

Report On

Measuring Effectiveness of Marketing Communications of Corporate Social
Responsibility of IDLC Finance Limited

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

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Declaration

It is hereby declared that

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

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Letter of Transmittal

Ms. Ummul Wara Adrita
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Subject: Submission of Internship Report

Dear Madam,

With immense pleasure, I would like to hereby submit this report called ‘Measuring Effectiveness of Marketing Communication of Corporate Social Responsibility of IDLC Finance Limited’ as part of the requirement of my internship course BUS400. I had worked with IDLC Finance Limited as Marketing Communications & CSR Intern for a period of 12 weeks. In this report I have tried to show how IDLC, the top NBFIs of Bangladesh, comes up with new initiatives as Corporate Social Responsibility and how they communicate those activities with their stakeholders.

I highly appreciate your supervision and I sincerely hope that this report fulfills the objectives and requirements of my internship and that it finds your acceptance.

Sincerely yours,

Nabila Farhin
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BRAC Business School
BRAC University
Date: 08/25/2019

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between IDLC Finance Limited and the undersigned student at BRAC University

Acknowledgement

I would like to acknowledge and convey my heartfelt and sincere gratitude to my faculty advisor, Ms. Ummul Wara Adrita whose guidance, support, and counseling have been substantially crucial and indispensable for the successful completion of this report. With all due respect, I have tried my best to incorporate her constructive suggestions in the in order to enhance the ultimate worth of this report.

I am also greatly thankful to Ms. Sherifa Amreen, Head of Marketing at IDLC Finance Limited, for her thorough guidance all the preparation of this report. Without her valuable instructions, insights, and inputs, this report would never have had its proper shape. I am also thankful to Mr. Jane Alam Romel, Group Chief Marketing Officer, and Khandkar Nagib Anwar, Senior Executive Officer in Marketing Communications & CSR, for their invaluable support during my internship and preparation of this report.

Additionally, I would like to thank everyone who has helped me in any way possible while completing this paper.

Executive Summary

While financial sector of Bangladesh is getting more competitive and more complex situation is increasing, Corporate Social Responsibility is the one way to know how a company or financial institution is trying to reach to the stakeholders to cope up the financial up downs in Bangladesh. Among Non-Banking Financial Institutions, IDLC Finance Limited is doing good with a good range of profit and it is spending good amount of their profit in CSR. With a dedicated CSR team IDLC Finance Limited is communicating its CSR activities on various platforms. Having a curiosity, this report is done to measure the communication strategy of CSR of IDLC Finance Limited where a survey has been taken to know whether the target group knows about the CSR activities or not. All the CSR activities of IDLC Finance Limited has done in a way to help the deprived people of rural areas and some of the activities to help students in their education and learning. While CSR is one of the major parts of IDLC Finance Limited, the actions to spread awareness is also where different strategies are being followed.

Keywords: Corporate Social Responsibility, Non-Banking Financial Institutions, IDLC Finance Limited, Communication, Strategy, Survey,

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List of Acronyms

CSR	Corporate Social Responsibility
NBFI	Non-Banking Financial Institution
GDP	Gross Domestic Products
SDG	Sustainable Development Goals
MOU	Memorandum of Understanding
CEO	Chief Executive Officer
SME	Small Medium Enterprise
BD	Bangladesh

Glossary

Corporate Social Responsibility It is shortly known as CSR. It is a business model get used by companies which helps them to be socially accountable.

Marketing Communications A strategy to promote a brand or a product or a project through different channels such as digital media, newspaper, billboards, TV commercials etc.

Chapter 1

Introduction

1.1 Background

The development of Corporate Social Responsibility might have initiated at fifties but according to researchers it started with a sense of charity from the days of twenties. In fifties, firms of America were increasing their size and came up with the idea of Corporate Social Responsibility as that country was facing serious social problems such as poverty, environment pollution, racial differences etc. To minimize these problems, CSR came up with a change in businesses situated in America and now it's a part of every big industries of the world. CSR is gaining acceptance as a contribution of Businesses globally so that it can bring sustainability and development for society and environment. The concept of CSR is easily definable to stakeholders (Employees, Consumers, Society and Government) . In short, Corporate Social Responsibility is giving back to the society so that It can create sustainable development which will be good for the company as well as for the development too. The CSR is related with a few numbers of strategic areas of a company and it always gets criticized. The activities of CSR can not be easily measured but it should be done in such a way which can bring value to the stakeholders as well as the target market consumers too. Most research suggests that consumers are now have more interest in CSR of a company which influences their intention to buy a product from that company. They want to know whether some percentage of their spending gets donated for the society's development or not. A successful CSR program can't be accomplished exclusively. CSR incorporates the cooperation of the general public, nature and morals in making procedure that can improve the competitive position of an organization.

Though CSR is practiced all over the world and communicated properly but in Bangladesh, Companies are still lagging in communicating CSR to stakeholders properly. This report is based on the Marketing Communications on CSR Practices of IDLC Finance Limited where one can get an overall idea of IDLC Finance Limited's Corporate Social Responsibilities, whether stakeholders are aware of their CSR activities or not and how this company is coming up with new activities under corporate social responsibility. (Duenas, 2008)

1.2 Origin of The Study

This academic report titled "Measuring Effectiveness of Marketing Communications of Corporate Social Responsibility of IDLC Finance Limited" has been prepared for Lecturer Ms. Ummul Wara Adrita in order to fulfill the requirement of the Internship Program under the BBA Program of BRAC Business School, BRAC University. My internship tenure at IDLC Finance Limited was also overseen by Sherifa Amreen, Head of Marketing Communications at IDLC, who was my Organizational Supervisor. The very objective of this internship program by BRAC University is to give its students an opportunity to apply their classroom knowledge in the practical world. By the end of the assigned program duration, it is expected and required that the students will write a report to summarize their experience. This report has hence been written to fulfill this essential purpose of depicting academic and practical findings.

1.3 Objectives

The broad objective of this report is to describe the marketing communication strategy of IDLC Finance Limited's CSR Activities and to get an idea of the effectiveness of the strategies they are implementing to communicate their CSR activities to the stakeholders.

The specific objectives of this report are to understand the importance of CSR, to understand the target market's perception on CSR of IDLC Finance Limited, to look into the

communication plan of the CSR activities this company is having and how it is affecting the purchase behavior of the target market consumers.

1.4 Scope of the Report

The study is being undertaken entirely in the context of IDLC Finance limited. The information used in this report are empirical in nature. This report holds the very fundamental information of the company itself and the communication plan of CSR activities, its awareness, limitations and the future CSR plans of IDLC Finance Limited. This report will also hold the impact, Challenges of the Corporate Social Responsibilities of IDLC Finance Limited.

1.5 Limitations of the Report

Some of the limitations got faced while doing the report –

- a) There were restrictions on the access of the details of the company to a great extent. For this, some important information got left out from the report.
- b) There is less information of the impact of the CSR activities for which the effectiveness of the activities could not get measured.
- c) Large scale research was not possible because of the time constraints and there were restrictions from the organization too.

1.6 Methodology

In order to make the report, collection of data was done through primary and secondary sources.

Primary Source:

- The survey questionnaire which is done to get an idea of the effectiveness of marketing communications on CSR by collecting data from respondents.
- Face to face conversation with the officials.

- Collecting data by visiting a research conducted by Kantar Research Private limited Bangladesh on IDLC Finance Limited's Products.

Secondary source:

- Annual sustainability report of IDLC Finance Limited
- Related Journals, Articles, Books of Corporate Social Responsibility etc.

Chapter 2

Literature Review

2.1 Corporate Social Responsibility in Bangladesh

Aside from the generous social administrations by some business firms, the new idea of CSR is a rising one in Bangladesh. CSR is a way to know about how a company does profit and how they are allocating some of the money to help the society. Globalization has made an impact on Bangladesh for actively doing CSR activities but the quality of CSR done by Multinational companies and normal companies are not up to the mark. The reasons behind the condition are lack of governance, absence of strong labor unions or consumer rights group, lack of knowledge of CSR and the inability to perceive CSR as sustainability. While a few organizations have pursued all-inclusive recognized CSR models, not all have had the option to, due to nation explicit limitations. A nation's degree of financial advancement, force of debasement, and hierarchical administration should be considered while rehearsing CSR in Bangladesh conditions. From this point of view, Bangladesh has some best approach before building up broad CSR rehearses in the business segment. The impression of CSR frequently varies from one spectator or potentially expert to the next. The exact outcomes propose that CSR is perceived as a business procedure instrument by both outer and inside partners in Bangladesh. Be that as it may, the level of significance of CSR differs between stakeholders.

(Sustainable Finance Department, 2019) Some major forms of CSR in Bangladesh are given below –

Category	Item	Sector Performing
Humanitarian and Disaster	Gifts, Money, Donations to relief fund	Banks, NBFIs, Telecommunications
Education	Offering Scholarships, conducting training to develop skills, donating education materials, building schools in rural areas, building computer labs in different schools.	Banks, NBFIs, Telecommunications
Health	Health check-up campaigns, blood donation campaigns, health awareness campaigns, motherhood and infant care campaigns	Banks, NBFIs, Telecommunications
Sports	Organizing tournaments in rural schools, sponsoring sports events.	Banks, NBFIs, Telecommunications
Environment	Tree plantation program, pollution awareness program, donating solar panel.	Banks, NBFIs Telecommunications

Table 1: Major Forms of Corporate Social Responsibility

2.2 CSR in Banking and Non-Banking Financial Institution

With a figure of \$274,025 million, Bangladesh is ranked 44 in the ranking of GDP. As the contribution follows, In Bangladesh we have 59 Banking Institutions and 33 Non-Banking Financial Institutions so far contributing in the economy of the country. In Bangladesh, CSR

is new concept and doesn't have a clear definition to the stakeholders. The consumers of Bangladesh are still not aware of the corporate social activities of the companies. The reason behind this unawareness is the lack of proper communications of the CSR activities to the stakeholders. According to Bangladesh Bank, in 2018 Banking and Non-Banking Financial Institutions combinedly contributed 279.97 crore in corporate social responsibility where 277.50 crore invested by Banking Institutions and 2.47 crore has been invested by Non-Banking Financial Institutions. Here, Banking Institutions did spend 38.86% in education and 30.28% in environmental disaster management whereas 32.39% in education and 35.63% in health has been spent by Non-Banking Financial Institutions. Talking about NBFIs, they are no more a new to the individuals of Bangladesh on account of their different CSR programs throughout the years since the national bank accepting this as a device of its development technique. Generally, Bangladesh Bank has made it obligatory for Banks to put due significance to CSR and made institutional strides of checking such exercises intermittently. Various NBFIs have taken some imaginative CSR programs and with their additional endeavors on releasing social duty have gotten positive changes the general public enhancing government's endeavors. Grasping CSR starts with choice at the most elevated corporate level (top managerial staff) and reception of activity projects and execution targets picked in consultative procedures including the inner and outer partners concerned. The CSR projects taken by some driving NBFIs incorporate Eye Camp, backing to flood unfortunate casualties and different religious and ladies' strengthening occasions, outflow of Co2 from condition and so forth. Though consumers are not aware of the CSR activities but the scenario is clear that Bank and NBFIs have stepped into CSR program to plan its sustainability. (Ullah, 2013) (Halabi, Samy, & Khan, 2009) (Habib, 2018)

2.3 Bangladesh Bank's Guideline on CSR Practices

Before 2008, there were no exact guidelines on CSR for the companies so they used to do CSR mainly in the form of donation. In 2008, Bangladesh bank took a step to make a guideline where the companies were told to make an annual sustainability report every year and to put their CSR activities in that report. Therefore, the reporting has been improved because Bangladesh Bank's Green banking and CSR department oversee this to moderate. Some important guidelines are given below-

- There should be a dedicated CSR unit if not then CSR unit should be set up in every bank and financial institutions to work under the Bangladesh Bank's CSR and Supervision Departments.
- The appointed CSR unit will propose CSR budget allocation for approval which will be shared with senior management annually and they will approve based on annual post tax net profit.
- Honoring CSR commitments should be continued such as scholarship programs and a scale should be maintained in case of some CSR activities such as green financing, agricultural etc.
- Education sector gets the maximum priority for funds in case of CSR. At least 30% fund should be spent on education sector and other sector will not more than 15% fund a year.
- The second priority sector is Health where it has been told that 20% fund should be given to this sector to develop conditions of healthcare facilities and for assistance of unprivileged population's health.
- The remainder budget should be spent on emergency disaster relief, promoting adoption of environmentally sustainable output practices and lifestyles, promoting artistic,

cultural, sports and recreational facilities for the underprivileged, help in emergency rescue services, providing improvement materials for disadvantaged communities

- In case of CSR assistance, the companies should get into Memorandum of Understanding (MOU) to get assistance of related organizations which will help to organize the CSR activities. (Sustainable Finance Department, 2019)

Chapter 3

IDLC Finance Limited

3.1 Industry overview

With a booming economy as the government states, the financial sector of Bangladesh is facing liquidity crunch from 2018. In 2019, it became a problem where default loans have been increased by three and half times due to the violation of the regulations for loan sector. Almost 64% of NBFIs' earnings got dropped in the first nine months of 2018. As liquidity crunch began from the very beginning of 2018, the Non-Banking Financial Institutions are facing problems to achieve a good loan growth. As a result, the sector had to maintain a lower interest rate till now on their loan products. The large NBFIs has a wide range of products. To overcome this condition of liquidity crisis, they are now more focusing on deposit portfolio. According to Financial Express, the amount of default loan is about 939.11 billion now. The reason behind this situation is Banks and NBFIs are giving loans to the consumers whom they knew for a long time or somehow, they are related to each other and the consumers are not giving the money on due time as a result. To mitigate this problem, Bangladesh Bank will issue a circular where Banks must bring down their interest rates between 9% to 6% on lending and deposit respectively. Because of this issue, the other problems are rising too. All we know about the budget of 2019-20 which got approved on June, 2019 where 80% of the product's price got increased and the consumers must pay

because they have to live a normal life too. Observing all these situations of Bangladesh where all the Banks & NBFIs and companies are having tighter financial position, IDLC Finance Limited announced their first quarter profit which shows a rise on their profit 5.41% de-growth from the same period last year and their net profit after tax is BDT 1051.13mn in the first six months of 2019. **Arif Khan, CEO and Managing Director of IDLC Finance Limited** said that they are maintaining both their loan and deposit portfolio with 10% growth being extra cautious. (Habib, 2018) (Hasan, 2018) (Habib, 2018) (Siddiqui, 2019)

3.2 IDLC Finance Limited

IDLC Finance Limited has started its journey in 1985 as a lease finance company and it has become the largest Non-Banking Financial Institution in Bangladesh. It has 40 branches over 20 cities in Bangladesh and with 1400 employees & 45000 clients it has celebrated its 34 years anniversary recently. Starting as a leasing company IDLC Finance Limited is known for multi range of products such as SME loan, Home loan, Corporate loan, Car loan, Deposit services, Systematic Investment Scheme, Personal loan etc. The CEO of IDLC Finance Limited is Arif Khan who has more than 25 years of management experience. In 2019, the company disclosed its net profit for the first six months which is BDT 1051.33mn after tax. With 7 core values such as Integrity, Customer Focus, Trust and Respect, Equal Opportunity, Eco-friendly, Passion, Simplicity they have very simple vision and mission so that employees can easily understand that and work according to that.

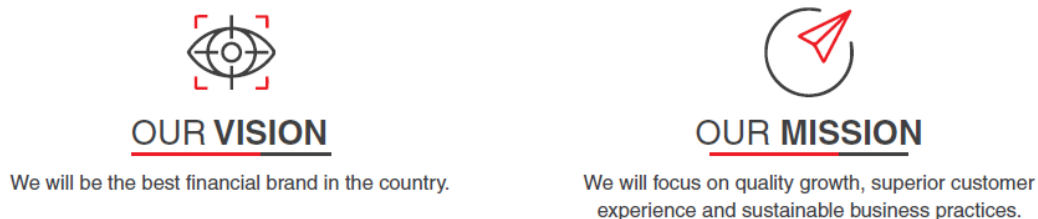


Figure 1: Vision & Mission of IDLC Finance Limited

IDLC Finance Limited has also three fully owned subsidiaries which are a) IDLC Investments Limited b) IDLC Asset Management Limited c) IDLC Securities Limited where financially the profit growth is slow according to the annual report of IDLC Finance Limited. (IDLC Group, 2019)

3.3 Key Business Areas

IDLC Finance Limited has multi key business areas which are segmented like Consumer, SME, Corporate division.

Consumer Division: With diverse range of products consumer division is specially for individual who need loans for building homes or buying apartments, loan for buying cars, personal loans and for the individuals who wants to save money for his future that means deposit services. Basically, the services within consumers division are –

Home Loan	Car Loan	Deposit Service	Personal Loan	Loan Against Deposit
1.Apartment/Home Purchase 2.Land Purchase 3.Building Construction 4.Commercial Space 5.Home Equity 6.Registra Loan 7.IDLC ASHA 8.IDLC ULLAS	1.Brand New 2.Recondition	1.Flexible Term Deposit Package 2.Regular Earner Package	1.Secured 2.Unsecured	

Table 2: Products of Consumer Division

Corporate Division: This division consists of Corporate Finance, Green Banking solutions, Structured Finance Solutions.

Corporate Finance	Green Banking Solutions	Structured Finance Solution
<ul style="list-style-type: none"> • Lease Financing • Term Loan Financing • Commercial Space Financing • Project Financing • Short Term Loan • Specialized Products 	<ul style="list-style-type: none"> • 50 products offered within this segment as per Bangladesh Bank's Green Re-finance Scheme. 	<ul style="list-style-type: none"> • Debt syndication • Working Capital Syndication • Agency & Trusteeship • Commercial Paper • Fund Raising through Zero Coupon & Coupon Bearing Bonds • Arrangements of Private Equity & Preference Shares • Corporate Advisory for Mergers.

Table 3: Products of Corporate Division

SME Division: Most of the profit amount comes from this division which consists of Small Enterprise Finance, Medium Enterprise Finance and Supplier & Distributor Finance. These segments consist -

Small Enterprise Finance	Medium Enterprise Finance	Supplier & Distributor Finance
<ul style="list-style-type: none"> • SME Term Loan/Lease • Seasonal Loan 	<ul style="list-style-type: none"> • Term Loan/Lease 	<ul style="list-style-type: none"> • Factoring of Accounts Receivables

<ul style="list-style-type: none"> • IDLC Purnota – Women Entrepreneur Loan • Revolving Short Term Loan (RSTL) • Abashan Loan • Partially Secured Loan • SME Sachal Loan • Commercial Space Loan • Commercial Vehicle Loan • IDLC Udbhabon • Start- up Loan • SME Deposit 	<ul style="list-style-type: none"> • Commercial Vehicle Finance • Machinery Lease • Revolving Short Term Loan • Commercial Space Loan 	<ul style="list-style-type: none"> • Bill/Invoice Discounting • Work Order Financing • Distributor Financing
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Table 4: Products of SME Division

Other than these, they earn from IDLC Securities Ltd, IDLC Asset Management Ltd, IDLC Investment Ltd. (IDLC Group, 2019)

3.4 Marketing Communications Strategy of IDLC Finance Limited

IDLC Finance Limited has various range of products. As an intern of Marketing Communications, I have observed the strategies followed by a brand regarding promoting the brand. Depending on the company’s portfolio, they come up with ideas on one specific product each time. For example, during Ramadan they went for Deposit TV commercial and the video shared & boosted on Social Media Page. Moreover, on 34 years anniversary of IDLC Finance Limited, they came up with a full page covered advertisement on the first and second page of Prothom Alo and they made a carousal ad on their page to attract target group. Also, they have

billboards in Jessore, Khulna, Bogra, Rajshahi, Kushtia, Chowmuhani, and in many more districts of Bangladesh. Regarding the content of the advertisement, marketing communications department of IDLC Finance Limited with the help of advertising agencies come up with new ideas for each product to advertise them. The medias that are used for advertisements or promotion consist of Newspaper, Social Media, billboards, TVC mainly. The marketing is done through popular medias to reach the mass target consumers easily. All the strategies are done with a budget which is decided in the beginning of a year and needs approval from the senior employees as well as from CEO.

Chapter 4

CSR of IDLC

4.1 Corporate Social Responsibility of IDLC

IDLC CSR is built on a culture of doing good by itself but also involves the stakeholders in the act of sustainability. Its SME loan itself creates a value such as job creation which obviously is helping to sustain our economic growth. IDLC's CSR model is based on 3Ps – a) People, 2) Planet & 3) Profit. Here, People are the community and the stakeholders they do business with, Planet which means that the responsibilities for saving environment and by profit, it means long term profit generating capabilities the company has.



Figure 2: CSR Model

In the picture above as details are given how these 3PS works internally and externally, IDLC Finance Limited mainly focuses on Education, Health, environmental sectors for their CSR activities. The CSR activities are launched with a decision taken by the Board of Directors, Management Teams and the company Employees based on different priority issues. The dedicated CSR team discuss with the partners who assists in organizing these activities about the opportunities the CSR activity will create and goes over the existing and new regulations they have to maintain while doing it. IDLC Finance limited is partnered with Obhizatrik Foundation, Prothom Alo Trust, Spreeha Bangladesh Foundation, Institute of Mother and Child Health Matuail, Green Savers Association which helps organizing activities under Education, Health, Environment respectively. (IDLC Group, 2019)

4.2 Key Projects of CSR of IDLC Finance Limited

The key CSR project of IDLC Finance Limited are –

a) **Khushir Kheya**: Khushir Kheya is a platform to bring together Volunteers, Consumers, Employees to contribute in tackling social problems. Under this platform all kind of CSR activities take place such as Alokito shishu – Building School for Bede Community, Free Cataract Operation for 50 underprivileged patients has been organized in Jessore, Art competition in Rangpur, Anondomela Sharabela at Jahangirnagar University, Rebuilding Begumganj Cultural Academy and Library, Tree Plantation got organized with the help of partnered organization and volunteers.

b) **Oditiya**: IDLC Finance Limited arranged a scholarship program for women who are from low income families to study higher education in Bangladesh with the association of Prothom Alo Trust. Under this program, every year 10 female students get selected for scholarship to study higher bachelor degrees. This CSR activity was initiated in 2017 and till now it is maintained by IDLC Finance Limited.

c) **Purnota**: Purnota is a overall solution for women entrepreneurs in case of loan, training, digital marketing, insurance, solutions for business and many more. It was launched in 2015 and it became a package for women entrepreneurs who want to succeed with their business ideas. IDLC Finance Limited organized a fair called Purnota Fair on Women's Day to give a platform to women entrepreneurs to showcase their ideas in that event.

d) **Orther Ortho**: Financial Literacy: Financial Literacy is a step which is taken by IDLC Finance Limited as a direct sustainable development goal in Bangladesh. Under Financial Literacy campaign, IDLC Finance limited launched the first ever Financial Olympiad where 20000 students participated online to compete. On the finale of Financial Olympiad, the financial e-learning microsite named 'Orther Ortho' got launched where now the videos of basic finance get uploaded and the youth can watch it for their basic understanding of finance. This program of IDLC Finance Limited directly contributes to SDG4 – Education sector.

e) **IDLC Physically Challenged Cricket Tournament:** In 2018, Physically Challenged Cricket Tournament gets launched by IDLC Finance Limited with the association of Bangladesh Cricket Association to give an opportunity to physically challenged players. 52 players from different districts of Bangladesh participated in this tournament who proved that they are worthy by their skills in Cricket and they deserve a field of their own. (IDLC Group, 2019)

4.3 Effectiveness of Marketing Communication of CSR of IDLC Finance Limited

The whole report is directed to measuring effectiveness of Marketing Communication of CSR of IDLC Finance Limited. CSR is done in a way by companies to make normal people know about their activities but in Bangladesh the consumers are not much aware of Corporate Social Responsibility acts of the companies of BD. Getting to realize this situation, I went for an online survey to measure whether people know about IDLC Finance Limited's CSR activities or not. The variables I have used to make the questionnaire are-

I) Consumer-Company Identification

II) Consumer's knowledge of CSR practices

III) Consumers Perception on IDLC Finance Limited's CSR Activities and Effects on Purchase decision based on CSR practices. (Schlegelmilch, Öberseder, Murphy, & Gruber, 2013)

I took the survey on LinkedIn and Facebook platform with the help of a google form. I got 45 respondents combinedly from both social platforms. From that 43.2% people are Employees and 40.9% are students who are mostly in the 18-20 and 20-25 age range. So basically, its clear that the result is based on the youth who remains really active on social media and all other platforms such as newspaper, TV etc. to get updates of the world's happening.

First question of the first criteria Consumer-Company Identification is ‘Did you hear about IDLC Finance Limited?’. Here 100% respondents chose ‘Yes’ that they know about IDLC Finance Limited. The Second question was about ‘For which product IDLC Finance Limited is known to you?’ 45.5% respondents said for SME Loan and 54.5% respondents said Home Loan. IDLC Finance Limited is mostly known to consumers for their SME and Home Loan for their flexible services and they have done a lot of advertisements on the platform of social media, newspaper on these products. The survey results are below-

Did you hear about IDLC Finance Limited?

44 responses

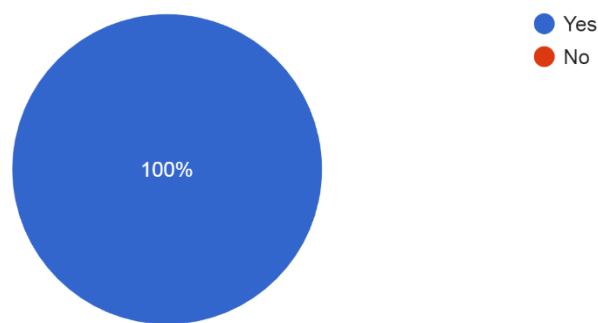


Figure 3: Results of Survey Question

For which product, IDLC Finance Limited is known to you? Please select-

44 responses

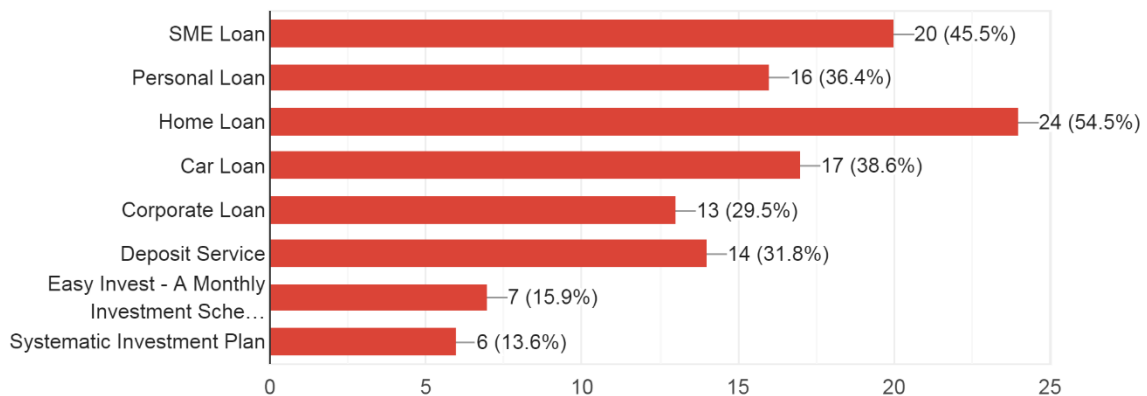


Figure 4: Results of Survey Questions

In second variable 'Consumer's Knowledge of CSR Practices', I directly asked the questions related to CSR of IDLC Finance Limited. The first question of this variable was "what do you understand by the term of Corporate Social Responsibility?" 77.3% respondents clicked option A which is giving back to the society whereas 15.9% respondents has no idea of Corporate Social Responsibility which is alarming among 45 respondents. The second question of this criteria was if they know about or aware of IDLC Finance Limited's participation on CSR activities. The result was satisfying but 36.4% respondents weren't aware of the participation of IDLC Finance Limited on CSR activities. The next question of this variable is 'Which CSR Activity of IDLC Finance Limited you heard of?' where respondents got a list of options to choose. 47.7% said they heard about Purnota, 29.5% clicked Oditiya Scholarship Program, 27.3% respondents heard about IDLC Physically Challenged Cricket Tournament and 25% people know about Orther Ortho.

Are you aware of IDLC Finance Limited's participation on CSR practices or activities?

44 responses

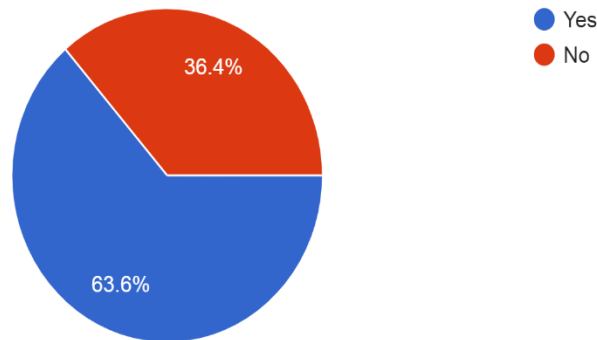


Figure 5: Results of Survey Questions

Which CSR Activity of IDLC Finance Limited you heard of? Please select -

44 responses

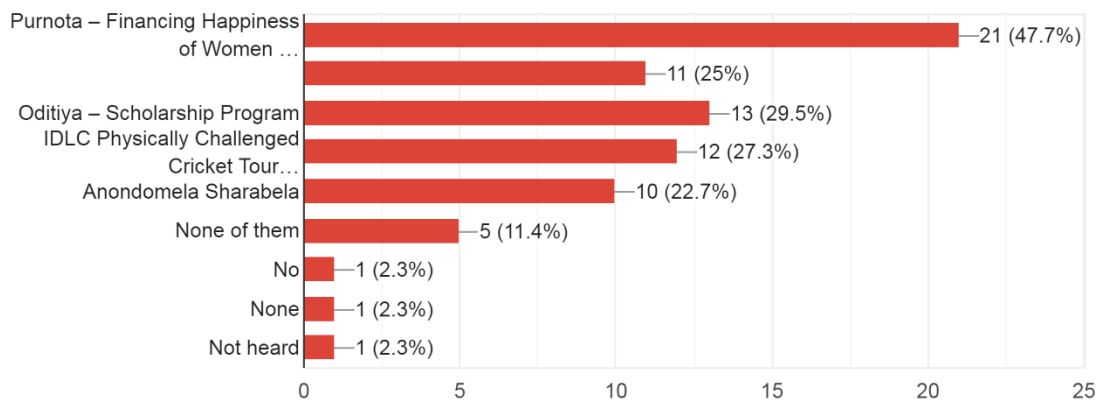


Figure 6: Results of Survey Questions

In the third question the most important factor has been asked from the respondents which is 'From where did you hear about IDLC Finance Limited's CSR Activities?'. The respondents have the options such as Social Media, Website, Newspaper. 63.5% respondents clicked on social media and 22.7% clicked website of IDLC Finance Limited. Here, as most of the

respondents got to know about CSR activities of IDLC Finance Limited from Social Media so it is easily understandable that marketing team are using social media page which means the Facebook page of IDLC Finance Limited extensively for making consumers aware of their CSR activities. Other than social media page, they use their PR to publish articles on newspapers and they update their every activity of CSR on their website (<https://idlc.com/csr.php>) so that anyone can easily access to know about their activities.

From where did you hear about IDLC Finance Limited's CSR Activities?

44 responses

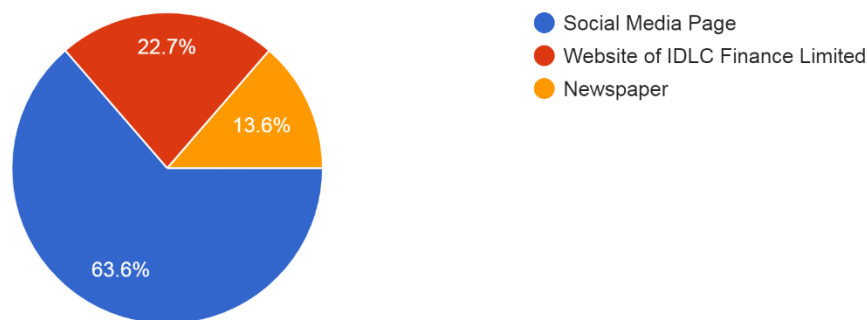


Figure 7: Results of Survey Questions

Finally, to understand the perception of consumers three simple question I put in the questionnaire. First one is ‘Are you satisfied with IDLC Finance Limited’s overall CSR practices?’ and 47.7% respondents said they are satisfied with the CSR activities and 36.4% respondents were neutral. The second question I asked the respondents because I wanted to know whether a CSR activity can affect the purchase behavior of consumers. The question was ‘Will you purchase services depending on CSR activities of IDLC Finance Limited?’ and the popular answer was ‘Maybe’ as 47.7% respondents clicked on this option. So, it was clear that consumers are not really concerned about the facts of CSR activity of any company. As in Bangladesh, consumers only think about the good services, CSR activity of the companies

won't really have an effect on their purchase decisions. Last question was to know about the opinion and suggestions from the respondents which they would like to see as CSR activity of IDLC Finance Limited. Some respondents said IDLC Finance Limited can renovate or facilitate authentic old-age home, organize grassroots football development program, entrepreneurship programs for students in rural areas etc.

Are you satisfied with IDLC Finance Limited's overall CSR practices?

44 responses

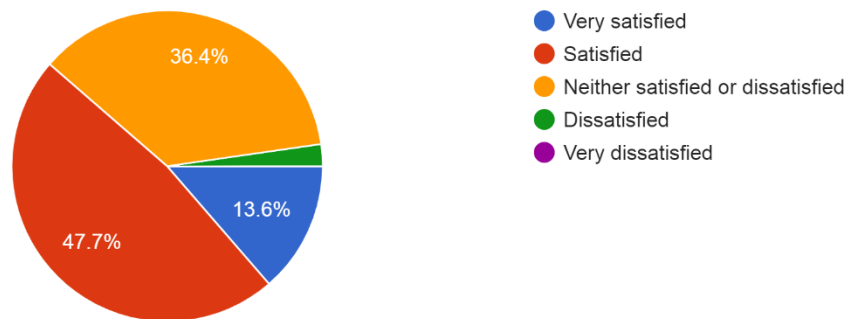


Figure 8: Results of Survey Questions

Will you purchase services depending on CSR activities of IDLC Finance Limited?

44 responses

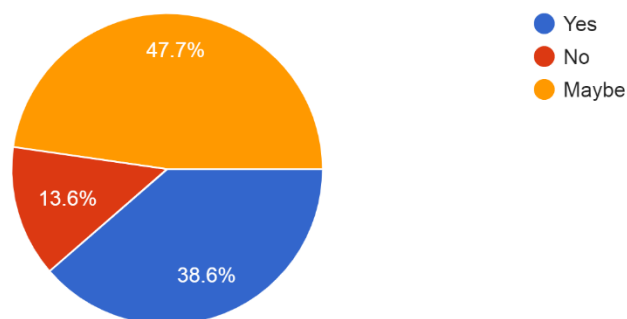


Figure 9: Results of Survey Questions

Overall, we can get an idea of the effectiveness of Marketing Communications of CSR Activities of IDLC Finance Limited which is satisfying that consumers are getting to know about it from social media post but if I had to go for real market scenario where I had to take survey from consumers who actually purchase their services I could get an actual idea whether the company is sharing their CSR with the stakeholders or not or whether the stakeholders know about IDLC Finance Limited's CSR activities or not. As an intern, I had restriction to get direct interviews from consumers or doing any kind of direct survey from the actual consumers.

4.4 Progress Made So Far

The digital media has been used for all kind of CSR activities of IDLC Finance Limited. To get the statistical idea, I had to go through their posts on their official page named 'IDLC Finance Limited'. From there I came to know that the average reach of their post of CSR activities is 11,523 on Facebook and their website of Orther Ortho itself had 9892 visitors when the website got initiated and this year till now their CSR webpage of IDLC Finance Limited website got 1,93,000 visitors which is satisfying. The plan of continuing the CSR activities will get decided upon their budget allocation in the beginning of a year but every year they organize Purnota Fair to make people aware of their package, build or renovate schools or labs of institutions in rural areas, post videos on social media page and on the website of Orther Ortho, gives scholarship to low income female students etc. So far some of the Facebook posts of IDLC Finance Limited's CSR activities are given below where we can see the reach of each post and the engagements per post of the activities-



Figure 10: Promotion of CSR on Social Media



Figure 11: Promotion of CSR on Social Media

Like Follow Share ...

Orther Ortho
February 19 · 🌐

ব্যাংকে বিল বা টাকা জমা দিতে গিয়ে ঘন্টার পর ঘন্টা লাইনে দাঁড়িয়ে থাকার দিন শেষ!
এখন মোবাইলেই প্রায় সবগুলো ব্যাংকিং সুবিধা পাওয়া যায়। শপিং করে পেমেন্ট দিতে বা অনলাইনে কেনাকাটা করতে সবকিছু সম্ভব মোবাইলেই। কিন্তু এতকিছু কীভাবে সম্ভব হয় তা যদি না জানেন সুবিধাগুলো উপভোগ করবেন কীভাবে। তাই মোবাইল ব্যাংকিং এর খুঁটিনাটি জেনে নিতে ভিজিট করুন:
<http://bit.ly/MobileBankingKii>

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12 Comments 1 Share

Figure 12: Promotion of CSR on Social Media

IDLC PURNOTA
Women Entrepreneur Loan

IDLC Women Entrepreneur Loan

IDLC IDLC. Financing Happiness

Like Comment Share ...

👍❤️😄 3.1K 53 Comments 87 Shares

Figure 13: Promotion of CSR on Social Media

5.0. Challenges and Way Forward

The consumer's perception is changing aggressively now a days where companies are facing challenges to convince consumers to buy their services. One of the many changes are consumers now want to know whether a company works for society's development or not, whether some of the money of them going to the fund of development sectors or not. With this great change, Bangladesh still lags behind this perspective and in company's willingness to take actions for sustainability. In my survey I asked a question which was 'Other than IDLC Finance Limited, which financial institution's CSR activities in Bangladesh you are aware of?' and the result was not satisfying because 11.4% respondents don't know that companies are actually participating in CSR activities. Analyzing this situation, IDLC Finance Limited is doing very well while communicating their CSR activities to stakeholders but then again there are some challenges they face in present and will face in future such as –

- While IDLC Finance Limited's CSR activities are communicated through digital media mostly, 60% of 45+ age range people are not active on digital media rather they are active on newspapers or magazines but here also lies a challenge that those target group do not read this kind of activity's articles.
- The impact of every CSR activity does not get shared on any newspaper or digital media from where the target group will get to know about this.
- There is an absence of enthusiasm of the local community in taking an interest and adding to CSR exercises of organizations. This is generally owing to the way that there exists next to zero learning about CSR inside the nearby networks as no genuine endeavors have been made to spread mindfulness about CSR and impart trust in the neighborhood networks about such activities.

- As the economy of Bangladesh is not in a well condition, it will affect the corporate social responsibility sector because there will be less profit if the default loan amount do not get recovered. The economy can be a big challenge for IDLC Finance Limited.
- There can be increase of pressure from the investors or board of directors to change the ways of corporate social activity of IDLC Finance Limited because the investors or board of directors may not see CSR as innovation to the company. (Halabi, Samy, & Khan, 2009)

6.0. Recommendation

As Corporate Social Responsibility is done by most of the companies as well as banks and non-banking institutions of Bangladesh, the communication must be done properly to make people know about it. Though IDLC Finance Limited sends their annual sustainability report to different branches, companies and to their suppliers or vendors but for consumers it only gets shared on their websites. The consumers do not get any hard copy of their report as it will cross their budget limit of CSR. For that they should make an awareness post on their social media by giving a link that their annual sustainability report is ready to read. Moreover, the impact of CSR activities should get shared with all the consumers & the target group and till now how they are maintaining their previously done activities for example whether the renovated lab of their school is getting updated every year or not. Also, while doing research campaigns for own products they can make aware their consumers and take their opinions based on their CSR activities. Finally, they can communicate their CSR activities through an influencer on their blogs so that the followers can know about their activities. While doing CSR communications, IDLC Finance Limited is applying same strategy again and again which is good but there should be some different strategies they can look for communicating their CSR projects.

7.0. Conclusion

Corporate Social Responsibility is way to take actions for the people who are deprived from opportunities or facilities. Globalization has made CSR a household practice for every company worldwide as well as Bangladesh too. Effective CSR not only makes consumers engaged but also creates job opportunities for normal people. Though Bangladesh has a long way to achieve sustainable development goals but the companies are trying to reach those goals. IDLC Finance Limited with its dedicated CSR team is trying to reach to deprived people for providing help. While communicating the company is still facing challenges but it is trying its best to reach the target group and consumers of its own. Till now, CSR has less impact on stakeholders regarding purchase decisions or taking facility of any company or any other related factors but in future two third of target group & consumers will look for it and they will take their decision based on one company's CSR activities. As the awareness regarding CSR is below average level, the companies should come up with effective CSR projects which will involve people around the area, engage employees internally & externally and the consumers so that the activities also spread through word of mouth. As the NBFIs are still not active in communicating their CSR, IDLC Finance Limited as NBFIs is a pioneer in this sector regarding communication of their CSR activities.

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Appendix

Survey Questionnaire

1. Are you male or female?

a) Male

b) Female

2. Age

a) 18-25

b) 25-35

c) 36-45

d) 45+

3. What is your Occupation?

a) Student

b) Employee- Public/Private

c) Business Owner

d) Unemployed

e) Other

4. Did you hear about IDLC Finance Limited?

a) Yes

b) No

5. For which product, IDLC Finance Limited is known to you?

- a) SME loan
- b) Corporate Loan,
- c) Home loan,
- d) Car loan
- e) Personal Loan
- f) Deposit Service
- g) EASY INVEST- A Monthly Investment Scheme
- h) Investment Banking

6. What do you understand by the term Corporate Social Responsibility (CSR)? Please select all that apply-

- a) Giving back to the society (building schools, helping the needy, talent management etc.)
- b) Development and investment on employees, customers and society
- c) Good business ethics
- d) Observation of human rights and giving equal opportunities to individuals based on qualifications
- e) Maximum satisfaction on employees and clients
- f) Provision of quality products and services to society.

7. Are you aware of IDLC Finance Limited's participation on CSR practices or activities?

- a) Yes

b) No

8. Which CSR Activity of IDLC Finance Limited you heard of?

a) Purnota – Financing Happiness of Women Entrepreneurs

b) Orther Ortho – Financial Literacy Program

c) Oditiya – Scholarship Program

d) IDLC Physically Challenged Cricket Tournament

e) Anondomela Sharabela

f) None of them

9. From where did you know about IDLC Finance Limited's CSR Activities?

a) Social Media Page

b) Webpage of IDLC Finance Limited

c) Newspaper

10. Are you satisfied with IDLC Finance Limited's overall CSR practices?

a) Very satisfied

b) Satisfied

c) Neither satisfied or dissatisfied

d) Dissatisfied

e) Very dissatisfied

11. Will you purchase services depending on CSR activities of IDLC Finance Limited?

a) Yes

b) No

12. What is your opinion about IDLC Finance Limited's CSR Activities? Can you suggest any new idea?

13. Other than IDLC Finance Limited, which financial institution's CSR activities in Bangladesh you are aware of?
