

Then again, as a financial brand, IDLC has to be aware of the threats the changing market brings. As an example, the inflation might be creating huge changes in the market which they have to be ready for in time. Such adversities should be anticipated and proper steps should be taken by IDLC.

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