

Internship Report
On
Measuring Customer Satisfaction Level of Credit
Cardholders of Southeast Bank Limited

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Letter of Transmittal

May 20, 2012

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Subject: Submission of Internship Report

Dear Sir,

It is my pleasure to submit the Internship Report titled '*Measuring Customer Satisfaction Level of Credit Cardholders of Southeast Bank Limited*' to you at due time which is an integral part of my degree requirement. The extent of the report is only within the periphery of Sat Masjid Road Branch. I have completed my internship program at Sat Masjid Road Branch of Southeast Bank Limited in three months time. I got huge amount of support and information for preparing my report promptly. I also gathered different types of information about banking practices which can be applied in real professional life.

I have a strong belief that the report will fulfill your expectation and I have tried to give my best effort so that I can prepare a concrete report as per your instruction. I would be very grateful if you accept my report. Your kind consideration and cooperation will be highly appreciated.

Sincerely Yours,

Golam Morshed Hasan
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Acknowledgement

A detailed research type internship report cannot be completed without the help of significant others. I would like to thank at first; The Almighty Allah, who has given me the courage, patience, knowledge and fitness to complete the report promptly and within right time. The heartfelt support or cooperation that I have received while doing the internship and preparing the report is unforgettable and very appreciable. I would like to thank my parents, teachers, branch officials and friends; who has helped me directly or indirectly to finish the report as per the instruction of my honorable supervisor. I would like to mention the name of some persons, whose contribution in completing my internship and report are highly obvious from all aspects.

- Firstly, I would like to express my heartfelt gratitude towards my honorable academic supervisor; Muhammad Intisar Alam who has directed, monitored and helped me continuously whenever I needed in doing internship and report.
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- Fourthly, my solid gratitude and gratefulness goes toward my on-site supervisor; Mr. Gazi Md. Russel Bin Hossain, who has lengthened his hand of cooperation at different phases of internship and report; without any hesitation.
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Executive Summary

Southeast Bank Limited is one of renowned, profitable and modern private banking financial institution of Bangladesh with vision to become a premier financial institution and contribute to the economy. It offers all available second-generation products and services to its target market; one of its premium products is the VISA credit card it offers. The card includes many competitive features and trying to augment its market position from different aspects in a highly competitive and mostly saturated marketplace.

The report is based on that credit card and its customer satisfaction level; attributed by credit cardholders of different demographics and contains detailed, structured analysis of customer satisfaction weighted direct and indirect data which has been fetched from structured questionnaire survey. The report and its core analytical parts has been supported by detailed description to credit card and it's operation; from definition to competitive analysis which will help to build maximum understanding on inside, outside and competitive factors of credit card.

The need of analyzing customer data and measuring customer satisfaction level of credit cardholders has been originated from my internship experience where it is found that credit cardholders are facing problem and their satisfaction level is not uniform in nature, holds confusing dispersion in each others opinion. To fulfill my internship objectives and finding a solution to this problem, it became an intuitive decision to know about the customers, their emphasized stimulus of satisfaction and finally their overall satisfaction level upon which some specific conclusion could be made along with complete understanding of the whole scenario.

The research data for analysis and measurement has been collected by a standard survey questionnaire for this type of marketing research; which includes both specific and general statement of customer satisfaction on a product. Credit cardholders scored their opinion on positively formed statements and their score has been calculated on per statement and total basis.

After analyzing data by applying popular descriptive statistical techniques and tools, it is found that the customers sample size is representing the population in terms of satisfaction. The twin patterned analysis on both specific and general data indicates a neutral or medium

position in the Likert scale of measurement, describing that the customers or credit cardholders on an average have neutral opinion on each statement and on entire questionnaire survey. As the result from survey is the main finding of research, so it can be said that the result is representing quantitatively and qualitatively, the customer satisfaction level of credit cardholders of Southeast Bank Ltd. The satisfaction level of credit cardholders on an average lies within dissatisfaction and satisfaction, referring to the result. It is not advisable to be delighted with medium or break-even position rather they should strive for the highest extreme. So, it is necessary for the bank to devise effective plan, to take the customer satisfaction level of credit cardholders to a new height for the betterment of their business.

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Chapter: - 1

The Organization

1.1 An Overview of Southeast Bank Limited

The emergence of Southeast Bank Limited into banking industry of Bangladesh was at the stage of liberalization of global economic activities in 1995. The experience of the prosperous economies of the Asian countries and in particular of South Asia; has been the driving force and the strategic operational policy option for the Bank. The philosophy of the bank is "A Bank with Vision" has been precisely an essence of the legend of success in the Asian countries.

Southeast Bank Limited was established in 1995 with a vision to become a leading banking financial institution of the country and contribute significantly to the growth of the national economy. It is one of amongst the fast moving, conventional financial institution; a scheduled private commercial bank which established under the domain of Bank Company Act of 1994 and incorporated as a public limited company under Companies Act, 1994. The Bank started commercial banking operations effective from May 25, 1995 with an Authorized capital of Tk 500 million and Paid up Capital of Tk. 100 million. During this short period of time this organization has managed to successfully position itself as a progressive and dynamic financial institution of the country. The financial strength of its portfolio has upward trend for several years. The bank obtained mentionable achievement within a period of 15 years of its operation and met up requirements of Bangladesh Bank. In the recent period of the economic slowdown, the banks asset and investment portfolio is fair enough than other banks.

The bank had been widely acclaimed by the business community, from small entrepreneurs to large traders and industrial conglomerates including the top rated corporate borrowers for its forward - looking business outlook and innovative financial solutions. The products and services provided by this bank is wide and competitive, includes conventional deposit-loan products, trade finance, project finance, risk management, underwriting, foreign exchange, guarantees, credit and debit cards, Islamic banking and many more. Within a very short interval of time, it has been managed to create good brand image and significant reputation in the banking industry. Presently, it has 88 branches all over the country. It maintains correspondence with more than 25 foreign financial institutions in business intensive countries of the world to bolster the trade finance and foreign exchange activities. It also has planned the spread its name and credentials across the country.

Southeast Bank Limited has consistently turned over good returns on assets and capital. The bank has maintained good proportion of debt-equity and reserve ratio in considering the betterment of its stakeholders. In spite of complex business environment and default culture, quantum of classified loan in the Bank is very insignificant and stood at less than 1.13%. It has been growing fast as one of the leaders of the new generation banks in the private sector in respect of business and profitability as it is evident from the financial statements. The bank has been graded a top class bank in the country through internationally accepted CAMEL rating.

The bank's decision making authority is chaired by great business professionals and tycoons who are leading the bank to a new height in this competitive market place by using their expertise, knowledge and visionary attitude towards growth. They are struggling to create an environment of trust and discipline that will drive the employees to the objective. The human resources of the bank is perfect blending of all types of professionals, they have a strong focus on women employment and indiscriminating business practice. They also conduct high degree of social welfare activities through the SEB Foundation to support the underprivileged classes in education, health, agriculture, training and empowerment also to other socio-economic development sectors. In a nutshell, SEBL is determined to remain competitive and contemporary to the market and industry upon major business and performance evaluators. The information following has been collected from annual report.

Corporate Profile

Name of the Company : Southeast Bank Limited
Chairman : Alamgir Kabir, FCA
Vice Chairman : Ragib Ali
Managing Director : Mahbubul Alam
Company Secretary : Muhammad Shahjahan
Legal Status : Public Limited Company
Date of Incorporation : March 12, 1995
Registered Office : Eunoos Trade Centre
 52-53, Dilkusha C/A
 (Level 2, 3 & 16) Dhaka-1000
Line of Business : Banking
Authorized Capital : Tk.10,000.00 million
Paid Up Capital : Tk.8317.01 million
Year of Initial Public Offer : 1999
Stock Exchange Listing : April 10, 2000 (DSE) & April 24, 2000 (CSE)
Phone : 9571115, 7160866, 7173793, 9555766 & 9550081
Fax : 9550086, 9550093 & 9563102
SWIFT : SEBDBDDHXXX
E-mail : info@southeastbank.com.bd
Website : <http://www.southeastbank.com.bd/owa>
Names of the Bank's Subsidiary Companies : Southeast Bank Capital
 Services Limited
 : Southeast Financial
 Services (UK) Limited

1.2 Principle Business Entities

The principles of doing business are an integral part of organizations' operation, function, prospect and positioning. The principles include its mission, vision, objectives, commitment and competitive edges.

1.2.1 Mission: - Southeast Bank Limited aims to become one of the leading banks in Bangladesh by prudence, flair and quality of operations in their banking sector. The bank has some mission to achieve the organizational goals time to time. There mission statements are not condensed into single sentences rather they have generalized their mission. Some of them are mentioned in following-

- Providing high quality financial services with the help of latest technologies
- Providing fast and accurate customer service
- Balancing growth strategy
- Setting high standard in business ethics
- Ensuring steady return on shareholders' equity
- Innovating banking at a competitive price
- Declaring deep commitment to the society and growth of national economy
- Attracting and retaining quality human resource

1.2.2 Vision: - The vision is the condensed figure of mission is long-term and their missions are linked with vision.

- To stand out as a premier banking institution in Bangladesh
- To contribute significantly to the national economy

1.2.3 Objectives: - Southeast Bank Limited is designed to provide commercial and investment banking services to all types of customers ranging from small entrepreneurs to big business firms. In this regard it emphasizes on the priority sectors of the economy like agriculture, industry, housing and self-employment. Besides, the bank aims to provide different customers friendly deposit and loan products in the field of personal banking to fulfill the bank needs of individual customers.

Some other objectives of SEBL are:

- Establishing an interest free economy
- Establishing a modern banking system for all kinds of people
- Taking part in the economic growth of the country.
- Eradicating poverty and doing social services by establishing Schools, Madrashes, University, Hospitals, Public Library etc.

1.2.4 Commitment: - The bank has outlined some commitment criteria to clients when started the business.

- Providing service with high degree of professionalism and use of modern technology
- Creating long - term relationship based on mutual trust
- Responding to customer needs with speed and accuracy
- Sharing their values and beliefs
- Growing as the customer base and market grows
- Providing products and service at competitive pricing

1.3 Products and Services

Southeast bank provides a wide variety of banking products and services to different category of customer in response to their need of banking. They have clustered the product and services into several segments which are directed and operated by independent divisions. Each product and services has numerous rule-regulations, term-conditions, fees-charges and distinct characteristics. For the sake of simplicity and relevance, I am skipping those particular parts which can be seen at internet or any brochures.

a) Conventional Banking:- The bank offers several conventional retail products available in the market which are stated below-

- Savings Deposit
- Current Deposit
- Fixed Deposit Receipt
- Double Benefit Scheme
- Short Notice Deposit

- Pension Savings Scheme
- Monthly Savings Scheme
- Monthly Income Scheme
- Millionaire Deposit Scheme

b) Islamic Banking: - The bank offers similar type of banking product on the basis of Shariah law of Finance and Banking so that the majority people or Muslims can follow the religious instructions in every sphere of life. The brand name of Islamic banking is ‘Tijarah’ which offers interest-free concept of banking.

- Mudaraba Savings Deposit
- Al-Wadiah Current Deposit
- Mudaraba Short Term Deposit
- Mudaraba Term Deposit Receipt
- Mudaraba Double Benefit Scheme
- Mudaraba Millionaire Deposit Scheme
- Mudaraba Hajj Sanchay Prokalpa

c) Loans and Advances Product: - The bank offers wide range of different funded and non-funded loans and advance products in name of working capital finance, project finance, syndicated finance, trade finance etc.

- Working capital finance
- Trade capital finance
- Project finance
- Syndicated loan
- Packing Credit
- Loan against Trust Receipt
- Loan against Export/Import Bill payment
- Bank guarantee
- SME credit
- Loan against Share and Securities
- VISA Credit Card
- House building financing
- Industrial finance

d) Services: - The bank provides some direct service to its customers.

- Virtual Card
- Locker Service
- Remittance Service
- Western Union
- SWIFT
- ATM
- Internet Banking
- E-Statement
- Online bill payment

1.4 Interest Rate & Benefits of Scheme

The benefit that SEBL provides to its customer in terms of deposit schemes is very competitive. It is the benefit for which people from different classes come to the bank and fix their amount into a scheme. There are different types of schemes available to customers to invest. The difference between the deposit schemes mainly are interest rate, time and distributed interest. Each scheme charges 10% excise duty upon distributing interest to an account. The customer gets his principal amount at the end of maturity. If anyone encashes the scheme before maturity, will get regular interest only. The interest is fixed by the policy-makers of the bank with the help of treasury division. The central bank has instructed to define the spread of interest up to 3% which means if the lending loan interest is 15%; the deposit interest given to customers can not be less than 12%. Some bank can also use special consideration in deciding interest rate upon the amount and party reputation. The interest rate on schemes generally moves lower or remains stable for a long period. The primary instruction on interest rate is generated by central bank upon discussion with bankers committee.

Types of Deposits	Rate of Interest
Current Deposit	0.00%
Savings Deposit	6.50%
Short Notice Deposit	5.50% (banks & NBFI); 6.00% - 9.00% (Current)
Fixed Deposit Receipt	12.50%
Deposit Schemes	12% - 14%
H/O General Account	14.75%

1.5 Management and Function of Human Resources

To achieve the mission and objectives in a competitive manner, the bank should employ experienced and talented human resources so that the task can be fulfilled accurately and effectively. A group of efficient professionals is needed to sustain in the market, convince several parties, conducting operational and technical activities. A well-educated, skilled and enterprising workforce with high experience in the banking is a precondition for the continued growth and progress of any bank. SEBL's aim is to recruit and retain a competent workforce where they will get attractive benefit packages, work environment, growth potential and job satisfaction. Commercial banks in Bangladesh are now paying high salaries to get the best workforce. SEBL is also providing some regular benefit packages to its human resources which may increase this year to motivate the employees. This is because of continuous growth of similar service oriented local bank along with special service providing foreign bank due to globalization.

In this respect, Southeast bank is directed and operated by a team of sound professionals. It is managed by a team of professionals having long-term experience in the banking industry at home and abroad. While the board sets the management objectives and policies, the management is instrumental in providing the inputs and implementing the strategies set by the board. The policy and decisions made by policymakers are followed by the top level of management who break down the policy or decision into easily perceivable way. Then it's

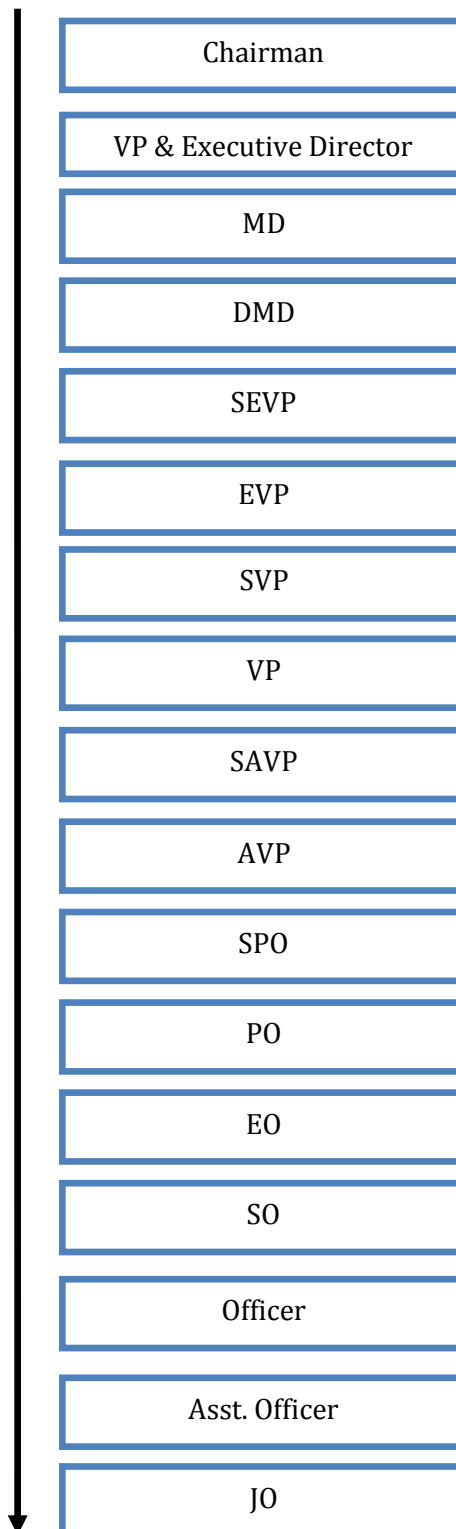
being distributed to different division so that it's disseminated to the lower level more specifically. The decision-making authority doesn't lies only policy makers, beside it's decentralized to some extent on the basis of weight. The major decision on fund movement, risk management, financial adjustments and many other influential decisions are taken by following chain of command from lower to top of the pyramid. The executive committee and audit committee has major participation in overall decision making process.

The bank maintains a continuous policy of developing its human resources. It believes that, the professionals are the key forces behind the achievement of success in banking business at the face of prevailing rigorous competitive market situation. In the expectation of continued growth, the bank established a training institute for its own staff. Southeast Bank recruits experienced bankers as well as fresh graduated and train them through the training institute. They regularly provide different training to employees in a cycle on different topic or system so that they get motivated, skilled, knowledgeable and expert in their field of operation and can adopt any new situation or element in the industry and at work.

In 2011, the number of total employees stood at 1848 and per branch average employee was 22. The branch is which I completed by internship has only 14 employees so it's better to increase the employee in number to the central point. The profit per employee has increased in years and the percentage of employees on the basis of gender is 82.58% of male and 17.42% of female. The following table shows the last five years employee number both banking and non-banking. In 2007 it was 964 and in 2011 it was 1526 on the basis of latest annual report which indicates increasing trend.

	2011	2010	2009	2008	2007
No. of Employees (Banking)	1526	1373	1254	1080	964
Non-Banking	322	240	148	151	152

1.6 Management Hierarchy of SEBL



The management hierarchy descends from Chairman to Asst. Officer. The hierarchy is similar to other banks in the industry.

1.7 Local and International Network

The branch network of Southeast Bank Limited has increased in last consecutive years with an increase in its human resources and cumulative income. There are 88 branches of Southeast Bank throughout the country at this moment. Of these 88 branches; 19 are rural, 15 are Agriculture, 5 are Islamic Banking branches and the rest are the Conventional Banking branches. The branches are located at various important locations and enables Southeast Bank to provide quality banking service to the clients. The amount of branch is low than it's close competitors if we consider the inception period of this bank. To cater to the increasing demand of client, the bank has planned to open 10 more branches, 3 offshore banking unit and 10 rural branches in important business hubs by next year. They got highest per branch profit in 2010; their branch profit has lowered in 2011 because economic downturn but the lowering means it has rise at lower rate.

Total Number of Southeast Bank Branches in Different Divisions				
Dhaka	Chittagong	Sylhet	Khulna and Barisal	Rajshahi and Rangpur
40	27	11	4	6

The bank has significant amount of correspondence with foreign banks in terms of offshore banking, foreign exchange operation and trade finance. The correspondence with the foreign banks is needed to fulfill foreign currency transaction and requirement. International correspondence in last five year was in between 590 to 650 with an increasing trend. The network with foreign banks is satisfactory. The bank has only one own subsidiary that is Southeast financial Services in London, UK from where they conduct foreign banking services directly with clients and other foreign correspondent banks. The related foreign correspondences of SEBL are located in USA, Germany, Switzerland, Canada, India, Nepal, Pakistan, UK, Australian and Japan. Among these agents, most of them are stationed at New York, Frankfurt, London, Mumbai, Kolkata and Zurich.

1.8 Performance of Southeast Bank Limited

The performance includes a descriptive evaluation on financial, operational, risk based capital position, credit based position of SEBL. **(PLEASE LOOK AT THE APPENDIX 1.1)**

1.8.1 Five years performance at a glance:-

- The difference between authorized and paid up capital should be low to express an increase in yearly operational budget and growth motive. It means that authorized capital that is fixed by regulatory and policy-making authority has been paid in close percentage. In the last five years, the authorized capital and its use was good and satisfactory to support the operational cost requirement the whole bank.
- The reserve fund and capital usage requirement by central bank and policy-makers has upward movement which is good for a bank to fulfill total investment target on any emergency. Reserve and capital can term as (Tier 1 & Tier 2) where both has high level of significance in business. The increasing rate of reserve and capital has an impressive increasing rate.
- The amount of deposit in last five years has remarkably increased. The growth in deposit is 20% compared to last year. This growth rate might be termed as a remarkable achievement considering the volatile economic scenario of the country. Mobilization of deposits had become very competitive and as a result the average cost of fund of the banks in the private sectors had increased compared to the previous years. The bank has laid great stress on procurement of low cost fund for bringing down the average cost of fund. The bank is heavily depended on fixed deposits and more than 70% of the total deposit. More deposits mean more money to invest in business.
- The loans and advances of the bank recorded have an impressive growth. The advance portfolio of the bank is well diversified and covers funding to a wide spectrum of business and industries including readymade garments, textile, edible oil, ship scrapping, steel & engineering, chemicals, pharmaceuticals, cement, construction, real-estate and loans under consumers' credit schemes allowed to the middle-class people of the country for acquiring various household items. The bank has also developed a system to improve the recovery rate of disbursed loans and also taken

adequate measures for converting the classified loans into performing assets. The classified loans during the year under report was less than 2% which may be termed as encouraging in the socio-economic environment prevailing in the country. The bank gives topmost importance to acquire quality assets and does appropriate lending risk analysis while approving commercial and trade loans to clients.

- The investment by banks to ventures after maintaining statutory and cash reserve requirement is good though it faced a slight drop in 2010 but rise in 80% of the previous year. The portfolio of investment included Govt. Treasury Bills, Prize Bond, Shares in Public Limited Companies, etc. The Bank has always given emphasis on investment of Funds in high yield areas simultaneously maintaining Statutory Liquidity Requirement (SLR) as fixed by Bangladesh Bank. The investment income includes interest earned, dividend income, revaluation on govt. securities and capital gain.
- Income from import-export is volatile for political turmoil and economic breakdown. It fluctuates some time but the last year position is higher than previous year. The other incomes and volume of remittance, guarantee has an excellent climb up.
- In last five year the return on investment and asset was not too stable; the next years after tax profit rose two times and dropped two times.
- Due to economic downturn, liquidity crisis and rapid index fall; the capital market scenario is deteriorating than previous five years. The total stock volume, dividend distribution, earnings per share has a high fluctuation rate, mostly to downside in last five years.
- Capital adequacy requirement under the basel-2 accord was a bit above at 11.46% than margin line of 10% but the fluctuation rate was high. The capital need for managing risk weighted asset becoming tough for more or less majority of the bank these days. High rate of Capital Adequacy helps to manage risk weighted assets in dire time and managing capital expenditures.
- The performance of bank in terms of number of foreign correspondence, shareholders, employee and branch has high increasing trend in last five years which means the foreign trade related activities, investors' interest, workforce strength and network has increased.

1.8.2 Credit rating of Southeast Bank:-

Date of Rating	Particulars	Long Term	Short Term	Outlook	Remarks
June 2, 2011	Rating for the year 2010	AA-	ST-2	Stable	Based on the audited Financial Statements as on December 31, 2010
April 27, 2010	Rating for the Year 2009	AA-	ST-2	Stable	Based on the audited Financial Statements as on December 31, 2009

CRISL has reaffirmed AA- (pronounced as a Double A minus) rating for long term and ST-2 rating for short term to Southeast Bank Limited. The above ratings have been arrived because of strong fundamentals of the bank in the areas of capital base, operating efficiency, corporate management, ownership pattern, diversification in product line, franchise value, improvement in non-funded exposure and Soundness of management information system. This shows the long-term and short-term debt payment ability of bank to central bank, lending banks, organization and stakeholders.

Rating AA (High Safety)

Banks rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.

Rating ST-2 (High Grade)

This means high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small. It should be noted the above rating for the long term is valid for one year from the date of rating.

1.9 SWOT Analysis

The SWOT analysis of Southeast Bank will show internal and external influential factor both positively and negatively. It's the most important building block for growth to take place. After analyzing SWOT, specific inferences can be made in matrix.

<p><u>Strength</u></p> <ol style="list-style-type: none"> 1. Effective Corporate Governance 2. Highly experienced policymakers and top level management 3. Continuous positive trend in financial performance 4. Regular training of employees 5. Strong corporate customer base 	<p><u>Weakness</u></p> <ol style="list-style-type: none"> 1. No separate R&D division 2. No or less advertising activities 3. Ineffective card division 4. Poor internet banking services 5. Lack of experienced employees in junior level management 6. Backdated website 7. Lower amount of CSR activities 8. Less participation in decision-making by lower level management
<p><u>Opportunity</u></p> <ol style="list-style-type: none"> 1. Providing sponsorship to emerging agricultural business 2. Introducing new banking services 	<p><u>Threat</u></p> <ol style="list-style-type: none"> 1. Fierce and unhealthy competition 2. Government intervention on liquidity and reserve requirement 3. Less investment opportunity 4. High interest rate 5. Saturated business area 6. Threat of new competitors

Chapter: - 2

*Internship
Experience
&
Job Description*

2.1 An Overview of Internship

My internship experience at Southeast Bank started in the Sat Masjid Road Branch, located at Dhanmondi which is a new, sophisticated, spacious and quiet branch. The branch is a non-AD branch which means the branch doesn't have the license to operate foreign trade and foreign exchange related activities. The branch is a two storied building in which around 14 officers of different designation works from 08:30 am of the morning to 08:30 pm of the night. The most attracting thing of the branch is the state-of-the-art interior design and space of the bank premise.

I started my internship from 1st of February, 2012 and ended on 30th of May, 2012. The internship was approached by the Career Service Office of BRAC University; who send two of the students to HRD, Southeast Bank Limited at Motijheel C/A to submit our CV. We were prepared for an interview which happened after 2 hours of waiting. We meet with the authoritative person of the HRD who is honorable the Head of HRD and DMD of SEBL. Then he took our short interview and told to wait for the final call. After 4 days, the call finally came; we were advised to receive the appointment letter. Both were assigned to nearest branches from our home.

After joining to the branch at the morning, the Head of the Branch received my appointment letter warm heartedly and introduced others with me as a new intern from BRAC University. At first, I have been posted to the Front Desk, the first of customer to get general banking service where I passed second highest work time among all departments. I learned many things about general banking and customer dealing there. Then, I moved to remittance, account, clearing department of the branch and learned so many things which I never imagined to learn. By this time, I was able to build good relation with officer at the second floor in general banking. Besides, I also learned some important things about credit department which is located at the second floor, the executive floor. Credit related activities has no known bounds and have many difficulties and limitless pressure. Though the interns had nothing mentionable to do in the credit department, but I enjoyed the credit most after front desk; it was the place where I passed 1.5 month because I found it most important and interesting for my report purpose. The job rotation of employees and interns is very effective for better understanding of branch banking.

My relationship with the officials and others interns goes deeper and deeper as time passes and I can confidently say that I tried to become a professional, hard-working, honest, responsible, ardent and amiable person at my workplace. Finally, I got verbal compliments from my branch manager, second manager and officers who actually make me feel that I am successful as an intern in their eyes. My confidence level has gone higher after finishing successfully. The only problem I faced was the workless times at different departments and doing nothing. However, in an aggregate, I will rank the branch high in some major distinguishing factors. I enjoyed my first time official attachment very much indeed. My job responsibilities, experience and recommendation at different department are explained in following parts.

2.2 Front Desk (General Banking)

My work at front desk started at the very beginning from 1st February to 20th February, 2012; under Mr. Gazi Md. Russel Bin Hossain-SO, Mr. Nihad Ferdous-PRO and Ms. Sathi Banik-JO.

2.2.1 Experience: - Front Desk of the branch was one of most mentionable work area for me where I have learned many things about branch banking and customer relation. I got 60% of my internship learning from there because I had to deal with different types of customers with varied requirement to us. I generally; assisted my supervisor and other officers at front desk to execute the tasks swiftly and successfully. Sometimes, I solely had to take the charge of front desk for a while when other officer were not available. I observed firstly, the place or shelves which are frequently used by officer like the files-folders, different types of forms-papers, cheque box, stationary box etc so that when the want anything from me, I can easily find those stuffs for them. It also helped me to do my task when I was alone.

The experience of front desk was both enjoyable and painful. It was enjoyable when I faced challenge to do any task or respond to customer queries at fast as possible because customers are the wealth of the bank and I am providing them the response as an intern. It was quite thrilling to serve customers accordingly with perfection and highest professionalism. Some clients' behavior was very fascinating and cooperative that actually drives the officer to respond quickly and perfectly. Dealing with different types and level of clients has reflected the lecture of my marketing teacher who talked about different aspect of consumer behavior

and relationship. It felt good when the officer relied on me to be dealt with a client. It was also interesting to respond to persons queries that don't have any relation with front desk. Though it was annoying but got something to learn from them. Sometimes sales executives from different organization came, briefed about their product and services and gave some sort of corporate invitation or complementary. At front desk, officers can learn about diverse things of the world which is not available in other departments. Responding to the clients' queries and instruction become easy when I learned to use some function of the banking software namely 'Bank Ultimus'. Each task has different protocols or file path to proceed and most interestingly it takes an officer to go into several file paths to execute on small operation. However, interns of Sat Masjid Road branch have little or no permission to use the banking software because of sensitivity of information and operation.

The painful experience of working at front desk was dealing with an impatient client who lacks educational and technical knowledge to understand banking. They just push and scold at responsible officer to respond him, which was actually not possible or feasible to do. Once I found one customer whose hand-writing was hazy and difficult to understand but was continuously patronizing me. Other than client, the work of preparing a raw form to complete one, was very annoying because a complete form contains many sub-forms like a savings account form has been made by sign card, cheque requisition slip, personal banking form, personal information form, transaction profile, KYC form, Terms and conditions form, ATM card requisition form and internet banking application form. All of the forms are very crucial documents for a client and bank, which needed to be duly filled and signed by client and branch officials. Maintaining proper documentation and finding cheque book for client from hundreds of different type of cheque book like savings account cheque book, current account cheque book, overdraft account cheque book was a crucial, sensitive, critical, boring and risky task to do.

Eventually I realized that no experience of banking is worthless rather it broadens the outlook and knowledge level.

2.2.2 Job Responsibilities: - My job responsibility at the front desk was vast and diverse as an intern. Apart from some specific tasks, I had to perform certain tasks during the office hour.

- Dealing with clients as per the demand of client and officials
- Responding to the queries in detail about different types of deposit schemes and accounts.
- Preparing form of different deposit scheme and accounts
- Inspecting the form boxes and making forms as per need
- Filling up the important unfilled items on a form
- Filing the used, closed and pending forms
- Finding and delivering cheque books
- Processing and enlisting cheque books
- Giving guidelines to fully fill a deposit scheme or account opening form
- Informing client about account balance and transaction
- Giving accounts statement
- Delivering ATM Cards
- Writing pay orders

2.2.3 Observation and Recommendation: - From my observation, front desk has a high potential to communicate with different level of clients. The officials of front desk have more client related responsibility than other section. The job is a mixture of good and bad experiences but all experiences can be counted. The desk demands fast, organized and perfect execution of works. The authority should permit an intern to learn and use banking software to increase their knowledge and experience levels. The most energetic, handsome and smart official should always be placed at the front desk. Authority should give small training or banking guideline of GB for best results if possible.

2.3 Remittance and Accounts

My work at remittance and accounts desk started from 22nd February to 2nd February, 2012; under Ms. Anwara Begum-SO.

2.3.1 Experience: - The activities of Remittance and Accounts section are normally followed by one official. So, it is very difficult task for her as well as for me to complete and coordinate the task of two sections. My job at that section started with Remittance service provided by SEBL. Different types of clients regularly come at the desk to receive the money remitted by their near and dear ones from aboard. Most of the clients of this section are female of varied age, educational qualification and profession; mostly housewives. Dealing with the clients was a bit easy than front desk as most of the clients are female and young adults. At the beginning, middle and end of month, the number of client becomes very higher.

People can receive money in their bank account through SWIFT code which is international agency remits money to account. SWIFT code of SEBL, SMR is SEBD-BDDS. It takes 10-15 days to receive money whereas remittance can give cash to hand in 4-6 days. A client or beneficiary don't need to pay service charges but to give name of beneficiary-remitter, national ID or Passport photocopy and PIN number of payment. There are many patterns in PIN digits which can classify and detect one agency from another. Money can be received only from branch to which the remitter has sent the money. There are 10-12 agencies doing business with SEBL but only 6 of them has got direct account in principal branches. Those are RIA, Transfast, XpressMoney, Western Union, Royal Exchange Service and Al-Ansari; these agencies have direct account in bank from which bank transfers the money to branch. If anyone wants to send money to aboard, has to contact with foreign banks like SCB, HSBC, and Citi NA etc.

Identifying the proper beneficiary of payment is significant so an official asks about the name, address, amount, contact number of the client so that any fraud can occur. The bank branch will not take the responsibility of fraud. At the end of the day, payment slips of different agencies are filed into particular file for audit if needed. I also had to input all the information of payment includes name of remitter, name and address of beneficiary, contact number, paid amount, country of origin into a excel template so that data are stored in hard and soft copy and shown before the auditors of general account.

The experience of accounts is also worthy to mention as account section maintains the balance sheet of the branch. The tasks of this section were sensitive; one mistake in accounting process or recoding can create many difficulties in between branch. The branch has to show the record of all transaction of different sections with full specification to head office accounts. After closing transactions at bank, officers of each section generate the voucher of types of transaction that has been completed throughout the day. The voucher is an evidence of transaction made in Cash, Transfer and Clearing mode. A voucher of transaction has three copies- account, branch and proof sheet. Then officers bring the voucher to the executive officer having power of attorney will sign at each sheet after checking them. The account will store and record the signed voucher to a register book. The most intriguing facts of accounts are variant sorts of paperwork. I found it very helpful and resourceful to learn form the affairs sheet of the branch because the account statement of bank is quite different from statements that we normally practiced in our classes. I have learned about the income-expenditure, asset-liability terms of bank. Some items are revolving in nature.

2.3.2 Job Responsibilities: - Job responsibilities at accounts and remittance were short because of the work sensitivity.

- Giving the remittance service through designated file paths in online when the officer was unavailable. Though the authorizing limit was very low
- Registering day to day pay slip into register and excel template
- Checking the debit and credit entry in number and amount from audit trail to general accounts sheet and put on the voucher register.
- Calculating daily entries and position of demand deposits, time deposits, loans-advances and schemes

2.3.3 Observation and Recommendation: - The task of accounts is very sensitive and warrants highest attention in recording and scrutiny activities. The learning from accounts helped me to forwarding work as I know the term of balance sheet which is an accumulation of entire function of a branch. The work of credit became easy because my understanding of accounts was good. Going through different files from CIB to maintenance has helped to get idea on regular logistical and operational issues.

2.4 Clearing

My work at cheque clearing section started from 3rd March to 15th March, 2012; under Ms. Tarofdar Sabiatul Jannat-SO.

2.4.1 Experience: - The clearing section clears the inwards and outwards cheque for client and branch. This work is operated by the central bank and linked directly with the clearing server of central bank. After digitization in banking and automated clearing house of central bank, it takes 6-24 hrs of any amount of cheque to clear the deposits or payment. A client can submit cheque to branch clearing within 10 AM, after that clearing server closes and the cheques that come after the hours goes to second day clearing. A high value cheque gets same day clearing and deposits by 3 PM and regular value gets clearing in next day if not placed before 11AM and deposits after 6 PM. The activities of clearing are totally controlled by automated clearing house and the transfer of money is directed from banks account at central bank.

Clearing job is very risky job in physical matters, means there we had to deal with many cheques of different banks holding varied amount. Keeping and posting the cheques safely was the main challenge though the function was also very difficult and multistep process. After receiving the cheque from client, the cheques were given into the automated clearing machine to print a tracking number. The machine is a scanner and printer both actually and sounds good when works. It is compulsory to enter the cheque details like name of issuing bank with branch name, name of issuer, name of receiver, amount, cheque number, account number of depositor, contact number and clearing status. If the cheque of other bank comes at our section, then it is an outward clearing cheque and if our cheque goes to others banks clearing then its inward clearing cheque.

Once the clearing section faced high risk of fraud, risk of accounting loss and risk of losing clients trust when at late noon around 8 cheques have found missing from the section which was waiting to be cleared next morning, worth a total amount of around Tk. 7 lacs. The situation was so terrible to face when it is found that cheques were not even registered in record book and didn't had any crossing seal of the branch. Unfortunately that was my last day at clearing and this accident occurred on that day though I took early leave for medical purpose. The officers suspected me but fortunately didn't blame me. The cheque was stolen by a fraud syndicate who took the advantage somehow. Then the officer in charge found guilty of irresponsible in duty but later luckily she was able to memorize the client and

amount to some extent. After the office hours and following days, it was quite nuisance in the branch as we had to answer to the clients who had justified reason to become angry. Due to attentiveness and efficiency of branch authority, the necessary legal and systematic actions been taken instantly to stop the forgery and it became possible to stop any crime with cheque. I got tremendous learning from this event that how to avoid this sort of incident and what actions could be taken though I felt pity for the officer.

2.4.2 Job Responsibilities: - An intern had little work to do at clearing because the work was highly sensitive and scheduled which was not suitable to be done by an intern.

- Receiving cheque by writing details onto deposit slips, putting seal and signature and giving the customer copy to the client
- Registering the cheque detail into the register which includes name of issuing bank with branch name, name of issuer, name of receiver, amount, cheque number, account number of depositor, contact number and clearing status
- Sometimes I had to write an Inter-Bank Credit Advice (IBCA) with the help of officer and count the clearing vouchers.

2.4.3 Observation and Recommendation: - The task of clearing warrants high level of attentiveness and safe handling of instruments because client or the branch is the owner or responsible person for that. The tasks are also interesting and I enjoyed it more than previous section. It helped me to understand the cheque transaction and inside affairs precisely that is important even if I don't work at bank.

2.5 Credit Operation

My work at credit operation section started from 16th March to 30th April, 2012; under Mr. Zahidul Alam Chowdhury-PO and Mr. A.K.M Bodrul Hasan Tarek.

2.5.1 Experience: - Credit operation section is the busiest workstation of whole branch whose has high contribution to banks affairs and business. It directs and controls a wide array of loan-advance products and services with chunks of documentation work. The officer of this section looks free because generally less customer sits before them but the work they does has low interaction with the client. They maintains the consumer credit scheme, auto loan, project finance, working capital finance, syndicated loans and guarantees on demand of client, head office and central bank. They have to strictly follow the rules-regulation and circular of head office and central bank; report to them whatever and whenever they need. Understanding the type of client and behavioral, social, financial status is very crucial to accept his loan proposal, to enhance his limit and to apply any kind of credit practices after him. This operation is full with chunks of paper work for client, head office, central bank and other parties.

The most intriguing fact was the way to deal with a credit holder and how the risk can be managed. The work involves many document analysis, report of head office and central bank. A person who is applying for credit can mislead the bank by presenting manipulated information of business, project or financial statement. He can make his equity or wealth overvalued which can put the credit into risk. Any information can be manipulated but two in can't be manipulated, those are the CIB report of central bank and accounts performance report. There are four step of classification, each step gives the client three months to repay and if not the bank have to lodge complain at Orthohrin Adalat of Bangladesh Supreme Court which is lengthy and hassling. Moreover, central bank should be given some percentage of classified amounts if it's not recovered in time and that is total loss to banks account. I tried my best to learn the paperwork; at least to learn about the pattern, purpose, prospect, content and risk associated with different papers. A proposal could 15-20 statements to be prepared totaling up to 50 pages of paper.

The most disturbing task of credit operation is reporting weekly, monthly, quarterly and yearly to head office and to central bank repeatedly the same topics or item in different formats.

In this section, I learned about the most important and major parts of credit operation and credit cards. Due to my interest and necessity, I spent nearly 1.5 months there.

2.5.2 Job Responsibilities: - My job responsibilities at this section are not so worthy to mention. There was little task to complete because the works at this section was very lengthy, interlinked, consolidated and difficult. But the works that I did was very high in volume or magnitude; had intensive pressure to complete the task perfectly in due time.

- Entering data of quarterly accounts and transactions of general banking into SBS-2, which is MS-DOS software, connected with Bangladesh Bank. The number of arithmetic data was nearly 1500 and took more than 1 working day
- Entering data of quarterly accounts and transactions of credit operation into SBS-3 and the data quantity was of 400 which I had to complete within an hour
- Entering credit data into different excel templates

2.5.3 Observation and Recommendation: - The task of credit department is very scheduled and systematic. It has a challenge of brainwork and mental stamina to do everything successfully. The documents are the main asset of this section. It would have been better if interns have been engaged at the regular work to assist the officers and to get proper learning of credit operation practically.

My work at Sat Masjid Road Branch of Southeast Bank Limited was limited but I have tried hard to pursue the knowledge that I deserved to gain from the officials and from banking practice. The authority was reluctant to give any task to interns but I managed to convince them, got me assigned to work and finished perfectly. At first, I had some other intension in mind about my internship but later I realized it's a big chance to get the banking related knowledge even if I don't work at bank. So I jumped into it and chased the knowledge and got it. Now I can confidently say that I have learned more things that any other interns in the branch and can perform banking activities properly. The branch should engage the interns with practical banking and provide at least one office computer at their possession.

If you have any queries about my internship experience and job description, Please contact with-

- Mr. A.T.M Manjurul Alam- EVP and Head of the Branch; Sat Masjid Road Branch, Dhanmondi, Dhaka.
Contact Number: 02-8191168
- Mr. Md. Humayun Kabir- AVP and Manager Operations; Sat Masjid Road Branch, Dhanmondi, Dhaka.
Contact Number: 02-8191170 Ex-102
- Mr. A.K.M Bodrul Hasan Tarek- Executive Officer; Sat Masjid Road Branch, Dhanmondi, Dhaka.
Contact Number: 02-8191170 Ex-109
- Mr. Gazi Md. Russel Bin Hossain- Senior Officer; Sat Masjid Road Branch, Dhanmondi, Dhaka.
Contact Number: 01823777666
- Mr. Nihad Ferdous- Probationary Officer; Sat Masjid Road Branch, Dhanmondi, Dhaka.
Contact Number: 02-8191170 Ex-01

Chapter: - 3

Credit Card in Detail

SEBL CARD

Dual Currency VISA Credit Card

Financial freedom at your fingertip



3.1 What is Credit Card?

A credit card is a small plastic card issued to users as a system of payment or withdrawing cash to fulfill short-term financial need. It allows its holder to buy goods and services based on the holder's promise to pay for these goods and services in due time. The issuer of the card creates a revolving credit account and grants a line of credit to the consumer based on monthly income from which the customer can borrow money for payment to a merchant or as a cash advance to the customer. In some cases, it is defined as 'Plastic Money' which is very popular mostly in developed nation, though the developing nations are also using this plastic money facility through different financial institution as it's offers risk-free mobility of huge sum of money at home and aboard with minimal regulations to use. A customer gets increased purchasing power by using credit card which increases the flow of funds to different sectors and makes the monetary system stable, smooth and highly operational because the greater the money changes hand, the better it helps to stabilize the economic indicators of individual, corporation and country. The person who enjoys credit limit through card has to abide by the rules and regulation, given by issuing authority to sustain good personal financial reputation.

A credit card is different from a charge card; a charge card requires the balance to be paid in full each month. In contrast, credit cards allow the consumers a continuing balance of debt, subject to interest being charged. A credit card also differs from a cash card, which can be used like currency by the owner of the card. Most credit cards are issued by banks or credit unions, and are the shape and size specified by the ISO/IEC 7810 standard as ID-1. This is defined as 85.60×53.98 mm in size.

Financial institutions introduce this card to increase their market competitiveness and flourish its income and asset. It's a short-term loan intends to fulfill working capital requirement. They customize this card to several schemes or redesign it's concept by segregating it's usage on level of customers need at home or aboard liked silver, gold or platinum card which varies in limit, due time and charges. Moreover, they also introduce many complementary and supplementary features to remain attractive and unique in highly competitive marketplace.

Credit cards are generally operated by central monetary system, but some companies are there to coordinate the overall process between central authority, banks and customers; the

mostly used brands of credit cards are VISA, MasterCard and American Express. They connect consumers, merchants and financial institutions around the world with products and services that make payments more convenient and more secure.



3.2 History of Credit Card

The concept of using a card for purchases was described in 1887 by Edward Bellamy in his Utopian novel 'Looking Backward'. Bellamy used the term 'Credit Card' eleven times in this novel. The modern credit card was the successor of a variety of merchant credit schemes. It was first used in the 1920s, in the United States, specifically to sell fuel to a growing number of automobile owners. In 1938 several companies started to accept each other's cards. Western Union had begun issuing charge cards to its frequent customers in 1921. Some charge cards were printed on paper card stock, but were easily counterfeited.

The use of credit card originated in USA during the 1920s, when individual firms like oil companies and restaurants began issuing them to customers for payment convenience. Around 1938, companies started to accept each others card. Credit cards were not always plastic. There have been credit tokens made of metal coins, metal plates, celluloid, metal, fiber, paper and now mostly plastic cards. The inventor of first bank issued credit card was John Biggins of Flatbush National Bank of Brooklyn in NYC. In 1946, Biggins started the 'Charge-it' Program between bank customers and local merchants. In 1950, Diners Club issued the credit card in USA. American Express Bank issued the in 1958. Bank of America introduced its' first credit card 'Bank Americard' which is now VISA later in 1958. In 1966 the aforementioned group of California banks formed the Interbank Card Association (ICA) to create 'Master Charge' was renamed simply Mastercard later on.

Although credit cards reached very high adoption levels in the US, Canada and the UK in the mid twentieth century, many cultures were more cash-oriented, or developed alternative forms of cash-less payments such as Carte bleue or the Eurocard in Germany, France, Switzerland and others. In these places, adoption of credit cards was initially much slower. It

took until the 1990s to reach anything like the percentage market-penetration levels achieved in the US, Canada, or UK. In some countries, acceptance still remains poor as the use of a credit card system depends on the banking system being perceived as reliable. Japan remains a very cash oriented society, with credit card adoption being limited to only the largest of merchants, although an alternative system based on RFIDs inside cell phones has seen some acceptance. Because of strict regulations regarding banking system overdrafts, some countries, France in particular, were much faster to develop and adopt chip-based credit cards which are now seen as major anti-fraud credit devices. Debit cards and online banking are used more widely than credit cards in some countries.

The design of the credit card itself has become a major selling point in recent years. The value of the card to the issuer is often related to the customer's usage of the card, or to the customer's financial worth. This has led to the rise of Co-Brand and Affinity cards, where the cards design is related to the 'affinity' (a university or professional society, for example) leading to higher card usage. In most cases a percentage of the value of the card is returned to the affinity group.

Nowadays, the credit card means many to many people. In years it has adopted much safety, unique and easy features to deal with customers' financial problem in most sophisticated and cordial way. Many banks have also made it centralized advance product or service. People are using it to maintain status symbol or to have financial mobility.

The recent recession in developed country or breakdown of economic system or bankruptcy case to many old and heavyweight banking and non-banking financial institution can be largely attributed to credit defaulters, which made the investment as bad n' loss to company affairs rather than short-term liquid assets and regular income generating item. Some unsafe practice of credit risk management division of those firms is also responsible for their bankruptcy. However, many other macro and micro economic factors are also related with the recession which is not suitable to discuss in this purpose.

3.3 Credit Card of Southeast Bank Limited

Introducing a credit card which is supported by VISA was a remarkable competitive move against the competitors in 2005 which was actually introduced late but was prudent to do. As SEBL likes to see itself a high profit generating, market oriented, corporate focused bank, it was a demand of time to get some market share of credit card in local market. The way SEBL operates in the market, it was very important to introduce this service as it tries to stay focused on corporate and individual client. Apparently, major portion of SEBLs' income, asset, revenue, profit comes from corporate banking or clients but they are driven by meticulous business insight which allowed them to act competitively in the marketplace. They are in an agreement with VISA brand in a 50-50 profit and operation partnership as VISA has 60% market share of overall credit card market. Moreover, it is also a cost-efficient decision to work with VISA than MasterCard as it costs a bit more than VISA and in a developing country like Bangladesh, people are very careful about cost and charges and may not take MasterCard though the difference of charge and features is insignificant. It is the customer demand or thought that drives the market. Not having MasterCard could be a strong drawback because SEBLs competitors are taking this chance by adopting an open market policy and their spending on promotion and business development which is seemingly higher than SEBL. So they are offering VISA and MasterCard. A SEBL VISA credit card is generally issued for 2 years, charges market interest rate and provides generally 1.5 times multiplied credit limit on monthly income. Most of the customers are job holders as their short-term financial need is greater than the business man or any professionals and so 60% of the cardholders are living on salaried income.

3.3.1 Types of SEBL Credit Cards: - The credit card service of SEBL can be classified into two major categories and each category has two differentiating segments that are not the same in features and facilities. Two major categories both are supported by VISA but the outlook, function, features are not the same. Also some status symbol is also associated with both categories. The main two categories are Local Card and International or Dual Currency Card.

- Local Card refers to a card that can only be operated within the periphery of the card issuing country or in which country the financial institution belongs. The local cardholder can only purchase or avail any product or services that lies within the

country and has VISA supported POS machine. Customer can only withdraw money from and pay the bill in the country. Majority of the client are local cardholders. Local card is termed as Classic Card also. The two segment of Local or Classic card is Silver and Gold card. Each segment of card has major difference in credit limit, fees and charges etc. If anyone wants to enjoy a credit limit less than BDT 70000 per month then silver card is appropriate for him or vice versa for enjoying gold card. The most enjoyable matters in these two card is the limit and status maybe as many people may found it equal to high stature saying that he or she have gold card in his wallet.

- International or Dual Currency Card refers to a credit card that can be used across the country border anytime based on the financial necessity in aboard like shopping, hospital bill, tuition fees payment, internet purchase or settlement of any charge or expenditure along with all other facility which is available for local cardholders. Any ATM booth that supports VISA card can be a place to withdraw at most 50% of the credit limit in cash and has up to 50 days interest free payment facility. Here, they also have silver and gold cards, all the calculations here are prepared in USD amount which is highly acceptable, liquid and easy to exchange. The exchange rate that is used to calculate bills and charges are based on floating market exchange rate of USD. The differentiating factors for international cards' segment are also similar to some extent. A person who wishes to have a credit limit of USD 2000 can apply for Dual Currency Silver Card and who wants limit of more than USD 2000 up to USD 5000 can have gold card to fulfill the need.

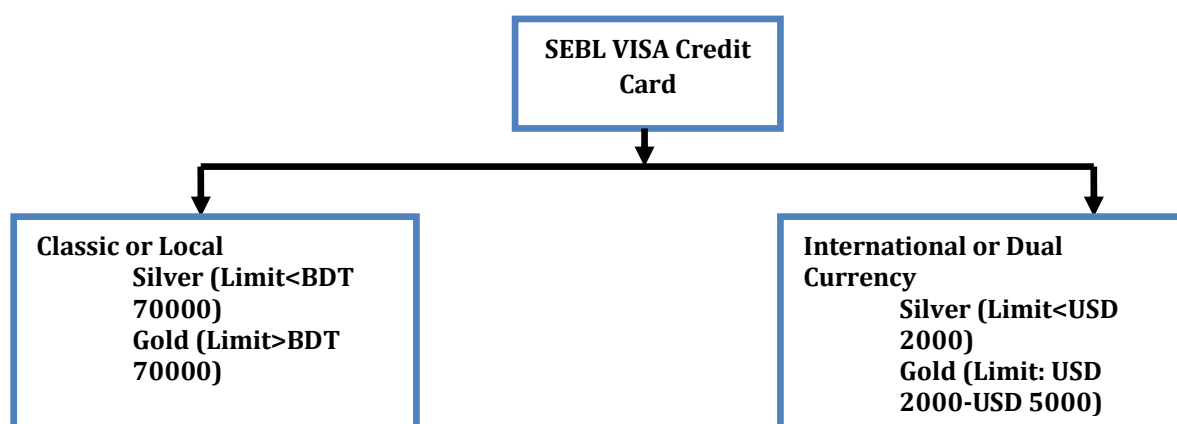


Figure: Types of SEBL VISA Credit Card

3.3.2 Features and Benefits:- The features or benefit that SEBL credit card provides have many competitive advantage in the market but it also has some lacking in the same marketplace which may not be very significant to individuals but it could be so when it is evaluated generally.

- **Dual Currency card:** - SEBL Visa Dual Credit Card has unique feature of allowing limits both for local and international usage in a single card. However, one may opt for separate cards if he or she finds the same thing convenient for him or her. SEBL Visa Dual Credit Card is accepted at any merchant locations, payment counters or payment system, displaying VISA logo in any part of the world. It is joined with widely accepted ATM and payment network and has competitive interest and fees.
- **50 Days Interest free Credit Facility:** - SEBL Visa Credit Card allows free credit facility on purchase up to minimum 20 days and maximum 50 days without any interest if there is no outstanding amount on the card account in the previous month's bill. Actually, the 50 days includes normal 30 days usage period and extra 20 days for payment.
- **50% Cash Drawing Facility at ATMs and any Southeast Bank Branch:** - SEBL Credit Cardholder can draw cash up to 50% of the credit limit against his or her card. Cash may be drawn from all ATMs or payment counters having VISA logo. Cash withdrawal facility is also available from any of SEBL branches across the country. Cardholders can withdraw money from any branch by filling a cash withdrawal form. No interest free grace period is available for any cash advance. Whenever cash is withdrawn, interest will be charged.
- **Card Cheque Facility:** - Card cheque is a cheque that is issued by card division in the name of customer. It's a transferable account payee cheque which can be placed against local credit limit and transaction will be deemed as purchase with no interest applied on it. When a cardholder needs cash, then he can write-up a card cheque to his savings account number which is considered as high-value clearing cheque and can be cleared and deposited to savings account in 24 hrs through card division. The limit of withdrawal by card cheque is 99%. After clearing being done, the amount will be transferred to savings account.

- **International Roaming Bill Payment:** - Credit cardholders can pay international roaming bill of his or her mobile phone when staying abroad or have roaming services bill to be paid. Auto debit instruction can be given so that bank can deduct charges and fees without disturbing the customer. Apart from international roaming service bills, GP postpaid subscribers can also pay their bill through auto or direct debit.
- **Free Supplementary Card:** - It is an extra card that is issued by the card division in response to the request of the cardholder to fulfill the short-term financial need of the family members or the nearest ones and the credit account will be jointly operated. This card is given to trusted persons nominated by cardholder and generally cardholders prefer first bloods or wife. The supplementary cardholder can enjoy the half of the limit of main cardholder and it creates another 50% line of credit in the name of mother cardholder. The main differences between two cards are supplementary cards can only be used for purchasing goods from VISA supported shops, it has no extra or annual fee and this card will be authorized and maintained by the principle cardholder.
- **SMS Push-Pull Service:** - SEBL credit cardholders can get general information of their cards by sending and receiving short text messages from cell phone. The text message can be sent from any mobile operators' network across the country. They can get mobile instant upgrade of bills and recent purchases, also debit instructions and credit details can be collected by push-pull service in BDT 115 yearly after adding VAT.
- **24-7 Customer Service:** - SEBL has active 24hrs customer service officers to answer the queries of client anytime. Client can call or contact with the customer officer for placing complains or requesting answers to queries.

3.3.3 Fees and Charges of SEBL VISA Credit Card:- The charges or fees; major or minor; whichever associated with credit card is very competitive market rate so that customer gets best possible banking products and services at fair rate. In 2012, the fees and charges have been changed to downward than 2011, which is very competitive and in some extent much lower than competitors' fees and charges like DBBL or Prime Bank who has very high annual and others fees (some are hidden) than SEBL. SEBLs' card could be

considered as the lowest charged card in the whole market. They have no or less hidden fees than any other card; however the hidden fee concept differs from person to person. The fees and charges are subject to change in time to time with a short notice and card division has full discretion to alter or modify fees, charges and statement related issues. Cash withdraw from booth; branch and card cheque will charge processing fee of 1% or BDT 200 whichever is higher. Every portion of banks income or charges to client excludes 15% VAT on charges. **(PLEASE LOOK AT THE APPENDIX 3.1)**

3.3.4 Charge of Interest to Credit Card: - Rate of interest that is charged on credit card is based on market interest rate that is set by central bank. The interest is totally a monthly income to card division. Not a single penny from credit card goes to branches affairs; rather they work as intermediary between card division and customer. Interest rate is generally 2.5% per month which will charged on daily basis to any cardholder passed the due payment date and have unpaid due from transaction date to payment date.

In case of cash advance withdrawal, the interest of 2.5% per month will be charged and calculated on daily basis from the date of transaction until cash advance is paid in full.

Credit card maybe considered as a burden to many who can't maintain his personal fund properly because only one day's due after last payment date could incur daily basis interest expense on total outstanding amount to be paid in full from transaction date. Besides, there are late payment fee, VAT and compounding interest expenses if not paid in time. Interest could turn into a giant nightmare if not being paid swiftly; also a customer could lose credit reputation in long run.

3.3.5 Mode of Withdrawal: - Credit cars can be used generally in three ways to meet ant short-term financial need or instant purchase. Most of the customers are job holder as their short-term financial need is greater than the business man or any professionals and so 60% of the cardholders are living on salaried income and 25% are businessman, lastly the rest of the group that is 15% are generally independent professional like lawyers, chartered accountants, doctors, engineers, architects, creative designers. Students and others like freelancers can not avail a credit line by showing high amount of turnover or savings.

Sometimes bank authority uses their due diligence to issue a card to known or financially reputed client though he or she might not lie under eligibility criteria.

Most of the people use cards to buy products and services from VISA supported shop or vendors who have VISA Point of Sales (POS) machine available there. Nowadays, many vendors got POS machines to attract customers and increase sales. Most of the retailers doesn't deduct additional amount for transaction from client but some electronics or accessories shop may deduct 1-2% of the purchase price for transaction but the frequency of them in the marketplace is very few. We can found the POS machine of DBBL, National Bank, BRAC Bank, Standard Chartered most in volume in the marketplace.

Credit Cardholders can withdraw cash from any ATM booths within or outside the country. A percentage of interest will be charged when withdrawing cash which is currently 2.5% per month, will be charged from the day of withdrawal to statement generation date. If someone withdraws cash from other banks booth, then that intermediating bank will charge 1% or BDT 200 whichever is higher per withdrawal. Suppose, the other said bank is DBBL and you are withdrawing cash from the booth, additional amount that is charged as processing fee will be debited from SEBLs' card divisions account from VISA server.



Figure: Booth withdrawal process

If a cardholder needs to withdraw cash but he can't locate an ATM booth but he finds a SEBL branch in the close vicinity, then he can also withdraw by filling up a cash advance form that is same in nature and available at any branch of SEBL within the country. The branch will also charge processing fee that is 1% or BDT 200 whichever is higher and most importantly 15% VAT will be given based on the processing fee. Processing fees always includes the VAT calculation.

Cardholder can also withdraw money through card cheque but the money will be transferred to savings account from where the cash can be withdrawn by placing normal cheque to the counter. In this case, only processing fees will be charged but no interest rate.

3.3.6 Mode of Payment: - Payment systems of bills are common in banks offering credit cards. Clients can payment either in cheque or in cash at any of the SEBL branches.

For cash payment, a card payment slip is available at every branch of the bank. Bills should be paid in before due date, otherwise client could incur late payment charges and interest on daily basis. A client generally gets 50 days for interest free payment (which includes 30 days monthly period and 20 days extra payment period) if purchase just after the statement generation date. For SEBL the statement generates at 14th day of a month and it varies from bank to bank. If anyone becomes unable to pay in due time but has paid 5% of the total bills amount in due time then the late fee will be exempted.

For cheque payment, all other things are same as cash payment but the cheque has to be placed before one week of due date. A cardholder can pay any bills or due amount to third party by writing card cheque.

Any payment made by the cardholder will be treated as over limit amount, overdue amount, cash advance, service charges and purchase. The outstanding bill amount can also be paid by auto loan listing which means an instruction given by the principle cardholder to deduct the payable amount automatically before due date from his or her savings account. For dual currency card, the payment of charges and amount would be paid by bank draft in mostly acceptable currencies or by converting at existing rate while generating statements. Card division has full discretion to change the payment system, fees and charges, facilities, limit and so on.

3.4 Process Design

Credit card is being considered as risky product of a bank and there are many formalities and procedures that are needed to be followed by the authority and client. The overall process from application to disbursement of fund; from retail branch level operation to treasury level operation contains wide and multilateral function. It requires the support of different division in varied level like retail, credit, credit risk, card and treasury at the end. Measuring its riskiness and sensibility, process warrants a swift and efficient decision to be made so that authority and client both remain satisfied. The whole process takes 8-10 days to be completed.

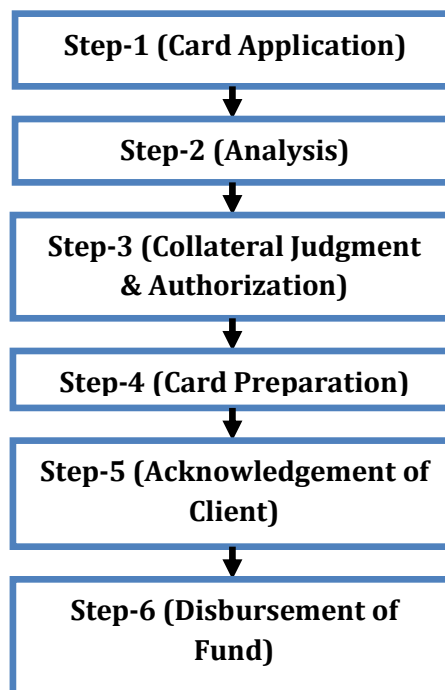


Figure: Overall process of Credit Card

The overall process of multilateral credit card operation is described below step by step as drawn above for better understanding.

Step- 1 (Card Application):- The first step of credit cards' operation process starts with relationship and banking practices between branch and applicant. It relates the applicant or potential client with retail credit or branch banking division of Southeast Bank Ltd. An applicant has to fill up the application form and submit necessary document to the respective officer as per the requirement. Nowadays, credit card has become a centralized product of the

bank and it's only an entitled product of card division. So, card division has appointed many sales executive only for cards. The applicant has to abide by the terms and conditions strongly. If anyone doesn't read the terms and conditions carefully, then some acts may mislead the client and build negative ideology regarding card and bank like the so called hidden charges. A VISA Credit Card application form requires following information-

1. Personal Info: - Name, Educational Qualification, Sex, DOB, Marital Status, Parents' Name, Nationality, Religion, Passport Details, TIN, Addresses, Living Info, Contact Numbers etc.
2. Professional Info:- Job status, Name of Company, Nature of Business, Designation, Year of Joining or Establishment, Address, Tenure of Attachment
3. Bank Reference
4. Spouse Particulars
5. Income Details:- Salary/Business Income (Basic, Allowance, Gross); Additional Income (all with supporting documents)
6. Auto Payment Instructions
7. Other Card Details
8. Reference (Relative and Non-Relative)
9. Supplementary Card Details:- Name, Relation, Authorization
10. Photograph and Signature on Declaration
11. SMS Instruction for minimum or maximum alerting amount

This concludes the forms but not the application because some documents are needed as supporting to the forms information which varies in terms of occupation. **(PLEASE LOOK AT THE APPENDIX 3.2)**

After receiving the documents given by particular applicant, branch checks documents. Finally completes the application procedure as instructed.

Applying for credit card or loan, relationship with the bank is very important. If an applicant has long-term good relation or reputation with banks, then it becomes easy to take any decision regarding an applicant. On the basis of the reputation or relation, the minimum collateral can be excused. Generally, SEBL seeks FDR which will be valued as more as 120% than the credit line or limit. If a person has an income of BDT 50000, then he could get credit limit of BDT 100000 at max by making the FDR as Lien Safety Instrument. For an

unknown client, branch can also ask for a blank cheque that doesn't have any lien instrument. Bankers Committee is also deciding to introduce a new requirement for credit card application which is Credit Information Bureau (CIB) Report of Bangladesh Bank, linked with the database server of Bureau of Statistics; which encloses record of previous and present loan condition of an applicant. This ends the desk level operation of credit card at branch or retail banking.

Step-2 (Analysis):- At this step, the branch sends the application to the Credit Committee of Card Division at Head Office who analyzes the proposal of all short-term loans. They thoroughly look at the branch officials' recommendation report about an applicant and analyses the attached or enclosed documents and information. Credit Committee is headed by the Second Manager of Card Division who prepares a review report with the help of one or two senior officers. This review report generally, explains the validity, legitimacy and strength of the documents and information. If a branch has recommended the application highly, it requires little analysis. They also take the company in which applicant is working or runs. If anyone working at any mere organization and earning BDT 100000 per month, there is possibility that his application might not get approval or the credit limit requested by him, whereas an employee of Unilever, earning BDT 40000 per month could easily get the requested limit or approval. They decides a tentative credit limit and charges for the applicant and forward the scrutinized review report to the Head of the Division who approves or rejects the application. Branch recommendation and credit reputation is a big factor while analyzing a proposal. Card Division has full discretion to change any decision regarding card related affairs.

Step-3 (Collateral Judgment):- Card Division at this step, analyze and process the safety instrument (if available) like FDR Lien, Blank Cheque etc. this is sometimes based on due diligence policy of bank, evaluating the financial strength and credit reputation of applicant in the marketplace. They place locking instruction over 'Bank Ultimus' software to restrict the safety instrument from being encashed without clearance from Card Division.

Step-4 (Card Preparation):- Now Card Division generates PIN and card number for the approved application and compiles necessary card information before ordering cards. Bank sends requisition to VISA agent for preparing a card for bearing card number. The name, photo, signature of cardholder, date of issue and expire and some terms are printed on the card and the 12 digit number is embossed.

Step-5 (Acknowledgement of Client):- After the card is being prepared, the plastic card and clients statement including the name, address, card number is sent to the cardholders mailing address by post. This entails some instruction for the cardholder to respond in a designated way to card division upon receiving the card. After receiving confirmation from client about the receipt of card, the card division sends the last mail which includes the PIN number, terms-conditions of usage etc. PIN number is the most confidential items in the statement which should be maintained with utter secrecy. After having the PIN, the cardholder can instantly use the card. The cardholder can acknowledge the receipt of mail by phone call or email swiftly.

Step-6 (Disbursement of Fund):- Just after sending the first mail and fist acknowledge, the card division connects with the Treasury Division and instructs to post the credit amount to the cardholders account. The Treasury is the only authority to put money in an account of external client or cash clearing agent. Besides, treasury does many policy and major fund movement related activities after analyzing risk proportion. Generally, they stress for loan to deposit ratio that is 80%, it means, the bank have to maintain practically 100% of deposits to get 80% of the advances, here the spread is 20%.

3.5 Operations of Credit Card

The credit card operation is similar as a whole where several channels are engaged. It starts from the punching of card at merchants point, in between it includes other parties like VISA, SEBL, Cardholder and ends with notification of successful payment through client machine at merchants point. The whole cycle of operations contains four parties whose are Merchant, VISA, SEBL and Client; the operational direction moves clockwise and anti-clockwise which is highly controlled by their banking software which is interlinked with client and database server of SEBL and VISA Inc. the whole cycle of operation complete in synchronized IT system at superb speed of computer. The operational procedures are explained for general purchase only below with supporting figures. The others mode of usage are quite similar than the primary steps where instead of merchant, ATM booth or other client machines may be involved with.

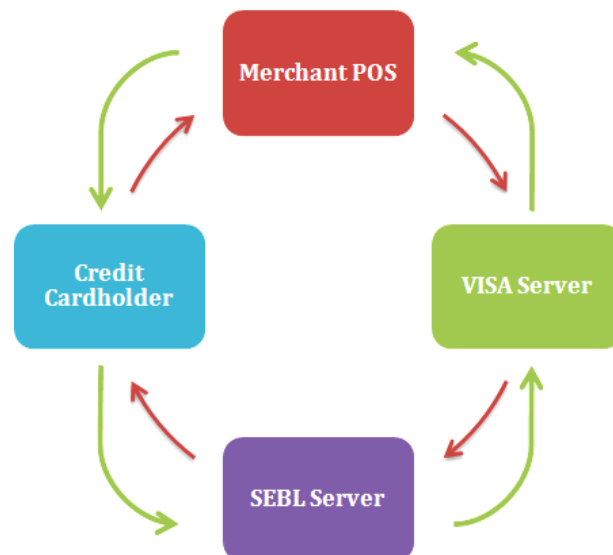


Figure: Operation of Credit Card

Step-1 > At the first step of operation, a credit cardholder who wishes to purchase a merchandise or services from any merchant point who has VISA Point of Sales (POS) machine, will punch his or her plastic card through client machine which is POS. After punching the card, the client machine will ask for an authorization code which is unique in number for each particular POS machine holders. The POS machines are linked with the payment support system of VISA and vendor bank. The merchant will put the code and payment amount in local currency.

Step-2 > At the second step, the client machine after having authorization code and payment amount will directly connect with the VISA Server of Asia region which is located in Singapore to complete the payment procedure. VISA has a particular vendor account for every financial institution it transacts with globally. VISA will get connected with the corresponding bank of credit cardholder that is SEBL and will place a debit instruction against the account of SEBL.

Step-3 > Now, SEBL will receive the debit instruction of VISA and will find out the cardholders details to debit the credit card account. After having confirmation that the credit is valid and contain enough money to pay off. He debits the clients credit card account in response to the debit instruction of VISA. Bank doesn't pay from his own account rather he deducts or charges clients account as he has already transferred money to clients limit.

Step-4 > After debiting the clients account with all charges like processing fee and any other needed. Bank will credit his own account with the money of client so that VISA receives the money from SEBL on behalf of credit cardholder to pay off the payable amount.

Step- 5 > After having the SEBL account credited in VISA server with necessary amount, VISA reconciles his and SEBLs account and prepares the payment status for both parties.

Step-6 > At the end point, merchant receives the confirmation of successful payment from VISA that means VISA has got the payment from SEBL for his credit cardholder. Merchant prints the payment slip from POS Machine and takes the money and signature of customer. This finishes the operations procedure.

The whole operation takes 30-40 seconds to complete and it's almost same for other modes of usage where merchants position can be replaced by branch or booth while transferring money or withdrawing cash. The processing fee depends on the amount, type and volume of purchased product and services which virtually variable in banks.

3.6 Business and Strategy related aspects

Southeast Bank Ltd. started its Credit Card operation in 2005 and completed six years of operation since its inception. At this point of time it's necessary to look back and review the every aspects of business strategy of the Credit Card operation of the bank. It will cover the initial, existing and future business strategy of Card Division, its role, achievement, position in the industry, present opportunities and options and lastly direction for future market coverage. The reason for formulating strategy is to deliver modern payment services to customer and good image of the bank. Some factors may be worthy to mention before getting into deep.

3.6.1 Business Type: - Business of credit card is generally of two types namely issuing and acquiring. An issuer issues card, approves transaction request, pays the acquirer for transaction and bills the cardholder accordingly. On the other hand, an acquirer provides the merchant with card authorization terminal, obtains transaction approval from issuer, pays the merchant for service provided and bills the issuer accordingly. SEBL is the issuer and VISA is the acquirer. Interest on credit card is the main income for an issuer while it is commission on transaction for the acquirer, both party share 50-50 profit and income. A business house has the option to choose any or both of the types. There are three popular brands of credit card; those are VISA, MasterCard, and American Express.

3.6.2 Processing System: - Operation of credit card can be managed in two different systems-

- In Own Processing system, bank remains the owner of the card management system and connectivity with VISA remains under the banks possession. Bank needs to make all compliances of VISA where product diversity and advantage can be facilitated from in house though it involves high cost for bank.
- In Third party processing system, bank is a shareholder of card management system and connectivity with VISA is shared. VISA compliances remain with the third party and bank is independent for complete support and solution and involves lower cost than own processing. Apparently SEBL follow this system now.

3.6.3 Target Market: - The target market has been the mid income level salaried persons of financial institutions' and established corporate business houses from the inception. The specific segment of customer has been chosen in consideration of their regular income, disciplined lifestyle, acceptable education level and habit of revolving credit with good repayment; which inevitably would result in best fund utilization, profitability per card and ensuring steady and sustainable growth with less vulnerability to non-performing loan. Apart from these, their attention has been also focused on the self employed professionals and business men who are good depositors, exporters and borrowers of the bank over whom they have sufficient control.

But recent economic downturn and liquidity shortage has stressed on secured allocation of card with secured target segment. Now they are also targeting the mid-high salaried professionals and earning businessmen but they became choosy for the companies they are working and running. They are evaluating the positional strength of the applicant in the company or in the business organization. Moreover, they became selective for company selection amongst many in the industry in terms of evaluating factors like industry position, profitability, acceptability, public concern, turnover rate and market coverage etc. In recent days, salaried employees of an organization are preferable than businessmen and self-employed. Salaried people's interest for credit card is much more than the business men as people with fixed income are suffering for inflation and downturn, they need more money other than monthly income to fulfill their different short-term financial need of living which is nearly 60% of the market. Sat Masjid Road Branch from its inception has recorded a total number of 84 credit card clients under its processing, amongst them majority are service holder. **(PLEASE LOOK AT THE APPENDIX 3.3)**

3.6.4 Role of Card Division: - Card Division is the main working body of the bank who deals with all types of card related affairs. Card division has continuously been attributing the most competitive features in the product. Card division has its independent sales and monitoring team for fulfilling target, avoids fraudulent practices around cards and meeting the challenges of market.

- Orders cards and prepares them for particular client
- Takes record of inward and outward cards
- Issues and cancels card

- Decides the credit limit
- Analyses the documents and safety instruments given by client
- Evaluates the branch recommendation and clients status
- Takes action for recovery and adjusts the collateral account.
- Designs, directs and oversees the tripartite agreement
- Maintains relationship with clients
- Measures risk of client and bank
- Coordinates the fund allocation and disbursement with other functional division on necessity and with merchants
- Maintains business and accounts with VISA and other card suppliers
- Prepares the sales and marketing strategy of cards
- Follows circulars and execute in a way that ensures highest profitability and market share
- Designs the competitive features for products

3.6.5 Performance of Card Division: - The overall performance of card division is satisfactory but not as impressive as it passed through with some shortage and drawback internally and externally. From 2005 to October, 2009 card division had not been separated from head office books of affairs but after that card division is an independent functional division with centralized account of products. The performance of this division can be measured by looking at the quantitative figure of some variables like Number of cards, Operating Income-Expenditure, Net Operating Profit, Outstanding amount, Classification rate. Some schematics show more or less positive movement and good position; outstanding amount and classification amount increases as the volume and fund involvement increases based on the data of last five years from 2007 to 2011. Income and expenses includes before tax interest and operating expenses. **(PLEASE LOOK AT THE APPENDIX 3.4)**

3.6.6 Existing Sales Strategy: - The existing business or sales strategy is needed to be revised to some extent to capture more market share but when it was formulated; it was enough to become competitive. Some of these steps are really very appreciable.

- Booking salaried persons of different financial institutions as SEBL cardholders on priority basis

- Bringing in top depositors and borrowers of branches to permanent customer pool
- Offering limit strictly as per credit worthiness of client to evade systematic risk
- Keeping fees and charges lower, competitive and disclosed
- Launching business development initiative on regular basis targeting others customer base
- Attributing attractive features
- Ensuring good post sales service to retain existing customers
- Sales person under direct control of Card Division
- In-house contract point verification of the applicant
- Keeping Non-Performing Loan (NPL) at lower side which means a loan that is in default or close to being in default

Following the strategy they tried to forecast their business growth in next five year which has shown that their volume of credit card or number of active cardholders will increase but at decreasing rate which doesn't suits with the market competition. The rate increases but requires some superb features or tactics need to be added so that percentage of change takes higher leap. The figure reflects some drawback in the strategy that causes a decreasing rate in growth which if not altered could turn the product to failure with huge multilateral loss. The Net Operating Income shows an increase in year by year but the percentage change in Net operating profit and volume both shows an increase of amount or numbers increasing but at a decreasing rate. These could imply two thing, one is the card is going to maturity or the card is not growth up to the mark to face the market competition. I think that Credit Card of SEBL lies at the first step of growth with decreasing speed and need extensive marketing strategy to cope with the competitors. **(PLEASE LOOK AT THE APPENDIX 3.5)**

3.6.7 Aggressive Sales Strategy: - Alternatively SEBL can introduce new more aggressive sales and business strategy as sales strategy contributes much to the profit margin of this risk, sensitive and emerging product of a bank. The following strategy has developed by me with the help of branch official and I think it contains most of the hard points.

- Allowing customer segments equally both for salaried and self-employed persons.
- Allowing higher credit limit
- Allowing balance transfer
- Reduction of fees and charges

- Establishing credit card sales point at each branch
- Establishing separate customer care center
- Establishing own processing house
- Engaging third party sales agent
- Setting higher vulnerability to fraud and bad debt
- Executing massive interactive promotional activities and advertisements
- Increasing the marketing, operational and administrative budget

3.6.8 Operational Strategy: - SEBL started with third party processing system in consideration of its lower cost involvement, letting the business grow and plan for other options thereafter. Third party processing system is somehow able to manage their present card base. But after reaching a substantial card base, it is necessary to adopt own processing system to ensure proper control and cost effectiveness according to them.

After attaining the customer base of 30000 it will not be feasible both from operational and financial point of view to run with third party. Therefore it is necessary to set up own processing in next couple of years for better and prompt service to the customer and hold proper control over the whole show. At first, they will go to own processing system and later they will change the card type of magnetic stripe to EMV (Integrated all-in-one circuit) chip and PIN based card type.

It's difficult for them to acquire business and set up POS terminal to merchants point because the merchants are pre-occupied by other banks. Moreover, the implementation cost is very high and commission from card vendor like VISA, MasterCard has come to a nominal percentage which makes the business not feasible for new comers with POS terminals.

3.7 Competitive Analysis

In recent competitive marketplace of banking industry, one of the most profitable and booming industry in which nearly 60 market players or banking financial institutions working against each other to become competitive, profitable, attractive and reputed in the eyes and minds of stakeholder who has 360 degree attachment with them. People invest in bank, keep deposits, withdraw money, borrow money and enjoy many other unique or similar banking services. Credit card as a short-term loan has become very lucrative product in our country specifically after 2005 when digital revolution has been swallowed by people of varied

demographics at a faster pace. Apart from digitization of life, the pressure of inflation in every necessary and luxury product and service has also changed the way of financial budgeting and fund utilization. Only 10-15 banks have been introduced Credit Card in their portfolio to sail into the flow of modern payment system and to stay unique and competitive in front of the target market.

Southeast Bank Limited is facing a tough competition in Credit Card business where foreign and local bank, totaling 12 banks are competing hard side by side to capture majority market share of credit card. Market share and profitability is the prime components of measuring a company's business status among many other indices. At least these two factors will blink into the mind when anyone talks about competitive advantage or positioning of a product, service or company. So SEBL based on the two major factors, seemingly lies under the part of 'Market Follower' if we can remember the concept of competition level in our marketing textbooks. I am considering it as market follower because a follower can not directly or indirectly compete with the market leader and match him with their market coverage and profitability. SEBL can not go into the market challenger level as their product is neither in growing stage nor in fresh beginning. It lies into the first portion of growth and executing several strategies to get close to the challenger. They are to some dominated by the actions of leader and mostly the challenger. They are targeting both individual and corporate houses to make them their cardholder as the market is saturated almost. They are generally imitating the style and concept of leader and challenger, so they have less market risk and less innovation cost. Though as a heterogeneous product in the market, SEBL has the option to go for 'Adaptation' strategy which gives them the chance to adapt competitors' features and improve them in slightly innovative way. The follower tries to bring the distinctive advantage to its target market so they can be attacked by challenger. They are keeping the cost low and striving for innovation. Now the comparative business position of major players will be shown in table for your better understanding. **(PLEASE LOOK AT THE APPENDIX 3.6)**

After finding its competitive position in the market, I found it important to compare SEBL VISA Credit Card with Dutch-Bangla Bank Ltd and Prime Bank Limited in terms of major and minor differentiating features. The reason for choosing DBBL is; they have the largest ATM network, POS terminal and branch network across the country; they are becoming fast and strong competitor of Southeast Bank. Prime Bank Ltd is also another major competitor

with distinct features and fast services. Both the banks are highly reputed in the market but remains as a competitor of SEBL credit card at upper or lower level. However, I also have found it personally feasible to compare these banks because of information availability.

Variables	Prime Bank Ltd	DBBL	Southeast Bank Ltd
1 Card Cheque	No	No	Yes
2 Reward	Yes, Cash back reward points on yearly transaction	Yes, Rebated annual fee on 18+ transaction yearly	Yes, Festival Bonus of 2% cashes back on purchase and no issuing fee of new cards.
3 Card Vendor	VISA & MasterCard	VISA & MasterCard	VISA
4 Dual Currency	Yes	Yes	Yes
5 Processing fee	No, if cash or branch withdrawn from PBL booth	No, if cash withdrawn from DBBL booth or branch	Yes
6 Collateral	FDR Lien for Dual Currency and no collateral for local card	No	Yes, a blank cheque for both cards
7 Fees & Charges	Higher than SEBL	Higher than SEBL	Lower than any others
8 Complementary offers	Yes, at merchants point	Yes, at merchants point	No
9 EMV/Chip Card	No	Yes	No
10 Variants of card	Yes	No	Yes

Chapter: - 4

Project & Research

4.1 Introduction

A credit card is alternatively termed as ‘Plastic Money’ which has come from the developed nations to the people of developing countries like Bangladesh in 1995. It was introduced by Standard Chartered Bangladesh as first multinational banking financial institution to initiate the activity and later National Bank came with it as first local private banking financial institution to bring it on. The business of credit card was not widely used and popular to its target customer because people considered it as irrelevant expenditure to living rather than short-term financial need or status symbol. Gradually people, mostly the educated and wealthy persons started to use it but now after the increase in living and lifestyle cost which resulted from recession and inflation; people of varied class, income, education and social status are widely using it. Some users like to think it as an instrument of financial freedom and some think it as a premium status symbol of life. Nowadays, on an average, a person having a net income monthly of BDT 50000 is agreeing to have and maintain a credit card. The rate of enjoying card has also increased in terms of age, gender, educational qualification and profession. There are many private and foreign banks are operating in the market and offering credit card of various type of features which makes open space for clients to switch to another bank. The market is nearly saturated as the demand if credit card is less than the supply and offerings. At this synopsis of business, SEBL credit card is operating in the market which has some advantages and disadvantages to the market. The performance of SEBL Credit Card is not satisfactory if we consider some important factors. Though are competing in the market, emphasizing on distinct possible variables.

Every product or service has a level of customer satisfaction which is tough to measure as it’s a subject of psychometric and market synopsis. The satisfaction sense of people is a distinct and independent variable which is not always the accurate measurement of satisfaction. It comes truly when some statistical methods are being applied to prove or express their choices on the scale of measurement. A small but thorough research is being done to measure the customer satisfaction level which describes the status of satisfaction on the basis of specific independent attributes and general posture of the data analysis with supporting schematics.

During my internship, I found many people coming with complain or affairs about credit card so it seemed logical to measure the satisfaction of people for this product which could show and describe some important aspects. Each step of research design and execution are being followed strictly so that the process and result becomes theoretically correct. The research has

been conducted in the premise of the branch and its client whose are availing credit card. The population is very low if I consider the branch population of credit card; the credit card is a centralized product of card division and owns the entire share of profit. The branch only works as intermediary to support the product and corresponding services. But for the simplicity and accuracy of research, it is better to concentrate on client whose are coming in the branch, having credit card or dealing with it. The research result is being marked out in an ordinal scale in a descriptive way which shows a neutral position at the central point of customers' opinion.

4.1.1 Origin of the Report: - The report is an integral part of my internship semester and its' due submission to respective supervisor will fulfill the certificate requirement of my BBA degree and I have tried my level best to accumulate all the direct and indirect data on specific topic with general synopsis. I have put my best effort to draw strong and intensive focus on the specific topic of research that aims to measure the satisfaction level of credit cardholders in a descriptive way by applying effective statistical tools and techniques. I have served at Sat Masjid Road Branch of Southeast Bank Limited for three month. I have observed and learned about most of the things of banking products and services with major focus on credit card. The research data are being collected from the span of branch to the highest possible extent. I have tried to bring together the latest data about credit card and it's customers with the help of my on-site supervisor. After conducting the research, I can match my experience from credit cardholders' statement with my questionnaire statements. My academic supervisors' monitoring report or advice was very helpful.

4.1.2 Objectives of the Report: - The report has broad and specific objectives to follow.

- a) Broad Objective: - The main or broad objective of the report is to measure and describe the satisfaction level of credit cardholders of SEBL, both specifically and generally so that different mentioned attributes of customer satisfaction in terms of credit card and of related aspects can be detected promptly with effective interpretations.

b) Specific Objectives:- Other than the broad objective, the report has few specific objectives too which are given in following-

- To identify the problem and elements of customer satisfaction in terms of credit card
- To organize and analyze the specific and general factors of customer satisfaction in terms of credit card
- To provide a fruitful analysis findings and effective recommendation so that customer and bank can draw an understanding and decide about future
- To provide an overview of customer demographics and their frequency distribution in particular through the research

4.1.3 Scope of the Report: - The report has covered the direct and indirect attributes of credit card and secondary factors associated with it, both of which are crucial for the understanding of opinion, preference and finally the satisfaction level of credit cardholders onward. The overall representation of research data is backed by comprehensive analysis and description of credit card in detail for the best understanding of the audience or reporting authority in previous chapter so that utmost focus is ensured to the report topic within this chapter. The scope is not limited to overall level of satisfaction but also it encompasses a specific measurement of data and attributes with supporting schematics. The research report also contains the respondent analysis segment, where I have tried to demonstrate the effect of some primary demographics with supporting illustrations so that some demographical representation of data comes and shows the general scenario with connected interpretation. The research data are being collected from the scope of branch to the highest possible extent. The research result could be used for improvement or customization of credit card and associated services but the purpose is to describe or measure the satisfaction level rather predicting anything, but the authority can use its result if they want on the basis of my findings and recommendations.

4.2 Literature Review

For conducting the research I have gone through several sources of data to gather as much as theoretical knowledge possible as research is a highly theoretical job with higher application in practice. Good understanding of problem definition, customer satisfaction and statistics is imperative for a good research.

4.2.1 Problem Definition and Discussion: - It's normal to identify the problem first before designing solution and research of customer satisfaction is all about what the problem is and how I respond to it. The literature is being reviewed on the basis of problem and solution it warrants. I also have tried to justify the reason behind choosing this topic and analyze it statistically.

Before choosing this research topic, I had something different in mind about my internship topic. I was deeply observing the facts and practices of banking operation that where I could find a problem and design a solution through my research. So, I was looking for a topic with patience and took suggestions from many official of my office but they replied for many distinct topics or were not able to give me a solution. Suddenly, when I was posted to the credit operation, I found some customers who are using credit cards of SEBL and they were talking about bill payment of their card. One of them make us surprised when he said something very negative about our product and wanted to pay the last bill to close the credit card. I got excited after hearing such conversations and paid more attention. In fact, I didn't know anything about credit card before choosing my internship topic and I would like to thank this program which has made me knowledgeable about many things of banking and credit card. They were mainly complaining about mailing system, interest and complementary services that other banks provide much smoothly. My interest and curiosity get a boost-up after their departure and I asked about their discussion and complain to my officer. The officer showed his congeniality towards my eagerness and described me everything. I had learned many things about credit card on that day and on next following days. After getting some amount of information, I discussed it with my supervisor who suggest to choosing the topic and helped me to outlining and mapping the topic.

The case I described above has credited to choose the topic and finding the problem within the topic. Measuring the satisfaction level of credit cardholders became imperative to analyze as I heard about many demerits and merits of credit card continuously. It became clear that clients are having problem with credit card of SEBL which is now a premium status symbol and financial mobility of life. This product should not be underestimated rather it requires deep attention so that it can satisfy its client and function successfully in the market. The problem with credit card remains baffled if its satisfaction is not measured both specifically and generally with effective statistical tools. Besides, I found it logical to prepare a research report on any problematic issue because research doesn't get valuation if it can't bring solution or pave the way for solution. I believe that my research with such recommendation will pave the way for final solution and it will help the customer and bank authority to take decision about their choices and policy.

Another reason besides a logical reasoning was to choose the topic which has availability of customer related information. I completed my internship in a branch which is located in one of the prime residential area of Dhaka City- Dhanmondi, where most educated, aristocrat and upper class people lives. They define credit card not as financial need rather as financial mobility product to avoid the risk and hassle of carrying huge amount of cash. They prefer different types and brands of high value credit card and use it regularly so they can tell me about the nook and corner of credit card from varied perspective. On the other hand, people in nearby areas like Mohammadpur and Raierbazar, majority of them are not posh like Dhanmondi customers but they are rich and they see credit card as a status symbol and financial mobility instrument both. By envisaging the geographic location of the bank and its nearby customer base, it seemed logical to choose this topic as it will be easy to know customers expectation and opinion. The branch is the major meeting point of different types of client with varied necessity and queries. I easily have obtained card related information and customers opinion about our SEBL VISA Credit Card.

I searched for the different study material and report, where I can find data and information for conducting this research but I didn't find any similar topic that that talks about the credit card or measuring customer satisfaction of nay banking products within my branch. It is true that everybody wants to get some refereeing documents to get an idea about his report. I asked to the officer of my branch and requested for some report. He only managed to give two internship reports previously done by interns, but he didn't let me copy or bring that at home. So, I just took a general outline of an internship reports and searched for my topic

related tasks that are done before and shared with everyone. I got the idea of preparing a questionnaire with multiple segments from there and I also read some small articles about making survey questionnaire for measuring customer satisfaction level of a product. I don't know whether anyone before me did report on the same topic in SEBL but I am the first person who is doing this type of measurement report on customer satisfaction and more specifically measurement of credit cardholders' satisfaction level at Sat Masjid Road Branch.

4.2.2 Customer Satisfaction and Discussion: - The extent to which a product's perceived performance matches a buyer's expectations is called customer satisfaction. Customer satisfaction depends on the products perceived performance relative to buyer's expectations. If the performance falls short according to the expectation, then the customers are dissatisfied. If the performance matches with the expectation, the customers are satisfied. If the performance exceeds expectations, the customers are delighted. Smart companies aim to delight customers by promising only what they can deliver, then delivering more than they promise to entertain the customers more than ever. Building a long term profitable customer relationship plays a vital role in terms of determining superior customer value and satisfaction. Accordingly, it has left an ever lasting effort in terms of attracting, retaining and as well as growing customer base. Usually, the customers buy from a company that offers the highest customer perceived value. Customer value is the customer's evaluation of the difference between all the benefits and all the cost of a marketing and product offer, relating to those of competing offers which it is actually the difference between the total customer value and the total customer cost.

Satisfied customers produce several benefits for the company. They are fewer price sensitive and they talk favorably to others about the company and its products and services. They also remain loyal for a longer period. However, the relationship between customer satisfaction and loyalty varies greatly across industries and competitive situations. So, customer satisfaction plays a vital role as well as has left an everlasting impact in terms of the customer loyalty and retention. A slight drop from satisfaction can create enormous drop in loyalty and slight rise ensures customer delight and strengthens the emotional relationship with a product or service.

Building customer relationship and customer equity are also important in this respect. This is the edge of modern science and technology. With the speed of time, energy, money business

is running at full speed. Different kinds of marketing strategies have reduced the difference between country to country and the whole world has brought into a single compass. So, in today's world, the importance is not only finding the customers but also keeping and growing them as well. Customer relationship management team is oriented towards the long term. Today's smart firms not only want to create customers, they want to own them for life, capture their customer lifetime value and build overall customer equity.

Increased competition is forcing businesses to pay much more attention to satisfying customers. Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business in a competitive marketplace where businesses compete for customers; customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

Customer satisfaction is one of the single strongest predictors of customer retention but while satisfied customers tend to be loyal customers, loyal customers are not always satisfied customers and the impact of customer satisfaction on retention and loyalty is not the same for all industries or for all companies within an industry. Maintaining a consistent level of customer satisfaction is not easy; it means monitoring and controlling multiple objects. At one level, you need to know what expectations your customers have of your services and products. You also need to understand the key elements that most heavily influence retention for your business. At another level, it is imperative that your product and service delivery processes and policies are compatible with your quality standards and delivery systems. It is also essential that your employees are committed to and properly trained to implement quality service.

4.2.3 Measuring Customer Satisfaction and Discussion:-Measuring customer satisfaction provides an indication of how successful the organization is at providing products and services to the marketplace. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and from product to product. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the

customer may have and other products against which the customer can compare the organization's products.

The determinants of customer satisfaction include Quality, Value, Timeliness, Efficiency, Simplicity, Behavior and Commitment to innovation. These factors are emphasized for improvement and organizational change measurement; also to design the change management architecture. The usual measures of customer satisfaction involve a survey with a set of statements using a Likert scale. The customer is asked to evaluate each statement and in term of their perception and expectation; the performance of the product or service being measured.

Unsatisfactory experiences in scale can motivate to complain towards the company and to patronize to other firms. Satisfactory experience can increase the confidence level of company on customer equity, relation and loyalty. The medium or neutral position warns about improvement and enrichment parameters.

You need to know what expectations your customers have on your product and services, the effectiveness of your marketing strategies, the strength of your company's image as well as the key elements that most heavily influence customer retention for your business.



4.3 Methodology

The methodology is the most integral and strong part of any type of research in which the research process and design is explained from top to bottom. It acts like a major human organs and operates the research. The process through which the research will be conducted is explained in deeper detail from research type to fieldwork or data analysis. To get an error-free and effective research result, it is compulsory to design the methods of doing research promptly. The methodology contains several steps which are needed to be followed strictly by the researcher and I tried to do so.

4.3.1 Type of Research: - The research can be termed as Quantitative Research which has mainly conducted by Primary Direct Survey data. The data are being quantified and generalized to find a result that can measure and describe the level of customer satisfaction. The research also includes some sort of qualitative data to generalize the demographic of respondent so that overall result gets a perfect and justified round-up. The analytical data has collected from a simple, fixed direct survey questionnaire which is structured and analyzed by descriptive statistical techniques. It also could recommend a final course of action on the basis of result which could help the customer and bank authority to decide about their future course of action.

4.3.2 Classification of Research: - The research is actually a mixture of both classes of research design. The topic I have chosen; recommends a perfect blending of all research attributes.

The research will be conducted by using primary survey data which is quantitative in total and specific value; will be described so that the satisfaction level can be understood and measured. The result will directly provide a conclusion on customer satisfaction level with good extent of understanding of the whole research. The data are being collected after talking with and observing credit cardholders so that the factors of satisfaction and their problem can be defined. The data that will be analyzed are clearly defined and will get processed using structured questionnaire and descriptive statistical tool. The design has been prepared aiming the understanding and conclusive measurement of the research topic.

So, it's more of a Conclusive research at the end with mentionable amount of Exploratory research characteristics at the beginning.

4.3.3 Sampling Design: - It is one of most important segment under methodology which will talk about target population, sample size, sampling frame and technique.

1. Defining Target Population: - Population of my research can be the credit cardholders of SEBL disregarding their demographics and card related particulars, though in greater sense they are one of the greater segments of SEBLs' overall customer base who shares some common set of characteristics as customer. As my research topic is all about measuring the satisfaction level of credit cardholders of SEBL, so the population element could be every credit cardholder of the bank but it is not possible to term all credit cardholders of SEBL as target population or sampling element because of some limitation and extent of research. The sampling unit of population is the amount of credit cardholders I have taken to be sampled who hold the information I need. The extent of this research is the branch within which I am conducting the survey. So, the extent has only 74 registered credit cardholders whose application has gone from here and who transact from here regularly. However, the element is formed by all credit cardholders but the time and extent of research has limited the sampling unit within the branch only. The time of choosing target population and forming a sampling frame has started from 20th April to 6th May, 2012.

So, after considering population-sampling element, unit, extent and time, I can announce my target population is the credit cardholders from my branch amounting only **74**.

2. Determining the sampling frame: - The sampling frame of my target population has been formed by the file of Credit card documents in which I found only 74 active credit cardholders application and transaction profile which are placed or maintained from the branch. Considering this, I have chosen this amount as my target population from the all elements. The sampling unit of population represents the entire population so it's logical to choose from the list that has been fetched from branch. When I meet with respondents or credit cardholders of my branch, I find them more or less included in my list. For avoiding sampling frame error, I have taken some officers of my branch into my research as they are also the user of different banks credit card and have provided rational rating. Before getting their remarks or participation, I had to confirm that their identity will not be included in the research data or analysis and I had to do what they instructed me to do. I had maintained a diary to follow my sampling frame.

The officers helped me a lot to collect the data and prepare a random sample of credit cardholders. After deducting the officer, I looked for client who came at cash counter for card bill payment, front desk and at credit officer desk. I am very thankful to them that kindly helped me to identify the element at their workstations for me and just gave to call me to deal with him for my research purpose.

Bank Officers	8
Front Desk Element	3
Cash Counter Element	4
Credit Desk Element	5

3. Selecting Sampling Technique: - Selecting the sampling technique involves several decision of a broader nature. The technique has three primary parts of sampling technique and from which I have selected the Sampling without Replacement which refers to a technique in which the element from sampling frame are removed from it once it's been included for sample. There is no second chance to get into the frame to become an element. I carefully monitored this process so that no one gets repeat entry within my sample and analysis.

I have used the Judgmental Sampling technique which is a non-probabilistic sampling technique; no element will come twice in the research by chance as the selection of element is directed by my judgment. When I found any credit cardholder in my branch, I just followed him when he or she is done with work. I introduced myself and requested to talk with me for a while about the credit card and his satisfaction factor. After judging the impression of element towards the credit card and its attributes, I gave a survey questionnaire to the element with his or her permission. I used my cognitive judgment and intuition to find perfect elements that has eagerness, patience, knowledge and statement to be put in my research. I am confident and also lucky to find elements with different characteristics. The technique was convenient for me to apply as broad target population was not involved.

4. Determining Sample Size: - Sample size determines the number of elements to be included in the study. The sample size is needed to be selected properly for getting accurate and effective research result. I have selected a sample of **20** respondents or credit cardholders

which are apparently right because I decided the sample size after discussing with my supervisor and considering the following factors. Small sample size increases the precision of analysis and lowers the cost per unit. The research is mixed with exploratory and conclusive research attributes so I tried to balance the size of sample. Besides, the population was not sufficient to take a big sample so it will show actual inferences for sure. As no multivariate technique has not been applied or sampling has no subgroup or quota; from that point of view the sample size is right. I also didn't find any similar studies in before from which I can have some experiences to determine the sample size. Time and data constraint are also a big factor for choosing this sample size.

4.3.4 Sources of Data: - The data needed for doing research has been fetched from two types of sources. First one is the Primary source of data, refers to sources from which primary data are being collected. This primary data has originated from customer and branch official to directly address the research problem. Another source is secondary that supplies secondary data to research and they are indirectly applied to research as helping material.

1. Primary Data Sources-

- Survey Questionnaire
- Face-to-Face Conversation with Credit Cardholders and Branch Officials

2. Secondary Data Sources-

- Prior dissimilar reports
- Loan listing documents
- Clients application and transaction profile
- Annual Report
- Circular of Card Division
- Online Articles on Preparing and Conducting Questionnaire Survey
- Websites of Competitor Banks

Both data are important for doing a concrete research.

4.3.5 Data Collection Medium and Procedure: - The primary data is the most significant of all the data that needs to conduct a marketing research. This data is taken mainly from customer or sampling element, which only can duly fulfill the requirement of any researcher. The research topic I have chosen to complete my internship report has high significance of primary data from customer because it's them who are the producer of customer satisfaction related direct and indirect factors in terms of Credit Cards. The satisfaction towards the product will be measured on their opinion to the questionnaire statement. The customer satisfaction towards a competitive product can be measured by survey questionnaire. I am now going to explain that how the data has been collected through survey questionnaire and how the questionnaire was formed.

1. Format of Survey Questionnaire: - The survey questionnaire for my research on measuring customer satisfaction of credit cardholders was formed in a way that constitutes all direct and indirect satisfaction related factors of this competitive and modern product. For this kind of survey, the questionnaire should entail all characteristics of perfection in terms of topic of survey. The idea has been generated in my mind after talking with customers, officer and going through different online related articles. I had paid deeper attention to the reply of credit cardholder and officers towards my question or towards the product. When writing the competitive analysis of different banks credit card with SEBL credit card, I was able to draw a map and prepare a sample in my mind.

The questionnaire has three pages only considering its importance and functionality. It is made of three distinct sections and each of them has logical and functional use. Before going on, I will explain about the introduction and declaration part of mine. On that part, I have mentioned my name, ID, University name, name and place of organization of doing internship which proves my valid identity and so for the paper. Then I have mentioned the topic and purpose of my internship report along with the supervisors' name. Again I have briefed about the report topic and objectives so that it makes the credit cardholders abundantly clear about the topic and questionnaire. Eventually, I promised to maintain utmost confidentiality of information and questionnaire. These types of statements are an integral part of research questionnaire. Before rating the statements, I also provided instruction on how to fill it.

The first section contains 18 direct and correlated statements which are very specific on product attributes and major satisfaction related factors. The change in one attribute may have impact on another to some extent. I have tried my best to focus on major and minor but specifically product and its satisfaction related factors which I have obtained from customer and officers in reply. I made such format, considering convenience in specific analysis and presentation of data.

The second section contains only 5 statements which are about overall satisfaction of product and its surrounding services. I intended to make such questionnaire which not only become very specific but also general so that it can help in understating the scenario precisely and provide fruitful indication. I made such format, considering convenience in general analysis and presentation of data.

The third section talks about the identity of respondents participating in my research. The purpose of forming it is to find the customer related general demographic data so that customers of credit card and their behavioral patterns can be separately and precisely explained. It contains the income, sex, age, marital status, education, occupation, using period and magnitude of using credit card. It will be well-described in the findings. **(PLEASE LOOK AT THE APPENDIX 4.1)**

2. Procedure of Data Collection: - After designing sample and preparing questionnaire, I have been looking for finding a way to collect the data from customers which doesn't create any disturbance at the work of customer and branch. I decided to use different desk of the bank like front desk, cash counter, credit desk because they have regular interaction with customers. I got this idea because of likeness the overall branch officials have on me and their support in this regard is unforgettable and I can't thank them in word. After having the ratings from 8 branch officials who uses SEBL VISA Credit Card, it became easy for me to collect the rests. The manager and officers highly praised my work and permitted my request to use the workstation for distributing questionnaire to credit cardholders and fetching their responses. I used the cash counter because credit cardholders came to pay their bill as that was the payment time for interest-free outstanding amount for previous month. Most of the customers pay their bills at the end and I also got the chance to talk with them and get a questionnaire filled up which took maximum 10-15 minutes by average customers. I was always with the customer while he was filling the papers. In the last days of April, I was

working at second floor on credit section. So, I had to apply this technique because fewer customers come at second floor. After identifying a credit cardholder, the section officer just called me via intercom or peon so that I can deal with customers. When I found any credit cardholder in my branch, I just followed him when he or she is done with work. I introduced myself and requested to talk with me for a while about the credit card and his satisfaction factor. After judging the impression of element towards the credit card and its attributes, I gave a survey questionnaire to the element with his or her permission. I used my cognitive judgment and intuition to find perfect elements, having eagerness, patience, knowledge and statement to be put in my research.

4.3.6 Scaling Technique:- The scaling technique that has been used in my survey questionnaire is called Likert scale which is one of the most prominent, effective and easy itemized scale of measurement. It has five response categories from “Strongly Disagree” to “Strongly Agree” which requires the respondents to indicate a degree of agreement or disagreement with each of a series of statements related to stimulus objects. It contains the characteristics of both main form of interval and ordinal scale. It possesses the characteristics of description, order and distance. This scale is being widely used in marketing research of customer satisfaction and it is a popular technique for online surveys. Though it’s time consuming to prepare, administer, answer and evaluate but customer can understand it easily.

4.3.7 Data Analysis: - The analysis of survey data is very difficult and coherent job to do for a researcher. Everything that has been mentioned in the methodology gets application and implementation here. After analyzing the data collected from primary and secondary sources, the result on the topic comes out and represent what is intended to.

It is a quantitative research that mostly has quantitative data with few qualitative data too. The primary data which is the survey data has been put into application by using some descriptive statistical techniques. There are five ways to analyze the primary data. I have preferred to choose the descriptive way here which uses mean/median/mode to find the central limit tendency of data and standard deviation, variance to show the level of dispersion from central limit. As the research have both exploratory and conclusive characteristics in a balance along with interval scale of measurement, it is strongly advisable by theory to use the

descriptive way of data analysis with the use of upper mentioned techniques for getting the core output in measuring customer satisfaction. I will also try to use frequency distribution, percentile and tabulation for showing the results schematically which may increase the acceptability, reliability and validity of research finding at higher extent. I will try to use MS-Excel for applying the statistical tools though SPSS is better but lack of knowledge, improper training, time limitation and power shortage doesn't allow me to use SPSS.

The survey data will be analyzed differently than traditional way. You might have detected that my survey questionnaire for measuring customer satisfaction contains three independent but indirectly related sections like when I am rating a stimuli at the first part; I am also rating the second part and third part. Each part has distinct characteristics and unique functionality though they are parts of same questionnaire and will portray a result in an aggregate. So, I have decided to apply the same statistical tools on first and second section equally but in two patterns. The patterns will be such which will analyze the sections both 'Specifically' and 'Generally'. The term 'Specifically' means the statistical tools will be applied- onto 18 direct statements about product-customer satisfaction particularly and also onto 5 indirect or spillover statement of overall satisfaction in particular. The specific measurement will be conducted by counting the response of 20 samples on each stimuli or statement. This will allow the researcher to draw the conclusion on customer satisfaction based on each stimuli or product-customer related statements and make useful recommendations. On the other hand, the second pattern is just similar to first pattern but the difference is the 'General' analysis of the total scores instead of specific that will be collected from summing up the total scores of first and second section, then applying the statistical tools. This will give an overall and general result of analysis. The researcher can compare easily the results that may have minor or no distance between specific and general results.

Now the third section, that contains the identity of respondents in terms of some major demographic data will show the specific position of customers into this research effort on the basis of income, age, sex, education, occupation, frequency of use, usage period and card type which may definitely infer something very specific and essential about the Credit Cardholders. It is an additional part although but the interpretation on customer is not insignificant. This section will be shown mainly by charts or tables.

4.4 Findings

The findings of research titled ‘Measuring Customer Satisfaction Level of Credit Cardholders of SEBL’ have finally arrived by using descriptive statistical techniques equally on first and second section of survey data. The mentioned pattern of data analysis has been followed promptly. The findings are presented based on that pattern. Firstly, the research findings of first two sections will be showed specifically with supporting interpretation and illustrations. Secondly, the research findings of first two sections will be showed generally with supporting interpretation and illustrations. Lastly, the findings from respondent analysis will be portrayed also with supporting illustration and interpretation. At the end, the measurement of customer satisfaction will be provided in an aggregate manner.

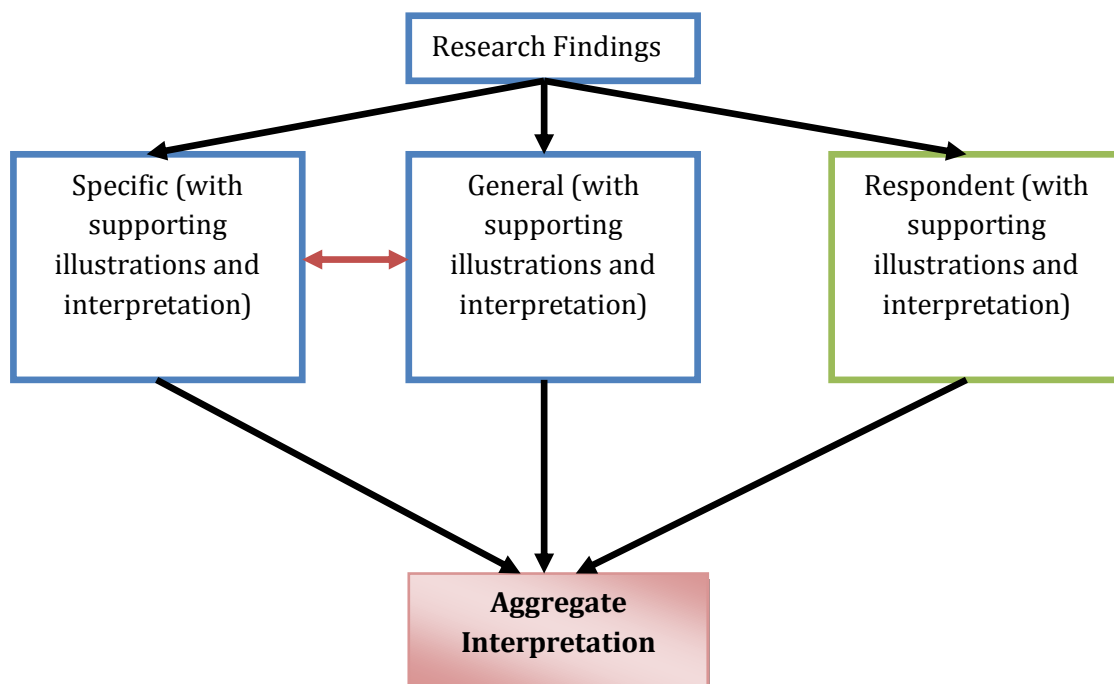


Figure: Design of Research Findings

4.4.1 Specific Findings of Research: - The specific finding of research has been prepared using arithmetic mean for getting central limit and standard deviation for getting the dispersion from the mean. It will first count the direct customer satisfaction section, then the indirect or overall satisfaction section of survey data.

Specific Findings of First Section: - The specific finding of first section of survey questionnaire is only focused on the direct product related data that has been fetched for measuring customer satisfaction. **(PLEASE LOOK AT THE APPENDIX 4.2)**

- Statement 1: The sample elements have provided rating of 3.35 in an average to the statement that said about the latest and updated features of SEBL VISA Credit Card which means that sample elements have showed neutral position. The standard deviation of this statement is 0.93 which means the mean has medium dispersion in reply of sample size of 20.
- Statement 2: The sample elements have provided 3.55 in an average to the statement that said about easy withdrawal and purchase facility by credit card of SEBL which means the respondent are slightly agreeing with it. It has a dispersion of 0.96 which means the mean has medium dispersion in reply of sample size of 20.
- Statement 3: The means is 3.85 to the statement that said about easy payment of credit card bills that means the respondents are slightly agreeing and the dispersion is 0.987 that means medium dispersion in response from mean value.
- Statement 4: The mean is 4.1 that means respondents are agreeing with statement of receiving bill at right time and their dispersion is 1.165 that indicates high level of dispersion in the rating of this attribute. Some people might have faced problem with collection of bill at right time.
- Statement 5: The mean is 2.25 which indicate disagreement with the statement that said the media used for notification are effective. But the dispersion is 1.65 that is quite high. People of different educational and occupational status may have different opinion in this regard. Some may not facing problem with media or may not identify the problem.
- Statement 6: The mean of this statement is 3.85 that indicate slight agreeing with the statement of competitive fees and charges of SEBL credit card. As the dispersion is 1.348 which is quite high, means the rating is less uniformed and some people may think about reducing or increasing the fees and charges to make it more competitive.
- Statement 7: The mean is 4.15 that mean people are fully agreeing with the statement that said about accurate charging of interest. The dispersion is also low having a value of 0.744 which says people have medium rating at very lower extent in this regard.
- Statement 8: The mean of this statement claims that the procedure and time taken for obtaining a credit card is acceptable and rational is 3.45 which mean people have

neutral opinion but the dispersion is 1.098 which is neither medium nor higher. Some might think of it as an acceptable or rational procedure or vice versa.

- Statement 9: The mean of this statement is 3.85 that indicate people are agreeing with uninterrupted transaction capability of SEBL credit card. The dispersion is also very low, only 0.586 which means the statement is more or less agreed by all samples.
- Statement 10: The mean of this statement is 3.5 that indicate people are slightly agreeing with hassle-free enhancement of credit limit but the dispersion is 1.00 which is neither medium nor high, people have something different in their mind. Considerable portion of them might think it's not hassle-free.
- Statement 11: The mean of this statement is 2.85 that means respondents are disagreeing with this statement that said that the asked collateral for obtaining a SEBL credit card is similar to the market but the dispersion is 1.225 which is very high. Majority might be against the collateral system where some business oriented person may think it rational to some extent.
- Statement 12: The average respondents reply on reward and complementary services is 2.1 which means respondents are disagreeing with this statement and their dispersion is medium value of 0.96 which is medium. The similarity in answers was expected here.
- Statement 13: The statement talked about the operation and maintenance of credit card where the mean is 2.35, respondents are disagreeing with the statement and the dispersion value is 1.18 which is also high. Knowledge of respondents on technical and technological matter could make the difference.
- Statement 14: The statement has been rated by respondents in an average of 3.2; they are neutral on the call center service and efficiency. The dispersion value is 1.105 which is slightly higher as some people might have faced serious problem with call center.
- Statement 15: The average number of respondents has put a rating of 3.4 which is neutral on the statement about physical characteristics of credit card. The dispersion is 1.04 which means the dispersion is neither medium nor high. Some people may likes dislikes it or some may not noticed properly.
- Statement 16: The statement has a mean of 4.00 which means the respondents are agreeing with easy and fast use of credit card into other banks ATM machine. Their

dispersion is relatively lower than other statements which says their together in this regard.

- Statement 17: The mean of this statement is 3.5; the respondents are in neutral position in response to the extra benefit gained by them on the basis of their profession or account status. The dispersion value is 0.94 which shows medium spread in rating by respondents.
- Statement 18: The mean of this statement is 3.65; the respondents are close to agreeing position in terms of security of credit card. The dispersion is 0.67 which is low that implies respondents opinion is similar. Some people may think that security of card is not so strong.

Specific Findings of Second Section: - The specific finding of second section of survey questionnaire is only focused on indirect or overall customer satisfaction related data that has been fetched for measuring customer satisfaction. **(PLEASE LOOK AT THE APPENDIX 4.3)**

- Statement 1: The mean value of the statement is 4.00 which imply that respondents are agreeing with the statement about the support of branch in terms of credit card. The dispersion value is 0.910 which is medium. Some people may not think the same but majority has rated it high.
- Statement 2: The means value of the statement is 3.2 which imply that respondents are in a neutral position about the brand value of credit card and the dispersion is less relative to the medium level at 0.83.
- Statement 3: The mean value of this statement is 3.8; suggest a relative agreement to the fulfillment of necessity by SEBL Credit Card and the dispersion is 0.82 which is less relative to the medium level.
- Statement 4: The mean value of this statement that talks about the promotional activities of SEBL VISA Credit Card has a low rating of 2.25 which means disagreement but the dispersion is 1.10, a bit higher than medium level. The cause could be the peoples less concern and knowledge about commercial promotional.
- Statement 5: The last one has a mean value of 3.6 that indicates a bit rise to agreement level from neutral regarding the behaviors of sales executive or dealing persons. It has a dispersion value of 0.98 which is at higher extent within the medium level.

Interpretations: - The mean of each statement has been formed by the response given to the particular statement of analysis by 20 samples. It has measured and described the condition of each statement particularly and precisely. Standard deviation has shown the distance or scattering limit of responses from central point. The dispersion below 0.70 has been considered low, below 1.00 has been considered medium and above 1.1 has been considered higher though it might sound strange but I have decided this scale in considering the importance of research result and the inference it's going to provide. It has caused because of random responses given to each statement without much thinking or not having proper sense to understand the statements. Another reason also could be small sample size.

The customer satisfaction on product-satisfaction related direct statements has a cumulative mean of 3.39 which means an average Neutral position within the measurement scale along with dispersion level of 1.02

The customer satisfaction on indirect satisfaction related statements has a cumulative mean of 3.37 that is an average Neutral position within the measurement scale along with dispersion level of 0.928

4.4.2 General Findings of Research: - The general or overall finding of research has been prepared using arithmetic mean, mode, standard deviation, frequency distribution and percentile for getting central limit, dispersion level, highest frequency and corresponding classes and percentage which will represent the findings more precisely so that it can be understood and concluded in a general sense. It will first count the direct customer satisfaction section and then the indirect or overall satisfaction section of survey data.

General Findings of First Section: - The general finding of first section of survey questionnaire is only focused on the direct product related data that has been fetched for measuring customer satisfaction. **(PLEASE LOOK AT THE APPENDIX 4.4)**

- The survey questionnaire has a rating scale that starts from 1 and ends to 5. The first part of the questionnaire has 18 correlated statements which have been filled by 20 samples accordingly. The total; highest possible score could be 90 and lowest possible score could be 18 for one set of questionnaire.

- I have calculated the total of twenty sets of questionnaire particularly and prepared classes of score from 15 to 95 using class interval of 10. After that I placed the scores into their classes and summated the frequencies which are 20. I also converted the frequencies to percentile so that the proportion can be displayed. The highest number of frequency of total score belongs into the class of 55-65 which has a frequency of 10, almost 50% of the total scores lies within the class.
- Then I used the mode to find exactly what point the central limit of the class belong and it is 61.42 with 50% frequency percentile. The average general rating has been brought by dividing the mode with number of statements into the first part because it's the number that has prepared the scoring and classes. The cumulative mean of rating score is 3.412 that are indicating the Neutral position of customer satisfaction on direct statements about credit card. It also has a standard deviation of 1.05

General Findings of Second Section: - The general finding of second section of survey questionnaire is only focused on indirect or overall customer satisfaction related data that has been fetched for measuring customer satisfaction. **(PLEASE LOOK AT THE APPENDIX 4.5)**

- The general finding that came out from the scoring of customers to indirect customer satisfaction related data has came out using the same techniques or procedure that has been used getting the result generally from first section.
- Here, only have five indirect statements of measuring customer satisfaction. The higher limit is 25 and lower limit 5, class interval is also 5. So, I got 4 classes in which the highest frequency lies within 15-20. The highest frequency of that class is 11 which 55% of the total scores. By calculating mode, I got the exact number of the class which is 16.92. The cumulative mean of rating score is 3.384 that is indicating the Neutral position of customer satisfaction on indirect statements about credit card. It also has a standard deviation of 0.93

Interpretations: - The objective of this section is to find out customer satisfaction of credit cardholder in term of both specific and general pattern so that no discrepancy exists about the result that I have measured in a descriptive way. This findings show the total highest scores

that has been obtained in both section within particular set of questionnaire, filled by samples. It helps to detect the highest class of total score, exact mean number of the class, frequency of that class and finally the rating derived from cumulative average of scores and dispersion.

The customer satisfaction on product-satisfaction related direct statements has a cumulative mean of 3.412 which means an average Neutral position within the measurement scale along with dispersion level of 1.05 generally.

The customer satisfaction on indirect satisfaction related statements has a cumulative mean of 3.334 that is an average Neutral position within the measurement scale along with dispersion level of 0.930 generally.

4.4.3 Findings of Respondent Analysis: - The objective of this part is to illustrate and describe the small analysis done with the respondents' data that have been collected structurally from the third section of the report. It aims only to provide statistical schematics in pie and bar charts to disclose explicitly the personal information of respondents. It mainly contains major demographic data provided by them though I have high chance of error. It will project the full scenario of credit cardholders who have participated in the research effort and supply demographic inference about SEBL's credit cardholder. **(PLEASE LOOK AT THE APPENDIX 4.6)**

- Gender Distribution: - Amongst the samples, only 3 elements were female out of 20. The percentage of male and female is 85% and 15% which indicates males are still the giant credit cardholder of the sampling unit and total population in the market. Females are behind in this race because they don't have high salaried job, profitable business or established professional standing in volume alike the males. **(PLEASE LOOK AT THE APPENDIX 4.7)**
- Age Distribution: - The age of credit cardholders who have been sampled and analyzed has different ages of life. The bar chart in the appendix shows that the classes of age in mentioned in an interval scale. I have started the age limit from 20 to onwards because a person within the age of 20-24 can use a credit card if he or she

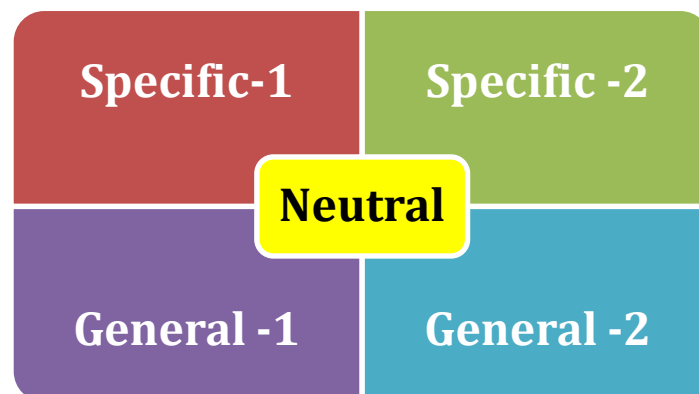
has enough credentials and financial reputation. It can be seen that person having the age from 30-34 are using the credit cards mostly because they are mostly married, matured, professionally and financially stable, solvent person. They can get one card for their maintaining lifestyle or fulfilling need of money. Besides, the people belong to age group of 25-29 and 35-39 are also using mentionable amount of credit card. In my research these group consists 8 customers. This could happen if the primary group members have new earning life, changing lifestyle, new girl friend of any plan to settle the future now by any means. One of my friends who works in a MNC and earning handsome salary, has recently started using a dual currency credit card even if his job is only three months and his age is 24 only. **(PLEASE LOOK AT THE APPENDIX 4.8)**

- Distribution of Marital Status: - Most of the respondents in my research have found married. Amongst 20 samples, only 8 or 40% is single and rests are married. It could be logical because the married people need more money for leveraging their increased cost of living & lifestyle. **(PLEASE LOOK AT THE APPENDIX 4.9)**
- Distribution of Educational Qualification: - Sample elements participated in my research are complete post graduates. 16 of the total sample have masters' degree, 3 have bachelor's degree and 1 has doctorate degree. This could mean, mostly the highly educated people uses credit card. **(PLEASE LOOK AT THE APPENDIX 4.10)**
- Distribution of Occupation: - It's found that majority of the credit cardholders who has participated in the research are salaried private service holder and their percentage is 75% and 15 in numbers. Besides, there are 2 independent professional and 3 businessmen. It is indicative strongly that most of the people are private service holder as they earns handsome salary than public service holder and they are most eligible to bank as they have fixed monthly income and salary certification by employer. Though the limit they receive can't match with the limit of businessmen or independent professionals. **(PLEASE LOOK AT THE APPENDIX 4.11)**
- Distribution of Income: - The income of a person is one of the most important factors when issuing a credit card by the bank. On the basis of income amount, he or she will

get proportion of credit limit. In my research, I found three income groups to mention. They hold significant amount of income level in the research arena. Difference in amount is insignificant between two groups and extremely different with another group. The majority earns between Tk. 30000-50000 per month which has 35% holdings in the chart. The second majority comprises two groups with 20% holdings; one has monthly income of Tk. 50000-70000 and another has Tk. 130000-150000. It can be strongly explained that first group who earns less than the second and third has, high need of money than others for different purposes. The second group is earning higher than first group, may be the married service holders. The third group with highest income may lie under the businessmen or independent professionals group in most cases. **(PLEASE LOOK AT THE APPENDIX 4.12)**

- Magnitude of using credit card: - Majority of the credit cardholders of different type, brand and income level uses their credit card on a weekly basis which has a total holding of 60% of the magnitude. It could be the people doing high salaried private job, business or freelancing with responsibility of family. The second highest group uses the credit card on monthly basis that has a holding of 35%. Those who have international credit card can do online transaction or purchase which occurs per week. **(PLEASE LOOK AT THE APPENDIX 4.13)**
- Types of credit card used by credit cardholders: - It's obvious after conducting the research that people uses the classical VISA credit card most with a holding of 55% to fulfill their need of bearing a credit card. The person who goes frequently outside the country or purchases products and services through online takes international credit card that supports dual currency transaction at market floating rate. It's the necessity that determines the function and use of credit card in most cases. **(PLEASE LOOK AT THE APPENDIX 4.14)**

4.4.4 Aggregate Interpretation: - After conducting a marketing research on ‘Measuring the Customer Satisfaction Level of Credit Cardholders of SEBL’ in a descriptive way by using survey questionnaire, descriptive statistical techniques and distinct pattern in analyzing survey data, it can be said that the research objective has been fulfilled with proper understanding and conclusion on the topic. The problem can be solved on the basis of findings provided in three patterns within the research. The most important sections of analysis indicate and conclude the status of customer satisfaction of credit cardholders both specifically and generally that the customer satisfaction level of credit cardholders lies at the **Neutral** position on the scale of measurement. The result that has come after working with the data; retrieved from the extent of Sat Masjid Road Branch can provide appropriate understanding to the topic, can offer directives towards solving the problem and improve the level of satisfaction.



4.5 Limitations

While conducting data collection, analysis and representation, I have faced some problems which have limited the richness or weight of data to some extent from my opinion. I have tried hard to prepare a comprehensive and concrete report. The overall limitations of the report is mentioned in following-

- The statistical, financial and some qualitative data need were not fulfilled properly because of not getting an appointment with officials of card division. They are they chief authority in regard of credit card and hold much relevant and latest data along with high degree of expertise than branch.
- The time constraint is another major limitation. The time I have received to prepare a comprehensive and marketing research oriented report like this is not sufficient.
- The sampling frame with which I have conducted the research has small population and sample that may lead to random sampling error and biasness. I have followed the instruction of my supervisor to fix the sample size.
- Some demographic information might have been given false like age, income, educational qualification which could mislead the research with high degree of response error, biasness and insufficiency.
- Organizational confidentiality of internal data has restricted me from putting or disclosing some information.

4.6 Recommendations

The findings from the research can offer some recommendation or supporting directives whose application or quick implementation will improve the level of credit cardholders' satisfaction along with increase in profitability, sustainability and reputation of business. The recommendation is based on the specific scores of different direct and indirect statements about credit cardholders' satisfaction.

- The media that are currently being used for sending notification about bill, transaction and information should be modified like using e-mail notification at every phase.
- The operations of issuance, risk measurement and delivery should be re-engineered and decentralized like setting a particular section at each major branches which would be interlinked with main server of card division. It may give relieve from any hassle and time wastage.
- They should try to sale some of their own POS machines to spread their name and rip off some benefit.
- They should disclose the fees and charges related information more elaborately that would build a sustainable market and brand reputation; also would prevent the unfair practice of hidden charges by the industry.
- They should plan and implement the concept of cash reward point and discount at selective merchant points of various category.
- Besides checking statement only, they can improvise a re-engineering process of overall IT operation that should allow online bill payment, transaction, account monitoring and real-time customer service.
- The visual appearance of the card should be recolor means instead of contrasting with bank logo; a more eye-catching, stylish theme can be printed based on the preference of cardholder.
- They could devise a new sales strategy that would target big enterprises with high volume of human resources and would offer benefit packages.
- They should quickly introduce 'MasterCard' to the market so that it allows capturing the rest of the customers, who likes to think 'MasterCard' as a premium status symbol than VISA.
- They also could introduce highly secured EVM Chip installed Credit cards.

- They must prepare an organized set of plan regarding the advertising and promotional activities which should include billboards, internet advertising and sponsorship.
- They must design a product or service opinion slip for credit cardholders and distribute it to all major branches that will notify the comments and transcribe the data for periodic survey.
- The sales team and officers should get periodic training on interacting and dealing with different classes of potential and exiting customers.
- For providing service on behalf of card division, the branch should receive a commission which will boost up the motivation level of branch official to a new extent and will bolster the brand positioning.

4.7 Conclusion

In conclusion, the research has tried to put strong focus on each integral part proportionately and gained the ability to fulfill the specific and broad objectives. The customer satisfaction and related concepts, attributes, measurement, techniques are described, applied and disseminated in a manner that makes it easily understandable and recommendable to solve the problem. If the decision making authority places little attention to the recommendations that has made by research findings, would pave the way success and satisfaction.

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Appendix

Chapter-1

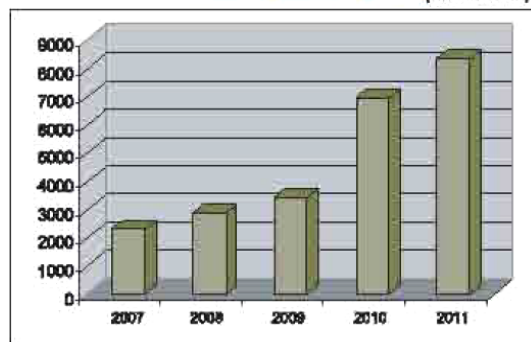
1.1 Five Years Performance at a glance

PARTICULARS	2011	2010	2009	2008	2007
Authorized Capital	10,000.00	10,000.00	10,000.00	3,500.00	3,500.00
Paid up Capital	8,317.01	6,930.84	3,422.64	2,852.20	2,281.76
Reserve Fund/ Others	10,683.05	10,265.96	6,504.52	4,804.81	4,186.60
Total Capital (Tier-I+Tier-II)	19,000.06	17,196.80	9,927.16	7,657.01	6,468.36
Deposit	127,178.22	107,253.19	96,669.05	68,714.67	55,474.05
Advance	107,288.56	93,981.20	77,497.57	60,281.26	48,164.60
Investment	29,846.60	18,869.07	21,350.23	12,299.61	8,462.86
Import Business	99,509.01	103,726.70	69,582.92	58,019.77	38,470.34
Export Business	75,982.06	58,158.06	46,724.47	42,178.60	28,771.36
Foreign Remittance	49,544.10	28,082.25	23,779.20	15,221.87	11,040.17
Guarantee Business	25,673.90	22,781.19	11,916.74	15,078.99	9,008.32
Total Income	19,931.91	16,100.81	13,415.21	10,250.13	8,670.47
Total Expenditure	13,846.24	9,331.55	8,800.55	7,237.55	5,754.27
Operating Profit	6,085.66	6,769.26	4,614.66	3,012.58	2,916.20
Net Profit after Tax and Provision	1,912.19	2,763.93	1,870.19	887.24	1,222.97
Fixed Assets	7,373.11	4,463.64	4,323.59	2,685.56	1,708.11
Total Assets	158,078.59	131,784.27	112,676.98	81,181.53	64,370.69

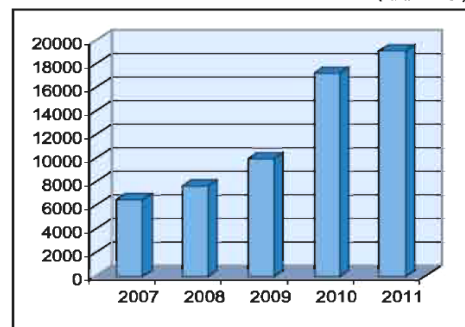
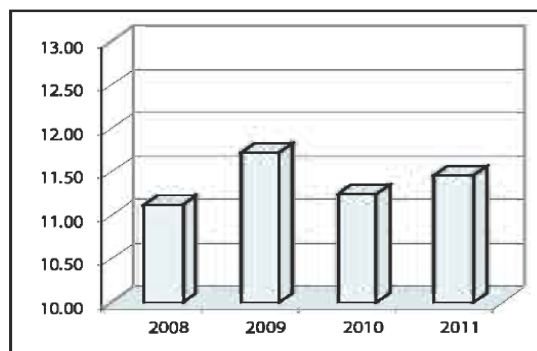
Earning per Share (Tk.)	2.33	3.77	3.24	3.11	4.28
Dividend Cash (%)	15%	10%	-	15%	15%
Bonus Shares	5% (20:1)	20%	35% (20:7)	20% (5:1)	25% (4:1)
Return on Equity (ROE)	10.47%	19.41%	16.51%	12.06%	19.90%
Return on Asset (ROA)	1.32%	2.26%	1.66%	1.09%	1.90%
Non Performing Loan	3.51%	4.26%	3.73%	4.12%	3.77%
Capital Adequacy Ratio	11.46%	11.25%	11.72%	11.12%	13.00%
Number of Correspondent Banks	161	152	146	145	140
Number of Foreign Correspondents	654	645	589	587	598
Number of Shareholders	68,039	66,898	22,152	12,536	9,636
Number of Employees - Banking	1526	1373	1254	1080	964
- Non Banking	322	240	148	151	152
Number of Branches	84	76	56	46	38

Growth in paid up Capital

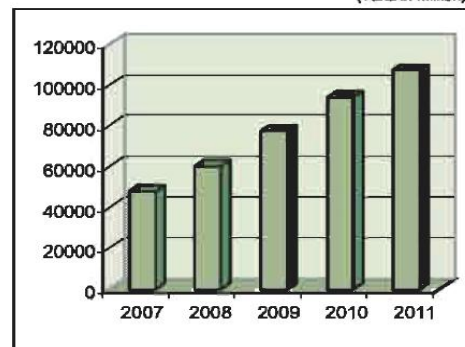
(Taka in Million)


Capital and Reserves

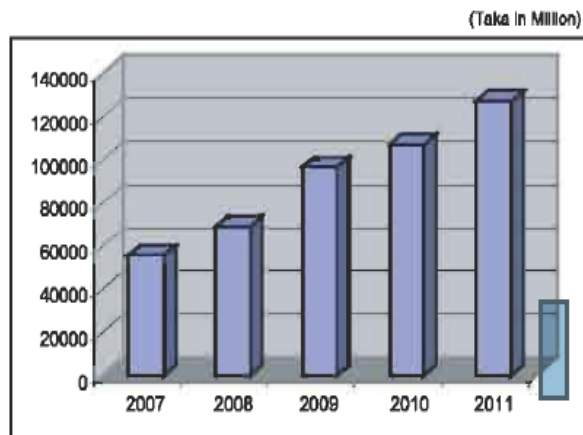
(Taka in Million)


Capital Adequacy Ratio (%)

Deposit Growth

(Taka in Million)



Growth of Loans & Advances



Chapter-3

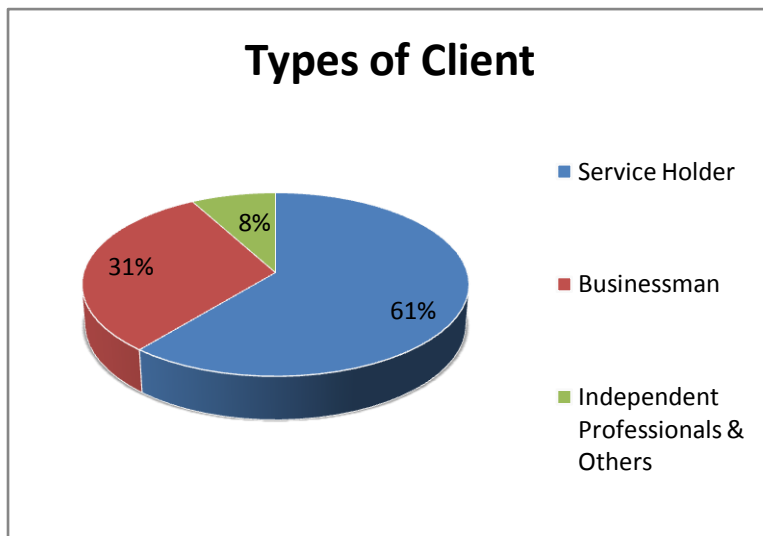
3.1 Fees and Charges of SEBL VISA Credit Card

	Local (Silver)	Local (Gold)	Dual (Silver)	Dual (Gold)
Annual/Renewal Fee (Yearly)	BDT 600	BDT 1200	USD 30	USD 60
Replacement Fee	300	300	10	10
Supplementary Card Fee	Free	Free	N/A	N/A
Late Payment Fee	200	350	10	10
Cheque Issue Fee	150	150	BDT 150	BDT 150
Cheque Processing Fee	1% on drawn amount	1% on drawn amount	1% on drawn amount	1% on drawn amount
Cheque Dishonor Fee	200	200	BDT 200	BDT 200
Statement Retrieval Fee	50	50	USD 5	USD 5
Outstation Cheque Collection Fee	100	100	15	15
Return Cheque Fee	250	350	10	10
PIN Re-issue Fee	500	500	10	10
Cash Advance Fee	1% or Min 200 (whichever is higher)	1% or Min 200 (whichever is higher)	2% or Min USD 3 (whichever is higher)	2% or Min USD 3 (whichever is higher)
Charge Slip Retrieval Fee	200	250	10	10

3.2 Document and statement needed for application which is described at Step-1 of the process

Name of the Documents	Service Holder	Proprietorship	Partnership	Limited Company
TIN Certificate	Yes	Yes	Yes	Yes
Trade License		Yes		
Salary Certificate	Yes		Yes	Yes
VAT Reg. Certificate		Yes	Yes	Yes
Letter of Comfort	Yes			
Bank Statement	For 6 Months	For last 1 year (personal & company A/C)	For last 1 year (personal & company A/C)	For last 1 year (personal & company A/C)
Proof of Residence	Yes	Yes	Yes	Yes
Utility Bill	Yes	Yes	Yes	Yes
Mobile Bill	Yes	Yes	Yes	Yes
Land phone Bill	Yes	Yes	Yes	Yes
Blue Book of Personal Vehicle (If Applicable)	Yes	Yes	Yes	Yes
Credit card Bills of other banks (If Applicable)	Yes	Yes	Yes	Yes
Memorandum & Article of Association			Yes	Yes
Deed of Partnership			Yes	Yes
Letter of Incorporation			Yes	Yes
Corporate Guarantee with Board Resolution				Yes
Letter of Commencement			Yes	Yes
Copy of Passport or National ID	Yes	Yes	Yes	Yes
Club Membership (If applicable)	Yes	Yes	Yes	Yes

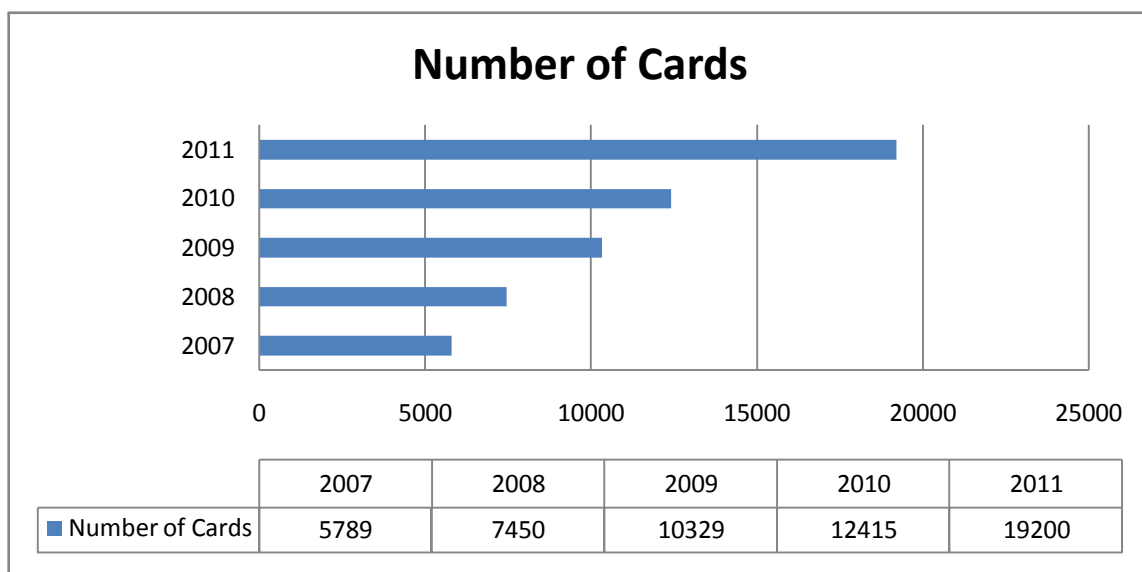
3.3 Target Market



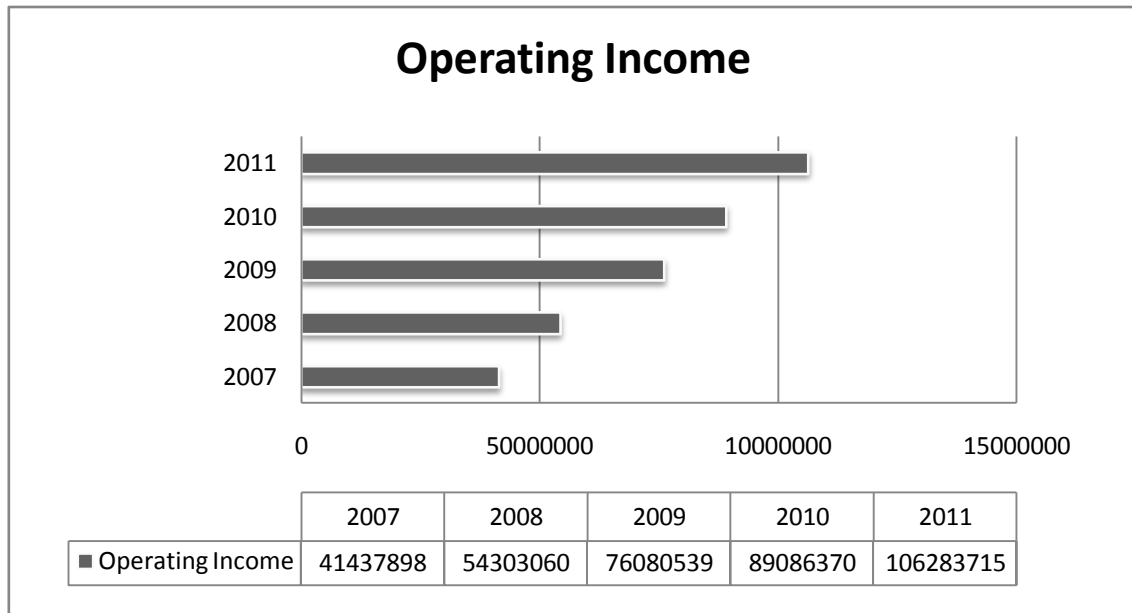
The total number of clients at SMR Branch is 74 in total till now. The majority card holders of SEBL belongs to the Service holder segment (mid-high salaried professionals), business persons also has a big portion in the market. Lastly, the independent professional means Doctor, Engineer, Designers, Lawyer and Chartered Accountants who are independent pursuing livelihood.

3.4 Performance of Card Division (From 2007 to 2011)

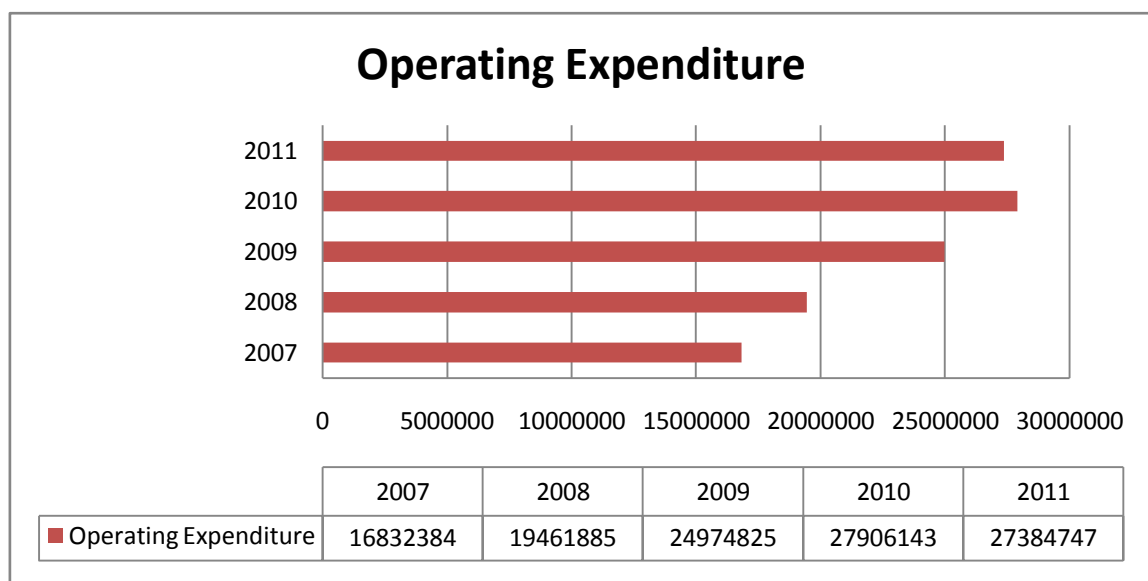
a) Number of Cards



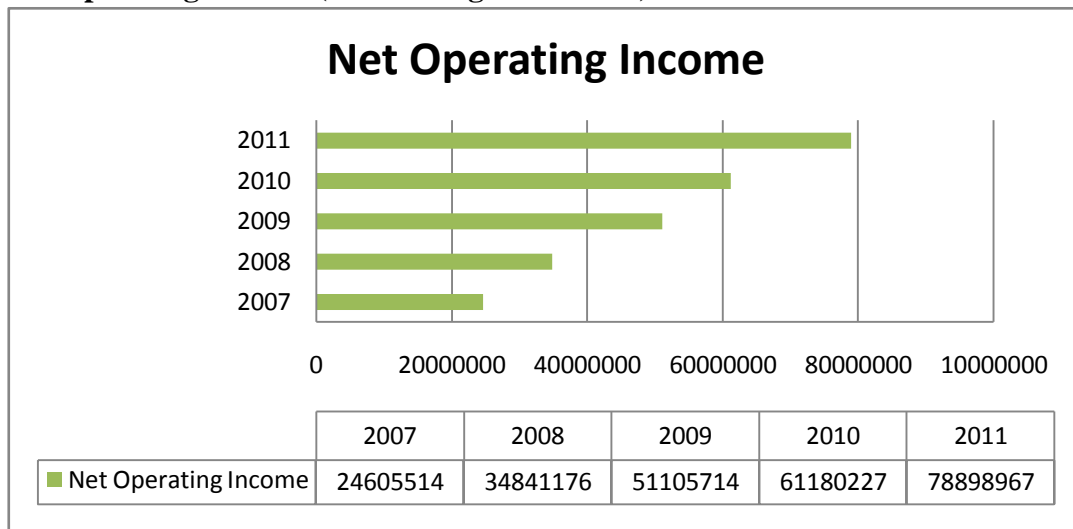
b) Operating Income (absolute figure in BDT)



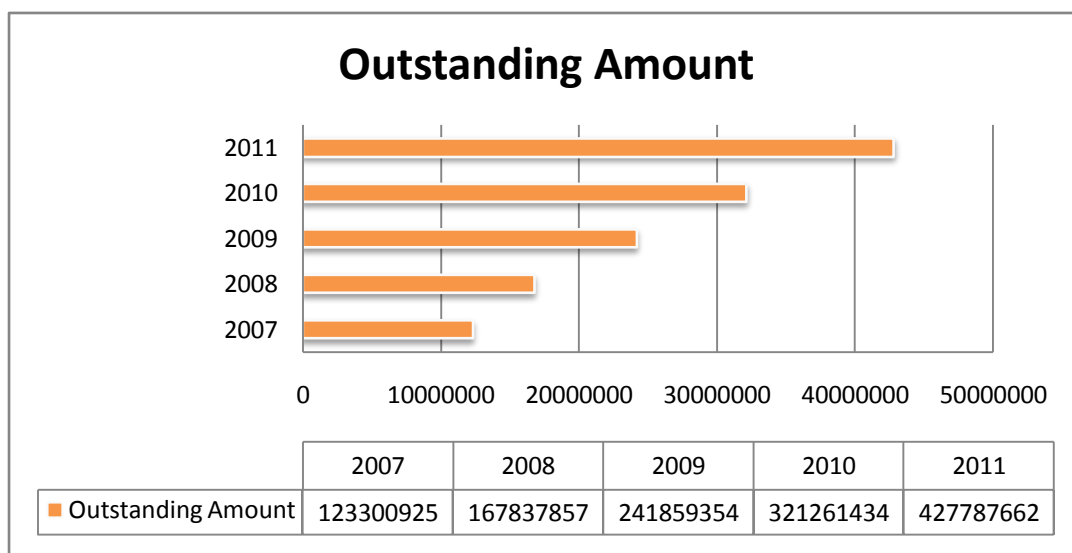
c) Operating Expenditure (absolute figure in BDT)



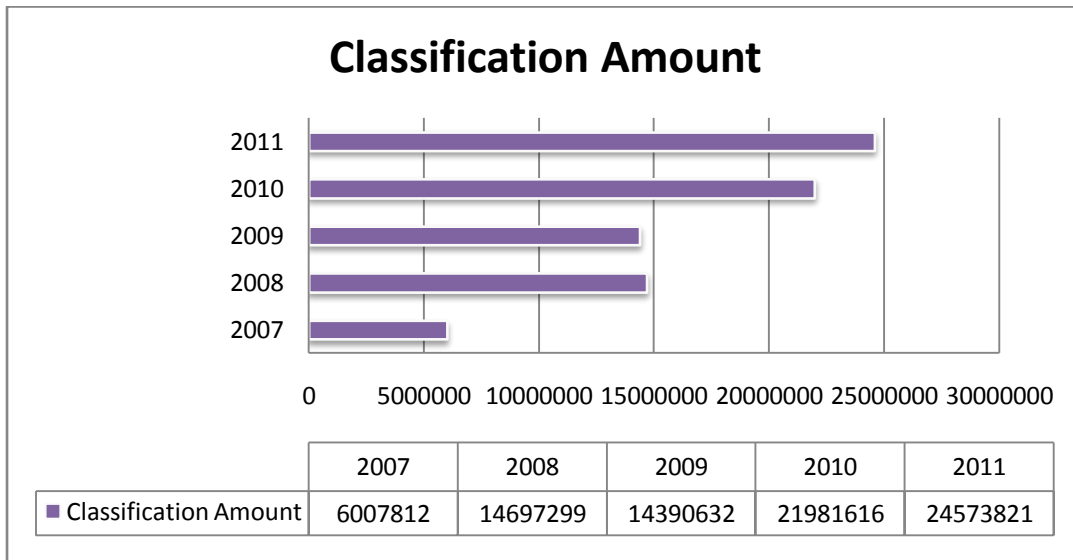
d) Net Operating Income (absolute figure in BDT)



e) Outstanding Amount (absolute figure in BDT)



f) Classification amount (absolute figure in BDT)



3.5 Existing Sales Strategy (with forecasting figures)

Particulars	2012	2013	2014	2015	2016
Number of Cards	28520	35080	42797	51785	62140
Change (%)	24	23	22	21	20
Net Operating Income	BDT 44738093	51001426	57121598	63404973	69745470
Change (%)	15	14	12	11	10

3.6 Competitive Analysis (comparison of SEBL with market leader, challenger, follower and nicher)

Sl No.	Bank Name	Inception	Credit Card	Outstanding (Crore)	Profit (Crore)	Classified	Profit on Investment	Profit per card
1	SCB	1996	160000	364	34	0.1	0.09	2125
2	City Amex	2004	90000	90.45	-1.81	0.22	-0.02	-201.11
3	BRAC Bank	2007	78000	200	9.78	0.2	0.05	1253.85
4	EBL	2007	38500	101	10	0.09	0.1	2597.85
5	Premier Bank	2000	37000	44	3.5	0.5	0.08	945
6	Prime Bank	2000	35000	53	5.53	0.09	0.1	1580
7	UCBL	2006	34000	113	5.31	0.12	0.05	1561
8	National Bank	1997	25000	45	9	0.1	0.2	3600
9	Southeast Bank	2005	19200	42.77	3.4	0.06	0.08	1770.83
10	Mercantile Bank	2006	9000	22	2.5	0.07	0.11	3472.22
11	DBBL	2010	7200	21	1.5	0.2	0.07	1666.67

(Note: Outstanding and profit amount is in absolute monetary figure in Crore. Classified and Profit on Investment figures is in percentage)

In the above mentioned table of competitive analysis, Card Division of Southeast Bank is placed in serial no-9. In terms of inception period SEBL lies at 6th position, of market volume lies at 9th position, of profitability lies at 8th position, of classification it lays at 1st position and finally of fund utilization it lies at 5th position. There overall position is well on the basis of few factors but not satisfactory.

Chapter-4

4.1 Survey Questionnaire

Customer Satisfaction Survey

I am **Golam Morshed Hasan**, student of **BRAC University, ID-08104097** and Intern of **Sat Masjid Road Branch of SEBL**, going to prepare my **Internship Report** on '**Measuring Customer Satisfaction Level of Credit Cardholders of Southeast Bank Limited**' as a partial requirement of my BBA Degree, under the supervision of **Muhammad Intisar Alam- Lecturer, BRAC Business School** and **Mr. Gazi Md. Russel Bin Hossain -Senior Officer, Sat Masjid Road Branch**. The purpose of this survey is to measure and improve the level of customer satisfaction of Credit Cardholders. All the information received will be kept confidential & will be used for academic and official purposes only. Your kind cooperation will be highly appreciated.

Section: 1

- Please indicate the extent to which you agree or disagree with the following statement about the product and associated services you received.
- If you strongly disagree, please put a tick mark in Number 1
- If you strongly agree, please put a tick mark in Number 5
- If your feelings are not strong or medium; please a put tick mark in between 2, 3, and 4

Sl.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The SEBL VISA Credit Card has the latest and competitive features	1	2	3	4	5
2	The Credit Card provides easy withdrawal of money and purchase facilities	1	2	3	4	5
3	The bill of Credit Card can easily be paid	1	2	3	4	5
4	The bill of Credit Card can be received at right time	1	2	3	4	5
5	The media used for credit card bills and other notifications are effective	1	2	3	4	5
6	The Credit Cards' fees & charges are very competitive	1	2	3	4	5

7	The Credit Card charges interest as accurately as stated in guideline	1	2	3	4	5
8	The procedure of obtaining Credit Cards and the time it takes is acceptable and rational	1	2	3	4	5
9	The Credit Card allows uninterrupted transaction of money	1	2	3	4	5
10	The Credit Cards' limit enhancement procedure is hassle-free	1	2	3	4	5
11	The asked collateral for obtaining Credit Card is rational and similar to the market	1	2	3	4	5
12	The Credit Card incurs reward or complementary services	1	2	3	4	5
13	The Credit Card can be operated and maintained over internet	1	2	3	4	5
14	The Call Center for Credit Card responds quickly and efficiently	1	2	3	4	5
15	The shape, size and design of Credit Card are perfect	1	2	3	4	5
16	The Credit Card can easily be used in other banks ATM machines	1	2	3	4	5
17	The Credit Card provides extra benefit in considering your profession and accounts status	1	2	3	4	5
18	The Credit Card has commendable security features	1	2	3	4	5

Section 2: Overall Satisfaction

1	The support of branch in terms of Credit Cards is satisfactory	1	2	3	4	5
2	The brand value of SEBL Credit Card is satisfactory in the market	1	2	3	4	5
3	Your necessity of having a Credit Card is fulfilled by SEBL VISA Credit Card	1	2	3	4	5
4	The promotional activities for Credit Card are sufficient	1	2	3	4	5
5	The behavior of persons, dealing with Credit Card is impressive	1	2	3	4	5

Section 3: Identity of Respondent

Name of Respondent: _____

Monthly Income: _____

Type of Credit Card you use: Classic International

Sex: Male Female

Age: 20-24 25-29 30-34
 35-39 40-44 45-49
 50 and above

Marital Status Single Married

Education: SSC or O level HSC or A level Bachelors' Degree
 Masters' Degree Doctorate Degree

Occupation: Public Service Private Service
 Business Independent Professional
 If others, Please specify

Using Period: 1-3 months 4-6 months 7-9 months 10-12 months
 1 year 2 years 3 years 4 years
 5 years 6 years

Magnitude of using Credit Card: Daily Weekly Monthly Quarterly
 Yearly

Signature of Respondent

😊 Thanks for your kind cooperation and valuable time 😊

4.2 Specific Findings (Section-1)

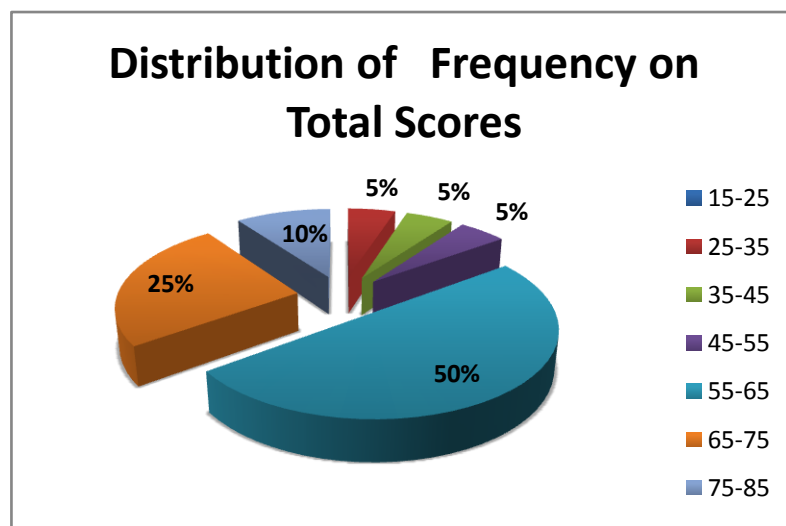
Statements of Product or Direct Customer Satisfaction	Mean	Standard Deviation			
			11. The asked collateral for obtaining Credit Card is rational and similar to the market	2.85	1.225
1. The SEBL VISA Credit Card has the latest and competitive features	3.35	0.93	12. The Credit Card incurs reward or complementary services	2.1	0.96
2. The Credit Card provides easy withdrawal of money and purchase facilities	3.55	0.96	13. The Credit Card can be operated and maintained over internet	2.35	1.18
3. The bill of Credit Card can easily be paid	3.85	0.987	14. The Call Center for Credit Card responds quickly and efficiently	3.2	1.105
4. The bill of Credit Card can be received at right time	4.1	1.165	15. The shape, size and design of Credit Card are perfect	3.4	1.04
5. The media used for credit card bills and other notifications are effective	2.25	1.65	16. The Credit Card can easily be used in other banks ATM machines	4	0.72
6. The Credit Cards' fees & charges are very competitive	3.85	1.348	17. The Credit Card provides extra benefit in considering your profession and accounts status	3.5	0.94
7. The Credit Card charges interest as accurately as stated in guideline	4.15	0.744	18. The Credit Card has commendable security features	3.65	0.67
8. The procedure of obtaining Credit Cards and the time it takes is acceptable and rational	3.45	1.098			
9. The Credit Card allows uninterrupted transaction of money	3.85	0.586			
10. The Credit Cards' limit enhancement procedure is hassle-free	3.5	1			
			Total	60.950	18.308
				3.39	1.02

4.3 Specific Findings (Section-2)

Statements of Overall or Indirect Satisfaction	Mean	Standard Deviation
1. The support of branch in terms of credit card is satisfactory	4	0.910
2. The brand value of SEBL Credit Card is satisfactory in the market	3.2	0.830
3. Your necessity of having a Credit Card is fulfilled by SEBL VISA Credit Card	3.8	0.820
4. The promotional activities for Credit Card are sufficient	2.25	1.100
5. The behavior of persons, dealing with Credit Card is impressive	3.6	0.980
	Total	16.850
		4.640
		3.37
		0.928

4.4 General Findings (Section-1)

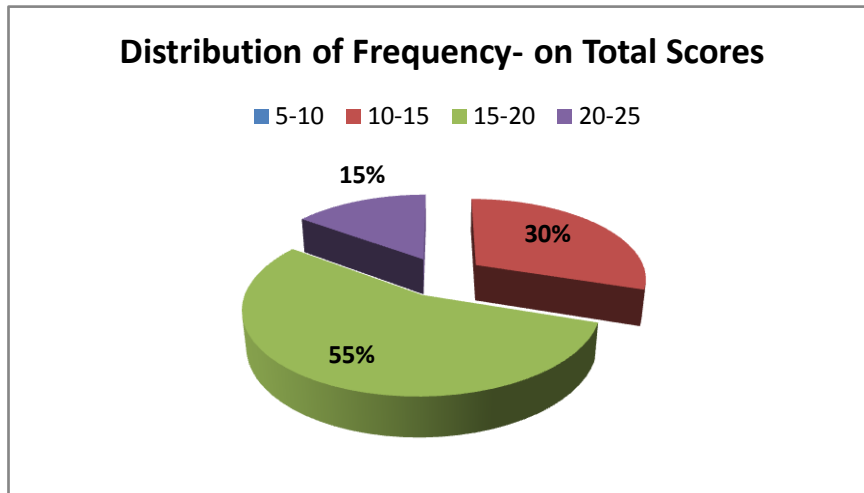
Total of Scores	Frequency	Percentile	Mode	Level of Satisfaction	Standard Deviation
15-25	0	0.00%	61.42	3.412	1.05
25-35	1	5.00%		Neutral	
35-45	1	5.00%			
45-55	1	5.00%			
55-65	10	50.00%			
65-75	5	25.00%			
75-85	2	10.00%			
85-95	0	0.00%			
Total	20	100.00%			



The scoring class of 55-65 has most total scores in volume. 10 out of 20 samples have scored the direct statements in total number from 55 to 65. More accurately, 61.42 is the central Point of score of the entire results that came out from customers' satisfaction. The level of satisfaction is Neutral- 3.412

4.5 General Findings (Section-2)

Total Scores	Frequency	Percentile	Mode	Level of Satisfaction	Standard Deviation
5-10	0	0.00%	16.92	3.384	0.930
10-15	6	30.00%		Neutral	
15-20	11	55.00%			
20-25	3	15.00%			
Total	20	100.00%			



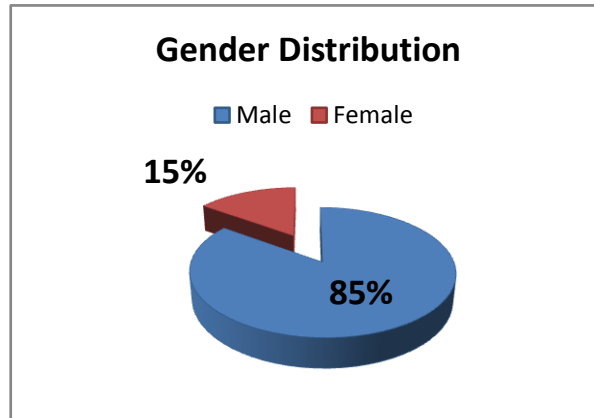
The scoring class of 15-20 has most total scores in volume. 10 out of 20 samples have scored the indirect statements in total number from 15-20. More accurately, 16.92 is the central Point of score of the entire results that came out from customers' satisfaction. The level of satisfaction is Neutral- 3.384

4.6 Respondents Data for Analysis

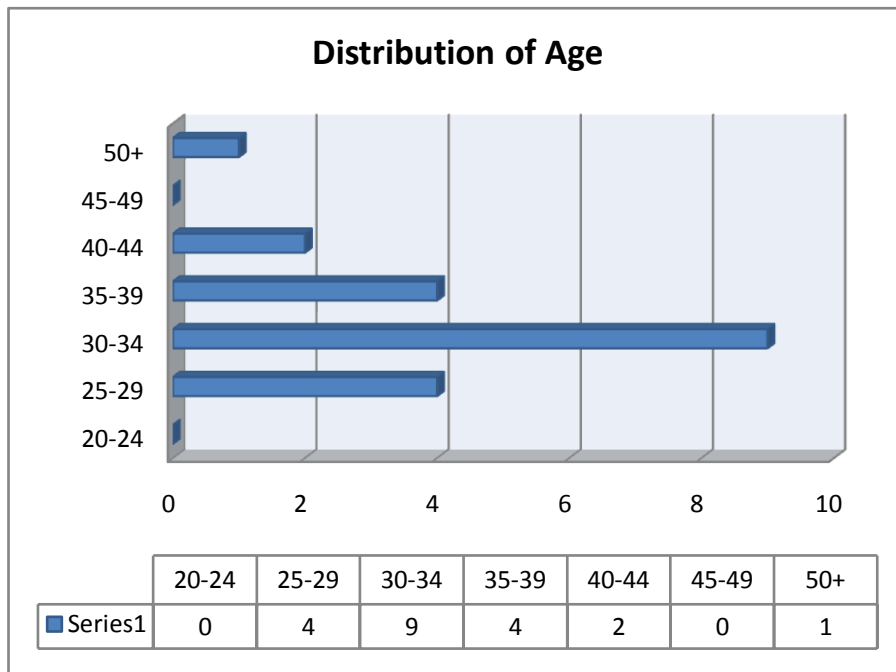
Respondents Data for Analysis									
Respondent No.	Gender	Age	Type of Credit Card	Marital Status	Educational Qualification	Occupation	Monthly Income	Using Period	Magnitude of Use
1	Female	30-34	Classic	Married	Masters'	Private Service	43000	2 Years	Quarterly
2	Male	25-29	Int.	Single	Bachelors'	Ind	120000	1 Year	Weekly
3	Male	35-39	Int.	Married	Masters'	Ind	100000	2 Years	Weekly
4	Male	40-44	Int.	Married	Masters'	Business	150000	2 Years	Weekly
5	Male	30-34	Int.	Single	Bachelors'	Business	100000	4 Years	Weekly
6	Male	30-34	Int.	Married	Masters'	Business	150000	4 Years	Weekly
7	Male	35-39	Int.	Married	Doctorate	Private Service	80000	1 Year	Weekly
8	Male	25-29	Int.	Single	Masters'	Private Service	47000	4-6 Months	Weekly
9	Male	40-44	Classic	Married	Masters'	Private Service	120000	6 Years	Monthly
10	Male	30-34	Classic	Single	Masters'	Private Service	35000	7-9 Months	Monthly
11	Male	30-34	Classic	Single	Masters'	Private Service	60000	1 Year	Weekly
12	Male	25-29	Classic	Single	Masters'	Private Service	30000	7-9 Months	Weekly
13	Female	25-29	Classic	Married	Masters'	Private Service	30000	3 Years	Monthly
14	Male	30-34	Classic	Married	Masters'	Private Service	53000	6 Years	Monthly
15	Female	30-34	Classic	Single	Masters'	Private Service	40000	7-9 Months	Weekly
16	Male	30-34	Classic	Married	Bachelors'	Private Service	40000	3 Years	Monthly
17	Male	30-34	Int.	Single	Masters'	Private Service	45000	1 Year	Weekly
18	Male	35-39	Classic	Married	Masters'	Private Service	65000	3 Years	Monthly
19	Male	35-39	Classic	Married	Masters'	Private Service	65000	2 Years	Monthly
20	Male	50+	Int.	Married	Masters'	Private Service	150000	3 Years	Weekly

All demographic data has been collected through a survey questionnaire from the extent of Sat Masjid Road Branch of Southeast Bank Limited. The distributions may loosely infer the total population or elements of the research on the basis of some variables.

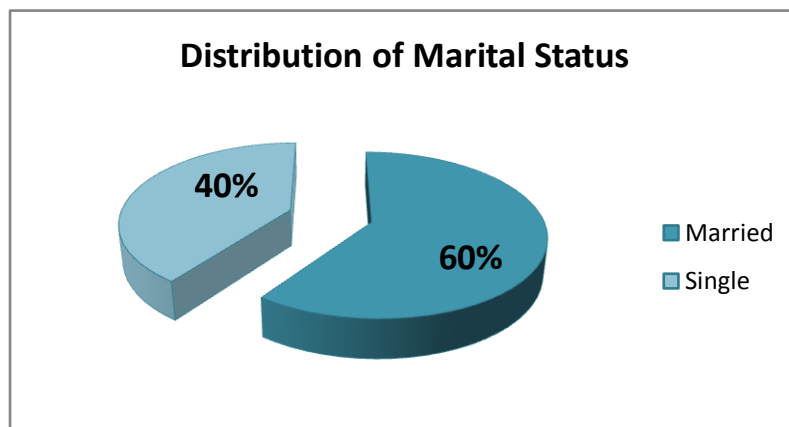
4.7 Distribution of Gender



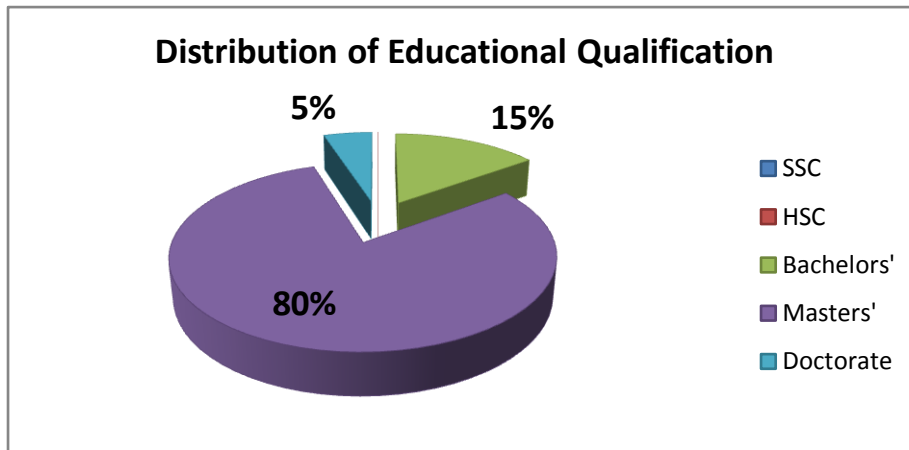
4.8 Distribution of Age



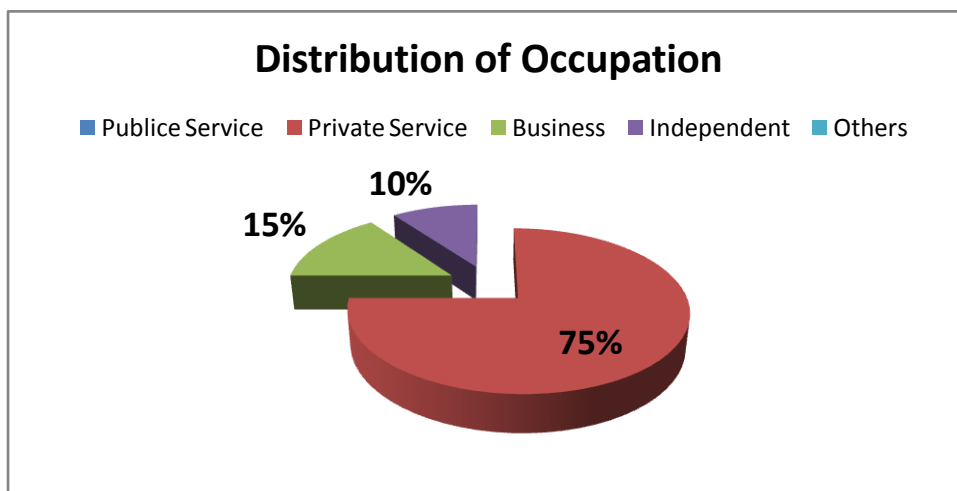
4.9 Distribution of Marital Status



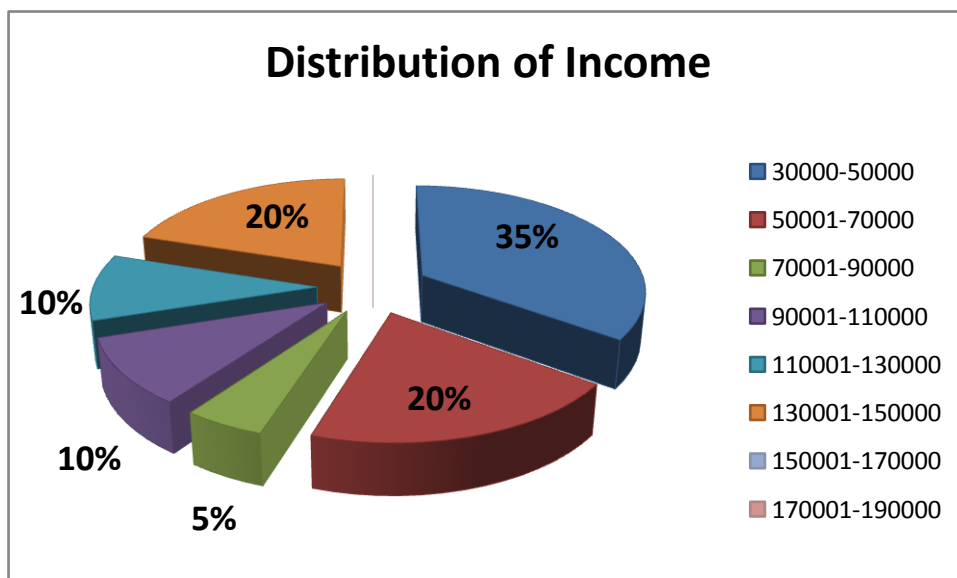
4.10 Distribution of Educational Qualification



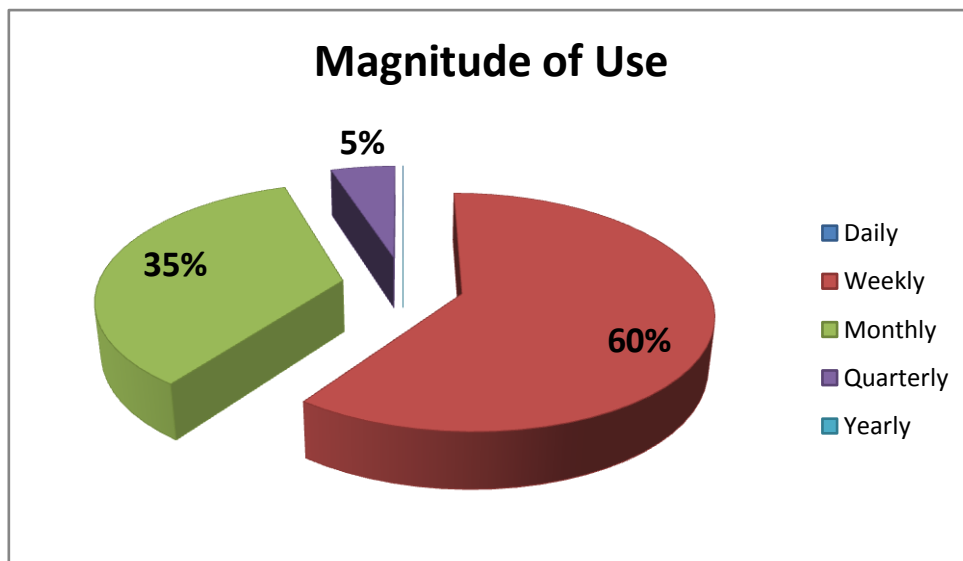
4.11 Distribution of Occupation



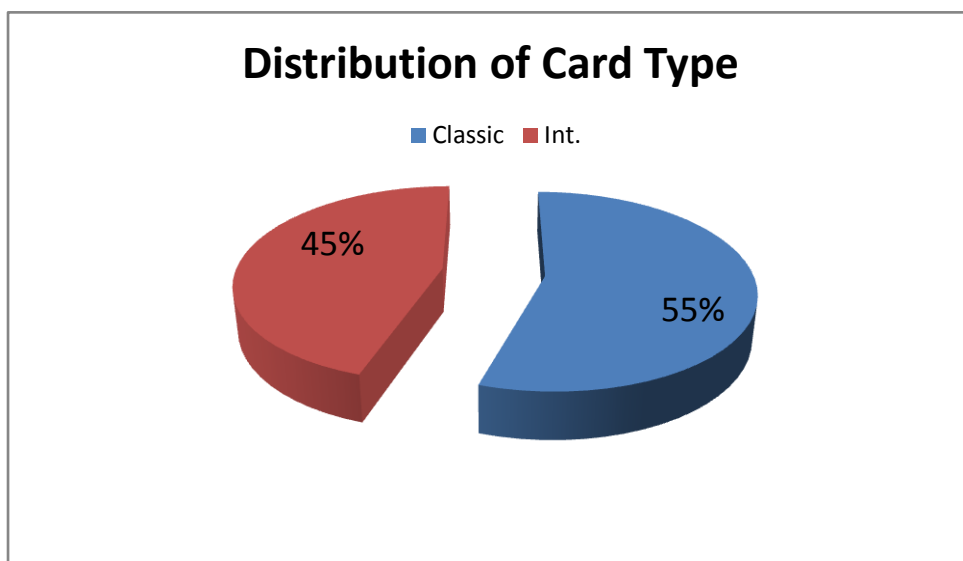
4.12 Distribution of Income



4.13 Distribution of Magnitude of using card



4.14 Types of Card people uses



The explanations for above mentioned illustrations are included in the findings part.

Thank You

Comments