Success Factor of Mobile Banking

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Success Factor of Mobile Banking

8 September, 2014

ShameemEhsanul Hoque

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BRAC Business School

BRAC University

Subject: Submission of Internship Report

Dear Sir,

I am here by submitting my Internship Report, which is a part of the BBA Program curriculum. It is a great achievement to work under your active supervision.

This report titled, "Success Factor of Mobile Banking" is based on OK Banking. I got the opportunity to work in OK Banking in "Sales Team" under Marketing Division for twelve weeks, under the supervision of Md. Qumrul Hasan, Senior Manager of Marketing Operation Division.

This project gave me both academic and practical exposures. First of all, I learned about the organizational culture of a Raising Mobile Financing organization of the country. Secondly, the project gave me the opportunity to develop a network with the corporate environment.

I shall be highly obliged if you are kind enough to receive this report and provide your valuable judgment. It would be my immense pleasure if you find this report useful and informative to have an apparent perspective on the issue.

Sincerely Yours,

AshikurRahman

BRAC Business School

Id: 09104141

BRAC University

Acknowledgement

While the writing of this report has been difficult, the preparation for writing has been even harder. It certainly would not have been possible without the help of many people. I would like to thank those people who supported me during my internship period and actively helped me in making this report a reality.

First of all, I would like to take the opportunity to thank, **S**hameem Ehsanul Hoque Senior lecturer, BRAC Business School, BRAC University. His guidance in choosing the topic of the report helped me immensely and helped me to stay on the correct track.

I would also like to thank **MD. Qumrul Hasan**, Senior Manager, Marketing Division for being my onsite supervisor and accepting me as a potential intern for the department. He helped me in understanding the function of the department and encouraged me with his inspiring personality.

My gratitude goes to all the employees of OK Banking for their active cooperation and willingness to help at all times. Without them, I do not think the experience would have been as great as it had been.

Finally, I would like to thank my friends and family members who gave me mental support to complete my internship successfully.

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Executive Summary

Importance of banking system in a country is increasing day by day. It is relatively dreadful for any country to develop in industrial and commercial sector without wide-ranging banking system in present economic era. Mobile Banking is one of the weighty purposes of the bank. It plays a dynamic role in overall economy of the country. This report mainly emphases on OK Banking, a newly lunched mobile financing service of One Bank Ltd. Through the report I have tried to show the beginning process of OK Banking which is executed by Interspeed Marketing Solutions Ltd. and the work of a territory officer to make the plan successful. The report is containing a brief process of OK Banking activation plan of first three months in terms of their branding, operation, product designing and market execution plan. The whole process was maintained by Interspeed Marketing Solutions Ltd. So, as a third party their effort and contribution also focused on this report. Additionally, this report includes the responsibilities of territory officers in the activation period. The whole process is executed by the territory officer who is portrayed in this report by a three months long time line. During this time territory officer send field information through the chain of command to the strategy makers. The information includes competitor's offers to the customers and agents, new product and its promotional activities, agent conference etc. territory offices have to regularly monitor within their territory to update this information frequently. They deliver the product to the agents and ensure sales growth. The report also shows a SWOT analysis to give a clear view of OK Banking market position and the competition within this industry. Though bkash have largest share of this market, OK Banking going to introduce seven more features to have a competitive advantage. The threats of new entrants are there but brand reliability and good service can ensure the future of OK Banking.

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Chapter 1

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1.1 Introduction

As a Bachelor in Business Administration (BBA) student, it is required to remain attached with an organization for a time-period of 12 weeks after completing all the courses. This is done to relate their academic curriculum to practical working atmosphere. The program is called internship.

As a mandatory part of my graduation, I took the opportunity to conduct my internship with one of the Mobile Financing Company of our country, OK Banking. With the help of my on-site supervisor Qumrul Hasan Senior Manager Trade team, I have performed my internship report on "Success Factor of Mobile Banking". My academic supervisor Shameem Ehsanul Haque, Senior Lecturer, BRAC Business School also approved the topic & allowed me to prepare the report as part of the fulfillment of internship requirement as well as gave me appropriate guidelines time to time.

1.2 Objective

As mobile financing industry is relatively new in Bangladesh so it is important to have an overall idea on it. For this purpose if the report focus on analysis of OK Banking for showing a picture of MFS industry. So that we can have an overall state of mobile financing industry of Bangladesh. In addition to that it also covers the condition of main competitors of OK Banking. By this topic we can understand the future prospect of this industry.

Broad Objective:

The broad objective of this report is to analysis the factor of success of the mobile financing companies of Bangladesh. The overview of mobile financing industry in Bangladesh and world prospective. Beside all of this it's contain overall findings and recommendation.

Specific Objective:

Based on the above facts the specific objectives of the study follows:

- To find out the success factor of mobile banking.
- To give an overview of Mobile financing industry in Bangladesh
- To find out about the future prospects in the industry.
- To evaluate the competitiveness of OK Banking in the market.
- To get an insight of the products of OK Banking.

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1.3 Scope

The report is containing a comparison between mobile financing industries of Bangladesh. By this report anyone can know about the factors of booming, branding, market share, growth rate, and subscriber's growth rate of the companies. In addition to that the potential and future opportunity of this industry in Bangladesh. Beside this an overall idea of mobile banking is included in this report.

1.4 Methodology

Methodology is the procedures of collecting information from sources to carry out the report. Here, I have collected information in two different ways. Both sources have been equally used to generate the report.

1.4.1 Primary Source

Primary data has been collected by:

- Actively working throughout my internship period with my on-site supervisor about the topic.
- Interviewing Agents of mobile banking
- Collecting documents & information from my divisional Manager. Process documentation files of different departments & divisions.

1.4.2 Secondary Source

Most of the secondary information such as organization overview, management profile, divisional & departmental chain of command etc. has been collected from official website: http://ok.onebank.com.bd

1.5 Limitations

While I tried to make this report a flawless one, some conciliation had to be made due to some limitations and obligations. As I was not direct employee of One Bank so it keeps most of the information confidential and is highly cautious about leakage of this information. It is because of the limitation of information that some assumptions had to be made. Another limitation is that as OK Bankingis a relatively new company of a new industry, it is quite difficult to compare the companies within the industry as data is not sufficient enough.

Chapter 2

Success Factor of Mobile Banking
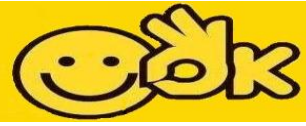
2.1 Background

Interspeed Marketing solution is an advertising and marketing communication organization. It is a marketing consultancy helping businesses grow and realize their commercial dreams. Interspeed is one of the first Bangladeshi advertising agencies. It was founded by Enayet Karim in 1968. Over the last 43 years they have consolidated their position as one of the largest independent agency in the country revered and respected for their creative streak and great brand building work for some of the largest clients in the country. (Interspeed Marketing Solutions Ltd., 2000) Their core strength lies in their ability to think differently and act boldly and bring a solution-neutral integrated approach to marketing problems for clients. The clients that Interspeed Marketing Solution serves are some of the most dynamic and driven in their industries – they demand both added value and results. They build and nurture strong brands by creating communications that circumvent the usual and disrupt the status quo. They respect the consumer. They think different. When it comes to marketing communications, Interspeed is ready to go where no one has gone before.

Product/Service Offerings:

Interspeed believes in 3-dimensional marketing communication solutions for businesses and brands. They have three business units that integrate seamlessly to provide holistic business solutions for their clients. **Interspeed Advertising** is their traditional full service creative agency that provides clients with through the line advertising and brand consultancy services. **Interspeed Activation** is their brand activation, rural outreach and events management agency that provides clients with 360 degree touch points on the ground, in-store or anywhere that traditional media fails to touch consumers. It is about creating memorable brand-consumer interaction that brings alive the brand experience. **Interspeed Marketing Solutions** is their direct marketing, trade marketing and one-to-one customer engagement agency that provides clients direct marketing capabilities, trade merchandising support and digital solutions.

2.2 Clients

2.3 Organogram

MANAGING DIRECTOR & GROUP CEO
CO-CHAIRMAN & CHIEF CREATIVE OFFICER
PARTNER CEO - INTERSPEED MARKETING SOLUTIONS
EXECUTIVE CREATIVE DIRECTOR
CEO - INTERSPEED ACTIVATION
NSM-NATIONAL SALES MANAGER
OPERATION MANAGER

AREA MANAGER		AREA MANAGER		AREA MANAGER	
TERRITORY OFFICER	TERRITORY OFFICER	TERRITORY OFFICER	TERRITORY OFFICER	TERRITORY OFFICER	TERRITORY OFFICER
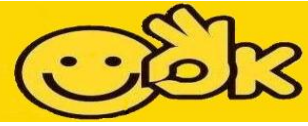
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2.4 Mobile Banking

The massive improvement of technologies around the world brings an opportunity to improve the technological platform of banking sector. The goal of the extending service of banks with improve technology is to satisfy the desire of customers. One of the extending services with modern technological advancement is Mobile Banking. In this process of banking customer are allowed to access into the banking system in anytime from anywhere. The requirements for this process are to have a mobile device and mobile network connection. The core benefit of this mobile banking is to reach to the people who do not have the access in internet banking or in normal banking procedure. It is mostly helpful for the people of remote areas (GSMA Mobile and Development Intelligence, 2012). According to Raseda Sultana, millions of people across the developing nations are relying on informal economic activities for their living and most of these people are from the bottom stage of the pyramid. These mass populations do not have the access into the basic financial services or the regular banking system. This mobile banking brings the opportunity for these people to get the banking facility. Now the reason why "mobile banking" is getting greater emphasize because more there are than 4 billion mobile subscribers who represent 61% population of world. So it is the best way to reach among the biggest portion of world population. Also, mobile banking needs less processing than general banking process. It helps the banks to reduce cost, requires less storage facility. Mobile Banking is also better process among all the other e-banking process. In internet banking there has the higher risk then mobile banking due to hacking system. Also to use internet banking people needs extra skills to use computer. On the other hand, to use Mobile Bank, customers' needs to have the basic idea about how to operate mobile in daily life. So to use this mobile banking a great level of awareness is not needed to create. It is said that mobile banking is one of the best thing ever happened in the personal finance management. Through this process customers will keep them attached with the banking system all the time. This mobile banking is still in growing business. In some countries mobile banking is become very much popular while in some countries it is just in the beginning stage. Though it is in an emerging stage but already mobile banking has created a good level of impact in world economy. (Md Taimur Ahad and Laurel Evelyn Dyson, 2012)

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2.5 World View of Mobile Banking

According to Mas (2010) a financial revolution is happening in money transactional world and it is not only happening only in the skyscrapers of rich countries but also in the slums of developing countries. This revolution is happening through the branchless banking system of mobile banking. Mobile Banking first introduced in 2001. From 2001 to 2006 there were only 10 Mobile Banks were in world. In 2009 it increased up to 25, in 2010 it increased up to 38 and in the middle of 2011 this number of mobile bank increased up to 50. Surprising by the end of 2011 this number reached up to 140 m-commerce organizations. The major m-commerce boom has happened in African region following by Asian countries (Michael U. Klein, 2011) In African Nations, different mobile companies are coming with the m-commerce business. Orange mobile company is running an m-commerce business with brand name of Orange Money mobile banking. They are running this business in Mali, Senegal, Madagascar, Kenya, Ivory Coast and Niger. Since 2008 they have signed up 1 million people. Though there are multiple mobile banks are working in African nations but the real impact has been made by M-Pesa. M-Pesa is a mobile bank which is a subsidiary of Vodafone. Only in Kenya, M-Pesa register more than 13 million customer, while in Tanzania, M-Pesa has 6 Million customers and in 2010 in total 670 million transactions generated through this mobile banking service. In Latin America potion Telefonica is giving the service of mobile banking in four countries. Among those countries in Brazil, mobile banking is establishing its place in good speed. It is believed that after Africa, Latin America is the place where mobile bank will have greater success. In Latin America only 35 percent people have bank account while 90 percent people have mobile phones. In northern American side, in USA almost 20% people are using mobile banking service in regular purpose. In Asian side mobile banking is also on the way of success. In Pakistan, where are only 14% regular banking subscribers in there already 500,000 customers are already subscribed with mobile banking (http://www.thecitizen.co.tz). This mobile banking is also successful in South Korea, Japan, China and Malaysia. In Japan, there are already more than 1.5 million active mobile banking users and it is increasing. Maldives and Bangladesh are also joining in this race. In India till now 77 banks have received the approval for mobile banking. Though mobile banking have a greater success in world-wide it is not seen the success in the European region yet.

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2.6 Infrastructure for MobileBanking

Mobile Banking service can be provided in two different processes. One of these are Banks can directly give the mobile banking service towards the customer. In this process banks are having their own network system. On the other hand, in other process banks are using the 3rd party for giving this mobile banking service. In this process banks are having only the database system and the service providing duty is relying on the 3rd party. Now, based on these services providing process, service can be delivered in two different ways. These are application based (GPRS protocol) and the other one is SMS based. In most of the countries especially in the developing countries, SMS based mobile banking is using widely. It requires very low cost and low bandwidth and also it is easy to understand.

2.7 Mobile Banking in Bangladesh

Bangladesh is the 8th largest populated country in the world with around 161 million people. Among them almost 31.5% populations are living under poverty. From this huge population only 13% people have bank account. On the other hand, there are almost 90 million mobile phone subscribers in Bangladesh. The expansion of e-banking is opposed by the problem of institutional, infrastructure and regulatory problems. Absence of central networking system, unskilled people and absence of proper policies are lacking behind the whole system. Although Bangladesh Bank is developing country's payment system but the commercial banks did not improve their ICT system. In this scenario, it's hard to reach to mass people with current banking system. The concept of mobile banking emerged to reach the banking facility to the unbanked people. People also take this system as good one as 69% people believe this "mobile banking" has prospect in Bangladesh. (Bangladesh bank, 2013) Mobile banking is a new banking concept in Bangladesh. Bangladesh Bank is influencing banks to operate this mobile in a serious manner to reach to the unbanked people of Bangladesh.

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Bangladesh Bank believes that mobile is the easiest way to reach to the rural part of the country with the banking service. Still now, Bangladesh Bank has given license to 23 banks to run this mobile banking operation. Among these, 14 banks have full Mobile Financial Service permission and other 9 banks have the permission for international remittance transaction only through mobile. Currently many banks are providing this service, among them "BRAC Bank Limited" mobile banking service named "Bkash", One Bank limited mobile banking, Islami Bank has its banking services named "M-cash", UCB has its "U-cash" and one bank has currently launched its mobile banking service named "OK Banking"
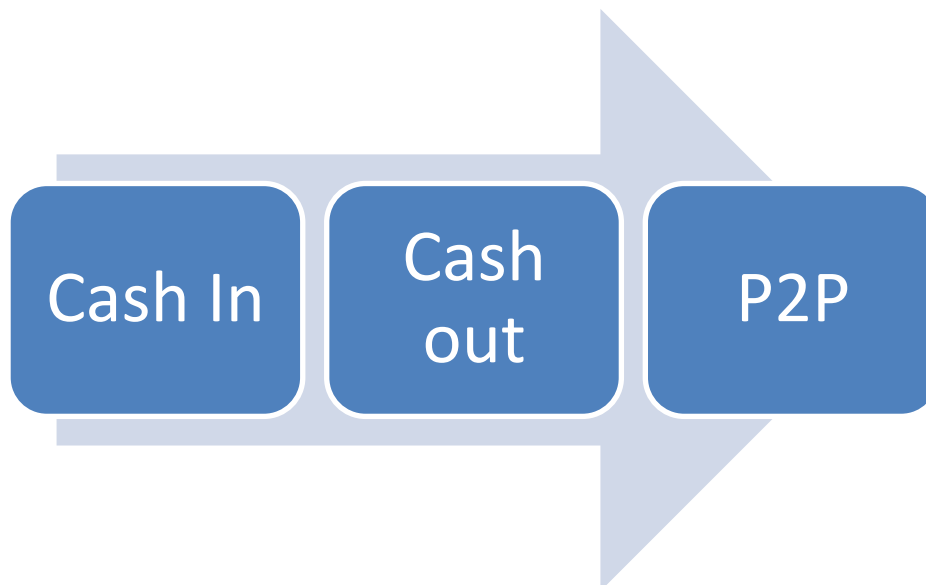
Chapter 3

3.1 The product (Service)

There are currently 3 services activated for Ok banking service.

 The services are:

- Cash-in
- Cash-out
- P2P.

For activating and implementing the services one has to go through the following stages:

Cash In → Cash out → P2P

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3.1.1 Cash In

To use the Ok banking service, Customer can cash-in (deposit) at any Ok nominated agent point. Consumer should have sufficient amount of money on his/her Ok account. To deposit money on his account he will need to see an OK nominated agent and with his help, deposit money to his OK account. The Cash in process is:

- Customer hands over cash to the Agent
- Agent initiates the transaction from his/her mobile
- Agent issues a receipt to the customer
- System sends an SMS to the customer's mobile
- For security reason, customer needs to check the sending number of SMS and the amount.

IVR call will be sent. If the amount of money is not correct or the SMS sendfrom different number, then it wouldn't be considered as correct. Consumers arerequested to leave the agent point after they are confirmed about the account balance.

3.1.2 Cash Out

To Cash out from the OK account Customer need to see a Licensed Ok agent and with his help get the cash out according to the instruction provided in your OK account. Customer asks the Agent for withdrawal of an amount from his/her OK Account. The withdrawal process is involves the following:

- Agent initiates the transaction from his/her mobile
- OK system sends an automated IVR call to the customer's mobile
- Customer enters his/her PIN
- System sends an SMS to the customer's mobile 18

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3.1.3 P2P

The money transfer from one mobile account to another mobile account is called P2P transfer. If a consumer has sufficient amount of money on their OK account, they can transfer money to another consumer's OK account.

How will you send money to another OK Account?

- Customer initiates the transaction from his mobile.
- Customer dials *269#
- Customer will get a USSD Flash Menu on his/her mobile
- Customer selects the P2P option from the main menu and inserts the receivers Mobile account number and amount.
- Customer enters his/her PIN
- Money will be transferred and both sender & receiver will get SMS notification

3.2 Service charges and rates

Type of service	Charge
Open an account	Free
Cash in	1% of the total amount or BDT 5 (whichever is higher)
Cash out	1% of the total amount or BDT 5(whichever is higher)
P2P	BDT 5 per Transaction
Statement	BDT 3
Balance inquiry	BDT 2

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Transaction limit (For Customer)					
	Daily			Monthly	
	Number of transactions	Lowest limit	Highest limit	Number of transaction	Highest limit
Cash in	5	BDT 50	BDT 1,25,000	20	BDT 1,50,000
Cash out	3	BDT 50	BDT 75,000	10	BDT 1,50,000
P2P	20	BDT 10	BDT 10,000	70	BDT 25,000
Payment	N/A	N/A	N/A	N/A	N/A

Chapter 4

Success Factor of Mobile Banking

4.1 Job descriptions

I feel myself lucky to get the opportunity to work as territory officer of Interspeed Marketing Solution Limited which is a project of One Bank Mobile Banking. There were 73 territory officers around the county. Among them I was placed at Mymensingh. As OK banking is a new product for this emerging market, my job was to introduce the product in Mymensingh. My territory was 13 Upazillas of Mymensingh which is a locality of 51 lakh people.

They are –

1. BhalukaUpazila
2. DhobauraUpazila
3. FulbariaUpazila
4. GaffargaonUpazila
5. GauripurUpazila
6. HaluaghatUpazila
7. IshwarganjUpazila
8. MymensinghSadarUpazila
9. MuktagachhaUpazila
10. NandailUpazila
11. PhulpurUpazila
12. TrishalUpazila
13. Tara KhandaUpazila

During my time I tried my best to bring the best outcome for the company. Territory officer job is very important because it ensures the company cash inflow. For OK banking beside my job responsibilities I had to do the market research as the product was it initial stage.

4.2 Job Responsibilities

As I was worked there as a Territory officer so I had to work as a key person of OK Banking in Mymensingh Territory. The responsibilities that were assigned to me during the internship period are following:

- Developing Trade Marketing plan.
- Recruit and training the new agent to increase the service network
- Deal with the existing distributor, agents and others stake holder within the territory.
- Building good relationship with agents for brand loyalty.
- Documentation and Reporting to supervisor.
- Collect market feedback and competitors" activities.
- Communication and promotional activity to create a strong brand name.
- Develop and implement a territory trade-marketing plan.
- Identify potential visibility elements.

4.3 Different Aspects of Job Performance

As territory officer I had to make regular report to my supervisor who was Area manager. Regular reports contains market information, agent information, service aspects, service default information, sales information, competitors activities, point of sales advertisements etc. Creating new agents and customers was high priority. Convincing retailers to take agent ship and sell product on our behalf. As OK banking is new for the market it did not have distributors. So, part of the job was to find well known and well financed distributors and talk to them for future business. As for agents we were clearly instruct to choose retailers with high value in terms location and financial condition. Without distributors territory officers had to perform the entire task in territory including agent selection and giving agents virtual money to run business. Point of sales advertisements like banners and festoons was on territory officers for distribution. Regular communication with agents and possible agents over phone was a must do job.

4.4 Critical Observation

Being able to work for a new mobile financing company of the country is always enticing. However, that is only part of the whole story. The working environment of OK banking is one of the best not only in the mobile financing but all over Bangladesh. Everyone canmove around and communicate with others freely. All the employees are very much friendly. The communication system is very much open ended such as anyone can give suggestion if they find anything wrong or any new way to make the work easy. For an example if any one finds a way to promote OK banking more effective manner it will be inform everyone right away.

Chapter 5

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5.1 Consumer Decision Making Process

Need Recognition: This is the first step of the consumer decision making process and it starts with the recognition that a need or want of a mobile banking service exists. Person can feel the need of doing day to day transaction through mobile phone account which he is using without visiting banks.

Information Search: The next step is the search for information regarding the need that had been recognized in the previous stage. Once the person has realized that there is a need for mobile banking service, he/she will begin to gather information of whether there is anysuch service that exists in the parameters accessible to him/her. For example: I need to open a mobile bank account for that I will search for sources to have it.

Once the person is confirmed that there are such service available, information search will then be directed toward the gathering of information as to the personal and non-personal sources (online and web-based) etc. Once all the information is gathered the person moves onto the next step in the decision-making process.

Evaluation of Service Alternatives: After searching all the possible information the next step will be evaluating the alternatives. People will evaluate based on their requirement. For instance, the quality and availability of the OK Banking service in his or her nearest location.

Service Purchase: Once person decides on receiving the services of OK Mobile Banking, for example, the consumer will go to the location area most convenient for the purpose. Based on the service that consumer will get regardless of how good or bad it is, the consumer will change the service with an experience. It might be good or bad. This experience will have its own lasting effects on the decisions regarding future service consumptions.

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Post Experience Evaluation

Post experience evaluation occurs when the customer has already experienced the service. If the customers expectation is not fulfilled fully the customer will be dissatisfied. If the service is up to the expectation of customers, then the customer will be satisfied. And if the expectations were exceeded, the customer will be delighted. If the customer is satisfied or delighted there is a chance that the customer will turn into a loyal one. The more brand loyal customers that OK Mobile Banking can get, the more word-of-mouth opinions will spread about OK Mobile Banking.

5.2 Customer Expectation	

1) <u>Regular Communication with Realtors:</u> The first and most wanted expectation of the OK retailers is making regular communication. They want to talk with SR regarding their service. Retailers said that, though OK mobile banking is new in market, they need to keep in touch with them as well as customers.

2) <u>Advertisement and promotion:</u> In the second position retailers want sufficient advertisement and promotion activities from OK mobile banking. They believe this is the only strong step which will help OK to catch the attraction of their customers. In addition, they said OK must do advertisement in such a way, so that customer can feel that this company is better than others in term of service, network, and promise.

3) <u>Commission Facilities:</u> Commission Facilities/ Extra Commission are a big issue in retailers expectation point of view. Retailers directly said that, if OK gives more commission comparing to the other operator, they will spread positive word about OK. Furthermore they said, they will influence customers positively to use OK mobile banking but the condition is OK needs to make them happy by giving extra commission.

4) <u>Service Availability:</u> most of the retailer wants available service not only in Dhaka but also all over country. They expect OK will be making their service available in every single corner of Bangladesh like bKASH. In addition they said, most of the of the mobile banking transaction are happing for sending money from dhaka to outside but Most of the new companies doesn't have available service coverage over there. If they want to sustain in market they have to ensure available service form OK in every possible place throughout the whole Bangladesh.

5) <u>Active Features:</u> OK have so many features but those not working properly. For that reason, retailers cannot run OK's line on time they want. They highly expect that OK will seriously look after on that issue and give some positive result to the retailers.

6) <u>Flexible account opening system:</u> Retailer's want the facilities of open account as many as they want. They also want less rules regulations and hassle free process of opening account. In addition, they expect that time in between account opening and activation will be as early as possible because if it takes more time customers feeling

bored and they start keep them away from this service. For that reason, retailers want a easy and user friendly account opening system.

7) <u>Easy Process:</u> Account opening system, money receiving and sending would have to be easy so that, all type of customers can enjoy this service. Retailers shared that, most of the customer outside of dhaka are uneducated, too many rules regulations could be the reasons of their unwilling to take this service. Therefore every retailer wants a easy service with every possible features and facilities.

8) <u>Building Relationship with Retailer:</u> Retailer's want to get a well relationship with OK company. They believe that, good business is totally impossible without having flexible and comfortable relationship with them. To establish that they expect regular interaction from the authority of OK. In that issue most of the retailers indicate the customer relation policy of other major mobile banking company. For that reason, all the retailers highly expect a strong customer relationship with OK, otherwise they believe OK will not be able to sustain in market in future.

## 5.2 Service Quality:

Another important thing is to know about the service quality of whichcustomers' aspect from Ok mobile banking. Service quality is the combination of two things:

a) Outcome, Interaction, and physical environment quality.
b) Service quality dimension.

From this two most important is service quality dimension. Because dimension is something without it company cannot express their service.
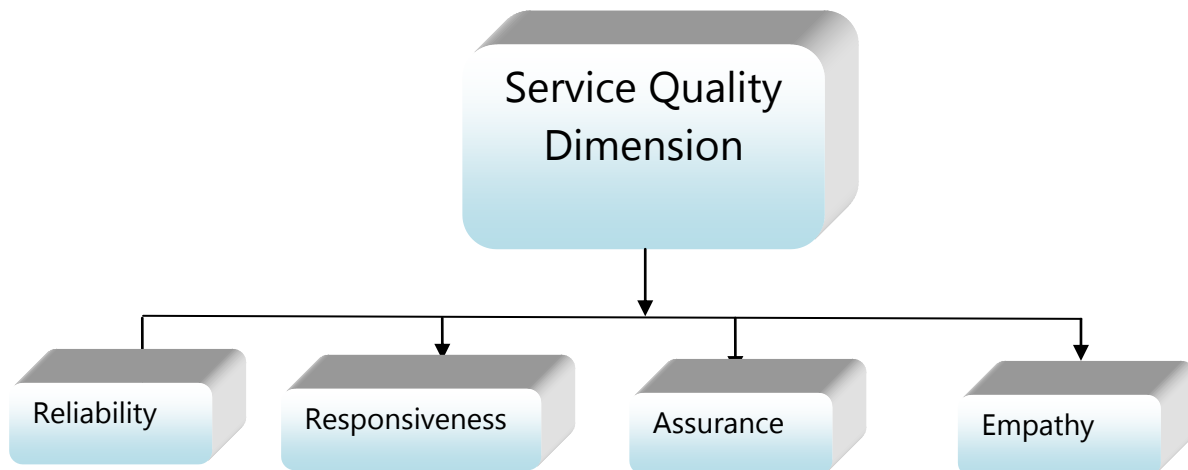
- **Reliability:** OK banking service should be reliable to consumer. Because reliable is something where company 90% time deliver their service to consumer properly. OK banking is now a developing mobile banking. It has started last year; people are now comfortable with other mobile banking. OK needs time to capture that reliable position from customers.
- **Responsiveness:** Responsiveness is something which proves that how quickly a particular service responds to their customer. They have to focus on retailers. Retailers relay on that company who can response within a short time.
- **Assurance:** The service is new to the customer. All the MFSCompany mainly focuses on Dhaka city. They opened accounts of customer in Dhaka mainly. But most of the people who use this mobile banking, they live in outside of Dhaka city. So if they have to sustain in market they have to focus on rural area.

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> 🦋 **Empathy:** As we have said that OK banking is a growing mobile banking service company, their dedication to customers has not seen yet. Customers are still unaware about their services.

5.4 E-Service Quality:	

Furthermore, mobile banking is a part of e-business. So, this service also has to maintain proper e-service quality. But as a new comer OK banking has to face a lot of challenges. They are-

> 🦋 **Efficiency:** Ok has offered cheap cost rate for their service. OK banking use Banklet software which is very costly and its security protocol is very high, but it is not user friendly.

> 🦋 **Fulfillment:** Whatever company promised to their customer, their duty is to fulfill them. Ok banking has promised about good networking, low charging, and high commission payments to agents, user friendly processing etc.

> 🦋 **Reliability and Responsiveness:** About reliability we have already talked in service quality dimension. As the service is new in market, people don't have devotion on this service.

> 🦋 **Privacy:** OK banking use Banklet software which provide a good security protocol towards their business, where other mobile banking company in Bangladesh use Telcolate software. Though, Telcolate is user friendly, but can't give proper security which is very important for M-Banking.

> 🦋 **Compensation:** In E-Business if anyone suffered by the service of any company, that company has to compensate for that suffer. Ok didn't face any problem like this. To recover the communication gap and to build up employee relationship they are going to their agents shop and fix festoon there.

> 🦋 **Contact:** In E-Business, contact address is very important, but most of the company fails to provide proper contact number/address. OK banking maintains a proper online address. We can find the company on ONE Bank website in detail.

Chapter 6

Success Factor of Mobile Banking

The findings of the report are given below:

- Mobile banking is a new technology in Bangladesh which started from 31st March 2011. Dutch BanglaBank Limited pioneered in mobile banking services in Bangladesh. Most people heard about it but not have clear idea.

- DBBL have the higher growth rate but in terms of number of subscribers bkash is far ahead. UCash being a new service in market also have very high growth rate.

- Bkash is the market leader and gradually it become tougher to bit them.

- DBBL is popular among the youth because of their mobile recharge service.

- In terms of branding OK Banking is more visible than New MFS Companies.

- The payment service of OK Banking is not satisfactory.

- Growth rate of OK Banking is decreasing.

- The total market share of bkash is 71% which is very much high for any industry.

6.2 Recommendations

While working with the report, there were certain things that came in front of my eyes which OK Banking, I think, should consider. The recommendations are:

- OK Banking needs to improve their growth rate to maintain their position in the market for that purpose they can by doing one to one marketing because of the complexity of the service.
- If they want to capture the urban market they need to improve the payment service.
- OK Banking needs to introduce mobile recharge service as early as possible because most of the youth use DBBL mobile banking only because of this service.
- OK Banking needs to promote their service by doing one to one marketing because of the complexity of the service.
- The payment service for the agents of OK Banking is not satisfactory. They need to get distributors as soon as possible so that if they want to capture the urban people.
- International remittance service of OK Banking is not activated yet. Clear to everyone so that they need to promote that service with high priority.
- In resent time Different Banks in Bangladesh introducing mobile banking service. So OK Banking need to have close observation on them, because they can became future threat for OK Banking.

6.3 Conclusion

It is my enormous preference to accomplish the report as a part of my internship program. The report is a image of my work, honesty, reliability as well as harmonization between me &OK Banking Limited. I tried my best to provide as much as information I could. As the industry in its early stage, companies tend to keep their information confidential. I consider myself lucky to be able to work in a company that provides such scope for learning. Certainly, this is very infrequent in Bangladesh. The work environment is also one of the best among the companies in Bangladesh.

The mobile financing industry is growing at tremendous pace. While it took only two year for OK Banking to reach 3 million, DBBL have 1 million within two year. Beside this all the other companies have enormous possible to increase their market share, because the industry is in very early stage. There is huge prospect for the new interns in the industry.

At the wrapping up it can be said the OK Banking limited still working hard to grab the market although they are the market leader with 71% market share. But the competition of this industry developed rapidly. But yet OK Banking is in a comfortable place in this industry but mot in a secure place. To retain the market leader position OK Banking is introduce new services. If they can continue to cater to the needs of their customers like they are doing now, they have a bright future ahead of them.

Success Factor of Mobile Banking

6.4 References

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