

**BUS 699: Internship**

*Project on*

*Factors that attract customers to bank with Social Islami Bank  
Limited (SIBL)*

**Prepared for**

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Submission date: 31 January, 2015

**Project on**  
**Factors that attract customers to bank with SIBL**



31 January, 2015

Showvonick Datta  
Internship Supervisor  
BRAC Business School  
BRAC University

**Subject: Submission of Internship Report.**

Dear Sir

In accordance to your advice, I am submitting my internship report titled “Factors that attract customers to bank with SIBL”.

In my report, I have tried to focus on the relevant information which would cover the objective of the report. But no doubt, my effort and contribution will be evaluated by your sharp scale of acceptance and remark.

I sincerely hope, this report will fulfill the requirements suggested by you under the course BUS 699. In case of any further clarification of my work, I would welcome the opportunity to consult with you.

Thank you

With best regard,

-----

Jannatul Ferdoshi Bristy  
ID # 12264054  
MBA Program  
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## **Acknowledgement**

First of all I am grateful to almighty Allah for blessing me in completing this report. No noble achievement can be achieved by an individual without help of others. I am indebted to a number of people for their kind recommendations, directions, co-operations and their collaborations.

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## **Executive Summary**

Banking sectors play an important role to the development of a country. Banking business always depends on their customers. Because of this, the target of all banks is to attract and retain their customers. Customers are influenced to do banking relationship with some specific banks based on some factors. This report tried to find out the factors that attract customers of Social Islami Bank Limited (SIBL) to do banking relationship with them.

Social Islami Bank Ltd. (SIBL) is one of the eight Islami Shaiah based Private Commercial Bank in Bangladesh. They executed their banking operation according to Islami Shariah based principles. It started their journey in 1995 with a vision to work together for caring society. To stay in the banking industry, SIBL offer a range of varied products and services to attract and retain their customers. Currently it has 100 branches across the country.

Internship duties and responsibility part will elaborate the working experience of mine on this bank. Through this three months internship program on SIBL Mirpur Branch, I was responsible to open accounts, issues cheque books, file managements etc. Over these three months internship program my view regarding different aspect of job performance, critical observation on the working environment of this branch were given on this part. Otherwise, based on the critical observation I gave some recommendation over here.

The project part of this report is designed to identify the factors that attract customers of SIBL to bank with them. As like other banks, SIBL also tries to attract and retain their customers. This project finds out ten factors that attract customers of SIBL to do banking relationship with them. The factors of the questionnaire were found from face to face conversation with the customers of this bank. Based on customers' perception, questionnaire was developed. The ten factors was Bank reputation, Provision of fast and efficient service, Availability of ATM facilities, Profit & interest, Variety of banking services, good behavior of employees, Recommendation from relatives & friends, low service charge, Beauty of interior and exterior space of the bank, Salary account of the organization, Availability of large branch network across country.

At the last part of this report, the findings, recommendations and conclusion are included. From the analysis part, I found that the customers are most attracted to do banking with SIBL based on their bank reputations, profit rate, fast & efficient service of the employees, recommendation

from their friends & relatives, beauty of interior & exterior space of the bank and variety of services of the bank. Whereas, customers are dissatisfied with the bank ATM facilities, service charges and lower number of branch network across the country. In this part, based on the findings I gave some recommendations to the bank. Overall, Social Islami Bank Ltd. (SIBL) will be able to attract and retain more customers if they facilitate the customers desire needed products and services.



# CHAPTER - 1

*Introductory Part*

## **1.0. Introduction**

Banking sectors plays a vital role in the economy of any country in this world. Banks are one of the key financial intermediaries; it collects surplus funds from people who have surplus funds available and allocates them to the deficit unit. For collecting the fund from surplus unit it provides interest or profit, whereas to allocate the fund to different sectors those required resources, bank charges interest on it. The differences of paying interest to the customers and getting interest from customers are the income of any bank. So the source of income of any bank depends on customers. Because of this, they always try to attract and retain their customers by offering them the best quality of services. There are lots of influential factors which attract customers to bank with some specific banking company.

Internship is the blend of both theoretical and practical knowledge. Internship report is a challenge for a student to relate the theories with their practical experiences. To know what are the influential factors that attracts customers to bank with some specific banks. Through this internship report I tried to find out the factors that attract customers of Social Islami Bank Limited (SIBL) to bank with them.

### **1.1. Origin of the Report**

For any business school students' only curriculum activities are not enough for handling the real business situation. So it is an opportunity for students to know about the field of business through the internship program. This 12 weeks internship program teach a student the real life business administration.

After the completion of all the coursework of MBA program, I was placed in Social Islami Bank Limited, Mirpur Branch for the internship program under the guidance of my supervisor **Showvonick Datta, Lecturer III, BRAC University**. For achieving the MBA Degree of BRAC University, submission of internship report is must. Because of this purpose, the report was arisen.

## **1.2. Scope of the study**

Throughout this internship period, the scope of my work was limited only on Mirpur Branch. Because of this, my internship report covered a project analysis on factors that attract customers of Social Islami Bank Limited (SIBL), Mirpur Branch to do banking relationship with them.

## **1.3. Objectives of the Report**

- To fulfill the partial requirement of MBA program.
- To know the factors that attracts customers to bank with SIBL.

## **1.4. Methodology**

To make the report more meaningful and presentable, here I used both primary and secondary data. The primary source of data was personal observation, face to face interview of officers and direct questionnaires to the clients of this bank. Whereas I had collected all the secondary data from Annual report of Social Islami Bank Limited.

## **1.5. Limitation of the Study**

I have tried to give my level best effort to enrich the content of the report. But, I have faced some limitation to prepare the report.

- Non availability of update information.
- Bankers were not very helpful in providing information.

# CHAPTER - 2

## *Organization Overview*

## **2.0. Organizational Part**

### **2.1. Introduction**

Banking sector is one of the most important parts of world economy. This banking sectors of any country plays a vital role to the development of its economy. From ancient time to present, it developed a lot. Technological advancement makes this sector more complicated but efficient and effective to play major role in the country's financial system. This is a kind of financial institution, established for the purpose of borrowing and lending money for their customers by earning a profit. To fulfill this purpose they are continuously developed their products and services from their competitors.

In Bangladesh, from 1980's banking industry achieved significant expansion with the entrance of private banks. Currently, there are 56 Scheduled banks in Bangladesh by following both Bangladesh Bank Order, 1972 and Banking Company Act, 1991. These 56 scheduled banks are then classified into different categories like: State Owned Commercial Banks (SOCBs), Specialized Banks (SDBs), Private Commercial Banks (PCBs), Conventional Private Commercial Banks (Conventional PCB's), Islami Shariah based Private Commercial Banks and Foreign Commercial Banks (FCBs). All these banks provide more or less similar services to their customers.

Social Islami Bank Ltd. (SIBL) is one of the eight Islami Shaiah based Private Commercial Bank in Bangladesh. They execute banking activities according to Islami Shariah based principles i.e. Profit-Loss Sharing (PLS) mode. It started its banking operation since 1995 as a public limited company. Currently, it has 100 branches all over the country.

## **2.2. History**

Islamic Banking has experienced a huge popularity in Bangladesh. To fulfill the strong demand of the public and to support the system, SIBL first incorporate in Bangladesh based on Shariah principles in 05 July, 1995. But it started its operation 22 November of the same year of its incorporation. "Shariah" means such rules and regulations as have their origin in the holy Qur'an and Sunnah to govern all aspects of human life.

Social Islami Bank Ltd. is a second generation public limited company, which is engaged in Shariah based commercial banking in the country and its operating procedures are substantially different from other conventional banks. They are the pioneer of on-line banking facilities among all Islamic banks in Bangladesh.

SIBL works for reducing poverty from our country, for this it has indeed a concept of 21st century participatory three sector banking model in one. Like: it works as an Islamic participatory Commercial Bank with human face approach to credit and banking on the profit and loss sharing; it is a Non-formal banking with informal finance and credit package that empowers and humanizes real poor family and create local income opportunities and discourages internal migration; it is a Development Bank intended to monetize the voluntary sector and management of Waqf, Mosque properties and introducing cash Waqf system for the first time in the history.

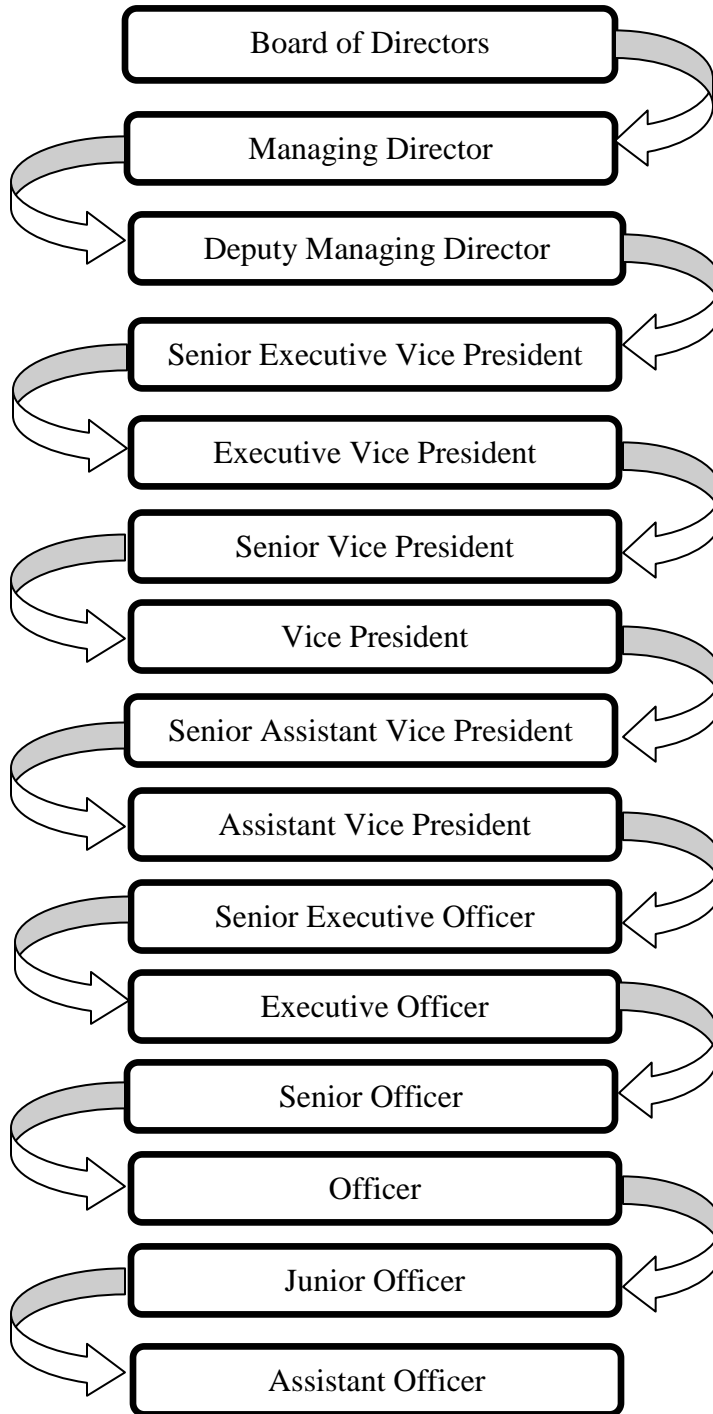
## 2.3. Products and Services

Based on the demand of their customers and to stay in the competition in the banking sector, SIBL continuously developed their range of products and services. The following are the list of products and services that are offered by SIBL:

<b>2.3.1. Deposit Products</b>	<ul style="list-style-type: none"><li>•Mudaraba Scheme Deposits</li><li>•Al Wadish Current Account</li><li>•Mudaraba Saving Deposits</li><li>•Mudaraba Term Deposits</li><li>•Mudaraba Notice Deposits</li><li>•Cash Waqf Deposits</li></ul>
<b>2.3.2. Investment Products</b>	<ul style="list-style-type: none"><li>•Bal-Muazzal</li><li>•HPSM</li><li>•HPSM-Ijara</li><li>•Murabaha</li><li>•Musharaka</li><li>•Bill Purchase</li><li>•Bai-Salam (PC)</li><li>•Quard</li></ul>
<b>2.3.3. Foreign Exchange Products</b>	<ul style="list-style-type: none"><li>•Export Finance</li><li>•Import Finance</li><li>•Foreign Remittance</li></ul>
<b>2.3.4. Service Products</b>	<ul style="list-style-type: none"><li>•Online Banking</li><li>•Cards</li><li>•ATM 24/7</li></ul>

**Figure- 1: List of Products & Services of SIBL**

## 2.4. Organ gram of SIBL



*Figure- 2: Organ gram of SIBL*



## 2.5. Vision, Mission and Values of SIBL

### 2.5.1. Vision of SIBL

“Working together for a caring society”

### 2.5.2. Mission of SIBL

- Transformation into a service-oriented technology-driven earning Bank
- Ensure fast, accurate and best-in-class customer service
- Balanced and sustainable growth strategy
- Optimum return on shareholder’s equity
- Introducing innovative Islamic Banking products
- Attract and retain high quality human resources
- Empowering real poor families and create local income opportunities
- Providing support for social benefit organizations by way of mobilizing funds and social services

### 2.5.3. Values of SIBL

SIBL journey is towards excellence. Its logo depicts bird’s wings with 9 feathers to represent its core values- comfortable and safe flying in the economic sky of the country connecting it with the global sky by passing the territorial boundary. The nine features are:

**Honesty:** honest to its customers, employees, regulators, shareholders and others.

**Efficiency:** gaining efficiency through best use of man and machine.

**Accountability:** accountable to the stakeholders and to the society at large.

**Transparency:** transparent in each and every banking transaction.

**Flexibility:** services flexibility is one of the most important features

**Innovation:** continuous innovative idea generations and designing of banking products and services.



**Security:** protecting of assets and services

**Religiousness:** enhances economic well being with the bliss of religious ethics.

**Technology:** providing of upgraded technological banking services.

**Figure- 3: Features of SIBL**

## 2.6. Social Islami Bank Ltd (SIBL) at a Glance

Name of the Company	Social Islami Bank Ltd (SIBL)
Legal Form	Public Limited Company
Date of incorporation	05 July, 1995
Date of starting its operation	22 November, 1995
Paid up Capital	TK 703,14,15,640 (FY 2013)
Company Logo	
Chairmen of the Board	Major (Retd.) Dr. Md. Rezaul Haque
Banking Software	
Number of Branches	100
Subsidiary companies	SIBL Securities and SIBL Investment
SWIFT Code	SOIVBDDH

***Figure- 4: SIBL at a glance.***

# CHAPTER - 3

*Internship Duties & Responsibilities*

### **3.0. Internship Duties & Responsibilities**

#### **3.1. Nature of the Job**

Social Islami Bank Ltd. is one of the leading Islamic banks in Bangladesh. This operates their banking operation based on Islamic Shariah. To conveniently serve their customers, SIBL open lots of branches in different locations. Among them, I got an opportunity to join Social Islami Bank Ltd. (SIBL), Mirpur Branch, as an intern on 01 December, 2014. This branch mainly has three departments. Like:

- General Banking
- Investment Banking
- Foreign Exchange Department

In this internship program, I got some job responsibilities to work for customer service under general banking department. Through this internship program, I got some knowledge about overall banking operation.

#### **3.2. Specific Responsibilities of the Job**

At the initial stage of my internship program, I worked with Front Desk officer of the General Banking Department of Mirpur Branch. Over there, I got some specific job responsibilities. Like:

- Account opening
- Issuing cheque books
- Updating register of the account
- Data entry on software of KYC and Transaction profile
- Providing customer service over phone
- File management

#### **3.3. Description of Job Responsibilities**

In this internship program, I perform the above job responsibilities. The following is the description of these jobs:

### **3.3.1. Account opening**

For saving and transaction purpose people open a bank account. In this program, I was responsible to open four types of account. These are:

- Al Wadia Current Account
- Mudaraba Special Deposit Pension Scheme
- Mudaraba Saving Deposit
- Mudaraba Term Deposit

To open an account based on the needs of the customer, a customer require some common things. Like:

- An introducer
- Need to fill up the account opening form
- Photograph of account holder and nominee
- National ID/ photocopy of passport / chairman certificate photocopy of account holder and Nominee
- Tax Identification Number (TIN) of account holder if any

In case of opening an Al Wadia Current Account, a potential account holder required to submit their trade license photocopy and the above things remain constant.

For opening an account, I was responsible to check all these above documents and help the potential account holders to fill the form accurately.

### **3.3.2. Issuing Cheque Book**

People required cheque books for their business and personal purpose. Account holders who deposit and withdraw money from banks more frequently than others required cheque books. Usually, Account holders need to wait for 7-15 working days after submitting cheque requisition form to the bank. My responsibility was to issue these cheque books by verifying those account holders. I usually verified them by the help of banking software (Ababil). After verification, I took their sign on cheque register book and then deliver their cheques book to them.

### **3.3.3. Updating Register for Account**

After checking all the required documents like: NID photocopy of both account holder and their nominee, their photographs, signatures, introducer sign on both the account opening application form and backside of the photographs of account holder. I was usually responsible to give a new account number for that potential account holder. For that purpose, I verified the registered number from banking software to check whether the number is blank or not. After that I updated the name of the account on both register book and account copy.

### **3.3.4. Data Entry on Banking Software**

In this internship period, I got an opportunity to run the banking software. I did it on behalf of account opening officer, Shahina Parvin. By using her password, I usually updated the KYC (know Your Customer) and TP (Transaction Profile) information of different accounts (like: Al Wadia Current Account and Mudaraba Saving Deposit) on banking software (Ababil). Based on transactions of customers, their TP and KYC varied. My responsibility was to entry these data for these accounts.

### **3.3.5. Customer Service Over Phone**

The main purpose of a bank is to serve their customer at their level best. On that purpose, I was responsible to serve their customer base over phone. Information regarding card delivery was given by me to the new account holder over phone.

### **3.3.6. Fill Management**

Bangladesh Bank launches a new rule for all banks for tax purpose. Based on the requirement of Bangladesh Bank, SIBL responsible to cut 15% taxes on account, those who are not serving their Tax Identity Number (TIN) for opening their account. Otherwise, those who provide it, SIBL cut only 10% tax on those accounts. As this rule is very new, so account holders bring their new 12 digits TIN number. Because of this, I was responsible to manage these TIN numbers.

### **3.4. Different Aspects of Job Performance**

As far I generate ideas for internship experiences, there are lots of different aspects of job performance. Like:

- Banks earn revenue by satisfying their customers. To serve them, bankers use to work for long hours. Otherwise, this is a critical job to perform.
- To serve their customers best, banks operate branches other than its head office. Branch Manager of respective branches is responsible to guide and control their employees performance.
- Branch Manager is responsible to take all the decisions for the branch and employees are responsible to follow him to perform the job successfully.
- Mirpur branch of SIBL, offering General, Investment and Foreign Exchange services to their customers.
- Employees of General banking are mostly responsible to prepare bank statements, reports, salary sheets and so on. Work of General banking is very sensitive, because employees have to provide money on behalf of bank to customers by cheque. Like- cash, interest to the account etc.
- SIBL Mirpur branch, offers Foreign exchange services for their clients. Like: Money Gram, Western Union, Aussie Forex etc to help domestic customers to collect foreign remittance.
- By critically evaluating the customer's account, SIBL offers and encourages customers to take loan based on their needs.

### **3.5. Critical observations**

In this internship period, I observed lots of critical things. Such as:

- On December 01, 2014 SIBL mirpur branch changed its previous branch location. Because of this most of the customers harassed a lot to find out this new branch location.
- Tiles on the stairs severed a lot to the customers. On an average every day a customer slipped from it.
- Currently a new verification system introduced in this branch. Because of this, officer required another officer to verify their each and every work. This is very time consuming and disturbing for them.

- Slow internet connection and poor printer often create problem to effectively work for the bank to the officers.
- Lack of available space for praying and taking foods, this makes dissatisfaction among the employees.

### **3.6. Recommendations**

By observing these critical issues, I give the following recommendations:

- To inform their customers about their new location, bank should advertise more on leaflet, newspaper, inform through messages and letters to their customers.
- Bank should put some carpet on the stairs as because the stairs are so new.
- Bank should recruit a new verification officer to verify all work of employees.
- To effectively perform the work of employee to serve their customers, bank should install high speed internet connection and new high quality printers.
- To satisfy their employees, bank should separate their dining and praying space.



# CHAPTER - 4

*Project Part*

## **4.0. Project on Choosing SIBL for Banking**

### **4.1. Summary**

The business of a bank depends on customers. To survive in the banking industries they require attract more customers. Because of this, they always try to offer best products and services towards their customers. There are lots of factors because of which customers are interested or appreciated to do banking with some specific banks. These factors are important for the banks to focus on it and to attract more customers to do banking with them.

This project is developed to know the factors that attract Social Islami Bank Limited (SIBL) customers to do banking with them. This project will help bank authority to know about these influential factors so that they can focus on their customer perception about SIBL.

### **4.2. Description of the Project**

#### **4.2.1. Objective of the project**

The main objective of this project is to investigate the influential factors that attract customers to bank with Social Islami Bank limited (SIBL).

#### **4.2.2. Methodology**

To prepare this project, I have collected data and information from both primary and secondary sources. Questionnaire survey to the bank clients was the primary source of data collection. Otherwise, Annual report was the secondary source.

**4.2.2.1. Questionnaire Survey:** To gather knowledge and information about factors that attract customers to bank with Social Islami Bank Limited (SIBL), here I conduct a questionnaire based survey. Questionnaire based survey was the primary source of data collection. By face to face conversation with the bank clients and giving direct questionnaire to them, I collected information for this project.

##### **4.2.2.1.1. Sampling Procedure:**

- I. Population:** I conducted this survey only on branch level customers who do banking with SIBL. Among the lots of different products and services of SIBL, these customers are taking one or more of them. Approximately 48,000 customers are banking with this branch of SIBL. So, the population size is 48,000 customers (Approximately)
- II. Sample:** The population for my sample was those people who have bank account on SIBL, Mirpur branch. The sample size of my survey was 28 customers. I conveniently collected data by asking people before taking their responses whether they have bank account or not.
- III. Stage of Sampling:**  
Population size: 48,000 customers (Approximately)  
Sample size: 28 customers

**4.2.2.2. Annual Report:** To compare the performance of SIBL with its competitors, here I collected data and information from annual report of them. This is a secondary source of data collection.

### **4.2.3. Limitations**

For the completion of a single work, facing obstacles and limitations on it is a common thing. But to complete the task successfully, one requires accepts or removes these limitations. Like this, this study had faced several limitations. These were:

- Most customers were unaware about the reasons of banking with SIBL.
- Respondents were reluctant to fill the questionnaire, which has impeded the preparation of the report.
- Validity of the report is the subject to the reply of the respondent.

## **4.3. Factors that Attract Customers to Bank with SIBL**

Social Islami Bank Limited (SIBL) is one of the eight Islamic banks in Bangladesh. As like other banks, it also does their banking business with their customers. Banks are well aware about the importance of building relationships with their customers for long-term profitability and survival of the banks. Because of this, they try to attract more customer base.

To prove the objective of this project, I have collected data from 28 respondents by self-administrated questionnaire survey technique. There are number of influential factors that attract

customers to bank with SIBL. These may be- Bank reputation, Provision of fast and efficient service, Availability of ATM facilities, Profit & interest, Variety of banking services, Good behavior of employees, Recommendation from relatives & friends, low service charge, Beauty of interior and exterior space of the bank, Availability of large branch network across country.

The following are the analysis of factors that attract customers to bank with SIBL:

### 4.3.1. Analysis Part

One of the most important parts of this project is to find out the factors that attract customers most to bank with SIBL. Among the lots of influential factors, in the questionnaire there are total 10 related factors that attract customers to bank with SIBL. Respondent were told to fill the form in the scale method 1 to 5 rank.

Scale	Description
1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly agree

**Figure- 5: Ranking order of Questionnaire.**

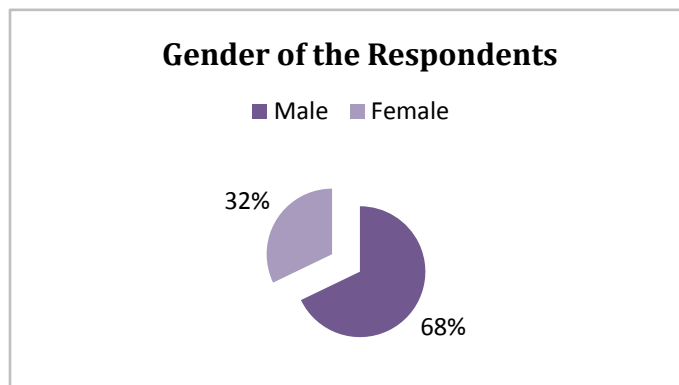
Along with the factors that attract customers to bank with SIBL, in the questionnaire there were some other related question based on this. Like: Gender, Age, Profession and how long they have been associated with SIBL, The following are the analysis and interpretation of the respondents' response:

#### 4.3.1.1. Profile of the Respondents:

##### a) Gender:

In the questionnaire, respondents were divided into two types of gender- male and female. According to the respondents, the result is shown below-

**Interpretation:** Among the 28 total respondents, there were 19 male and 9 female respondents. It seems that compare



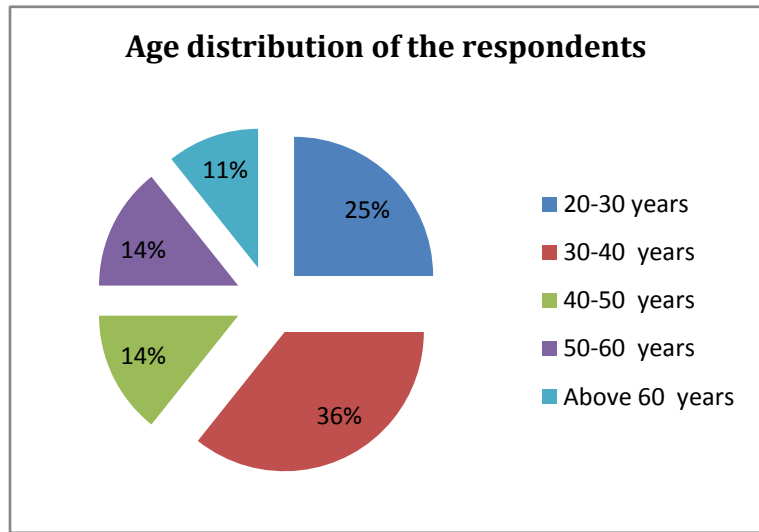
**Figure-6: Gender of the respondents**

to female, there are 36% more male respondents. That means, male customers are more attracted to bank with SIBL.

**b) Age:**

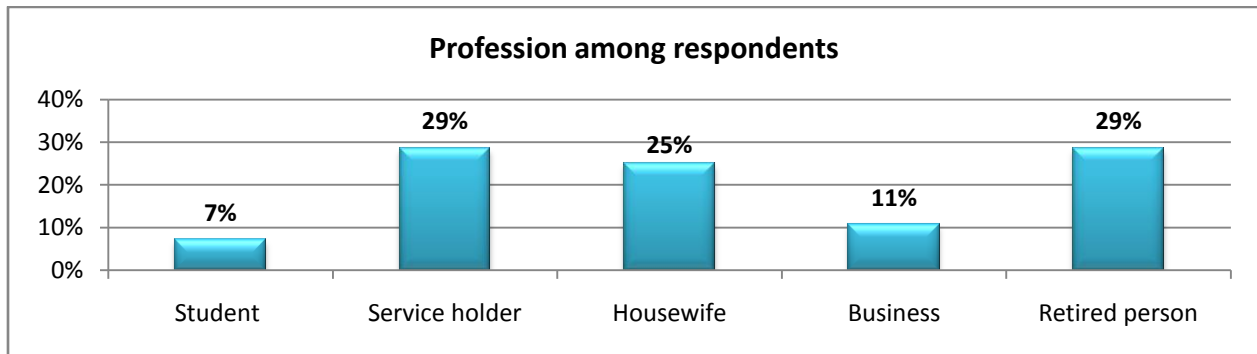
Respondents were divided into five groups in the questionnaire: 20-30 years, 30-40 years, 40-50 years, 50-60 years and above 60 years. According to the age of the respondents, the result is shown in the following pie chart:

**Interpretation:** From this pie chart, we see that among the 28 respondents, the large numbers of respondents were in the age of 30-40 years. Whereas, the lowest portion of the respondents were in the age of above 60 years.



**c) Profession:**

In the questionnaire respondents were divided into five professional groups-Business, Job holder, Student, Housewife and Retired person. How these professional people are attracted in decision making to bank with SIBL is important factor. The results of the respondents' profession are given below:



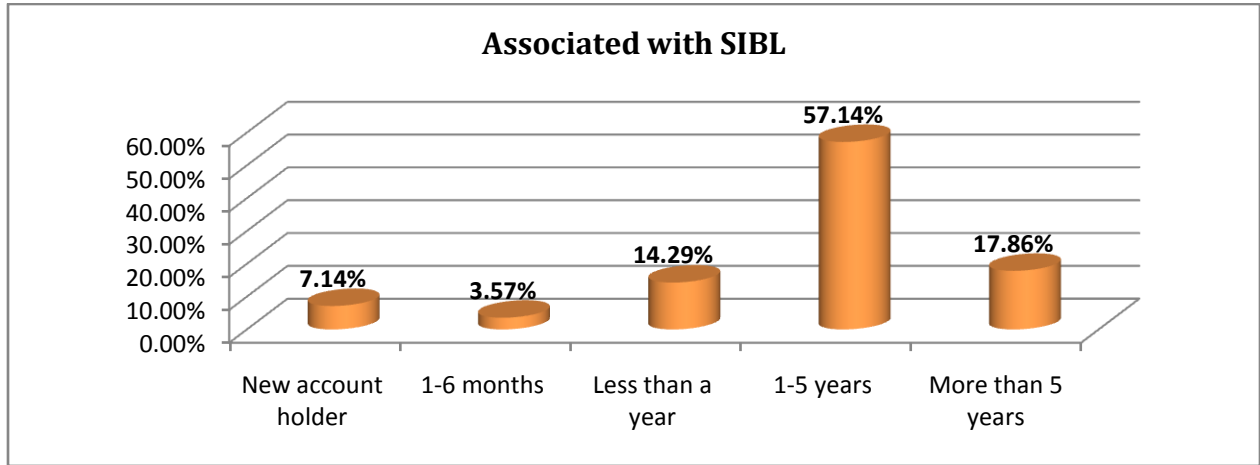
**Figure-8: Profession of the respondents**

**Interpretation:**

From this chart, we can say that among the five professional groups both service holders and retired persons have the highest percentage where as students have the lowest.

**d) Association with SIBL:**

Among the lots of different services of SIBL, respondents are taking one or more of them at the same time. According to the respondents, they have been associated with SIBL:



**Figure-9: Association of the respondents with SIBL**

***Interpretation:***

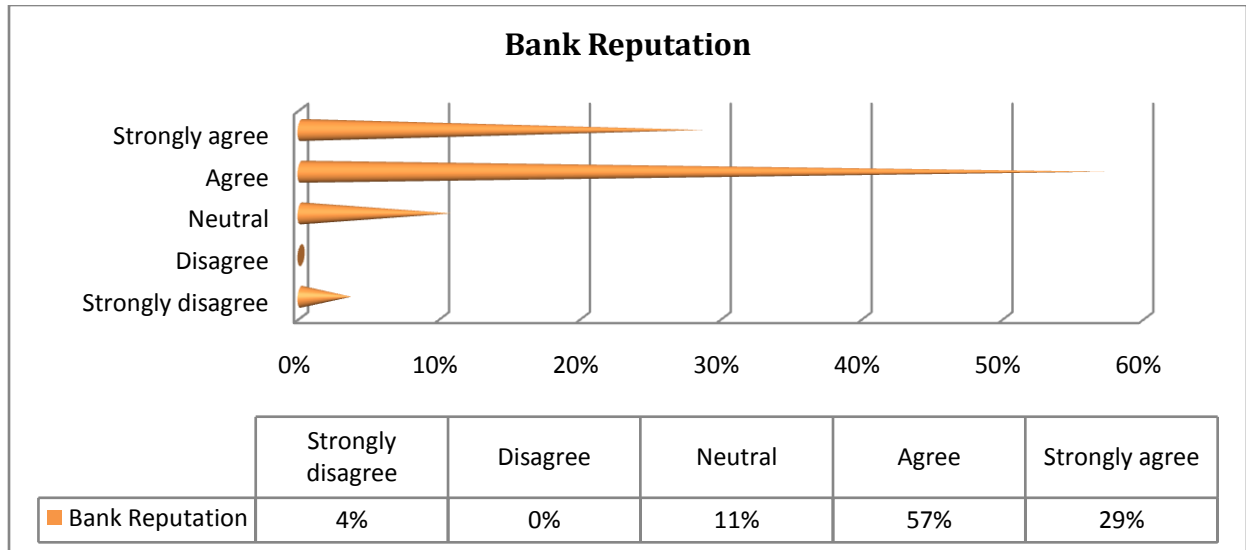
From this graph, we find that majority of the respondents do banking with SIBL for more than one year. This proves that SIBL is able to build long lasting relationship with their customers.

**4.3.1.2. Factors that attract customers to bank with SIBL**

Among the lots of different influential factors of choosing SIBL for banking, I have chosen ten (10) most influential factors that attract customers to bank with SIBL. How these factors influence customers are given below:

**4.3.1.2.1. Bank Reputation**

Bank reputation is very influential factors that attract customers to bank with some specific bank. Here I put this factor to know how much it influences the customers to bank with SIBL.



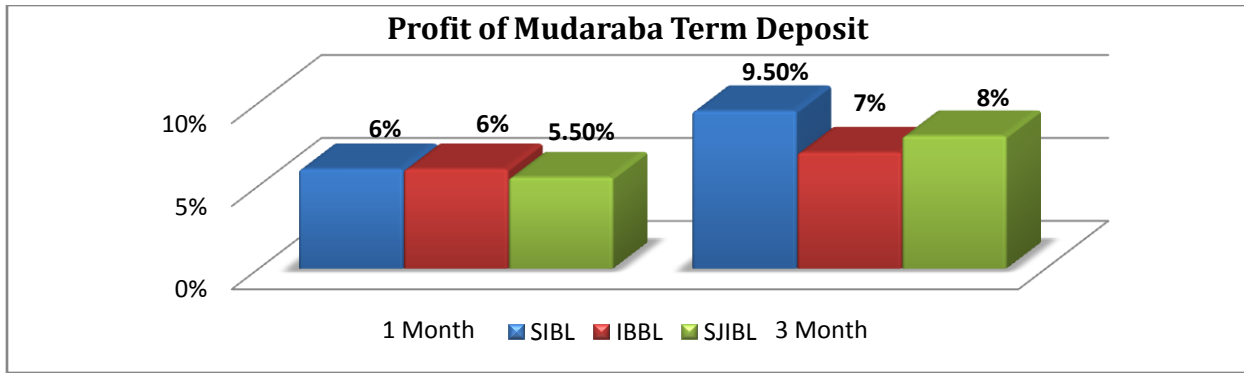
**Figure-10: Impact of bank reputation on customers**

***Interpretation:***

According to the respondents, SIBL is one of the reputed Islamic banks in Bangladesh. They are serving lots of different products and services along with the pioneer of the internet banking in the Islamic banking industry. Among the total respondents, 16 respondents agree and 8 respondents strongly agree that based on the reputation of SIBL, they do banking with it.

**4.3.1.2.2. Based on Profit**

Another determining factor to select a particular bank for banking is profit and interest. Though Islamic bank do not use the word interest rate rather they use the word profit sharing. Bank clients always try to make investment in those banks which pay more on their deposits and charge low on their borrowings and then make comparison of own banks with other banks in the market as well. The following are the comparison of profit percentage of Mudaraba Term Deposit among SIBL and its competitors (Islami Bank Bangladesh Limited (IBBL) and Shahjalal Islami Bank Limited (SJIBL).

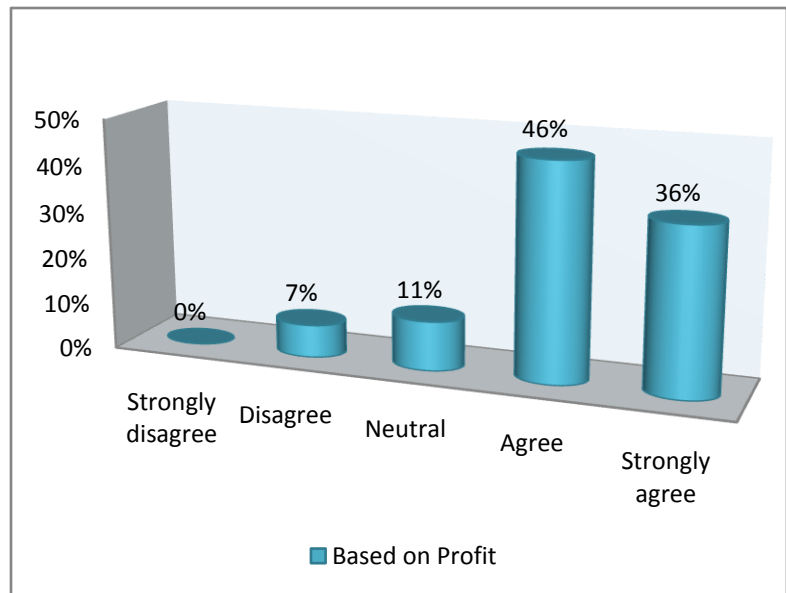


**Figure-11: Profit of MTD among banks**

From the above graph, we notice that compare to other two Islamic banks, SIBL has the highest profit rate on 3 month term deposit. Based on profit of SIBL, how many customers are attracted to bank with it are shown in the following bar graph:

**Interpretation:**

Profit is an influential factor for many customers. Among the total respondent of the survey, 46% and 36% of the respondents were respectively agree and strongly agree on the statement that based on the profitability of SIBL, they bank with it.

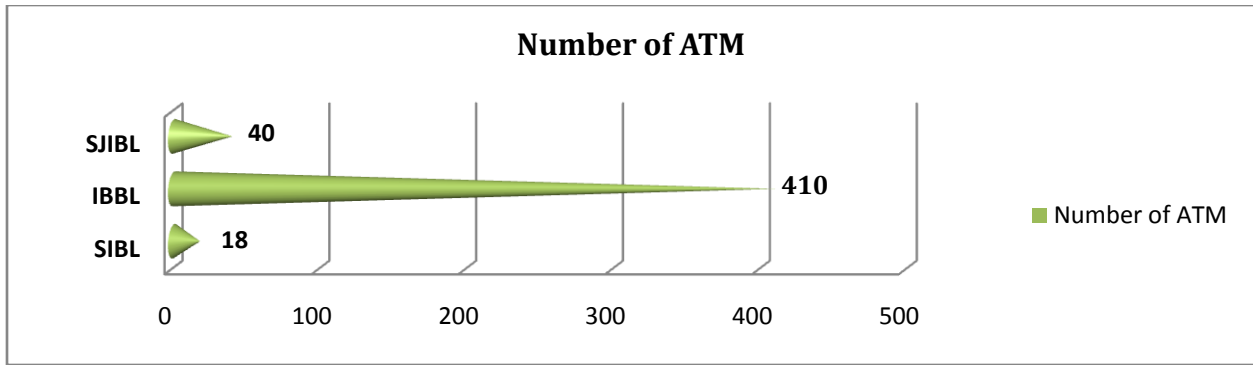


**Figure-12: Impact of profit on customers**

**4.3.1.2.3. Availability of ATM facilities**

Automated Teller Machine (ATM) is computerized machines that provide the customers of the bank to access their account dispensing cash and to carry out other financial transactions without the need of actually visit the bank branch.

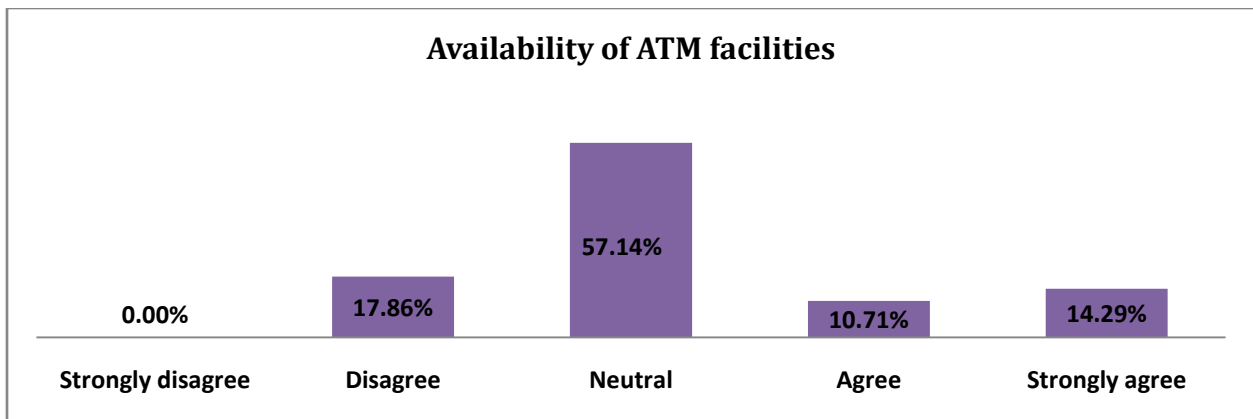




**Figure-13: Number of ATM among banks**

From this above graph, it has been found that among these banks Social Islami Bank Ltd. (SIBL) has the lowest number of ATM facilities for their customers and Islami Bank Bangladesh Ltd. (IBBL) has the highest number of ATM facilities among these banks for their customers.

But to know whether this availability of ATM facility of SIBL attracts customers to bank with it or not, the following are the responses of the respondents:



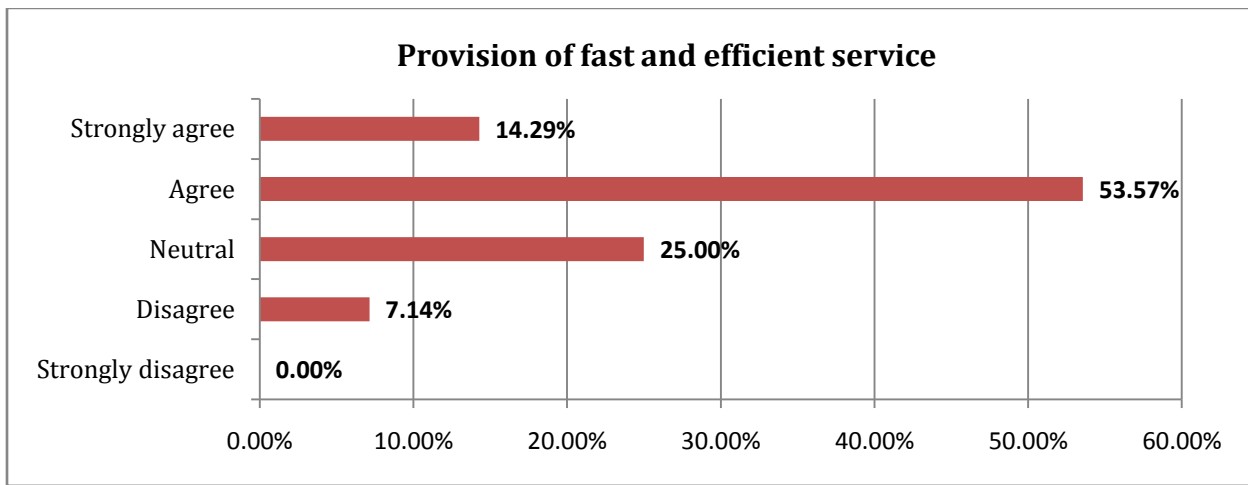
**Figure-14: Availability of ATM facility of SIBL**

***Interpretation:***

According to the respondents of SIBL, 17.86% were disagree about the availability of ATM facility attract them to bank with SIBL. Furthermore, majority of the respondents were neutral to respond regarding this factor which means they have no good feeling about ATM services of SIBL. But 10.71% respondents were agreed and 14.29% respondents were strongly agreed regarding this factor.

#### 4.3.1.2.4. Provision of fast and efficient service:

Customers are the most important factor for a bank because of its growth, survival and stay in the competition on the market. To satisfy the customer base, bank tries to provide fast and efficient service to their customers. For this reason, to satisfy the customers, all the personnel of a bank attract customers by their good human attitude, communication skills, pleasant and efficient positive emotions. Through this, bank always tries to attract more customers and plays the role to achieve their mission of the organization. According to the questionnaire survey, the results are shown below:



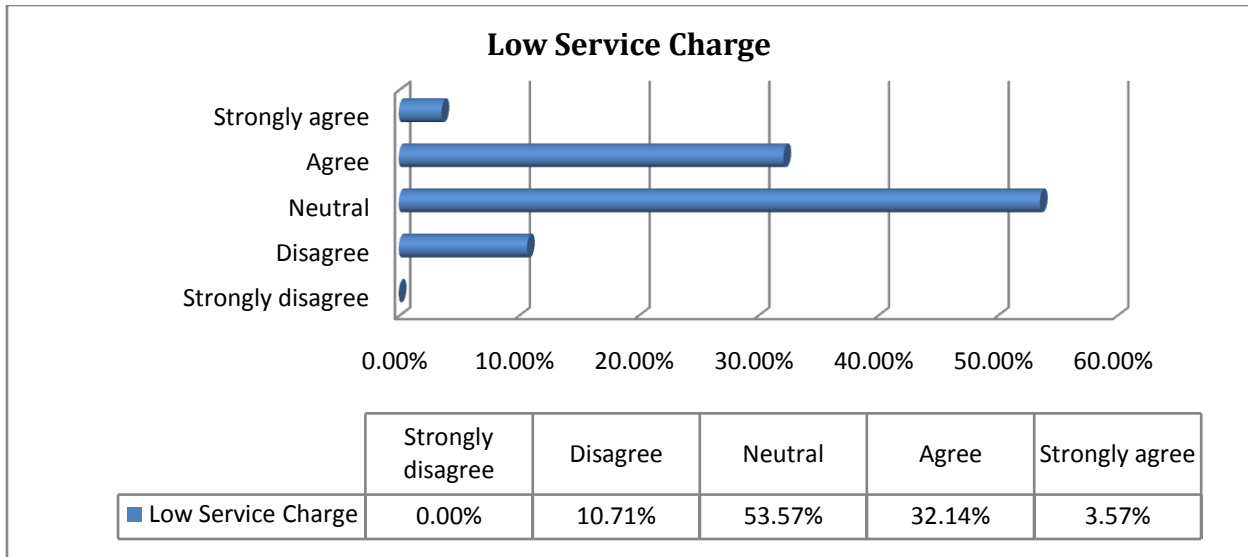
***Figure-15: Provision of fast and efficient service of SIBL***

#### ***Interpretation:***

The above graph says that customers are satisfied about the fast and efficient service quality of SIBL. Because, among the total respondents of the survey, 53.57% respondents were agree and 14.29% respondents were strongly agree about the service quality of Social Islami Bank Ltd.

#### 4.3.1.2.5. Low service charge

Banks charge some fees from customers for providing their desired services. Bank to bank it varies. Service charge of SIBL, how attract their customers to bank with them are shown in the following graph:



***Figure-16: Impact of low service charge of SIBL on customers***

***Interpretations:***

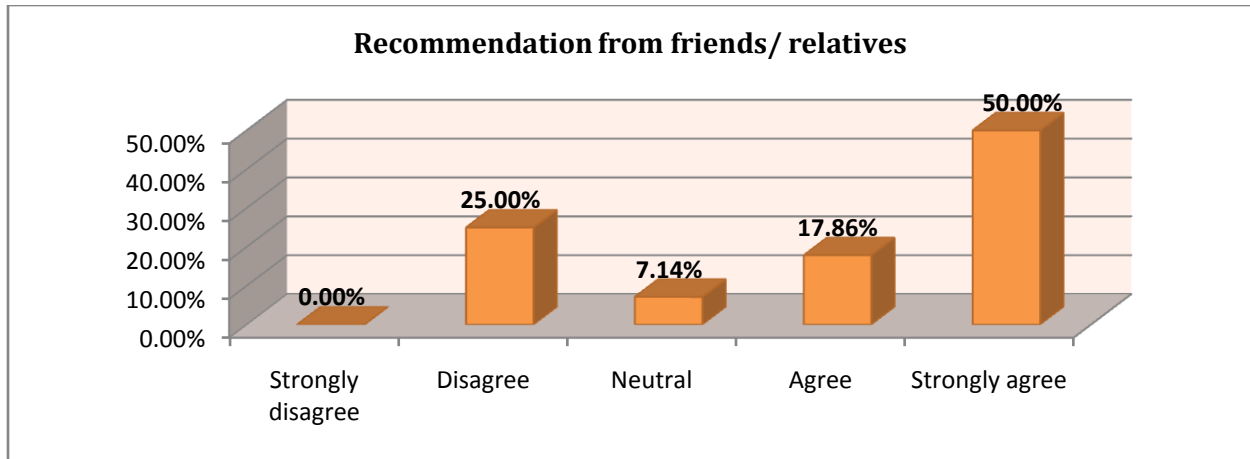
According to the graph, above 50% of the respondents were neutral regarding the statement while 32% respondents were agreed about the statement. It means that they are not satisfied about the SIBL service charge.

**4.3.1.2.6. Recommendation from friends/ relatives**

Sometimes customers are attracted to do banking with some specific bank by getting recommended from their relatives and friends. How much this factor is influential to let it know I included this factor in the survey questionnaire. The following chart is the result of the respondents.

***Interpretation:***

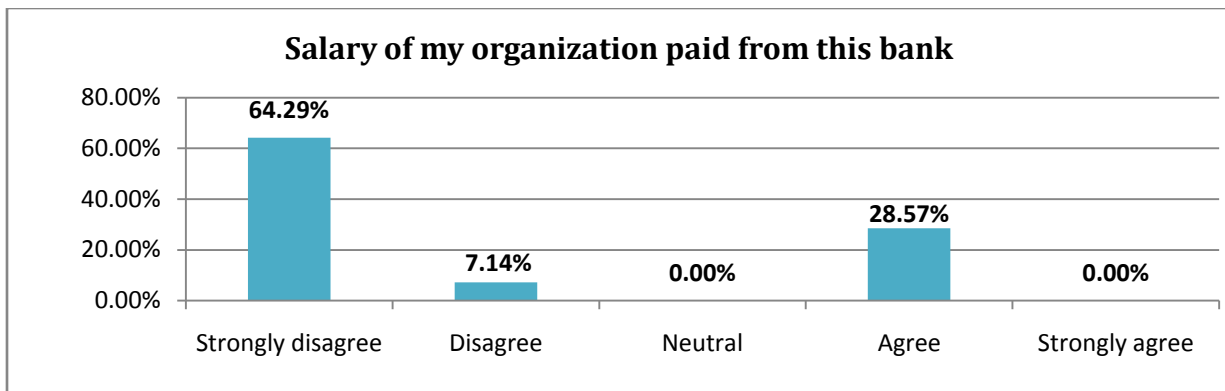
From following graph we can interpret that most of the respondents do banking with SIBL based on the recommendation from their friends, family and relatives. According to their opinions, to easily make transaction of money with their friends, family members and relatives they open their bank account in this bank where as one fourth of the respondents were disagree about the statement.



**Figure-17: Impact of recommendation from friends/relatives on respondents**

#### **4.3.1.2.7. Salary of my organization paid from this bank**

Some organizations are major client of SIBL. On behalf of bank’s corporate clients like organization, SIBL pays their employee salary on time. Organization like: Dhaka commerce college, BUBT, Grammen Insurance etc. For this factor, customers also do banking with SIBL. The result of the respondent regarding the factor is given below:



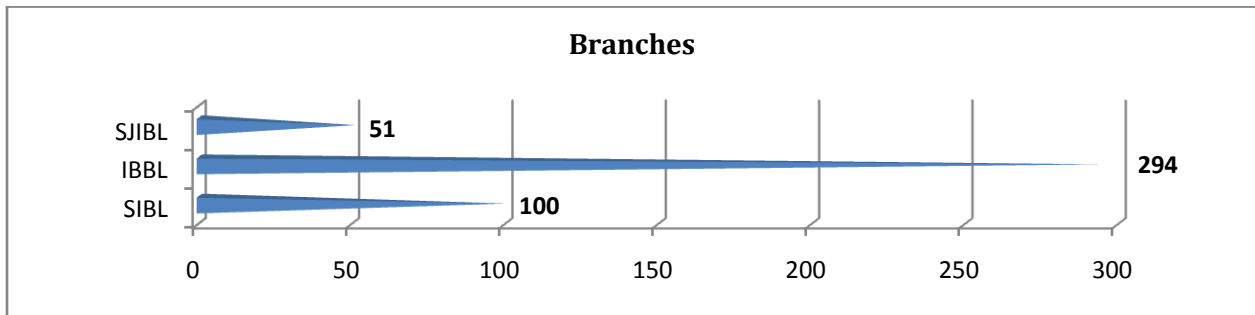
**Figure-18: Impact of salary account of the organization on respondents**

#### ***Interpretation:***

According to the above graph, 64.29% of the respondents were strongly disagreeing about the statement whereas 28.57% of the respondents were agreeing about this statement. It is seen that only the service holders by profession are more influenced in this factor.

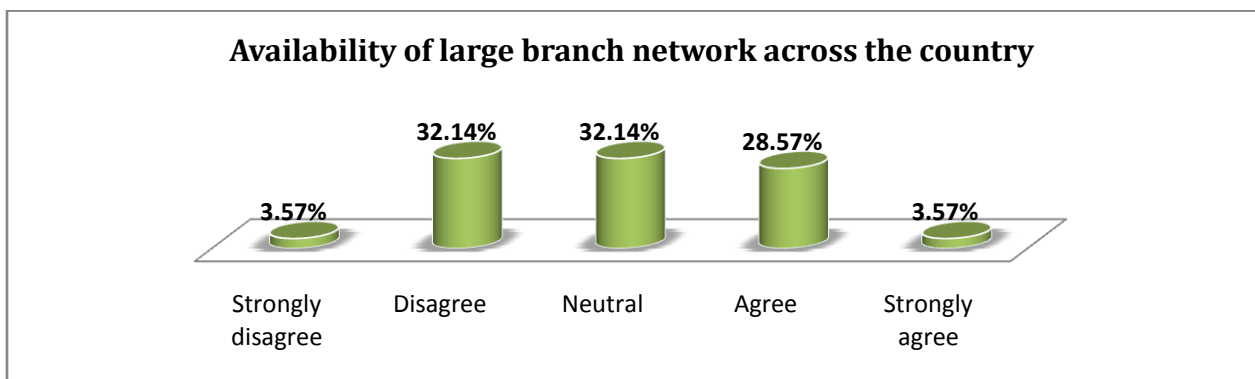
#### 4.3.1.2.8. Availability of large branch network across the country

Location of bank is an important factor to attract customers. To stay in the competition and to deliver fast and efficient service to the customers, banks are enhancing their branch network across the country. Among the three Islamic banks, the largest branch network facility provided by the following:



**Figure-19: Number of bank branches of three Islamic bank**

To know how much this factor influences customers of SIBL to bank with them, I included this factor in the questionnaire. The following is the result of the respondent about the availability of large branch network across the country:



**Figure-20: Availability of large branch network across the country of SIBL**

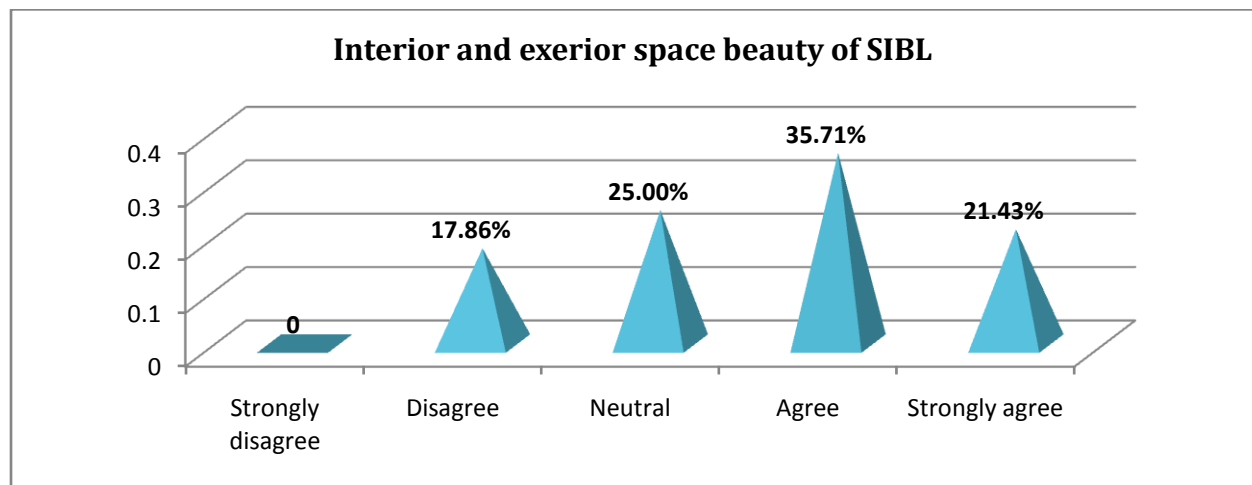
#### **Interpretation:**

The above graph describes that factor of branch location across the country of SIBL are in between of both agreement and disagreement. Among the total respondents 32.14% respondent

disagree about the statement and 32.14% were neutral regarding this statement. Moreover, only 28.57% respondents were agreed about it.

#### 4.3.1.2.9. Beauty of interior and exterior space of the bank

To attract more clients, banks always try to decorate themselves. That may attract customers to bank with those banks. By equipping modern facilities in the office interior and exterior space, banks may attract them. The beauty of interior and exterior space of SIBL is judged by the respondents. The result is below:



**Figure-21: interior and exterior space beauty of SIBL**

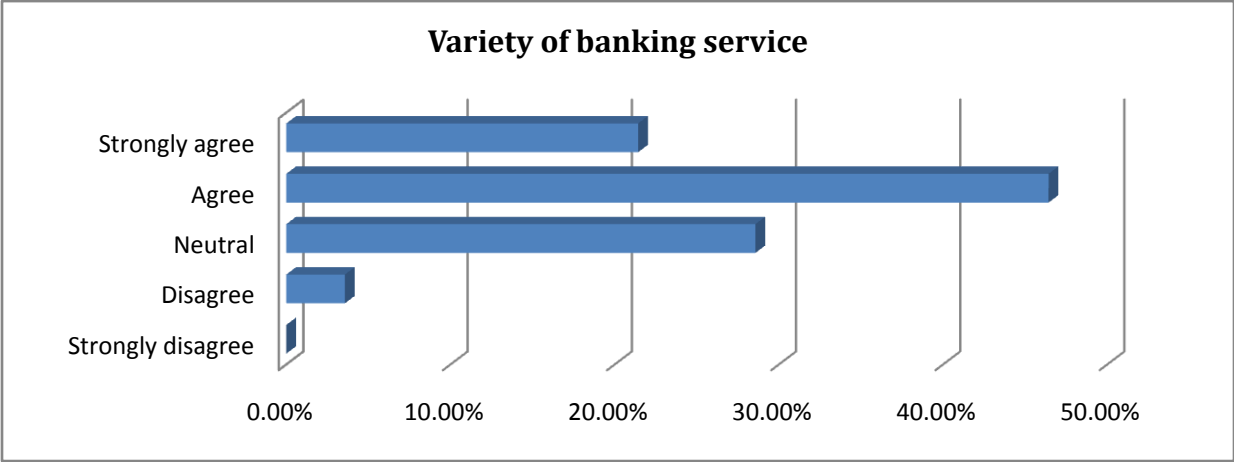
#### ***Interpretation:***

According to the above graph, 35.71% respondents were agreed and 21.43% respondents were strongly agreed about this statement while 25% respondents were neutral and 17.86% respondents were disagreed about it. It means majority of the respondents of this survey were attracted about the interior and exterior beauty of SIBL to bank with them.

#### 4.3.1.2.10. Variety of banking service

Based on the customers' diverse needs, banks provide variety of services. Compare to Islami Bank Bangladesh Limited (IBBL) and Shahjalal Islami Bank Limited (SJIBL), Social Islami Bank Limited (SIBL) Provides lots of different services facilities to their customers. Like: all kind of billing facilities provided by SIBL along with their variety of products and services. The

following are the result of the respondents regarding this influential factor that attract them to bank with SIBL or not:



**Figure-22: Variety of Services attracts customers to bank with SIBL.**

***Interpretation:***

From the above bar graph, we can say that majority of the respondents were agreed and strongly agreed about this statement. The proportions of the agreed respondents were 46.43% and strongly agreed respondents were 21.43%. That means, customers do banking with SIBL by attracting on their variety of services.

# CHAPTER - 5

*Findings, Recommendations & Conclusion*



## 5.1. Findings

- Male customers are more than female customers in SIBL.
- Young generations are more attracted to bank with SIBL.
- The lowest professional group of respondents is student.
- Majority of the respondents do banking with SIBL for more than a year.
- SIBL is a reputed bank according to their customers.
- Compare to other two Islamic banks, SIBL gives slightly more profit on their products. That attracts their customers to bank with them.
- Compare to other two Islamic banks, SIBL has the lowest ATM facility for their customers. Because of this customers become neutral regarding their factor.
- Customers are satisfied regarding their fast and efficient service.
- Majority of the respondents do banking with SIBL by getting recommendation from their relatives and friends.
- Majority of the service holder respondents bank with SIBL for their salary account.
- Compare to Islami Bank Bangladesh Limited (IBBL), SIBL has lower number of branches. Most of the respondents were neutral and not agreed with the number of braches which means they are not happy with this service.
- Customers are attracted about the interior and exterior beauty of SIBL.
- Majority of the respondents are satisfied with the variety of services provided by SIBL.

## 5.2. Recommendation

- To attract more female customers to bank with SIBL, bank should bring new female oriented scheme.
- Bank should do more promotional activities to attract customers specially the students. Promotional activities such as-
  - i) Account opening in different private and public universities can be done to attract students.
  - ii) Students friendly scheme should be introduced by which students as well as young people will be more interested to bank with SIBL.
- Based on the findings, majority of the respondents are banking with SIBL for more than a year which shows that customers are becoming loyal toward them. So, they should continue and improve their service to retain their customers.
- According to the respondents, SIBL is a reputed bank. To make good impression among their customers, they should do more CSR activities. For example- distribution of winter clothes to the poor people, offering scholarship facilities to the poor talent students etc.
- As the customers are happy with the services provided by the employees of SIBL, so the authority of the bank should give more focus to train up and motivate their employees to retain or increase the satisfaction level of their customers.
- To satisfy the customers, SIBL should increase the ATM booth across the country. Because the respondents were neutral with this statement which means they are not happy with this service.
- Based on the findings, majority of the respondents are advised to open a new account by their friends or relatives. So, SIBL should motivate the introducers by presenting some gift which will make them happy thus they will be more motivated to bank with SIBL.
- Majority of the respondents did not bank with SIBL for salary accounts of their organizations which mean SIBL is not well in corporate banking. So, they should give more focus to communicate with different companies to open their salary accounts in SIBL.

- SIBL should set up more branches across the country so that all level of customers will be able to bank with them from any places.
- Varieties of service are the factors by which customers are also attracted. Most of the respondents were happy with the variety of services of SIBL. So, they should continue to give the existing services as well as they should introduce more new services to attract new customers.

## **5.1. Conclusion**

Survival of a bank depends on customers. In this competitive banking industry, each bank tries to attract and retain their customers for their survival. Customers are influenced by lots of factors to do banking with some specific bank. Numerous internal and external organizational factors have impact on decision making of customers. Among the lots of different influential factors, customers of SIBL are more attracted to do banking because of their bank reputation, range of profit on products, fast and efficient services of employees, getting advised from their friends and relatives, interior and exterior space beauty of the bank and variety of services provided by the bank. Along with these factors, Social Islami Bank Ltd. will able to attract more customers by providing a huge number of ATM booth facilities, low service charge on their products offering and diversifying their branch location to facilitate their customers across the country. Otherwise, by offering new and more facilitative products line for corporation, Social Islami Bank Ltd. will able to attract more corporate customers. Thus, it will help to enhance the profit volume of Social Islami Bank Limited.

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## Appendix

### Survey Questionnaire

Dear customer,

I am Jannatul Ferdoshi, an intern of this bank from BRAC University. For completion of my internship report on the topic of "Factors that attract customers to bank with SIBL", I need your help. Only you can tell me which factors attract you to bank with SIBL. I would appreciate if you take few minutes to complete this questionnaire. The information I receive from you is valuable, it will let me know which factors most attract the customer base to bank with SIBL. The questionnaire will be used only for academic purpose and all information will be confidential.

Thank you for your assistance.

Name of the respondent: .....

Gender: Male/ Female

Age: (a) 20-30years (b) 30-40 years (c) 40-50 years (d) 50-60 years (e) Above 60 years

Profession: (a) Student (b) Service (c) Housewife (d) Business (e) Retired person

**Q 1:** Reasons for choosing SIBL for banking:

Reasons	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
a) Bank reputation	1	2	3	4	5
b) Profit & interest	1	2	3	4	5
c) Availability of ATM facilities	1	2	3	4	5
d) Provision of fast and efficient service	1	2	3	4	5
e) Low service charge	1	2	3	4	5
f) Recommendation from friends/ relatives	1	2	3	4	5
g) Salary of my organization paid from this bank	1	2	3	4	5
h) Availability of large branch network across the country	1	2	3	4	5
i) Beauty of interior and exterior space of the bank	1	2	3	4	5
j) Variety of banking service	1	2	3	4	5

**Q 2:** How long you have been associated with the Social Islami Bank Limited?

- a) New account holder
- b) 1-6 months
- c) Less than a year
- d) 1-5 years
- e) More than 5 years