

“Marketing Mix Strategy of Mutual Trust Bank 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 Bachelor of Business Administration

BRAC Business School
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Declaration

It is hereby declared that

1. The internship report submitted is my original work while completing my 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 that has been accepted or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Letter of Transmittal

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66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report

Dear Ma'am,

With due respect, I am here to submit my internship report. It is a great achievement and honor to work under your supervision.

The report is about the marketing mix strategy of Mutual Trust Bank Ltd. At Mutual Trust Bank Ltd. I worked as a general bank intern for twelve weeks. I am fortunate enough that I worked closely with the general banking department under the supervision of Mohammad Abul Kalam Azad, First Asst Vice President, to gain a better understanding of their overall banking and marketing strategy.

I hope and pray that you will be kind enough to grant my internship report and provide your valuable judgment. It would be my utmost pleasure if you find this report useful and informative.

Sincerely yours,

Ahmad Najmus Sadik

18104009

BRAC Business School

BRAC University

Date: May 21, 2022

Non-Disclosure Agreement

This agreement is made and entered into by and between Mutual Trust Bank Ltd. and Ahmad Najmus Sadik, Id-18104009 at BRAC University.

Acknowledgment

Generally, this internship report focuses on the overall banking and marketing activities of Mutual Trust Bank Ltd. Several people helped me finish this report, and I couldn't have done it without their help. I want to express my gratitude to Almighty Allah for providing me with the strength and privilege to work. Second, I'd like to express my gratitude to my family, and respected instructors. Finally, I'd like to express my gratitude to everyone who has always encouraged and supported me.

I would also love to express my honor to my supervisors Mohammad Abul Kalam Azad (First Asst Vice President & Branch Operation Manager), Mohammad Abdur Razzak (General Banking) & Abul Kalam Azad (Credit). I'd like to express my heartfelt gratitude to every member of Mutual Trust Bank for providing me with relevant data and invaluable cooperation and support.

Finally, I would love to express my utmost respect and gratitude to my academic supervisor Rahma Akhter and academic co-supervisor Tanzin Khan for providing me with knowledge and proper guidance.

Executive Summary

This report is an overview of 3 months of internship experience at Mutual Trust Bank Ltd.

Mutual Trust Bank Ltd. is one of Bangladesh's most successful banks. It has been recognized and acquired its reputation as a dynamic and customer-oriented company by providing the best services to its customers. It has maintained and established a new benchmark in different areas of Bangladesh. For example, :(Industrial, Foreign exchange business).

Moreover, this report gives an overall working procedure of Mutual Trust Bank Ltd. Mutual Trust Bank Ltd. has different departments. The General banking department is one of the crucial departments within the organization. The General banking department plays a key role in directly providing different products and services and promotional activities to the customers. This report focuses on the operations and activities of the general banking team as well as the marketing mix strategy of Mutual trust bank Limited. The report also discusses my learning and reflection during my internship period.

Keywords: Mutual trust bank Limited, general banking, promotional activities, a new benchmark

Table of Contents

<i>Declaration</i>	2
<i>Letter of Transmittal</i>	3
<i>Non-Disclosure Agreement</i>	4
<i>Acknowledgment</i>	5
<i>Executive Summary</i>	6
<i>List of Acronyms</i>	9
<i>Chapter 1</i>	10
<i>1.1 Student Information</i>	10
<i>1.2 Internship Information</i>	10
<i>1.2.1 Period, Company Name, Department/Division, Address</i>	10
<i>1.2.2 Internship Company Supervisor’s Information</i>	10
<i>1.2.3 Job Scope – Job Description/Duties/Responsibilities</i>	11
<i>1.3 Internship Outcomes</i>	11
<i>1.3.1 Student’s contribution to the company</i>	11
<i>1.3.2 Benefits to the Student</i>	12
<i>1.3.3 Problems/Difficulties (faced during the internship period)</i>	13
<i>1.3.4 Recommendations (to the company on future internships)</i>	13
<i>Chapter 2: Organization Part</i>	14
<i>2.1 Introduction</i>	14
<i>2.2 Overview of the company</i>	14
<i>2.2.1 Vision</i>	15
<i>2.2.2 Mission</i>	15
<i>2.2.3 MTB Core Values</i>	15
<i>2.2.4 Branches</i>	16
<i>2.2.5 Product and Services</i>	16
<i>2.3 Management Practices</i>	18
<i>2.3.1 The corporate Structure</i>	18
<i>2.3.2 Leadership style</i>	19

2.3.3 <i>Human Resource Planning Process</i>	20
2.4 <i>Marketing Practices</i>	21
2.4.1 <i>Types of Business</i>	21
2.4.2 <i>Marketing Strategy</i>	21
2.4.3 <i>STP Strategy</i>	22
2.4.4 <i>Marketing channels:</i>	23
2.4.5 <i>Product/New product development and competitive practices:</i>	24
2.5 <i>Financial Performance and Accounting Practices</i>	25
2.6 <i>Operations Management and Information System Practices</i>	26
2.7 <i>Porter's Five Forces Analysis</i>	27
2.7.1 <i>SWOT Analysis</i>	29
2.7.2 <i>PEST Analysis</i>	30
Chapter 3: Project Part	31
3.1 <i>Introduction</i>	31
3.1.1 <i>Background/Literature Review</i>	31
3.1.2 <i>Compare and contrast</i>	32
3.1.4 <i>Objectives</i>	32
3.1.5 <i>Significance</i>	32
3.2 <i>Methodology</i>	33
3.2.1 <i>Sources of Data</i>	33
3.2.2 <i>Primary Data</i>	33
3.2.3 <i>Secondary Data</i>	33
3.3 <i>Findings and Analysis</i>	34
3.4 <i>Conclusions</i>	35
3.5 <i>Recommendations</i>	35
3.6 <i>References</i>	36

List of Acronyms

MTB	Mutual Trust Bank Ltd.
BEFTN	Bangladesh Electronic Fund Transfer Network
FDR	Fixed Deposit Receipt
SB	Savings Bank Account
TIN	Tax Identification Number
GB	General Banking
RTGS	Real-Time Gross Settlement
SME	Small and medium-sized enterprises
NRB	Non-Residential Bangladeshi
DPS	Deposit Pension Scheme

Chapter 1

Overview of Internship

1.1 Student Information

Name: Ahmad Najmus Sadik

ID: 18104009

Major: Marketing

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

Period: 09, February 2022 - 09, May 2022

Company Name: Mutual Trust Bank Ltd.

Department: General Banking

Address: United Super Market, Savar Bazar Bus Stand, Savar, Dhaka-1340

1.2.2 Internship Company Supervisor's Information

Name: Mohammad Abul Kalam Azad

Position: First Asst Vice President (Branch Operation Manager)

1.2.3 Job Scope – Job Description/Duties/Responsibilities

Job Responsibilities

- Making different excel reports and evaluating it
- Making different word reports and evaluating it
- Communicating with the customers regarding the opening account, receiving deposits
- Evaluated the account openers form and checked all the information
- Evaluated the depository risk of account opener
- Well maintained the records of checks, checkbooks, debit cards, and official letters
- Sorted out the returning checks and recorded them in the register
- Helping in updating the balance of different account types in excel. For example, ;(number of current accounts, number of savings accounts based on months).

1.3 Internship Outcomes

1.3.1 Student's contribution to the company

I have started my internship at Mutual Trust Bank Limited Savar branch as a general banking intern. I joined there on the 9th of February, 2022. On the very first day of joining was the introduction session with different departments and employees and which department was responsible for which work. So, in the first week, I did not have any type of workload.

As I was a general banking intern, I communicated with the customers directly under my supervisor's guidance and directed them accordingly. Moreover, I assisted the general banking team in maintaining and updating the checkbooks and debit card data. Moreover, I communicated with different customers to receive their checks and examined them. Side by side, I also kept the record of authorized checks of different banks for clearing.

Furthermore, I registered and calculated the number of Savings accounts and updated them in excel. Then I sorted out the accounts based on months and made several excel files according to the month. Moreover, through the help of my supervisors, I have calculated the balance of individuals and the total balance based on the months. So, after evaluating the total report, which benefited the bank to determine in which months customers opened more accounts and which month has the highest balance.

After that, I helped the senior officer in updating and registering the balance sheet of current account holders and helped to prepare the data both in soft copy and hard copy, and determined the overall balance and the number of accounts opened in which month most.

Following the task, I have also assisted the senior officer in making different regulations for joint accounts. Moreover, I also verified the identity cards of new customers and directed them accordingly if there is any mismatch in their identity under the supervision of a senior officer.

Other than that, I have daily communicated with the customers and given them service by discussing the benefits of different schemes, and giving them their undelivered debit cards and checkbooks after being activated by the senior officer.

1.3.2 Benefits to the Student

Mutual Trust Bank Limited is one of the top banks in Bangladesh. As an intern, I had the privilege to learn more about the banking industry and how a bank operates.

My supervisor and general banking departments helped me learn many things and supervised me accordingly. As a result, I have learned how to interact with customers directly to give them different services like opening up new accounts and telling them the benefits of different schemes. With this, my overall communication skill developed, and gained confidence while talking to random people.

Moreover, the senior officer of the general banking department also helped to maintain and update the data regularly which helped make proper balance sheets to identify and evaluate the exact documents later on.

Last but not least, it can be said a student can improve and learn a lot of skills working in Mutual trust bank Limited and which will help them to have a very good banking career later on.

1.3.3 Problems/Difficulties (faced during the internship period)

I have learned a lot of things through this internship period. Every member of Mutual Trust Bank Limited was so cooperative and helpful. Regardless of having a heartfelt effort, there were some limitations. The limitations are:

- Due to organizational confidentiality, the collection of some relevant data was difficult.
- The research was only conducted within the Savar Branch
- There were time constraints to collect information and analyze the data as the bank has a wide range of departments and programs.
- The conditions of the Personal Computer (PC) were very slow and I found it difficult while making some reports and doing other tasks.
- As the number of customers has grown in comparison to that the Savar Branch is a bit congested and employees face difficulties when a lot of customers gather in the bank for getting services.

1.3.4 Recommendations (to the company on future internships)

- Improved Technologies: Well updated PC and the fastest internet connection should be provided to the employees so that they have a smooth workflow and can do any kind of work faster.
- Organized Office Space: The Savar Branch of MTB is one of the oldest branches and has been serving customers since the year 2006. As a result, through its better service MTB acquired a large number of customers. However, the area of office space remains unchanged. So, an organized office with a bit more space might serve the customer better and employees will benefit from it too.

Chapter 2: Organization Part

2.1 Introduction

Mutual Trust Bank Limited is not only a leading bank in the banking industry by ensuring customer services but also promoting and adopting policies to develop an environment protection-friendly culture.

The following are some of the banking businesses of Mutual Trust Bank Limited.

- Wholesale Banking
- Retail Banking
- Card Service
- SME Banking (Small and Medium enterprise)
- Agent Banking
- Digital Banking
- NRB Banking
- Treasury Operations
- Investor Relation product

2.2 Overview of the company

The banking sector plays a vital role in the country's economy. Generally, a bank provides the safety of the depositor's money and based on that makes loans to individuals and businesses. Mutual Trust Bank Limited started its journey on September 29, 1999, under the Companies Act 1994. Then it started its banking operation on October 24, 1999. Moreover, through these 22 years of journey, Mutual Trust Bank Limited has achieved and been awarded several rewards for its excellence in the banking sector. For example, the first-ever best "SME Bank of the Year" and best "Women Entrepreneurs' Friendly Bank of the Year" by Bangladesh Bank and SME Foundation.

2.2.1 Vision

Mutual Trust Bank's vision is based on a philosophy known as MTB3V which is as follows:

- One of the best performing banks in Bangladesh
- The bank of choice
- A truly world-class bank

2.2.2 Mission

The mission of Mutual Trust Bank Limited Known as “We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client-focused company that offers an array of products and services in the search for excellence and to create an impressive economic value.” (*Mission & Vision*, n.d.)

2.2.3 MTB Core Values

The following values are being practiced by Mutual trust Bank Limited:

Commitment:

- Shareholders – Mutual Trust Bank Limited is creating long-term economic benefits for shareholders by operating an effective business methodology.
- Community – Mutual Trust Bank Limited is contributing to society through supporting many events and creating employment opportunities.
- Customers – Mutual Trust Bank Limited always care for its customers and serves them with the highest priority.
- Employees – Mutual trust Bank Limited always works together and encourages its employees to grow faster.

Accountability:

- **Agility:** Mutual Trust Bank Limited is a dynamic organization that responds to its stakeholders to achieve its ultimate goals.
- **Trust:** Mutual trust Bank Limited always maintains transparency to communicate with its customers

2.2.4 Branches

At present Mutual, Trust Bank Limited has a total of 119 branches and 33 sub-branches in Bangladesh, and all the branches and sub-branches are operated from its head office in Dhaka. Moreover, this bank carries out international business through a Global Network of Foreign Correspondence Banks. The list of branches and sub-branches in different divisions is as follows:

Division Name	Number of branches
Barisal Division	02
Chittagong Division	39
Dhaka Division	81
Khulna Division	06
Rajshahi Division	10
Rangpur Division	08
Sylhet Division	06
Total	152

2.2.5 Product and Services

Mutual trust Bank Limited provides a wide range of products and services to its customers to meet their satisfaction levels. The products and services are as followings:

Name	Products
Retail	Deposit Product MTB Savings Account <ul style="list-style-type: none">● MTB Care● MTB Extreme Savings Account● MTB Regular Savings Account● MTB Senior● MTB Shanchay MTB Current Account

	<ul style="list-style-type: none"> ● MTB Current Account <p>MTB Deposit Scheme</p> <ul style="list-style-type: none"> ● Brick by Brick ● MTB Millionaire Plan ● MTB Kotipati <p>MTB Fixed Deposit</p> <ul style="list-style-type: none"> ● MTB Double Saver ● Fixed Deposit ● MTB Shield <p>MTB Others</p> <ul style="list-style-type: none"> ● MTB Gift Check <p>Loan Product</p> <ul style="list-style-type: none"> ● MTB Auto Loan ● MTB Home Loan ● MTB Personal Loan ● MTB Professionals Loan
Wholesale	<p>Wholesale Banking Products and Services</p> <ul style="list-style-type: none"> ● Term Finance ● Trade Finance ● Working Capital Finance
SME (Small and medium-sized enterprises)	<p>SME Deposit</p> <ul style="list-style-type: none"> ● MTB Buniad ● MTB Probaho <p>SME Loans</p> <ul style="list-style-type: none"> ● MTB Uddog ● MTB Abason ● MTB Krishi
NRB (Non-Residential Bangladeshi)	<p>NRB Banking Services</p> <ul style="list-style-type: none"> ● Government Cash Incentive

	<ul style="list-style-type: none"> ● Open NRB Account ● Remittance Facility <p>NRB Products</p> <ul style="list-style-type: none"> ● NRB DPS ● NRB FDR ● NRB Savings Ac ● NRB Home Loan
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2.3 Management Practices

The overall management practices of Mutual trust bank Limited are discussed below:

2.3.1 The corporate Structure

The total corporate structure of the Mutual trust bank group is divided into two divisions. They are:

In Bangladesh: Mutual Trust Bank group operates in Bangladesh in three different divisions. They are

- Mutual trust bank limited- Mutual Trust Bank Limited is one of the leading commercial banks in Bangladesh.
- MTB Securities- From the year 2006 Mutual Trust Bank Limited has added one more function in their operations that is (Brokerage Function). Following an order from the "Bangladesh Bank and Securities Exchange Commission," it was renamed MTB Securities Limited and became a subsidiary of Mutual Trust Bank Limited.” Moreover, MTBSL has opened 13 (thirteen) branches across the country to provide capital market services in recent years.
- MTB Capital Limited- “The Securities and Exchange Commission” (SEC) licensed MTB Capital Limited (MTBCL), a wholly-owned subsidiary of Mutual Trust Bank Limited, as a full-fledged Merchant Bank on December 6, 2010.

Overseas: Mutual Trust has its operations overseas too.

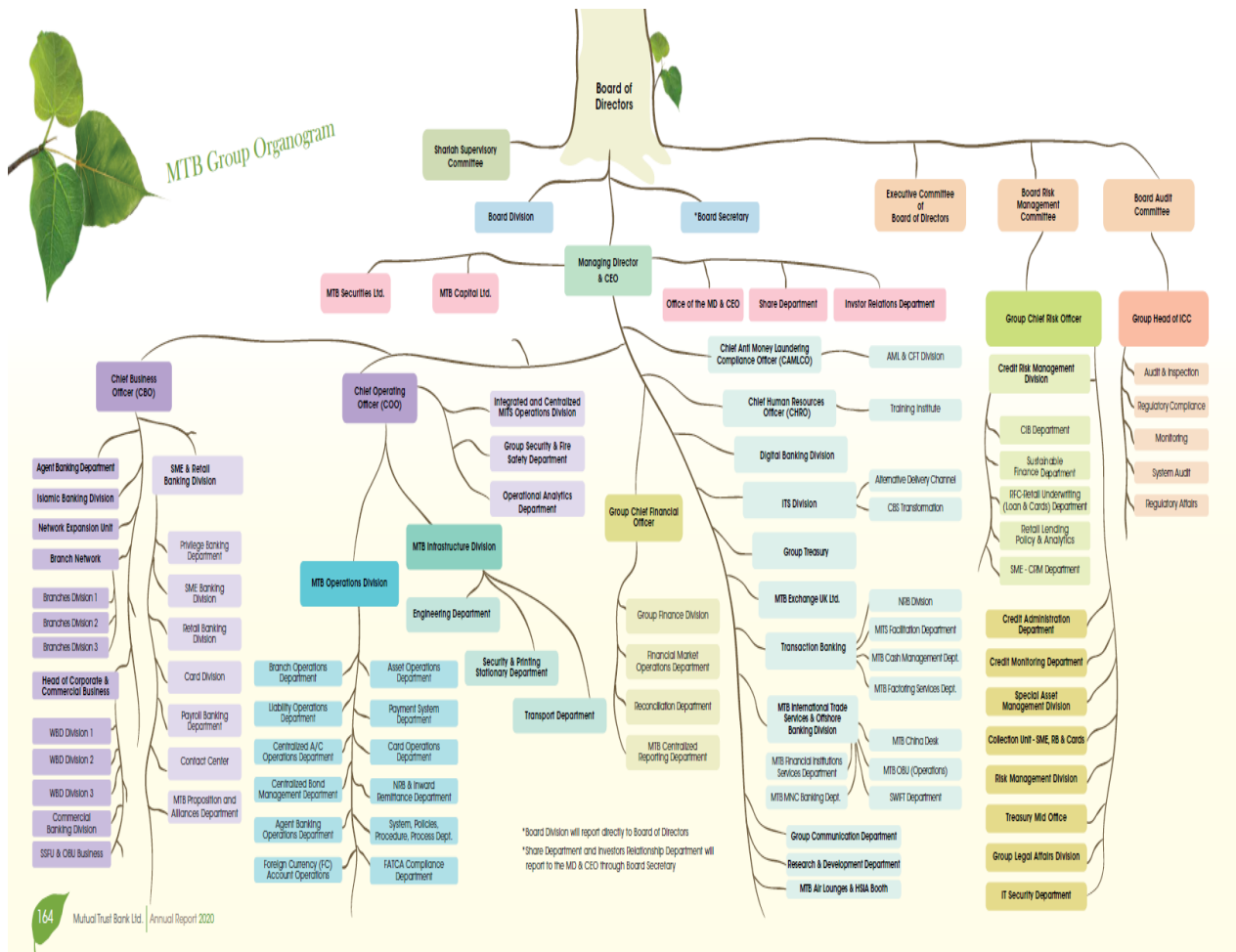
- MTB Exchange UK Limited: To conduct remittance money exchange business on June 14, 2010, Mutual Trust Bank Limited incorporated “MTB Exchange UK Limited”.

2.3.2 Leadership style

The following are members of the MTBL Board of Directors:

Name	Designation
Mr. Md. Wakiluddin,	Chairman
Mr. Md. Abdul Malek,	Vice-Chairman
Mr. Sayeed Manzur Elahi,	Director & Founding Chairman
Mr. Md. Hedayetullah,	Director
Dr. Arif Dowla,	Director
Mr. Rashed Ahmed Chowdhury	Director & Chairman, MTB Board Risk Management Committee (BRMC)
Late M. A. Rouf JP	Director
Mrs. Khwaja Nargis Hossain	Director
Ms. Anika Chowdhury	Director
Mr. Daniel De Lange	Director
Mr. Tarik Ur Rahman	Director
Ms. Nasreen Sattar	Independent Director
Faruq Ahmad Siddiqi	Independent Director
Syed Mahbubur Rahman	Managing Director & CEO

The organogram of the Mutual Trust Bank Limited is shown below:



Mainly the Mutual Trust Bank Limited is operating under the leadership of the Chairman Mr. Md. Wakiluddin. Following that, all of the departments of banks are operated by the Managing Director & CEO Syed Mahbubur Rahman and there are heads of separate divisions for operating the Bank successfully. For example, the Chief operating officer is the head of the MTB operations division, and the Group Chief Risk Officer is the head of the Credit Risk Management Division. The overall leadership of the organization is the democratic style and Mutual Trust Bank Limited follows a centralized business strategy which means all the branches of Mutual Trust Bank Limited in Bangladesh are under the command of the head office. Moreover, the employees of this organization go through the process of a chain of command.

I have worked in the Savar Branch of Mutual Trust Bank Limited which is under Branch Division 2 and medium-sized branches. The branches of Mutual Trust Bank limited which are outside Dhaka territory but near are considered Branch Division 2. The Gulshan and Dhanmondi branches are large-sized branches and they have heads in each department. For example; the head of general banking, and the head of the credit department. However, as the Savar Branch is medium-sized, the head of this Branch is the VP (Vice President) and under his supervision, all the departments are led by the DM (Deputy Manager) of the bank who is also known as the Branch operation manager. The difference is it does not separate department heads like large-sized branches.

Last but not least it can be said that through the centralized business strategy the board of directors of the Mutual Trust Bank Limited has reduced the overall cost of the organization and in the decision-making process side by side leading the organization to achieve its goals and objectives.

2.3.3 Human Resource Planning Process

According to the MTB Annual Report 2020, Mutual Trust Bank Limited had a total of 2362 people and among them 464 were female. In the recruitment and selection process of Mutual Trust Bank Limited, a candidate has to go through a series of exams. A candidate must have a postgraduate certificate along with a good maintained CGPA above 3.

Firstly, after submitting a CV in the specific Portal, the selected candidates are shortlisted, then the shortlisted candidates are called for a written exam, lastly, the successful candidates in the written examination have to pass the Viva for getting

selected. Moreover, MTB gave more emphasis on this selection process to nurture the future leaders of the Organization and a successful candidate will join as Management Trainee Officer and will be on the training period for 1 year.

- The compensation and performance appraisal system: The employees of Mutual Trust Bank Limited are measured on their performance and based on that they give incentives and promotions. Moreover, some of the factors in measuring the employee's KPI (Key Performance Indicators). That is, the specific employee met their targeted goal, present job performance, has leadership quality, etc. So, the tagline MTB uses here for its employees is "The Mantra of it being "Taking care of the best while being Fair to the rest".

Following that Mutual Trust Bank Limited also provides vacations to its employers, not only that it also considers 6 months of maternity leave for mothers and also introduced a paternity leave policy for fathers for 14 days and even more if required. Moreover, all the employees are under the coverage of health insurance and also have access to medical funds.

To increase the performance of the employees Mutual Trust Bank Limited has arranged a total of 151 training programs in different fields and management which covers the 1933 employees in 2020.

2.4 Marketing Practices

2.4.1 Types of Business

Mutual Trust Bank Limited is a banking service and its key business segments are Retail, SME, and wholesale business.

2.4.2 Marketing Strategy

Though Mutual Trust Bank is not a full-blown marketing-oriented organization, they go for promotional activities to spread the news of their products. Generally, the products of the banks are different deposit schemes and different loan types. As the participation of people in different digital mediums is increasing Mutual Trust Bank Limited is also following footsteps. As a result, it is utilizing the opportunities of several digital media services at their best. For example; advertising through Facebook, Instagram, etc. As well Mutual trust Bank Limited developed its website and made it so simple and fast that a customer can easily find out the information or product they are looking for. Moreover, a customer can also open up their bank

account through this website and not remain physically present in the bank by providing some required documents. Nevertheless, Mutual Trust Bank Limited also published advertisements from time to time on YouTube, in newspapers, and on Billboards and also provided leaflets to the customers directly.

Mutual trust Bank Limited developed different products for their customers. For Example; NRB banking for the customers working outside the country, Angona for the women, different loans for the farmers and industrialists, self-loan, student accounts, and children's accounts. Even Mutual Trust Bank Limited has the option for Islamic Banking which follows Islamic sharia which is known as "MTB Yaqeen". (Elahi, n.d.)

2.4.3 STP Strategy

STP (Segmentation, Targeting, and Positioning) strategy is important for any organization to narrow its target customer and market its product in a more convenient way to reach its different types of customers. The STP strategy of Mutual Trust Bank Limited is described:

- **Segmentation:** The segmentation of the target markets of Mutual Trust Bank Limited are:

Demographic: Age: People from any age group can open accounts in Mutual Trust Bank Limited however while providing loans to the customer there is an age limit according to the laws of the Bangladesh Government.

Gender: Any gender can open their account and enjoy the best service.

Moreover, people from any occupation and students also enjoy the service of Mutual Trust Bank Limited.

Geographic: Any person who stays within the region of Bangladesh and has a residency in Bangladesh are target customers also.

Behavioral: People who are looking for fast and secured transactions of their money are the customers.

Psychographic: People who want to save and deposit their money in the bank and seek advantage are the customer. Moreover, people from any social class are the customers.

- **Targeting:** In the targeting phase, Mutual Trust Bank Limited has developed a wide range of products for different customer levels no matter their income, social class, or how big their organization is.
- **Positioning:** Positioning plays a key role to position an organization's product or service. The Mutual Trust Bank Limited account opening system, types of services, and

how easily a person can get a loan should be well communicated with the target customers.

To reach the targeted customers, Mutual trust Bank Limited uses various mediums such as traditional marketing (billboards), digital marketing, social media advertisements, and different types of campaigns used to reach potential customers. Moreover, it provides a message to the customer in such a way that a customer easily understands the message of the product and can understand how they will be benefited by using these products and services. (Imam, 2021).

2.4.4 Marketing channels:

Mutual Trust Bank Limited is a banking organization and to market its product it uses various channels. For example

- **Branch Banking:** It tries to market its product and services through its branches and sub-branches. Branch plays a vital role to set up a standard of their product and services in the customer's mind whether the customer will continue their banking in the future or not.

Moreover, Mutual trust bank Limited also follows the "extension counter" technique to give service to the big organizations. So, they open sub-branches alongside their main branches. At present, the Mutual trust bank Limited has 33 sub-branches in the country.

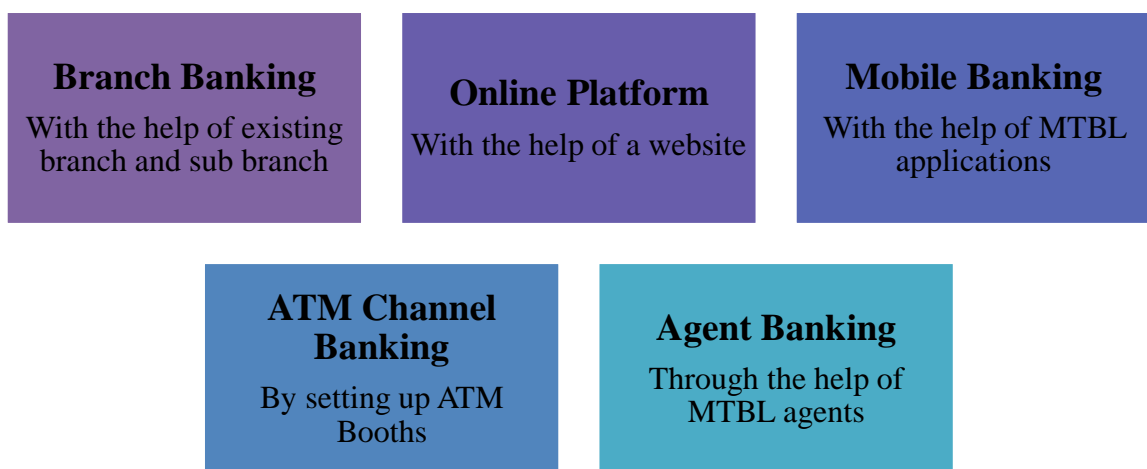
- **Online Platform:** Mutual Trust Bank Limited also has a very well-updated website so people can easily browse that website and can open their accounts by giving the required information.
- **Mobile Banking:** Mutual trust Bank Limited also developed a personal application for both (android and ios) users. By using the application any person can send money also. Moreover, it has an SMS service available so any customer if they withdraw money or deposit money then they will be notified through this SMS system.

Not only that, but a customer can also access other services by calling the hotline number available. Mutual Trust Bank Limited can proudly say that they are operating this hotline number for 24 hours to give maximum services to its customers.

- **ATM channel Banking:** ATM (Automated Teller Service Machine) helps the customers to dispense their cash.

- **Agent banking:** Generally, agent banking is defined as when an engaged agent conducts a banking transaction on behalf of the bank. So, the agents are the retailers or owners of different outlets who are giving service to the extreme rural areas to reduce the gap. It is also known as a microfinance program. In Bangladesh, the Mutual Trust Bank Limited has opened up a total of 200 MTB Agent Banking Center which also covers a total of 112 rural areas. 39 districts and 38 urban areas.

The marketing channel of Mutual Trust Bank Limited is shown in the diagram below:



2.4.5 Product/New product development and competitive practices:

Mutual Trust Bank Limited undergoes many research activities to develop a new product for their customers. As a result, Mutual Trust Bank Limited also launched different campaigns to understand the customer's demand and psychology and develop products accordingly. For example: to support the women and encourage them to be self-sufficient and self-employed Mutual trust bank Limited has developed a product name "Angona" which has complimentary insurance coverage.

2.5 Financial Performance and Accounting Practices

The financial data and other reports including accounting reports are confidential. However, the statistics and data related to financial performance which are accessible are described below: (*Towards a Sustainable Revival*, 2020, #)

All the amounts are shown below are considered as BDT in Million

Name	2020	2019	2018	2017	2016
EPS (Earning Per Share)	1.31	2.03	3.03	3.89	3.30
Paid-up capital	7,386	7,035	5,734	5,097	4,432
Total Deposits	190,120	190,948	166,160	151,776	131,272
Total Operating Income	9,956	11,207	9,829	8,479	7,515
NPL (Non-Performing Loan Ratio in %)	4.60%	5.39%	5.39%	4.30%	4.36%
Operating Profit Per Share	4.76	7.97	7.43	7.68	7.69
Cost To Income Ratio in %	64.66%	53.25%	50.31%	53.82%	54.65%
Return on Equity	5.83%	9.03%	13.83%	18.35%	15.61%
Net Interest Income (NIM)	3,890	5,430	5,251	4,308	3,878

Comments based on the above data:

EPS (Earning per Share) - The earnings per share decreased compared to previous years

Paid-up Capital- The paid-up capital of Mutual Trust Bank Limited has increased consistently over the years which is a good sign.

Total Deposits- The total deposits of the Mutual Trust Bank Limited increased from the year (2016 to 2019) respectively. However, the total deposits were reduced from the amount (of 190,948 to 190,120) from the year 2019 to 2020.

Net Interest Income- The overall net interest income was reduced because of the introduction of a single-digit interest rate over the deposit schemes.

Total Operating Income- The total operating income decreased in 2020 in comparison to 2019 because of a decrease in NIM (Net Interest income) and other income.

NPL (Non-Performing Loan Ratio in %) - Nonperforming loan ratio means when the borrower fails to pay the loans in due time. As the NPL ratio decreased from the year 2019 of 5.39% to 2020 at 4.60% which is a good sign for the bank.

Operating Profit Per Share – Operating Profit per share was inconsistent from the year 2016 to 2019. However, in 2019 Mutual Trust Bank Limited could increase its operating profit per share. Nevertheless, they couldn't keep up the operating profit per share due to Covid-19.

Cost to Income Ratio in %- Cost income ratio plays an important role to determine the overall condition of the Bank whether they are in profit or loss. Over the years the cost-to-income ratio of the bank increased a lot which is a negative sign for the Bank because the Bank failed to manage its overall expenses appropriately. The ideal ratio of cost to income ratio is 50% but for the last 5 years, it was higher than 50% for the Mutual trust bank limited, and in 2020 it went over 60%.

Return on Equity- The return on equity measures how an organization utilizes its existing asset and generates profits by utilizing that. So it is measured by dividing the net income by shareholder's equity. The return on equity of Mutual Trust Bank Limited increased gradually from the year 2016 to 2018. However, it reduced mostly from the year 2018 to 2019 and became 9.09% from 18.83%. Following it also continuously from 2019 from 9.03% to 5.83% in 2020 which is bad for the organization.

2.6 Operations Management and Information System Practices

As the world is progressing toward the digitalization era through the use of modern technologies, Mutual Trust Bank Limited is also following in the same footsteps. To ensure the customer's internet banking experience is more suitable and easier and the transaction safer it focused on CBS (Core Banking Software).

As a result, in 2016 a group of 8 officials and several CBS committee members finally selected "TCS BaNCS", a product of the Tata consultancy system (TCS). Moreover, this software has a good reputation and is used by the "Bank of China" and the "State bank Of India". Not only that, this software is very fast in operating which helps to deal with a large number of customers.

Moreover, all the operations of the bank are conducted through this software, all the data are stored here and this software is only accessible to the employees of Mutual Trust Bank Limited only. As this organization is centralized to make sure the work efficiency of the people and to get the best outcome, this software has different access for different departments. For example; the types of access and work that can be performed by the Credit department cannot be accessible by the other departments. Furthermore, the senior positions employees have also more access and authority in operating this software. As an intern, I did not have any access to this software.

2.7 Porter's Five Forces Analysis

Porter's five forces help to analyze the competitive position of the organization. The strategy is as follows:

- **Competitive rivalry:** At present, in Bangladesh, there are 61 commercial banks. 5 non-scheduled banks and 34 Non-Banking Financial institutions.
So, the non-scheduled banks mean those who have very less amount of money in their reserve and remain in a vulnerable condition and have restrictions from the state bank. On the other hand, Non-Banking Financial Institutions are institutions that do not have a license for full banking.
As a result, it can be said that the number of competitors and competitiveness is also high as well.
- **The Threat of New Entrants:** Though it requires a lot of capital while opening up a new banking organization and strict laws by the government although the threat of new entrants is becoming high as the number of SMEs (Small and Medium Size Enterprise) is increasing day by day and as well the degree of competition.
- **Bargaining Power of Suppliers:** Mainly the suppliers of banking organizations like Mutual Trust Bank Limited are Shareholders, Central Bank Investors, Regulators, Vendors, and NGOs. However, the Central bank of Bangladesh (Bangladesh Bank) has the authoritative power to restrict the rate of interest. So, the bargaining power fluctuates between medium and high rates based on the perspective of the present market.
- **Bargaining Power of Buyers:** As the number of banking and banking-related organizations is increasing in Bangladesh it takes less cost to switch the organization so the bargaining power of buyers is high.
- **The Threat of Substitutes:** As it takes less cost to switch organizations and the number of NBFIs (Non-Banking Financial Organization) is increasing, they are providing a lucrative offer to their customers on much easier terms and procedures. So, the threat of substitutes is high for Mutual Trust Bank Limited.

How MTBL will overcome all the factors of Porter's five forces analysis is described below:

- **MTBL's strategy to overcome Competitive Rivalry:**
Investing more in the technology to accomplish the fast operational excellence and provide the best digital banking services to customers.

Developing a new product lineup to attract more customers from different income segments.

➤ **MTBL's strategy to overcome The Threat of New Entrants:**

To retain the existing customers, providing them several royalty services and offers, surprise bonuses, etc.

By giving more emphasis on the SME and retail banking sector the threat of new entrants can be minimized.

➤ **MTBL's strategy to overcome the Bargaining Power of Suppliers:**

To focus and search for the new deposit contributor rather than focusing on the existing contributors. As a result, the dependency rate on a particular group of people will reduce the threat.

Side by side, the new introduction of new schemes to attract more customers and collect more deposits from them will also minimize the risk.

➤ **MTBL's strategy to overcome the Bargaining Power of Buyers:**

By developing the relationship with the existing corporate client segments and giving them flexibility while taking loans and depositing loan money.

By the introduction of (low cost) and no cost in several situations while opening accounts.

➤ **MTBL's strategy to overcome The Threat of Substitutes:**

Implementing organization switching costs to be higher

By reducing several service fees for the customers and giving several benefits to the customer's side by side.

2.7.1 SWOT Analysis

SWOT analysis helps an organization understand its position in the competitive market and take action accordingly.

Strength: The strength of the Mutual Trust Bank Limited is:

- One of the best commercial banks in Bangladesh with reputable service experience, product development, and research capability.
- A good networking and well-structured infrastructural system to serve 119 branches and 33 sub-branches as well as agent banking covering 33 districts and 106 rural areas.
- The NPL (Non-Performing Loan) means when a borrower does not pay his scheduled payment of interest for taking loans. So, the ratio of NPL of Mutual Trust Bank Limited was 4.60% whereas the banking industry of Bangladesh has 8.06%.
- A well-trained employee who is ready always to fulfill the customers' demands
- Introduction of MTB Air Lounge

Weakness: The weaknesses of the Mutual Trust Bank Limited are:

- Higher cost-to-income ratio
- Less participation in the digital marketing Media to promote products
- Low operating profits
- Less concentration on retail and SME banking

Opportunities: The opportunities of the Mutual Trust Bank Limited are:

- Customized financial solutions to attract the unbanked people as the average income of people is increasing and the total number of branches of the bank is less in comparison to the total population.
- The number of young people who love to enjoy services from the latest technologies is increasing. So, the revolution of internet banking and the use of the latest software and technologies to maximize service are also opportunities.
- To attract customers of remote areas through agent banking.

Threat: The threats of the Mutual Trust Bank Limited are:

- Vast competition due to the increasing number of SMEs and NBFIs
- As the interest of FDR is now single digit so people are now more (Snachayapatra) as they are still providing double-digit interest rates.
- Government sudden regulations lead the banking industry a lot of time to cooperate with it.
- The NPL of the overall banking industry is high so many customers are losing faith in this industry
- The dollar and foreign exchange rate are increasing in comparison to the taka which is increasing the cost of imports.

2.7.2 PEST Analysis

The PEST analysis consists of four different factors. They are; Political, Economic, Social, and technological factors. It allows for the identification of business opportunities as well as the early detection of any significant threats.

- **Political factors:** With political stability, government policies have remained consistent, and a high priority has been placed on expanding infrastructure, including substantial investments in bridges, highways, and electricity generation. As a result, while real estate values remained steady, the demand for housing investment expanded due to low-interest rates.
- **Economic factors:** As the government, introduced the single-digit deposit interest rate which leads to fewer account openings comparatively than in the previous years.
- **Social Factors:** The overall income of people improve in the past few years which also increased the purchasing power of consumers. As a result, their demand for financial products will increase, including Home Loans, Small Business Loans, and other consumer finance products.
- **Technological factors:** The advancements in technology increased the expectancy of people also. As a result, Mutual Trust Bank Limited has also improved its technologies to provide the customer with the best services at the lowest possible time.

Chapter 3: Project Part

3.1 Introduction

The Mutual Trust Bank Limited is one of the renowned commercial banks of Bangladesh which contributes to Bangladesh's economy, creating employment and also promoting to support the ecological balance of the country to make it a suitable place for living for everyone. Moreover, the savings accounts from the deposit schemes are mostly opened by different customers. The introduction of a single-digit interest rate has slowed down the DPS and FDR account opening by the new account holders. Furthermore, Mutual Trust Banks Limited is trying to develop more products for the people of different segments and pushing to open new branches to reach maximum customers to spread its services by direct selling marketing techniques.

3.1.1 Background/Literature Review

Firstly, According to Constantinides (2006), the term "marketing mix" was first used in the marketing field in the 1960s, when Neil Borden defined twelve manageable marketing elements (product planning, pricing, branding, distribution channels, personal selling, advertising, promotion, packaging, display, servicing, physical handling, and fact-finding and analysis). However, it was shortened down to 4 specific elements consisting of product, price, place, and promotion in the year 1964 by Jerome McCarthy. Bank marketing, according to Prasad (2010), is the collection of functions aimed at meeting customers' financial needs and wishes more productively than a rival. According to Simbowale (2005), well-designed marketing structures and tactics are critical for capital adequacy and productivity. The four Ps of marketing is the main aspects involved in the promotion of a product or service. (TWIN, 2022). However, (Hadfield, 2022) has said that the marketing mix strategy is an elaborated term that can be divided up into 12 different factors. The factors are Product, price, place, promotion, packaging, positioning, personality, people, process, policy, performance and perseverance. He also added that according to the Coschedule, 40 percent of marketers are not well aware of the marketing mix strategy which leads them to failure.

The well-designed promotional activity will help to retain customers for a bank for a long time Daisy (2010). With the technological advances in the banking industry, such as internet banking and ATMs, clients are making bank decisions based on the availability of tools rather than the convenience of bank branches or houses, as was the case previously (Lavanya,2010) Moreover, Banks must establish distinct market positions for their products so that consumers consider them to be distinct from those of their competitors (Ganam & Poornima, 2010). Lastly,

pricing is a crucial aspect of marketing that has a lot of possibilities for a company. According to Mokovah et al. (2012, p. 9), even large banks in South Africa have terrible customer service. The authors suggest that banks use techniques that ignore the needs of their customers (Ateba et al., 2015).

3.1.2 Compare and contrast

The economic condition of Bangladeshi is better than that of South Africa. Moreover, the overall banking sector is also developed. Some of the points are:

- In South Africa, according to Maheshawri (2009), the South African banking industry grew its assets faster than the worldwide banking industry between 2003 and 2006. However, after 2006, there was a significant reduction. However, in Bangladesh, there is a significant rise in the GDP.
- The political situation between Bangladesh and South Africa has differences also.
- The rate of the average income of Bangladeshi people has been improved and they are willing to take loans for the development of the infrastructure whereas the income of the South African people declined slightly.

3.1.4 Objectives

As the number of Banks in Bangladesh is more and the competition is huge. So, to remain in a competitive position in the banking industry Mutual Trust Banks Limited has to follow a couple of strategies to continue its legacy. The study was carried out with the following objectives in mind:

- Understanding the marketing mix strategy of Mutual Trust Bank Limited
- To gain a practical banking work experience
- To understand the mode of communication
- To understand the direct selling strategy by opening more branches

3.1.5 Significance

The marketing mix strategy plays an important role to develop and execute marketing strategies to reach out to more customers. As all the banks are giving almost the same types of services to their customers and it takes less money to switch banks so the Mutual Trust Bank Limited has pushed its direct selling strategy from its branches and sub-branches. That is why it has established more than 119 branches and 33 sub-practices along with several agent banking to

reach out to maximum customers and planning to build more. Side by side with other campaigns and TVCs on the digital platform helped Mutual Trust Bank Limited to grow faster.

3.2 Methodology

3.2.1 Sources of Data

Understanding and determining Mutual Trust Bank Limited's marketing mix strategy I gathered information from both primary and secondary sources. The relevant information was obtained from Mutual Trust Bank Limited's Corporate Division within the organization.

3.2.2 Primary Data

As a general banking intern, this department provided the majority of the services and answered the customers' questions. So, in order to understand the strategy, I spoke with several customers and bank employees and observed various organizational procedures. Moreover, I have studied several files on the concern of bank officers. They are

- In direct communication with the branch operation manager and officials
- Direct communication with several customers

3.2.3 Secondary Data

In addition, as a secondary source, I gathered and observed data from previous reports, MTB websites, and MTB annual reports. Moreover, I have studied the annual reports of Mutual trust bank limited. Alongside, I have studied many articles regarding Mutual Trust Bank Limited. They are

- The Official papers of Mutual trust bank Limited
- From the official website of Mutual Trust Bank Limited
- Previous reports regarding Mutual Trust Bank Limited
- Annual report of Mutual Trust Bank Limited (2021, 2020 & 2017)
- Mutual Trust Bank Limited Audit Reports

3.3 Findings and Analysis

The traditional marketing mix strategy consists of 4Ps: Product, Price, Place, and Promotion. The marketing mix strategy helps an organization to go in a competitive position and limits its weaknesses. (Lake & Jaspersen, 2021)

- **Product:** Mutual Trust Bank Limited has developed many products and services keeping in mind to fulfill customer satisfaction. So, mainly the products of this organization can be divided into two ways. They are loan products and deposit products. So, the deposit products include different deposit schemes and they have developed this product for women, students, businessmen, etc. On the other hand, Mutual Trust Bank Limited also developed a wide range of loan products for the people of different occupations. For example; for the farmers, house loans, car loans, personal, etc.
- **Place:** As the Mutual Trust Bank Limited was established before 2000 so it falls under the 3rd generation Bank. Alongside, this 22-year journey the Mutual Trust Bank Limited to satisfy its customers and reach out to the maximum place has developed a total of 119 branches and 33 sub-branches and also developed many agents banking to spread its service to rural areas. Not only that, but it also established 165 ATM Booths in 36 districts.
- **Price:** Mutual Trust Bank Limited has also developed its product in such a way that it can give service to its customers from lower class to upper class and this product has a different price range. For example; the deposit scheme “Angona” has been created only for female members of society. So, this scheme is categorized into two. They are
 - a. MTB Angona General Account- Which requires BDT 5000 for opening an account and maintaining at least 10000 takas on the account to get the interest rate.
 - b. MTB Angona Premium Account- So to open up this account requires BDT 1000000 and to get the interest rate it requires to keep the balance in the account at least BDT 100000. Moreover, both the account holder will get insurance coverage but the account holder of the Premium Angona Account will get extra facilities.
- **Promotion:** Mutual Trust Bank Limited practices follow a lot of ways to promote its product. Through social media services like Facebook, online platforms like YouTube and its official website, newspaper, billboards, and direct marketing to its customers from its branch and sub-branches.

The Future Scope of the findings are:

The research can be conducted in the large branches of Mutual Trust Bank Limited. For example, the branches of Gulshan, Banani where there are many divisions available and have separate divisions head to better understand how a modern bank operates. Moreover, joining in the different marketing events would help to gather information practically on how a bank uses promotional activities and sell its products.

3.4 Conclusions

To conclude, Mutual Trust Bank Limited uses both traditional and digital marketing strategies. As the number of Banks and other non-banking organizations has increased a lot and all of them are giving neck and neck services. So, increasing the number of branches and taking part in several campaigns, and introducing a new and fastest test CBS system helps Mutual Trust Bank Limited to continue its legacy in the banking industry and serve maximum customers.

3.5 Recommendations

The following advice is offered as a recommendation:

- MTBL should give more emphasis on its digital marketing strategy
- The different charges of an ATM card can be reduced
- While opening an account the minimum charge can be considered based on the customer's social class and other charges can be reduced.
- MTBL should emphasize the office atmosphere and arrange it in such a way that will be beneficial for the customers and employees.
- To hold the existing customers and to reduce the account closing rate more offers and more rewards can be provided to customers.
- Difficulty in ATM card operating and activation can be reduced. From my observation, most complaints and difficulties customers face to activate the ATM card and its several costs.
- Bigger office space and better location are required for the Mutual trust Bank Limited Savar Dhaka
- More campaigns and advertisements are needed to promote existing products and services as well as future products
- The bank has to take some essentials steps to facilitate financial expenses effectively

- The charges need to be reduced in order to hold the lower-income and middle-income customers
- Quality service should be ensured to satisfy customers. A total separate division can be built in each branch to assist customers with online banking and related services
- To motivate its current and potential investment clients, Mutual Trust Bank Limited has limited its promotional activities regarding foreign exchange services.

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