Internship Report

On

"STP Analysis of Agrani Bank Plc".

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"STP Analysis of Agrani Bank Plc"

Supervised To:

Mr. Mahbub Parvez

Associate Professor.

Department of Business Administration.

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Daffodil International University.

Submitted By:

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Program: BBA, 55th Batch.

Major: Marketing

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Date:

Letter of Transmittal

Date: 08.01.2024

Mr. Mahbub Parvez.

Associate Professor.

Department of Business Administration.

Faculty of Business and Entrepreneurship.

Daffodil International University.

Subject: Submission of Internship Report.

Dear Sir, with due respect, I would like to submit the Internship report on “STP Analysis of Agrani Bank Plc”. I would like to say that this report has been organized by me and this is my pleasure to place it before you.

I believe that this internship program has given me an immense opportunity to enhance both of knowledge and experience. I have made my best effort to accomplish the objectives of the report and believe that it will meet your expectations.

While formulating this report, I have tried extreme to include all the relevant information and analysis to make the report wide-ranging as well as workable.

I, therefore, hope that you will appreciate reviewing this report.

Thanks, and regards

Shithy

…………………

Sadia Islam Shithy

ID NO: 201-11- 6487.

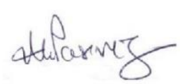
BBA, 55th Batch.

Department of Business Administration.

Daffodil International University.

Internship Certificate

This is to certify that the internship report entitled **"STP Analysis of Agrani Bank Plc".** Prepared by **Sadia Islam Shithy,** bearing **ID no: 201-11-6487** is accepted in terms of quality & forms. The report has been prepared under my guidance and is a record of flown work carried out successfully.



………………

Signature

Mahbub Parvez.

Associate Professor.

Department of Business Administration.

Daffodil International University.

Acknowledgment

It is with great joy and appreciation that I extend my heartfelt thanks to the numerous individuals whose unwavering support and encouragement have played a pivotal role, directly or indirectly, in the creation of this report. Foremost, I express my gratitude to the Almighty Allah, whose blessings have empowered me to pursue my academic endeavors.

I am sincerely thankful to my esteemed supervisor, Mr. Mahbub Parvez, Associate Professor at Daffodil International University, for his invaluable guidance and cooperation. His insights and support have been instrumental in shaping this report, and I am truly grateful for his mentorship.

I extend my thanks to all the dedicated employees of Agrani Bank Limited, whose dynamic contributions and sincere assistance greatly facilitated my research. Despite the challenges of work rush, they consistently demonstrated politeness in answering my queries and providing me with their valuable time.

Finally, I would like to express my sincere apologies to the readers for any conceptual or printing errors that may have inadvertently occurred. Your understanding is greatly appreciated.

Once again, thank you to everyone involved in this journey for your support and cooperation.

Executive Summary

The banking sector of Bangladesh is a pivotal contributor to the national economy, comprising various banks in different categories. Agrani Bank Limited (ABL) was established as a state-owned commercial bank on May 17, 2007, under the Company's Act of 1994. It emerged as a nationalized commercial bank following the Bangladesh Banks (Nationalization) Order of 1972, under President's Order No. 26 of 1992. This order transformed the erstwhile Habib Bank Limited and Commerce Bank Limited into Agrani Bank. On a going concern basis, ABL took over the business assets, liabilities, rights, and obligations of Agrani Bank through a vendor's agreement signed on November 15, 2007, between the Ministry of Finance of the People's Republic of Bangladesh and the Board of Directors of ABL, with retrospective effect from July 1, 2007. ABL operates through 953 branches widely distributed and is at the forefront of technology, providing real-time online banking services.

The report is structured into four parts:

<u>Part 1: Introduction**</u>**

In the introductory part of the report, I provide background information on the banking sector in Bangladesh and introduce Agrani Bank Limited. This section also covers the objectives of the report, its importance, and the methods used to prepare it.

<u>Part 2: ABL Overview**</u>**

In the second part of the report, I present an in-depth introduction to Agrani Bank Limited, encompassing the organization's overview, mission, vision, values, segmentation, targeting, positioning (STP) strategy, a 4P analysis (Product, Price, Place, Promotion), an overview of its products and services, and a SWOT analysis.

<u>Part 3: Learning**</u>**

The third chapter delves into the learning aspects of STP analysis, including the objectives and details of STP Analysis, and the visualization of the bank's performance.

<u>Part 4: Findings, Recommendations, and Conclusion**</u>**

The fourth chapter is dedicated to Agrani Bank PLC's specific findings based on the financial analysis conducted. It provides recommendations for potential improvements and concludes the report with a summary of key insights and implications.

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Chapter-1

Introduction

1.0 Introduction:

Banking serves as the cornerstone of any economy, as it plays a pivotal role in facilitating economic and financial activities. Just as industries produce goods and commodities, banks create and regulate the money market while promoting the formation of capital. Viewed in this light, banking, as a technical profession, can be likened to an industry. The services provided to customers represent the products of the banking industry, and they also play a significant role in fostering capital formation within a country. Given the centrality of banking to all economic and financial activities, the importance of its role cannot be overstated. The bank has adopted a strategy focused on the quality growth of its assets, adhering to compliance in all operational areas, especially concerning Shariah principles and regulatory laws and guidelines. As a consistent policy, the bank maintains a focus on key areas, including capital adequacy, asset quality, sound management, profitability, and liquidity.

1.1 Origin of The Report:

This report has been initiated to fulfill the requirements of the BBA program at the Faculty of Business and Entrepreneurship, Daffodil International University. Practical exposure is an integral component of the BBA program, and as part of this requirement, I had the opportunity to gain real-life insights into the operations of banking and financial institutions. To this end, I conducted my internship at Agrani Bank Limited, specifically at the Farmgate branch. This report, titled "STP Analysis of Agrani Bank PLC," was conducted under the guidance and supervision of Mr. Mahbub Parvez, an Associate Professor at Daffodil International University.

1.2 Background of ABL:

Agrani Bank, established as a Nationalized Commercial Bank through the Bangladesh Banks (Nationalization) Order 1972, originated from the amalgamation of former institutions, Habib Bank Limited and Commerce Bank Limited. This transformation occurred under President's Order No. 26 of 1972, leading to the rebranding of the combined entity as Agrani Bank. On May 17, 2007, Agrani Bank PLC was officially incorporated as a State-owned Commercial Bank under the Companies Act 1994. Agrani Bank PLC is governed by a Board of Directors, consisting of a chairman, five directors, and the Managing Director & Chief Executive Officer.

The Managing Director is supported by Deputy Managing Directors and General Managers. The bank's organizational structure includes 11 Circle offices, 53 zonal offices, and 37 Divisions at the head office. With a total of 972 branches, including 36 corporate and 43 Authorized Dealer (AD) branches, Agrani Bank is at the forefront of technology, offering real-time online banking across all its branches. Additionally, the bank operates subsidiaries, including a merchant bank and SME financing companies in Singapore, Malaysia, and Canada. Agrani Bank PLC takes pride in being the pioneer among state-owned commercial banks in Bangladesh to introduce Agent Banking. Presently, the bank operates 400 agent booths, facilitating banking activities in rural areas. Since February 28, 2010, Agrani Bank has successfully implemented an Islamic Banking system through its 'Islamic Banking Unit,' with 60 windows dedicated to Islamic banking operations. The bank is dedicated to serving the nation, embodying its commitment to contributing to the economic development of Bangladesh.

1.3 Objectives:

This study is fundamentally designed to connect theoretical insights gained in the realm of banking with real-world banking operations. Alongside this overarching objective, the study includes the pursuit of specific aims:

- To gain a comprehensive understanding of the Government banking sector in Bangladesh.
- To assess the STP performance of Agrani Bank PLC (ABL) by scrutinizing its STP.
- To identify and analyze the challenges faced by STP Strategies performance of Agrani Bank PLC (ABL).
- To offer practical recommendations aimed at addressing and resolving the identified issues.

1.4 Methodology:

Data for this report was sourced from diverse outlets, encompassing my professional experience at Agrani Bank Limited (ABL), ABL's annual report, the official ABL website, and interactions with colleagues, officers, and customers. The data collection process involved a blend of primary and secondary sources, detailed below:

A) Primary Data:

- Input from clients and employees of Agrani Bank Limited.
- Insights gained during a three-month internship program at ABL.
- Information extracted from ABL's annual report.
- Various articles and internet sources.

- Face-to-face discussions with specific officers at the branch.

B) Secondary Data:

- Data extracted from the official website of Agrani Bank Limited (ABL).
- Materials published by ABL, including office circulars.

Data collection employed various methods, such as:

- Personal meetings and interviews with clients, employees, and officers.
- Personal observation of banking operations and procedures.

In the subsequent phase of analysis and reporting:

- I meticulously analyzed the collected data to extract relevant information.
- Both qualitative and quantitative analysis techniques were applied.
- Microsoft Word and Microsoft Excel served as tools for processing and presenting the data.
- Graphical representations and charts were utilized to effectively communicate the findings.
- The aim was to ensure a thorough analysis of numerical data, with accurate reporting of results.

1.5 Limitations:

During the groundwork for this report, various challenges were encountered, presenting constraints that affected the project's depth and complexity in specific areas. The limitations faced are outlined below:

1. **Inadequate Availability of Records, Books, Publications, Magazines, and Journals:**

- A scarcity of comprehensive records, books, publications, magazines, and journals hampered the opportunity for a more extensive and profound understanding of the subject matter. The absence of such resources-imposed restrictions on the depth of the report.

2. **Restricted Access to Essential Bank Information:**

- Limited access to critical information and data within the bank posed challenges in delving deeper into certain aspects of the report. This limitation impacted the thoroughness of the research.

Chapter 2
Organizational Part

2.0 Organization:

Agrani Bank Limited (ABL) was established as a state-owned commercial bank on May 17, 2007, under the Company's Act of 1994. It emerged as a nationalized commercial bank following the Bangladesh Banks (Nationalization) Order of 1972, as per President's Order No. 26 of 1992. This transformation involved the merger and renaming of the erstwhile Habib Bank Limited and Commerce Bank Limited to create Agrani Bank. On a going concern basis, ABL took over the business assets, liabilities, rights, and obligations of Agrani Bank through a vendor's agreement signed on November 15, 2007, with retrospective effect from July 1, 2007. ABL operates with 953 branches distributed across the country and is recognized as a technology pioneer, with all branches offering real-time online banking services. Additionally, ABL has subsidiaries, including a merchant bank, a small and medium-sized enterprises (SMEs) financing company, and a remittance house with a presence in Singapore, Malaysia, Canada, and Australia.

At ABL, we prioritize responsible financial services and are dedicated to making a positive impact on the lives of our stakeholders and the nation. In addition to helping our customers manage their finances wisely and grow their businesses, ABL is committed to supporting the socio-economic development of Bangladesh. ABL provides a wide range of products and services to its corporate, SME, and retail clients, including extensive deposit and loan options, including Islamic banking, foreign currency services, and pension schemes. Our offering encompasses personal financial services, business banking, transaction banking, commercial and corporate banking, corporate finance, treasury services, capital market activities, and clearing services. Through our subsidiaries, Agrani Bank Limited also offers asset management, SME finance, venture capital management, and foreign remittance services.

2.1 Organizational Structure:

Organizational Structure of Agrani Bank Plc

Chairman

↓

Board of Directors

↓

Chief Executive Officer & Managing Directors (CEO & MD)

↓

Deputy Managing Directors (DMD)

↓

General Manager (GM)

↓

Deputy General Manager (DGM)

↓

Assistant General Manager (AGM)

↓

Senior principal officer

↓

principal officer

↓

Senior officer

↓

Officer/O. cash/O.(IT)

2.2 Corporate Information:

Company Information:

Name: Agrani Bank PLC.

Legal Status: Public Limited Company (in accordance with the Bank Companies Act 1991).

Registered Office: 9/D Dilkhusha, Dhaka 1000, Bangladesh.

Date of Incorporation: 17 May 2007 under the Companies Act 1994.

Commencement of Business: 17 May 2007.

Tax Identification Number (TIN): 395478266223.

VAT Registration Number: 19011031730.

Business Identification Number (BIN): 000000221.

Chairman: Dr. Zaid Bakht.

Managing Director and CEO: Mohammed Shams-Ul Islam.

Company Secretary: Khandakar Sajedul Haque.

Share Capital:

Authorized Capital: TK. 2,500.00 crore.

Paid-up Capital: TK. 2,072.29 crore.

Face Value Per Share: TK. 100.

Shareholding Pattern: 100 percent shares owned by the Government of the People's Republic of Bangladesh.

Service Network:

Branches: 953.

Circle Office: 11.

Zonal Office: 53.

Corporate Branch: 34.

Authorized Dealer (AD) Branch: 42.

Foreign Correspondent: 302.

Islami Banking Unit: 5.

Agent Banking: 200.

Remittance Only Points: 200.

Operational Distribution of Agrani Bank Plc

Agrani Bank Limited operates through 953 branches and 64 offices across various divisions in Bangladesh, demonstrating a robust and widespread service network.

Division	Branch Number	Office
Dhaka	202	15
Chattogram	194	10
Khulna	138	8
Barishal	60	5
Rajshahi	144	9
Rangpur	66	6
Mymensingh	89	7
Sylhet	60	4

2.3 Management Aspects:

• **Mission:** To conduct operations ethically and justly within the rigorous framework set by regulatory bodies, incorporating ideas and insights from best practices to enhance our business policies and procedures for the benefit of both our customers and workforce.

• **Vision:** To emerge as the foremost state-owned commercial bank in Bangladesh, operating with international efficiency, quality, sound management, excellent customer service, and robust liquidity on a global scale.

• **Motto:** To embrace and adapt modern approaches, aiming to stand preeminent in the banking sector of Bangladesh while maintaining a global presence.

• **Values:** We uphold the values of integrity, transparency, accountability, dignity, diversity, growth, and professionalism. These values guide us in delivering a high level of service to all our customers and stakeholders, both within and outside the country.

• **Slogan of ABL:** Agrani Bank sets the standard as the highest remittance earner in the banking system, driven by our commitment to serve the nation, as encapsulated in our motto, 'Committed to serve the nation.'

2.4 STP of ABL:

Agrani Bank Limited (ABL) employs a comprehensive Segmentation, Targeting, and Positioning (STP) strategy in the financial services sector of Bangladesh. Here's a detailed breakdown of ABL's STP strategy.

- **Segmentation:**

1. Demographic Segmentation: ABL targets a diverse set of customer segments based on demographics, including age, income, occupation, and location. They offer specialized services for different age groups, income levels, and professions.

2. Geographic Segmentation: ABL has a wide network of 953 branches across Bangladesh, ensuring accessibility to customers in urban and rural areas.

3. Behavioral Segmentation: ABL tailors its offerings based on the behavior of customers, including their banking habits, savings patterns, and investment preferences. They have products like savings accounts, fixed deposits, and investment opportunities to cater to varying customer behaviors.

4. Corporate and SME Segmentation: ABL serves both corporate and small to medium-sized enterprises (SMEs) with customized financial solutions. They understand the unique needs of businesses and offer services such as working capital loans, trade finance, and investment options.

- **Targeting:**

1. Retail Banking: ABL targets individuals and households with a range of retail banking products, including savings accounts, personal loans, and investment opportunities. Their widespread branch network ensures accessibility to retail customers.

2. Corporate Banking: ABL targets large corporations, as well as small and medium-sized enterprises (SMEs) by offering tailored financial solutions, including working capital finance, trade finance, and treasury services.

3. Islamic Banking: ABL has a specific focus on customers seeking Sharia-compliant financial services. They offer a variety of Islamic banking products to cater to this segment.

4. Foreign Remittance Services: ABL also targets customers living abroad and sending remittances to Bangladesh. They have a dedicated remittance house in several countries to facilitate cross-border transactions.

- **Positioning:**

1. Technology Pioneer: ABL positions itself as a technology leader in the banking industry. All their branches provide real-time online banking, ensuring convenience and efficiency for customers.

2. Socio-Economic Development: ABL positions itself as a responsible financial services provider committed to supporting the socio-economic development of Bangladesh. They aim to make a positive impact on the nation and its people.

3. Wide Range of Financial Products: ABL positions itself as a one-stop solution for various financial needs. They offer an extensive range of products and services, including deposit and loan options, Islamic banking, foreign currency services, and pension schemes, making it a comprehensive financial partner.

4. Global Presence: ABL positions itself as an international bank through its subsidiaries in Singapore, Malaysia, Canada, and Australia, offering services beyond Bangladesh's borders.

2.5 4P of ABL:

❖ **Product:**

1. Deposit:

Current Deposit (CD), Savings Deposit (SB), Fixed Deposit (FD), etc.

2. Loan and Advances:

Housing Loan, Car Loan, Poverty Alleviation Loan, Agriculture Loan, SME Loan, etc.

3. Treasury:

Call Money Transaction, Term Placement (FDR), Treasury Bills, Treasury Bonds, Repo, and other investments.

4. Card Service:

Debit Card.

5. Letter of Credit and Letter of Guarantee.

6. Foreign Exchange Service.

7. Cash Service:

ATM Service, Cheque Encashment, Foreign Currency.

8. Fund Transfer:

IT, BEFTN, BACH, Online Deposit to A/C, Issuing foreign Draft.

9. Value Added Service:

Locker Service, Utility Bill Collection.

10. Merchant Banking Service:

Issue Management, Underwriting, Portfolio Management.

11. Islamic Banking Service:

Deposit: Al Wadiah Current A/C, Modaraba Saving A/C, etc.

Investment:

Bai Muradaba (pledge), Bai Muazzal (Hypo), Higher purchase Shikatul Meilk.

12. Additional Points:

- Customer feedback on satisfaction or dissatisfaction influences product improvement.
- Customer demand indicates the effectiveness of services.
- Products are chosen from the main head office; competitors are assessed based on head office offerings.
- Customer reviews are actively collected by ABL.

❖ Price:

- Interest rates for Deposit and Loan.
- Islamic Banking rates.

Miscellaneous Commission:

- Various charges for services such as collecting checks/Bilas, call deposit, duplicate issuance, bank guarantee, locker and safe charges, etc.
- Pricing is centralized from the main head office.
- Customer response to current prices is positive.
- Prices remain stable without frequent changes.
- No seasonal discount offers.
- No allowances provided.
- Detailed pricing information is available on the ABL website.

❖ Place:

- E-business introduces a new distribution channel.
- Presence in commercial areas monthly, with a higher concentration in cities.
- Location is a tangible factor affecting customer perception.
- Presence in crowded markets is considered a positive tangible.

❖ Promotion:

- Utilization of banners, leaflets, and website promotion.
- Targeted promotion in specific sectors.
- Participation in fairs and foreign conferences.
- School banking initiatives.
- Punchline: "Committed to serving the nation."

2.6 Agrani bank Plc – Business Model:

We draw on the following to support our activities and deliver value to our stakeholders.

We Aim to provide superior services to help customers and client create, grow and protect wealth in a sustainable way

We aim to deliver board spectrum of value through the way of our commitment to serve the nation of our country

We support our stakeholders via a commercially successful that generates business long-term sustainable returns.

2.7 Products and Services:

❖ Deposit

- Current deposit.
- Savings deposit.
- Special notice time deposit.
- Nonresident special taka amount.
- Nonresident investor's taka amount.
- Student's savings A/C (school banking).
- Small life insurance policy holder's A/C.
- Ten-taka farmers Freedom fighters.
- Other beneficiaries under social security's program.

❖ FDR Account

- Fixed deposit (FDR).

❖ Deposit Scheme

- Agrani bank pension scheme (APS).
- Agrani bank bisheshshanchy scheme (ABS).
- Agrani bank schanchy pension scheme (ASPS).
- Agrani bank double benefit scheme.
- Agrani bank lakhpoti deposit scheme.
- Agrani senior citizen savings scheme.

❖ Foreign Currency Account

- Foreign currency (FC) A/C.
- Nonresident foreign currency deposit (NFCD) A/C.
- Resident foreign currency deposit.
- Exported retention quota.

❖ Loans and Advances

- **Continuous loan.**
    - Cash credit.
    - Cash credit.
    - Secured overdraft.
- **Term loan.**
- Industrial credit.
- Housing loan.

- Consumer credit Loan for overseas employment.
- Weaver’s credit.

❖ Small and Medium Enterprise Loan

- Service sector loan.
- Trading sector loan.
- Manufacturing sector loan.
- Woman entrepreneur’s loan.
- Rural and agro credit.
- Crop loan.
- Fishery loan.
- Animal husbandry loan.
- Agri machinery loan.
- Rural transport loan.
- Swanirvar loan Poverty alleviation loan.

❖ Import Finance

- Loan against imported merchandise (LIM).
- Loan against trust receipt (LTR).
- Payment against document (PAD).

❖ Export Finance

- Export cash credit.
- Packing credit (PLC).
- Local/foreign bills purchased (FBP).
- Loan against export development fund (EDF).
- Advance [against cash incentive (subsidy, assistance).

❖ Cash service

- ATM service.
- Cheque encashment.
- Foreign currency.

❖ Value added service

- Locker service.
- Utility bill collection.
- Arm forces pension payment.

❖ **Merchant banking service**

- Issue management.
- Underwriting.
- Portfolio management.

❖ **Letters of credit**

- Letter of credit sight.
- Letter of credit usance.
- Back-to-back L/C.

❖ **Letters of Guarantee**

- Payment Guarantee.
- Performance, Bid Bond.
- Shipping Guarantee.

❖ **Treasury**

- Money market.
- Call money transaction.
- Term placement.
- Treasury bills.
- Treasury bonds.
- Secondary trading of govt. securities.
- Repo.
- Reserve repo.
- Custodian services.
- Other investments.

❖ **Foreign Exchange Market**

- Selling foreign currency for import payment.
- Buying foreign currency against export proceeds.
- Fixation of exchange rate.
- Foreign currency buying and selling.
- SWAP transactions.
- Forward transaction.
- Term placement.

❖ Other Foreign Exchange Market

- Documentary bill collection.
- Advanced payment for import and export.
- Foreign remittance (incoming and outgoing).
- Foreign currency endorsement against passport.
- Issuance of draft, TT.
- Collection of draft, cheque, TC.

❖ Islamic banking service

- **Deposit**
- Al wadiah current A/C.
- Mudaraba deposit account.
- Mudaraba Savings account.
- Mudaraba Hajj savings scheme.
- Mudaraba Term deposit.
- Mudaraba Special savings scheme.
- Mudaraba Mohor savings scheme.
- Mudaraba Probashikalyan savings account.
- Mudaraba Cash waqf saving scheme.
- **Investment**
- Bai-Murabaha.
- Bai-Muazzal.
- Higher purchase system.
- Bai-Salam.
- Bai- Istisna.

❖ Special Services

- Cash Services.
- Fund Transfer.
- Value added services.

2.8 SWOT Analysis:

SWOT analysis is a simple framework for generating strategic substitutes from a condition analysis. The complete explanation of SWOT analysis is following:

S= strength.

W= weakness.

O= opportunities.

T= threat.

First of all, after monitoring and working proactively in Agrani bank Plc. The following strength, weakness, opportunities and threat has been found:

❖ Strengths:

➢ **Exceptional Management and Team Collaboration:**

- The ABL boasts a highly effective management team that fosters collaboration, creating a positive and efficient work environment.

➢ **Qualified and Specialized Human Resources:**

- Agrani Bank Plc stands out for its workforce possessing specialized qualifications, ensuring a strong foundation and well-planned business strategies.

➢ **Adequate Financial Resources:**

- The ABL is in a financially stable position with ample resources, providing stability and support for operational needs.

➢ **Government Maintenance:**

- As a nationalized banking organization, the branch consistently receives government support, contributing to overall financial stability.

➢ **Market Resilience:**

- Agrani Bank demonstrates resilience in navigating challenges within the market economy successfully.

➢ **Customer Commitment and Services:**

- The ABL maintains a high level of commitment to customers, offering quality services that contribute to customer satisfaction.

➢ **Widespread Bank Network:**

- Benefiting from Agrani Bank Limited's extensive network, Nagari Branch enhances its reach and accessibility for customers.

- **Qualified and Experienced Human Resource:**
- The ABL boasts a team of experienced professionals, contributing to operational efficiency.
- **Competitive Profit Rates and Deposits:**
- Agrani Bank Limited offers competitive profit rates, attracting deposits and fostering financial growth.
- **Strong Non-interest Earning Base:**
- The ABL has a robust non-interest earning base, diversifying revenue streams and ensuring financial stability.
- **Feasible Action and New Projects:**
- The ABL demonstrates feasibility in undertaking new projects, indicating a proactive approach to business development.
- **Low Infection in Loan Exposure:**
- Agrani Bank Limited, maintains a low level of infection in loan exposure, showcasing prudent risk management practices.
- **Extensive Product Line:**
- Offering a diverse range of products, the branch provides customers with various options, contributing to revenue generation.

❖ Weaknesses:

- **Administrative Processes Impacting Workflow:**
- Internal workflow is at times hampered by administrative processes, indicating a need for streamlining and efficiency improvements.
- **Low Salary Structure and Motivation Issues:**
- The ABL faces challenges related to a low salary structure, leading to motivational issues that may impact overall performance.
- **Employee Relations Challenges:**
- Relations between employees are not always optimal, indicating a need for improved communication and collaboration.
- **Government Rules and Norms:**
- Adherence to government rules occasionally creates challenges, necessitating adaptability to regulatory changes.
- **Manpower Shortages:**
- The bank encounters shortages due to a lack of recruitment, potentially affecting operational capacity.
- **Limited ATM Services:**
- The availability of ATM services is limited, suggesting an area for improvement in enhancing customer convenience.

- **Inadequate IT Infrastructure:**
  - The ABL faces challenges with its IT infrastructure, indicating a need for investment and improvement.
- **Limited Delegation Power:**
  - Delegation of power within the branch is inadequate, potentially affecting decision-making efficiency.
- **Underdeveloped Marketing Policy:**
  - The ABL lacks a well-established marketing policy, suggesting a need for strategic planning.
- **Higher Cost of Funds:**
  - Agrani Bank Limited, Nagari Branch, experiences higher costs, which may impact overall profitability.
- **Limited Experience and Training for Officers:**
  - Officers within the bank have limited experience and inadequate training, highlighting the importance of investing in professional development.

❖ Opportunities:

- **Expansion to New Investment Locations:**
  - Exploring new investment locations diversifies the portfolio and increases revenue streams.
- **Scope of Computerization:**
  - Leveraging computerization enhances operational efficiency and customer service.
- **Deposit Mobilization Efforts:**
  - Strategic efforts to mobilize deposits contribute to financial stability.
- **Government Support in Fund Shortages:**
  - In fund shortages, Agrani Bank benefits from government support, ensuring financial stability.
- **Need-Based Training and Full Computerization:**
  - Need-based training and full computerization enhance overall operational efficiency.
- **Exploring Investment Potential in Bangladesh:**
  - Capitalizing on investment potential contributes to economic growth.
- **Strengthening Relationship Management:**
  - Improving relationship management enhances customer satisfaction and loyalty.
- **Meeting Increasing Demand for Client Finance:**
  - Addressing the rising demand for client finance provides a chance for revenue growth.
- **Market Penetration through Diversified Products:**

- The bank has the opportunity to penetrate the market by offering a diverse range of products.
- **Developing Relations with Foreign Banks:**
- Establishing relations with foreign banks opens avenues for international collaboration.
- **Favorable Regulatory Environment:**
- A supportive regulatory environment provides a backdrop for the branch's operations.

❖ Threats:

- **Emergence of New Private and Foreign Banks:**
- The presence of new private and foreign banks in Bangladesh poses a competitive threat.
- **Intense Competition with Financial Institutions:**
- Increasing competition with other financial institutions necessitates strategic differentiation.
- **Challenges in Loan Recovery Methods and Policies:**
- Low loan recovery rates and inadequately verified policies pose threats to financial health and risk management.
- **Stringent Banking Regulations:**
- The introduction of stricter banking regulations can pose challenges to compliance and operational flexibility.
- **Competition from Energetic Competitors:**
- The presence of dynamic workforces in competitor banks requires Agrani Bank to stay innovative.
- **Government Taxation Policies:**
- High rates of taxes and VAT imposed by the government pose a financial burden.
- **Market Share Pressure due to Lower Interest Rates:**
- Market pressure to lower interest rates may impact profitability and market share.
- **Similar Retail Banking Products:**
- The existence of similar retail banking products requires effective differentiation.
- **Compliance with Bangladesh Bank Rules and Regulations:**
- Strict adherence to Bangladesh Bank rules is crucial to avoid penalties and reputational damage.
- **Impact of Economic Slump on Business:**
- Economic slumps pose a threat to revenue streams from export, import, and guarantee business.

Part 3

Learning

3.0 Definition of STP:

STP, which stands for Segmentation, Targeting, and Positioning, is a strategic marketing approach that involves dividing a heterogeneous market into distinct and homogeneous segments, identifying the most appropriate target audience within those segments, and subsequently positioning a product or service to meet the unique needs and preferences of the chosen target group. This method enables companies to tailor their marketing efforts more effectively, aligning their offerings with the specific demands of different consumer segments to enhance overall competitiveness and customer satisfaction. Agrani Bank Limited (ABL) employs a comprehensive Segmentation, Targeting, and Positioning (STP) strategy in the financial services sector of Bangladesh. Here's a detailed breakdown of ABL's STP strategy.

3.1 Segmentation:

1. Demographic segmentation:

Demographic Segmentation at ABL is characterized by a meticulous strategy that involves a comprehensive understanding of customer diversity. ABL strategically navigates demographic segmentation by intricately focusing on age, income, occupation, and geographical location to create tailored services. This approach allows the bank to finely calibrate its offerings to meet the specific needs and preferences within each demographic subset.

ABL crafts specialized services catering to the distinctive financial requirements of different age groups, ensuring that banking experiences align with the varying life stages and priorities of customers. The bank's consideration of income levels involves offering financial products and services that resonate with the economic capacities of individuals, enhancing inclusivity and relevance across a spectrum of financial backgrounds.

ABL's occupational segmentation recognizes the diverse professional landscapes of its customers. By tailoring services according to different professions, the bank ensures that its offerings are not only relevant but also aligned with the unique financial demands associated with various occupations. In essence, ABL's performance in demographic segmentation reflects a commitment to precision and adaptability. The bank's ability to navigate the intricate details of customer diversity ensures that its offerings resonate authentically with each demographic subset, fostering stronger connections and a more personalized banking experience.

2. Geographic Segmentation:

ABL (Agrani Bank Plc) boasts an extensive network comprising 953 branches strategically dispersed throughout the diverse geographic landscape of Bangladesh. This widespread presence underscores the bank's commitment to ensuring unparalleled accessibility for its customers, both in urban centers and remote rural areas.

The geographic segmentation of ABL's branch network plays a pivotal role in catering to the unique needs and preferences of customers across various regions. In urban areas, where commercial activities thrive, ABL branches are strategically positioned to facilitate seamless financial transactions for the bustling urban populace. This ensures that individuals, local businesses, and corporate clients in urban centers have easy access to the bank's services.

ABL's geographic performance goes beyond mere branch expansion. The bank leverages its understanding of local dynamics and customer needs in each region. This localized approach enables ABL to tailor its services, products, and financial solutions to the specific requirements of diverse communities. Whether in urban centers with a focus on corporate banking or in rural areas with an emphasis on Agri-finance, ABL adapts its offerings to address the unique economic landscapes prevalent in different regions of Bangladesh.

3. Behavioral Segmentation:

ABL (Agrani Bank Plc) exhibits a nuanced understanding of its customer base by tailoring its offerings to align with the diverse behavioral patterns observed among its clientele. This customer-centric approach encompasses a comprehensive analysis of banking habits, savings proclivities, and investment preferences, allowing ABL to craft a suite of financial products that resonate with the distinct needs of individual customers.

The behavioral performance of ABL, it is evident that the bank goes beyond the one-size-fits-all model. Recognizing that customers exhibit varied banking habits, ABL has designed a range of products to accommodate these nuances. The bank's savings accounts, for instance, are structured to cater to individuals with differing approaches to saving, offering flexibility and features that align with various savings preferences.

The strategic alignment of ABL's product offerings with customer behaviors extends beyond the mere provision of financial products. The bank leverages data analytics and customer feedback mechanisms to continuously refine and enhance its offerings. This iterative process enables ABL to stay attuned to evolving customer behaviors and adapt its services accordingly, fostering long-term customer satisfaction and loyalty.

4. Corporate and SME Segmentation:

ABL (Agrani Bank Limited) adeptly caters to a broad spectrum of businesses, showcasing a robust performance in both corporate and small to medium-sized enterprise (SME) segments.

The bank demonstrates a keen understanding of the distinctive requirements of businesses and has strategically tailored its financial solutions to address the nuanced needs of both large corporations and SMEs.

ABL goes beyond conventional banking by offering a suite of customized financial solutions. Recognizing the diverse financial demands of large enterprises, the bank provides specialized services such as working capital loans. These financial instruments empower corporations to manage their day-to-day operations efficiently, ensuring liquidity and financial stability. Additionally, ABL excels in facilitating trade finance, enabling seamless international transactions and fostering global business relationships for its corporate clientele.

ABL displays a commendable performance in servicing SMEs, acknowledging the pivotal role they play in the economic landscape. Understanding the unique challenges faced by smaller enterprises, the bank extends a range of services tailored to their specific needs. This includes customized working capital solutions that address the dynamic nature of SME operations, allowing them to navigate financial fluctuations with agility.

3.2 Targeting:

1. Retail Banking:

ABL (Agrani Bank Plc) strategically caters to the diverse financial needs of individuals and households through its robust performance in the realm of retail banking. With a targeted focus on retail customers, the bank has curated a comprehensive suite of financial products and services, ensured accessibility and addressed the unique requirements of this segment.

ABL's retail banking performance is an array of products designed to empower individuals and households in managing their finances effectively. The bank offers versatile savings accounts, providing customers with flexibility and features that align with various saving preferences. This diversity in savings options enables ABL to cater to a broad spectrum of customers with varying financial goals and priorities.

ABL extends personal loans, demonstrating a commitment to supporting the diverse financial aspirations of retail customers. Whether for major life events, educational pursuits, or unforeseen expenses, these personal loans are crafted to offer financial flexibility while maintaining affordability and convenience for borrowers.

ABL provides retail customers with investment opportunities, allowing them to grow their wealth over time. This includes a range of investment instruments that align with different risk appetites and financial objectives. By offering these options, ABL positions itself as a holistic financial partner, empowering individuals to make informed investment decisions that contribute to their long-term financial well-being.

2. Corporate Banking:

ABL (Agrani Bank Plc) strategically positions itself as a premier provider in corporate banking, catering to the financial needs of both large corporations and small to medium-sized enterprises (SMEs). The bank's corporate banking performance is distinguished by a commitment to delivering tailored financial solutions that align with the unique requirements and complexities of businesses across the spectrum.

ABL extends its corporate banking expertise to SMEs, recognizing their significance in the economic landscape. The bank tailors its services to address the specific financial challenges faced by smaller enterprises. This includes providing customized working capital finance solutions that cater to the dynamic nature of SME operations, facilitating their ability to navigate financial fluctuations with agility.

ABL's commitment to corporate banking performance is reflected in its comprehensive approach to understanding the financial goals and growth trajectories of businesses. By offering a diverse range of financial solutions, including trade finance and treasury services, the bank positions itself as a strategic partner in fostering the expansion and sustainability of businesses across different scales. The success of ABL in corporate banking is not only rooted in its product offerings but also in its ability to provide personalized and responsive services.

3. Islamic Banking:

ABL's Islamic banking performance is a commitment to providing Sharia-compliant financial solutions. The bank offers a variety of Islamic banking products, ensuring that customers seeking ethical and interest-free alternatives find a comprehensive suite of services. These products include Islamic savings accounts, Islamic financing options, and investment instruments that comply with the principles of Islamic finance.

ABL extends a range of services, including Islamic home financing and Islamic auto financing. These offerings are structured to align with the principles of fairness and equity inherent in Islamic finance, providing customers with avenues to meet their financing needs while adhering to Sharia principles.

ABL's Islamic banking performance is characterized by transparency and ethical considerations. The bank ensures that its Islamic banking products are designed in accordance with Sharia guidelines, and customers are provided with clear and transparent information about the underlying principles of each financial product. This commitment to transparency fosters trusts among customers seeking Islamic financial services.

ABL's success in Islamic banking is also evident in its continuous efforts to innovate and expand its range of Sharia-compliant offerings. The bank stays attuned to the evolving needs of its Islamic banking clientele and adapts its product portfolio accordingly. This dynamic approach positions ABL as a reliable and progressive partner for customers who prioritize Sharia compliance in their financial dealings.

4. Foreign Remittance Services:

ABL's foreign remittance services is its global network of correspondent banks and strategic partnerships. This expansive network enables the bank to establish secure and swift channels for remittance transactions, ensuring that customers can transfer funds to and from various parts of the world with ease. The partnerships forged by ABL contribute to a reliable and widespread remittance infrastructure, allowing customers to benefit from competitive exchange rates and minimal processing times.

ABL employs advanced technological solutions to enhance the efficiency of its foreign remittance services. The integration of digital platforms and secure online channels facilitates quick and convenient transactions, empowering customers to initiate and track remittances seamlessly. This technology-driven approach not only streamlines the process for customers but also enhances the overall security and accuracy of international fund transfers.

ABL's performance in foreign remittance services is also characterized by compliance with international regulations and financial standards. The bank ensures adherence to anti-money laundering (AML) and know your customer (KYC) protocols, underscoring its commitment to the highest standards of financial integrity and regulatory compliance in cross-border transactions.

3.3 Positioning:

1. Technology Pioneer:

ABL's technology pioneer performance is the universal provision of real-time online banking services at all its branches. This strategic deployment ensures that customers can access their accounts, perform transactions, and avail themselves of various banking services with immediacy and convenience. The real-time online banking infrastructure is designed to enhance efficiency, allowing customers to manage their financial affairs swiftly and securely, irrespective of their location.

ABL leverages advanced technological tools to offer a range of digital services that go beyond traditional banking norms. The bank provides mobile banking applications, allowing customers to conduct transactions, check account balances, and access a suite of financial services directly from their mobile devices. This mobile-centric approach aligns with contemporary customer preferences and contributes to the overall digitization of banking processes.

ABL's technology pioneer performance is characterized by a continuous commitment to innovation. The bank actively explores and adopts emerging technologies such as artificial intelligence, machine learning, and data analytics to enhance its operational efficiency and offer personalized services. This forward-looking approach positions ABL as a dynamic player in the financial technology landscape, staying ahead of industry trends and evolving customer expectations.

The technology leadership exhibited by ABL extends to cybersecurity measures, where the bank employs robust protocols to safeguard customer data and financial transactions. The implementation of secure and encrypted communication channels ensures that customer information remains confidential and protected in the digital realm.

2. Socio-Economic Development:

ABL's socio-economic development performance is its focus on financial inclusion. The bank strives to extend its services to underserved and unbanked populations, particularly in rural areas. By establishing branches in remote locations and introducing tailored financial products, ABL seeks to empower individuals and communities, fostering economic participation and bridging the financial inclusion gap.

ABL demonstrates a commitment to corporate social responsibility (CSR) initiatives that extend beyond the realm of banking. The bank engages in community development projects, educational programs, and healthcare initiatives. By investing in these areas, ABL aims to enhance the overall well-being of communities and contribute to the human development index of the regions it serves.

ABL's socio-economic development performance is also evident in its role as a facilitator of foreign remittances. The bank plays a pivotal role in ensuring the smooth and secure transfer of funds for expatriates, contributing significantly to the economic resilience of families and communities across Bangladesh. This role as a facilitator of remittances aligns with the broader socio-economic goals of poverty alleviation and improved living standards.

3. Wide Range of Financial Products:

ABL's wide range of financial products is its deposit and loan options. The bank provides versatile deposit accounts with various features, allowing customers to choose accounts that align with their savings goals and preferences. Concurrently, ABL's loan offerings are designed to cater to different financial needs, ranging from personal loans to home and auto financing, ensuring accessibility and flexibility for a broad customer base.

ABL extends a comprehensive suite of Sharia-compliant financial products. This includes Islamic savings accounts, financing solutions, and investment options that adhere to the principles of Islamic finance. The bank's Islamic banking performance reflects its dedication to providing ethical and interest-free financial services, accommodating the preferences of customers who seek Sharia-compliant alternatives.

ABL's wide range of financial products also encompasses foreign currency services, facilitating international transactions and catering to the needs of customers engaged in cross-border activities. The bank's foreign currency services contribute to the seamless and secure exchange of funds, enhancing the global financial capabilities of its clientele.

ABL stands out as a financial partner by offering pension schemes. These schemes provide customers with avenues for long-term financial planning and retirement preparedness. ABL's commitment to pension schemes aligns with its vision to support customers in building a secure financial future and achieving their retirement goals.

The bank's performance in providing such a comprehensive array of financial products is driven by a customer-centric approach. ABL continuously assesses market needs and customer preferences, adapting its product portfolio to stay relevant and responsive to evolving financial landscapes.

4. Global Presence:

ABL (ABC Bank Limited) establishes itself as a globally-oriented financial institution by extending its footprint beyond the borders of Bangladesh. The bank's performance in cultivating a wide-ranging global presence is evident through its subsidiaries strategically located in key international financial hubs, including Singapore, Malaysia, Canada, and Australia. This expansion signifies ABL's commitment to providing financial services on an international scale and fostering a global network to meet the diverse needs of its clientele.

ABL's wide-ranging global presence is its subsidiary operations in Singapore. By establishing a presence in this major financial center, ABL positions itself to tap into the dynamic Asian market and cater to the financial requirements of businesses and individuals with international interests. The Singapore subsidiary serves as a strategic gateway for ABL to participate in the global financial landscape.

In Malaysia, ABL extends its international reach through a subsidiary, capitalizing on the country's robust financial sector. This strategic presence enables the bank to engage with the Southeast Asian market, fostering economic ties and offering tailored financial solutions to clients in the region. The Malaysian subsidiary contributes to ABL's global presence by facilitating cross-border transactions and supporting the financial needs of businesses and individuals operating in the Malaysian market.

ABL's subsidiaries in Canada and Australia signify the bank's commitment to providing financial services in the Western hemisphere. These subsidiaries strategically position ABL to tap into the mature and diverse financial markets of North America and Oceania, respectively. By doing so, ABL can offer a range of financial products and services to clients in these regions, aligning with its goal of being a truly international financial institution.

ABL's wide-ranging global presence is not merely an expansion strategy; it is a testament to the bank's ambition to serve clients with cross-border financial requirements comprehensively. The global subsidiaries contribute to ABL's ability to facilitate international trade, support expatriates, and provide a seamless banking experience for clients with diverse geographical affiliations.

3.4 Objectives details including Bank performance:

- **To gain a comprehensive understanding of the Government banking sector in Bangladesh.**

To develop a thorough comprehension of the government banking sector in Bangladesh, it is imperative to delve into the intricacies of its functioning, encompassing various facets such as organizational structure, regulatory frameworks, and overall performance. A comprehensive exploration of the performance metrics of banks operating under the purview of the government will be a key focus, shedding light on key indicators such as financial stability, asset quality, and profitability. The examination of the government banking sector will involve an in-depth analysis of the organizational structure, including the roles and responsibilities of key entities within the sector. Regulatory frameworks governing these institutions, their evolution over time, and their impact on the sector's operations will be scrutinized to provide a nuanced understanding of the regulatory environment.

In order to gauge the performance of banks falling under the government umbrella, a meticulous examination of financial statements and relevant financial indicators will be conducted. This will include assessing the financial stability of these banks through an analysis of capital adequacy ratios, liquidity ratios, and risk management practices. Asset quality will be evaluated by examining non-performing loan ratios and provisioning practices. Profitability metrics, such as return on assets and return on equity, will be explored to ascertain the financial viability of these institutions.

A comprehensive study will incorporate an assessment of the government banking sector's contribution to economic development, financial inclusion initiatives, and its role in supporting key sectors of the economy. Comparative analyses with international banking standards and practices may also be considered to provide a broader context for the evaluation.

By adopting a multifaceted approach, this exploration aims to present a nuanced and original understanding of the government banking sector in Bangladesh, offering insights into its organizational dynamics and performance metrics.

❖ To assess the STP Strategies performance of Agrani Bank PLC (ABL) by scrutinizing its STP statements.

To evaluate the effectiveness of Agrani Bank PLC's (ABL) Segmentation, Targeting, and Positioning (STP) strategies, a comprehensive analysis of its STP statements is imperative. By meticulously examining these strategic components, we can gain insights into how ABL identifies and caters to specific market segments, selects target customers, and positions itself in the competitive landscape.

1) Segmentation, the first pillar of STP, involves dividing the market into distinct groups with similar characteristics and needs. Agrani Bank PLC's STP analysis should elucidate how the bank identifies these segments based on factors such as demographics, psychographics, and behavioral patterns. A thorough examination should explore whether ABL tailors its products and services to meet the unique demands of each identified segment, ensuring a targeted approach to customer satisfaction.
2) Targeting, the second dimension of STP, focuses on selecting specific customer segments to allocate resources and marketing efforts effectively. A detailed scrutiny of ABL's targeting strategy would shed light on the criteria used to choose these segments. This analysis should delve into the rationale behind the selection, considering factors such as market potential, profitability, and alignment with the bank's capabilities. Additionally, assessing how well ABL tailors its offerings to the chosen segments would be crucial in evaluating the success of its targeting strategy.
3) Positioning, the final element of STP, involves creating a distinctive image in the minds of the target customers. An in-depth examination of Agrani Bank PLC's positioning strategy should elucidate the key messages, value propositions, and unique selling points that differentiate the bank from competitors. This analysis would assess whether ABL effectively communicates its brand identity and value proposition to the target audience, establishing a compelling and competitive position in the market.

❖ To identify and analyze the challenges faced by STP Strategies performance of Agrani Bank PLC (ABL).

1) To discern and assess the impediments encountered by the Segmentation, Targeting, and Positioning (STP) strategies of Agrani Bank PLC (ABL), it is imperative to conduct a detailed analysis of the challenges affecting the bank's performance in these strategic dimensions. Unveiling these challenges provides a comprehensive understanding of the hurdles and complexities that ABL may be confronting in effectively implementing its STP strategies.

2) One primary challenge pertains to market dynamics and changes in customer behavior. The banking landscape is subject to constant evolution, influenced by economic shifts, technological advancements, and altering customer preferences. ABL must navigate these dynamic changes to ensure that its segmentation criteria remain relevant and that its targeting strategies align with the evolving needs of the market.
3) Another significant challenge lies in the execution of targeted marketing efforts. Ensuring that the bank accurately identifies and reaches its chosen segments requires effective communication channels and precise messaging. Challenges may arise in optimizing these channels, crafting compelling messages, and adapting to diverse communication preferences within each segment.
4) Furthermore, resource allocation poses a critical challenge in executing STP strategies. Agrani Bank PLC must strike a balance between allocating resources effectively to targeted segments and ensuring overall operational efficiency. Misallocation of resources or inadequate investment in specific segments may hinder the bank's ability to capture the full potential of its chosen markets.
5) Technological challenges also play a pivotal role, particularly in the context of data analytics and customer relationship management. ABL must grapple with the complexities of integrating advanced technologies to gather, analyze, and leverage data for effective segmentation and targeting. This entails addressing issues related to data privacy, security, and the seamless integration of technology into existing banking processes.
6) Competitive pressures constitute another challenge for ABL's STP strategies. The banking sector is fiercely competitive, and positioning the bank uniquely within the market requires overcoming the strategies deployed by rival institutions. Identifying and communicating distinctive value propositions becomes crucial in the face of intense competition.

❖ To offer practical recommendations aimed at addressing and resolving the identified issues.

1) The primary objective is to provide actionable and pragmatic recommendations for effectively addressing and resolving the challenges identified in Agrani Bank PLC (ABL), considering the broader context of the banking sector in Bangladesh. These recommendations aim to offer tangible solutions to enhance ABL's performance and mitigate the impact of identified challenges.
2) The analysis will involve a systematic examination of the challenges faced by ABL, including operational inefficiencies, regulatory complexities, and macroeconomic factors.

Subsequently, practical and strategic recommendations will be formulated to address each identified issue.

3) Recommendations may focus on improving internal processes, adopting advanced technologies, and enhancing staff training programs to boost overall efficiency and customer service. Regulatory challenges may necessitate recommendations related to proactive compliance measures, engagement with regulatory authorities, and the development of robust risk management frameworks.
4) Recommendations may include developing adaptive strategies to navigate economic uncertainties, diversifying investment portfolios, and staying abreast of changes in interest rates and inflation trends.
5) The recommendations will be tailored to align with the specific market dynamics of the banking sector in Bangladesh, taking into account the competitive landscape and emerging trends. Benchmarking against industry best practices will also be considered to ensure the practicality and effectiveness of the proposed solutions.
6) By offering practical recommendations grounded in the unique challenges faced by ABL and the broader banking environment in Bangladesh, this analysis seeks to provide the bank with actionable insights to foster sustainable growth and resilience in the face of dynamic challenges.

3.5 STP Strategy Performance of ABL:

Segmentation, Targeting, and Positioning (STP) analysis is a crucial tool in understanding and enhancing a bank's performance.

Analyzing Agrani Bank's STP strategies involves a comprehensive examination of how the bank segments its customer base, selects target markets, and positions itself in the financial industry.

In this context, Agrani Bank's STP analysis can be dissected into three key components:

1. Segmentation:

- **Customer Segments:** Identify the various customer segments Agrani Bank targets, such as retail customers, businesses, or specific demographics. Agrani Bank's approach to targeting specific customer groups, including retail customers, businesses, and diverse demographics.

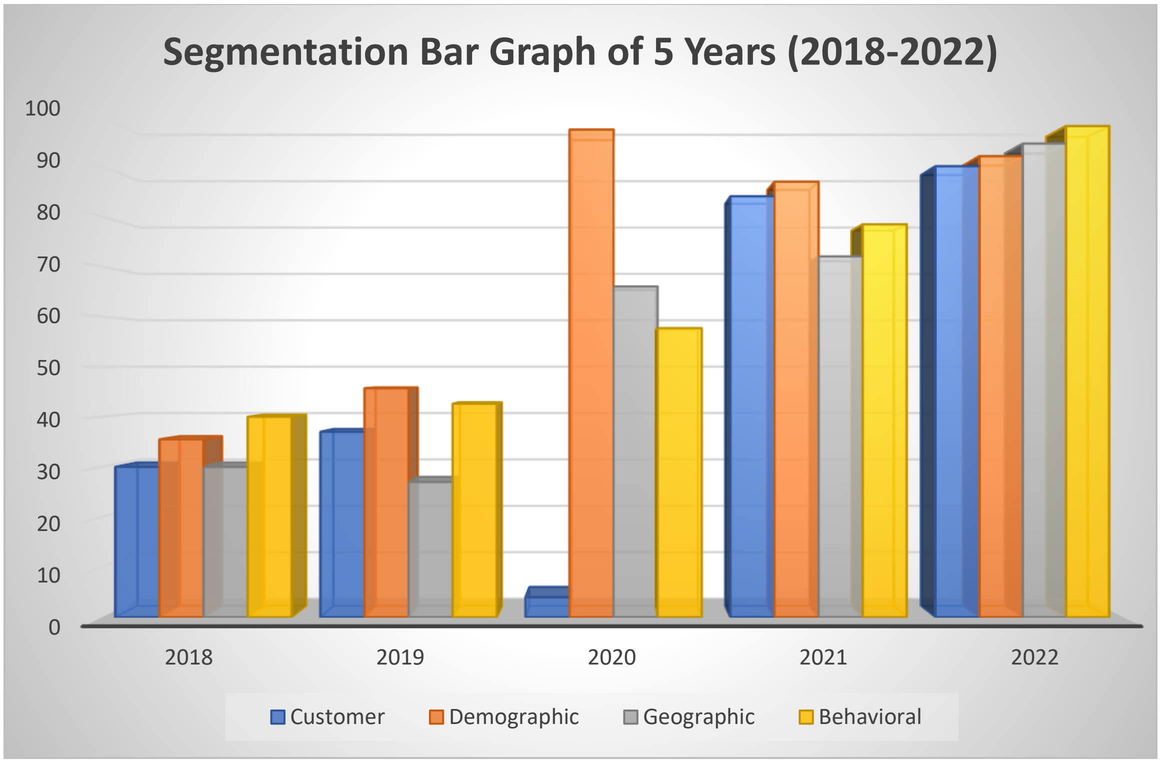
- **Geographic Segmentation:** Assess how the bank caters to customers in different regions or countries. Evaluating how the bank tailors its services to customers in different geographical regions. Agrani Bank primarily operates within the geographical boundaries of Bangladesh. It has an extensive branch network covering both urban and rural areas. Special focus on regions with high economic activities.

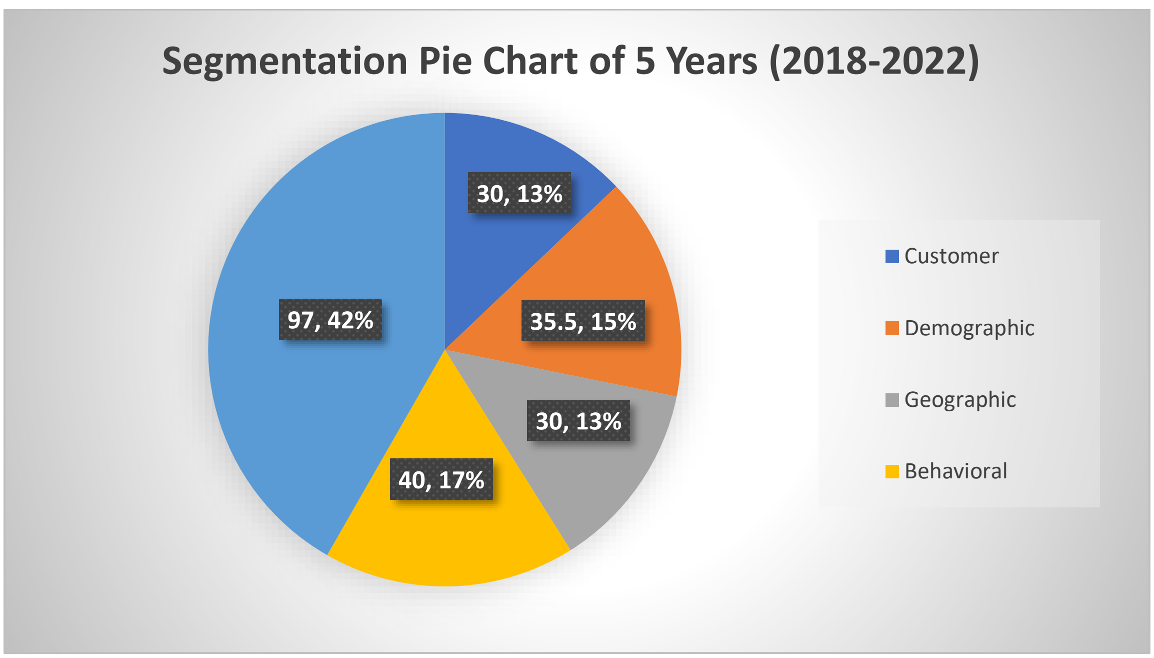
- **Demographic Segmentation:** Targets diverse customer demographics, including various age groups, income levels, and occupations. Tailors' services to meet the financial needs of both individuals and businesses. Offers specialized products for specific demographics, such as student accounts, business loans, and retirement plans.

- **Behavioral and Psychographic Factors:** Evaluate how the bank targets customers based on their behaviors, preferences, and lifestyles. Understanding how Agrani Bank aligns its offerings with customer behaviors, preferences, and lifestyles. Segments customers based on their banking behavior, such as frequent transactions, online banking usage, and investment patterns. Offers rewards and incentives to encourage specific behaviors, like using digital channels or maintaining a certain account balance.

❖ Segmentation Visualization Performance of ABL (2018-2022)

Year	Demographic Segmentation	Geographic Segmentation	Behavioral Segmentation	Corporate and SME Segmentation
2018	30	35.5	30	40
2019	37	45.7	27	42.6
2020	45	67.3	66	57.7
2021	94	86.9	72	78.4
2022	97	92	94.5	98


Segmentation Bar Graph of 5 Years (2018-2022)
100
90
80
70
60
50
40
30
20
10
0
2018
2019
2020
2021
2022
Customer
Demographic
Geographic
Behavioral

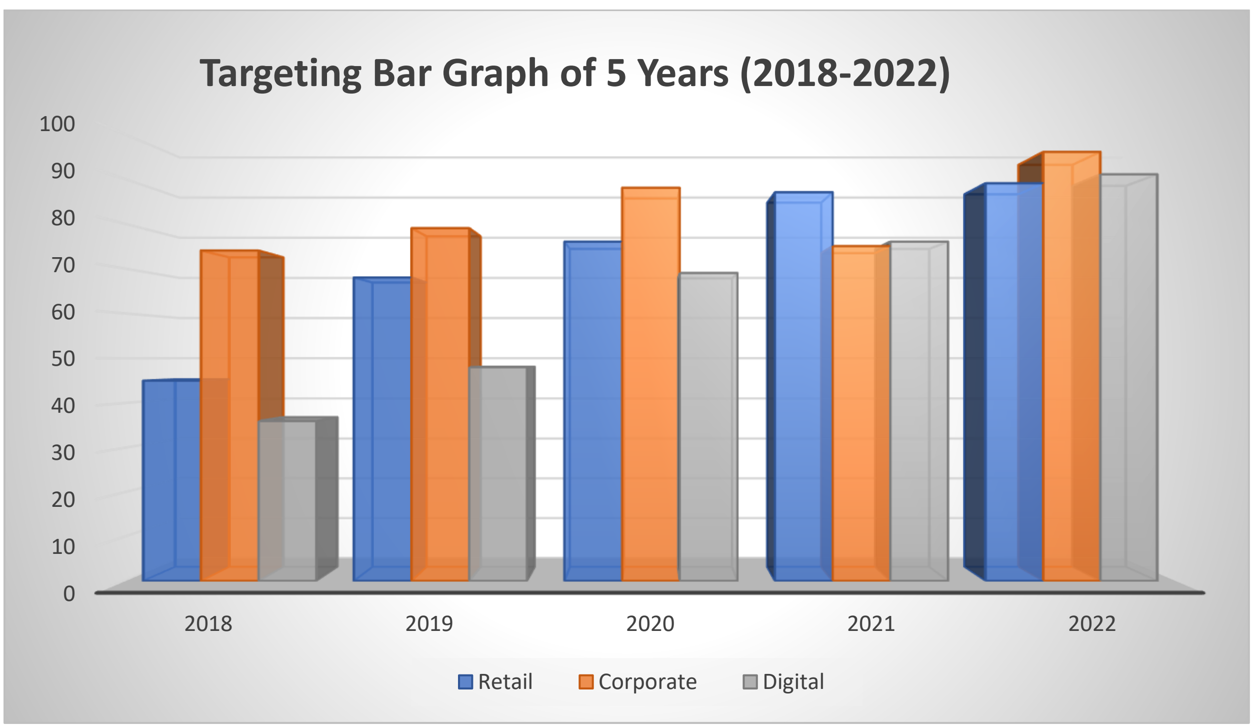

Segmentation Pie Chart of 5 Years (2018-2022)
30, 13%
35.5, 15%
30, 13%
40, 17%
97, 42%
Customer
Demographic
Geographic
Behavioral

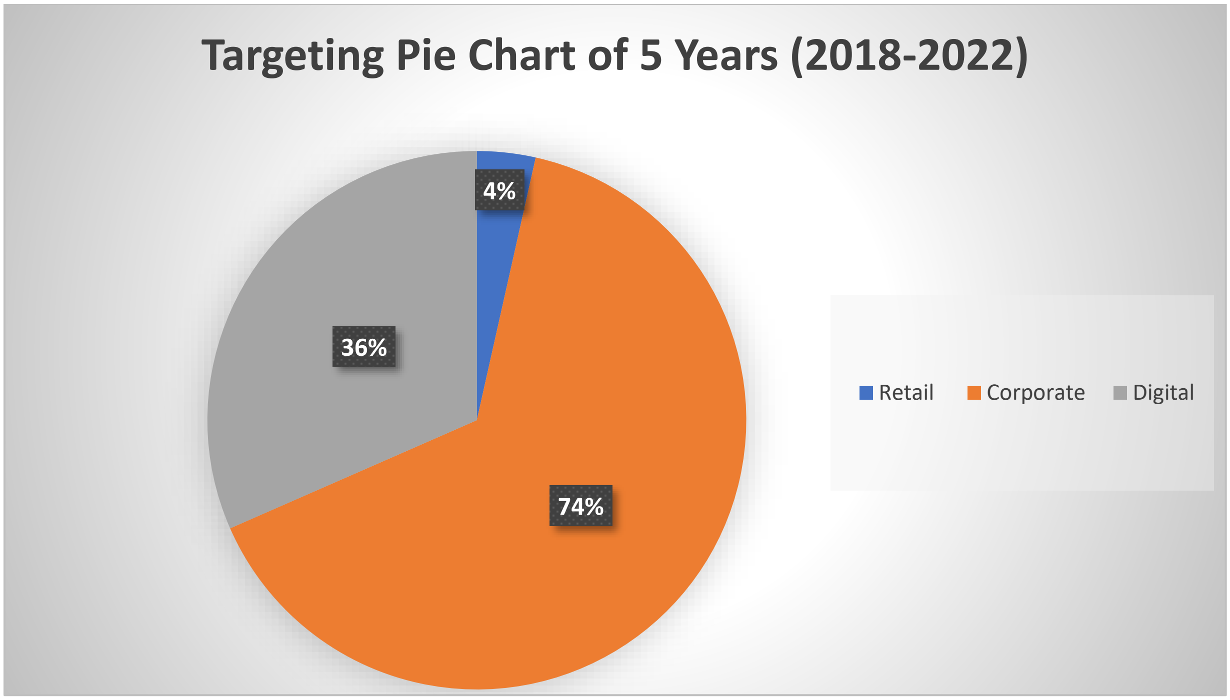
2. Targeting:

- **Retail Banking:** Targets individual customers with a range of retail banking products, including savings accounts, personal loans, and credit cards. Focuses on providing accessible and customer-friendly services through its extensive branch network.
- **Corporate Banking:** Targets businesses and corporations with a suite of financial services, including business loans, trade finance, and treasury services. Establishes relationships with corporate clients to understand and address their specific financial requirements.
- **Digital Banking:** Targets tech-savvy customers by investing in digital banking platforms. Promotes online and mobile banking services to enhance customer convenience and capture the growing digital market.

❖ Targeting Visualization Performance of ABL (2019-2021):

Year	Retail	Corporate	Digital
2018	45	74	36
2019	68	79	48
2020	76	88	69
2021	87	75	76
2022	89	96	95



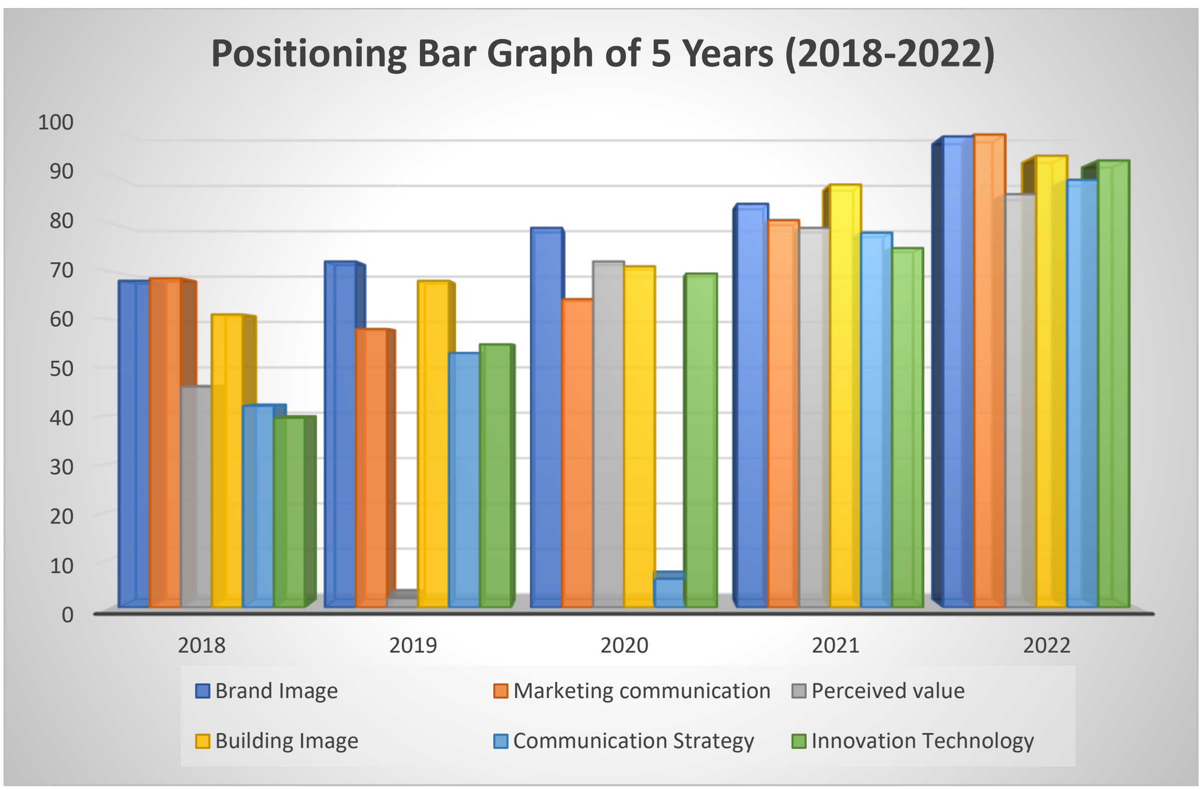


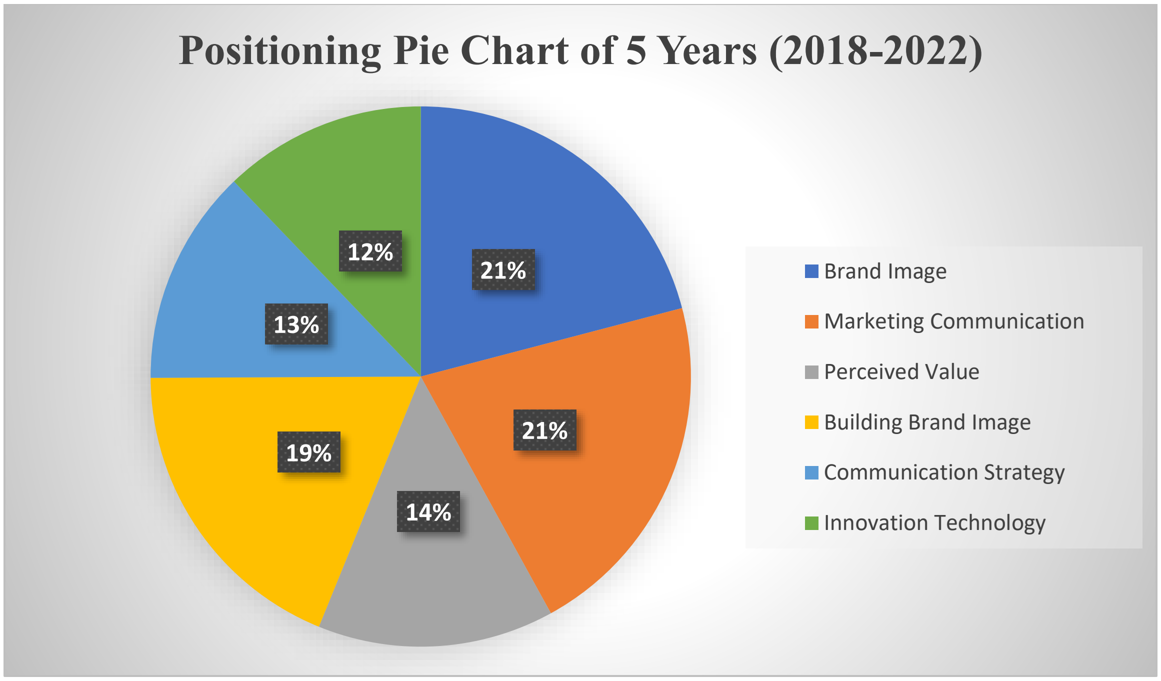
3. Positioning:

- **Brand Image:** Examine how Agrani Bank positions its brand in the minds of customers.
- **Marketing Communication:** Analyze the messages and channels used by the bank to convey its positioning.
- **Perceived Value:** Assess how customers perceive the value of Agrani Bank's products or services compared to competitors.
- **Building Brand Image:** Investigating how Agrani Bank shapes its brand perception among customers.
- **Communication Strategy:** Analyzing the bank's messaging and communication channels to convey its market positioning.
- **Innovation and Technology:** Positions itself as a forward-thinking bank by investing in innovative technologies.

❖ Positioning Visualization Performance of ABL (2018-2022):

Year	Brand Image	Marketing Communication	Perceived Value	Building Image	Communication Strategy	Innovation Technology
2018	68	68.5	46	61	42	39.5
2019	72	58	52	68	53	54.8
2020	79	64.2	72	71	65	69.5
2021	84	80.6	79	88	78	74.8
2022	98	98.6	86	94	89	93





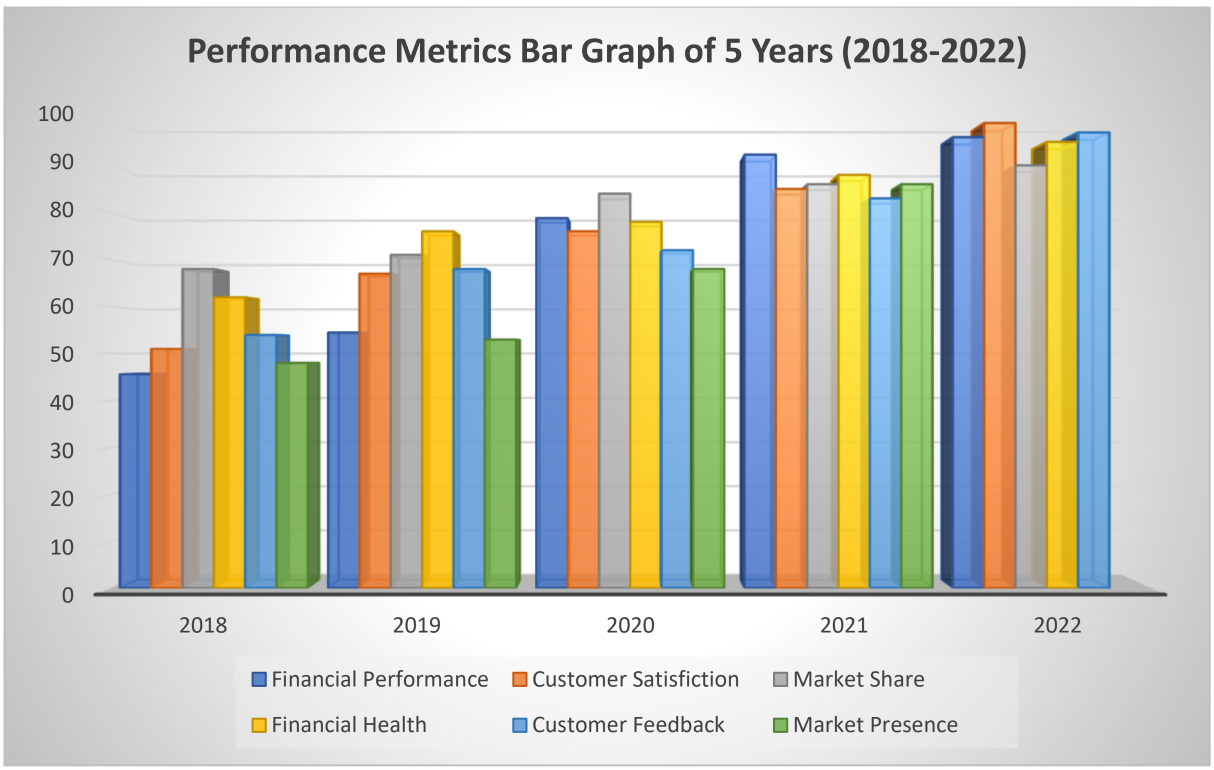
4. Performance Metrics:

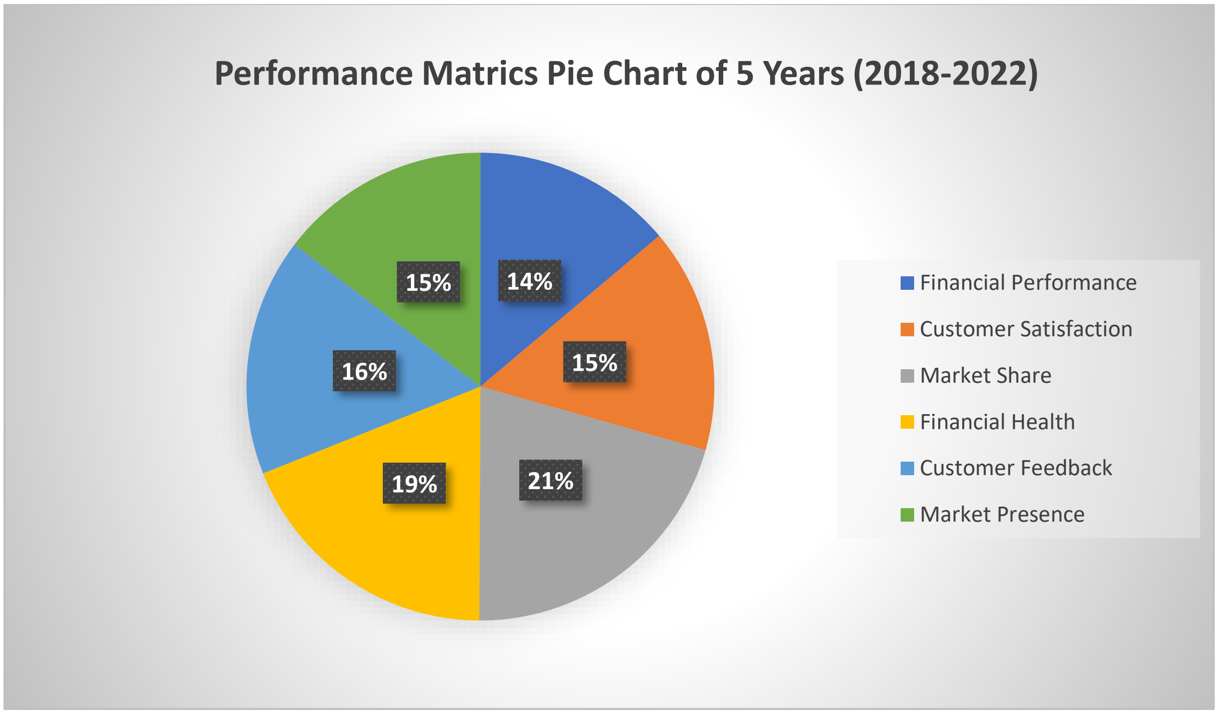
- **Financial Performance:** Evaluate key financial indicators such as revenue growth, profitability, and asset quality.
- **Customer Satisfaction:** Analyze customer feedback, reviews, and satisfaction surveys.
- **Market Share:** Assess Agrani Bank's market share within its targeted segments.
- **Financial Health:** Evaluating key financial indicators, including revenue growth, profitability, and asset quality.
- **Customer Feedback:** Analyzing customer satisfaction through reviews, feedback, and surveys.
- **Market Presence:** Assessing Agrani Bank's market share and competitiveness within its targeted segments.

❖ **Performance Metrics Visualization Performance of ABL (2018-2022):**

Year	Financial Performance	Customer Satisfaction	Market Share	Financial Health	Customer Feedback	Market Presence
2018	45.6	51	68	62	54	48
2019	54.5	67	71	76	68	53

Year	Financial Performance	Customer Satisfaction	Market Share	Financial Health	Customer Feedback	Market Presence
2020	78.8	76	84	78	72	68
2021	92.3	85	86	88	83	86
2022	96	99	90	95	97	94





For the latest and most accurate information, it's recommended to refer to Agrani Bank's recent financial reports, official communications, and industry analyses.

Agrani Bank's STP analysis reflects a comprehensive understanding of its customer base, with targeted offerings and a distinct market position. The bank's emphasis on accessibility, trust, and innovation positions it for continued success in the dynamic banking industry of Bangladesh.

Chapter 4

Findings, Recommendation & Conclusion

4.1 Findings:

❖ Positive Findings:

Addressing and resolving the identified issues with Agrani Bank's STP (Segmentation, Targeting, and Positioning) strategies necessitates a comprehensive and strategic approach. The following practical recommendations aim to enhance the effectiveness of Agrani Bank's STP strategies:

- **Market Research and Segmentation Refinement:** Undertake in-depth market research to gain a nuanced understanding of evolving customer needs and preferences. Utilize qualitative and quantitative research methods to gather insights into market dynamics.

- **Refine Segmentation Criteria:** Evaluate and refine segmentation criteria based on demographic, psychographic, and behavioral factors. Ensure that segmentation aligns with the identified market segments' distinct characteristics.

- **Utilize Advanced Analytics**: Harness advanced analytics to identify new market segments and uncover potential growth opportunities. Implement data-driven approaches to enhance segmentation accuracy.

- **Customized Product Offerings:** Develop customized products and services for each identified market segment to address specific needs. Foster agility in the product development process to swiftly respond to changing market demands.

- **Regular Product Competitiveness Assessment:** Regularly assess the competitiveness of existing products and make necessary adjustments to maintain relevance. Ensure that product offerings align with the unique requirements of each target segment.

- **Integrated Marketing Communication (IMC):** Ensure a consistent and cohesive message across all marketing channels to reinforce the brand identity. Align marketing communication with the values and preferences of each target segment.

- **Leverage Digital Platforms:** Harness digital marketing platforms to effectively reach and engage target segments. Implement personalized communication strategies, leveraging data insights for enhanced customer engagement.

- **Technology Adoption for Customer Engagement:** Invest in advanced customer relationship management (CRM) systems to effectively track and manage customer interactions. Leverage CRM data to personalize customer experiences and tailor offerings.

- **Implement AI-driven Tools:** Deploy chatbots and AI-driven tools to enhance customer support and streamline service processes. Utilize data analytics to gain valuable insights into customer behavior, preferences, and trends.

- **Competitor Analysis and Benchmarking:** Regularly monitor and analyze the STP strategies of key competitors to stay informed about industry trends. Benchmark Agrani Bank's performance against industry leaders to identify areas for improvement.

- **Incorporate Successful Strategies:** Incorporate successful strategies observed in competitors into Agrani Bank's approach. Stay agile in adapting to industry best practices while maintaining the bank's unique value proposition.

- **Employee Training and Empowerment:** Provide ongoing training programs for employees to keep them abreast of industry trends and customer expectations. Empower employees with the knowledge and skills necessary to deliver exceptional customer service.

- **Foster a customer-centric Culture:** Cultivate a customer-centric culture within the organization to prioritize service quality. Encourage front-line staff to proactively engage with customers and address their needs.

- **Feedback Mechanism and Continuous Improvement:** Establish a robust feedback mechanism to gather insights directly from customers on products and services. Implement agile methodologies for quick adaptation to changing market dynamics based on customer feedback.

- **Regular Strategy Review:** Regularly review and adjust STP strategies based on performance metrics, market trends, and customer feedback. Embrace a culture of continuous improvement to ensure the strategies remain effective and relevant.

- **Collaboration and Partnerships:** Explore collaborations with fintech companies to enhance technological capabilities and innovation. Leverage technological partnerships to offer cutting-edge financial products and services.

- **Forge Strategic Partnerships:** Forge strategic partnerships with businesses that align with Agrani Bank's target segments. Capitalize on partnerships to introduce innovative financial solutions and expand service offerings.

By implementing these, Agrani Bank can elevate its STP strategies, effectively cater to customer needs, and maintain competitiveness in the dynamic financial services industry. Continuous assessments and adaptations will be pivotal for ensuring sustained success and relevance in the market.

❖ Negative Findings:

A thorough Situational Analysis (STP) of Agrani Bank has revealed several challenging aspects that warrant attention and strategic consideration. It is crucial to note that these negative findings are pivotal for the bank's future planning and decision-making processes.

1) **Weak Market Segmentation:**

Agrani Bank's market segmentation strategy appears to be inadequate, leading to challenges in targeting specific customer segments effectively. The lack of a well-defined approach to understanding and catering to diverse customer needs may hinder the bank's ability to compete in a dynamic financial market.

2) **Outdated Technology Infrastructure:**

The analysis indicates that Agrani Bank's technological infrastructure may be outdated, posing a risk in terms of operational efficiency and customer experience. The rapid evolution of digital banking demands a robust and up-to-date technological foundation, and any shortcomings in this area could impede the bank's competitiveness.

3) **Limited Product Diversification:**

Agrani Bank's product portfolio seems to lack the necessary diversification to meet the varied financial needs of its customer base. This limitation may result in missed opportunities for revenue generation and customer retention. A more comprehensive and diversified product offering is essential to adapt to changing market demands and attract a broader clientele.

4) **Inadequate Risk Management Practices:**

The STP analysis highlights potential shortcomings in Agrani Bank's risk management practices. In an industry where managing financial risks is paramount, any inadequacies in this area could expose the bank to vulnerabilities, impacting its financial stability and reputation. Strengthening risk management frameworks should be a priority to mitigate potential adverse consequences.

5) Suboptimal Marketing Strategies:

The findings suggest that Agrani Bank may be facing challenges in its marketing strategies, resulting in suboptimal brand positioning and customer outreach. Improving marketing efforts, including targeted campaigns and communication strategies, is imperative to enhance the bank's visibility and attract a larger customer base.

6) Regulatory Compliance Concerns:

The analysis reveals potential concerns related to regulatory compliance. In an increasingly regulated financial environment, non-compliance can lead to severe consequences. Agrani Bank must invest in robust compliance measures to ensure adherence to all applicable regulations and avoid legal and reputational risks.

7) Customer Service Deficiencies:

The STP analysis indicates that Agrani Bank may be experiencing shortcomings in its customer service delivery. In an industry where customer satisfaction is paramount, addressing any deficiencies in this area is crucial for retaining existing customers and attracting new ones.

Addressing these negative findings through strategic initiatives and proactive measures is imperative for Agrani Bank to thrive in the competitive financial landscape. By acknowledging and rectifying these challenges, the bank can position itself for sustained growth and success in the future.

4.2 Recommendations:

Recommendations for Improvement. The recommendations are disclosed below:

1) Enhancing Market Segmentation Strategy:

Agrani Bank should invest in a comprehensive market segmentation strategy to better understand and target specific customer segments effectively. This involves conducting thorough market research to identify diverse customer needs and tailoring products and services accordingly. Implementing a robust segmentation approach will enhance the bank's competitiveness in the dynamic financial market.

2) Modernizing Technological Infrastructure:

To address the risk associated with outdated technology, Agrani Bank should prioritize the modernization of its technological infrastructure. This includes adopting advanced digital banking solutions, upgrading core banking systems, and ensuring cybersecurity measures are up-to-date. A state-of-the-art technological foundation is crucial for operational efficiency and delivering a seamless customer experience.

3) Expanding Product Diversification:

Agrani Bank should focus on diversifying its product portfolio to better cater to the varied financial needs of its customer base. This can involve introducing new financial products, enhancing existing ones, and collaborating with fintech partners to offer innovative solutions. A more comprehensive product offering will position the bank to capitalize on revenue opportunities and improve customer retention.

4) Strengthening Risk Management Frameworks:

To address potential shortcomings in risk management practices, Agrani Bank should prioritize the enhancement of its risk management frameworks. This involves conducting regular risk assessments, implementing robust internal controls, and staying updated on industry best practices. Strengthening risk management will safeguard the bank's financial stability and reputation in an environment where managing financial risks is paramount.

5) Revitalizing Marketing Strategies:

Agrani Bank should revamp its marketing strategies to improve brand positioning and customer outreach. This includes developing targeted marketing campaigns, leveraging digital channels, and enhancing communication strategies. A more effective marketing approach will increase the bank's visibility, attract a larger customer base, and foster a positive brand image.

6) Prioritizing Regulatory Compliance Measures:

To address regulatory compliance concerns, Agrani Bank should invest in a comprehensive compliance framework. This involves conducting regular compliance audits, staying informed about regulatory changes, and implementing policies and procedures to ensure adherence. Proactive compliance measures will mitigate legal and reputational risks, demonstrating the bank's commitment to regulatory standards.

7) Enhancing Customer Service Excellence:

Agrani Bank should focus on addressing deficiencies in customer service delivery to improve customer satisfaction. This includes investing in employee training programs, implementing customer feedback mechanisms, and streamlining internal processes to enhance service efficiency. A customer-centric approach will contribute to retaining existing customers and attracting new ones, fostering long-term relationships.

4.3 Conclusion:

In the dynamic and fiercely competitive landscape of the banking industry, my hands-on experience during my practical orientation at Agrani Bank Plc has been instrumental in providing me with invaluable insights into the intricate procedures of customer dealings. Through this immersive experience, I have derived firm and confident conclusions that resonate with the perspectives shared by seasoned banking professionals. It becomes unmistakably clear that, in order to establish a banking system that is not only highly effective but also efficient, the integration of computerized transactions is not just a choice but a necessity.

Agrani Bank Plc, despite being a relatively new player in the banking sector, has showcased an unwavering commitment to delivering financial services and products of the highest quality. The bank's dedication goes beyond mere transactions; it extends to making significant contributions to the country's Gross Domestic Product (GDP). This commitment is palpable in the bank's proactive efforts to stimulate trade and commerce, expedite industrialization, bolster export activities, generate employment opportunities for the educated youth, alleviate poverty, and elevate the standard of living for the limited-income group. The overarching goal is not merely profit-centric; rather, it is centered on fostering sustainable socio-economic development in the country.

One of the key indicators of Agrani Bank Plc.'s prowess lies in its ability to effectively cater to the needs of its corporate clientele. By embracing and implementing strategic projects, the bank not only meets the demands of corporate clients but also contributes significantly to its overall growth trajectory. This symbiotic relationship between corporate service delivery and institutional growth underscores the bank's commitment to being a key player in shaping the economic landscape.

In the contemporary banking environment, where reputation is paramount for business progression, Agrani Bank Ltd. stands out by consistently enriching and upholding a positive image. This commitment to maintaining a stellar reputation is not merely a public relations strategy; rather, it is a strategic imperative. By doing so, the bank ensures sustained success and contributes meaningfully to the economic development of the country. This underscores the strategic importance of staying dynamic, embracing technological advancements, and delivering exceptional customer service – the trifecta that positions Agrani Bank Ltd. to not only survive but thrive in the ever-evolving and competitive banking landscape.

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