

Impacts of Promotional Tools on Bank's Profitability and Brand Image: A Comparative Study between Islamic Banks and Conventional Banks

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Banking industry is one of the prime and highly competitive sectors of the economic as well as financial system of Bangladesh. Banks are competing with each other to create and retain their brand image and to ensure sustainable growth by increasing profitability. In Bangladesh commercial banks are using many marketing tools to capture the target market and retain customers for long time. This paper focuses on the marketing promotional tools and strategies used by banks to increase financial profitability and brand image and specifically shows the comparative study between the conventional and Islamic banks in Bangladesh in terms of using marketing promotional tools to create brand image, to retain goodwill in the financial market and to ensure financial profitability and growth. The study includes both qualitative and quantitative analysis. Two selected banks of each category has used for the study. This paper reveals that now-a-days conventional and Islamic both type of banks are engaged with promotional tools in a positive manner but may be their goals are a slight different. Conventional banks are more attentive to promote their services for creating brand awareness and image which affects their sales as well as financial return. The Islamic banks are very much conscious to increase their financial profit in comparison to brand image. But being a Muslim country, people are relying more on Islamic Banks in terms of various banking transactions from their religious perspective on the other hand, they are more attracted by the offers of the conventional bank. Such type of activities incurs huge costs on a regular basis which directly affect net profit (NPAT) and also regain revenue as impact of sales up growth. Outcomes of the paper may be used as an index by both type of banking categories for formulating their brand image and financial sustainability and growth through the promotional activities.

Keywords: Conventional banks, Islamic banks, profitability, brand image, promotion, target market

1. Introduction

Promotional activities are essential for any business to ensure sustainable growth and profit. As a service-oriented industry banks are not exception. To attract customers and to increase revenue banks need to concentrate on brand image and promotional tools can be used for that. Still now most of the banks are not very much interested to concentrate on promotional activities against their target market. Yet a lot of unbanked people are there in Bangladesh so they are not depending on promotion yet as they believe in Wallet sharing is more important than market sharing. Rather they are concentrating more on branch costing and employee skill development

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because they believe tellers are the representatives of a bank for a customer and branch look and convenience of location is more important to attract the target market as well as to retain existing customers. But the number of banks is increasing day by day and market sharing is already started. So banks should be focused on promotion to maintain profitability growth and to ensure brand image. The statement of problem for the paper is to show whether marketing costs of the banks create positive impact over the profitability of the banks. For the study samples from two basic sectors of banking industry has chosen. The basic objectives of the paper is to Justify the relation between brand awareness & financial profit of a bank and compare the tools used by conventional and Islamic banks & effects of such tools over the profitability and brand image by using SWOT analysis and other analytical tools. The first section of the paper shows the introduction of the paper including objective and research question. Section two focuses on literature review. Section three focuses on the methodology including selected samples. Then the following section focuses on the analysis and findings of the study. The last section focuses on the conclusion of the paper.

2. Literature Review

Our review of the related literature identified a gap in investigating the most effective promotion and communication tools for the financial services industry like bank's profitability and brand image. Prior researchers have either focused on one or more marketing promotional tools, or comparison between the conversional and Islamic banking. In the present context there is no study on the comparison between the Islamic banking and conventional banking in the specific side including bank's promotion, profitability and brand image. So this study may identify that research gap. It may show a clear concept that how promotional tools cause change in bank profitability and brand image comparing two different aspects of Islamic and conventional banking.

The early study says that one of the sectors within the service industry that has been influenced the most by the changes in the globalization process, and at the same time has been highly internationalized, is the banking sector (Sanchez-Peinado 2003). To sell this wide range of products & services, a bank needs to employ different promotions to attract the customers and to make them purchase from the banks. In recent time, increasing competition in the business world has forced firms to become more aware of price and costs, which has resulted in a shift in the promotion mix to a greater use of promotion tools that are cost effective in reaching the customer. (Boyd et.al.1998). According to Rowly (1998) promotion is used by organizations to communicate with customers regarding their product offerings, and also to ensure that customers are aware of the available products. Boyd et.al.(1998), describe the promotion strategy as a controlled & integrated program of communication methods and materials designed to present the organization and its products to customers, and to contribute to long run profit. In another study Kitchen and Pelsmacker (2004) said that indicative of so many other marketing activities, IMC appears to be defined by those who are implementing it. Kaye (1999) argued that the generally accepted definition of IMC is self-limiting because its focus is on external, non-personal communications: Advertising, publicity, database and direct marketing and interactive media. The elements of the promotional mix vary in their effectiveness as outlined by Fill (1995) who discussed the ability of each element to communicate, the likely overall costs, and the control maintained. Each element thus has a different capacity to communicate and to achieve different objectives (Kitchen and Pelsmacker 2004).

The aim of the research is to investigate the comparison of promotional activities of Islamic and conventional private banks in Bangladesh. For the concern banks, by understanding how promotional activities can improve their profitability as well as brand image at same time makes differences in their own banking practice.

3. Methodology

Sample

For the paper two top-most banks of each sector have selected as a sample to show the significance of promotional strategy to increase profit and enhance brand image of banks even for the market players.

Data Sources

For the paper 4 open-handed questionnaires have presented in front of the high officials or Heads of the department of each selected banks during face-to-face interview which is considered as primary data for the study.

Secondary sources has also used like as websites of selected banks as well as Bangladesh banks, related articles and so on.

Instrumentation for Analysis

In the study percentage change in **profitability per year** of selected banks is considered as a dependent variable and percentage change in promotion expenses per year is considered as independent variable to show the relationship between profit growth and promotional tools. To justify the assumption 5 years changes (yearly) in each variable has used for statistical calculation and interpretation. Data from 2008 to 2013 has used for the calculation (Annexure-I).

To show the relationship between brand image and promotional tools descriptive analysis has used.

The following hypothesis has structured to show regression analysis;

H₀: There is no significant relationship between profitability and expenses for promotional activities in banks.

H₁: There is a significant relationship between profitability and expenses for promotional activities in banks.

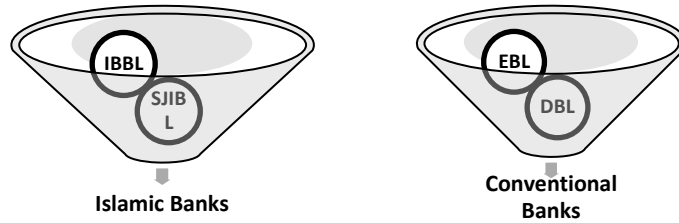
The study also contains SWOT analysis to justify the link of promotional strategy of banks with the both; Profitability growth and brand image.

3.1 Selected Banks as Sample

Almost all the banks are dealing with promotional tools to upward their profitability trend. They are trying to retain their customers by creating brand image. The usage of such tool differs

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between Islamic bank and conventional banks. For the paper we used two selected banks of each sectors of banking among the whole banking industry. These are as follows;



3.1.1 Selected Conventional Bank:

For the study two conventional commercial banks have selected among the banking sector of Bangladesh as a whole. The banks are Eastern bank Ltd. (EBL) and Dhaka Bank Ltd. (DBL). Both the banks are well-established and renowned. The brief description of the banks is as follows;

Table 1: Basic information of selected conventional banks

Topics	EBL	DBL
Establishment	08 August 1992	April 6, 1995
Number of Branches	71	74
Number of customers*		
Loans	50,000	19451
Deposits	5,00,000	4,10,580
Others	1,50,000	2,10,000

*Approximate figure is used considering the data found from personal interviews

3.1.2 Selected Islamic Banks:

For the study two conventional commercial banks have selected among the banking sector of Bangladesh as a whole. The banks are Islami Bank Bangladesh Limited (IBBL) and Shahjalal Bank Limited (SJIBL) and renowned. The brief description of the banks is as follows;

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Table 2: Basic information of selected Islamic banks

Topics	IBBL	SJIBL
Establishment	March 13, 1983	10th May 2001
Number of Branches	286	92
Number of customers*		
Investments		50,000
Deposits	1,580,000	4,48,271
Others	8,538,969	1,00,000
	20,000	

*Approximate figure is used considering the data found from personal interviews

4. Analysis

4.1 Financial Analysis:

The financial scenario of all sample banks in 2013 is as follows;

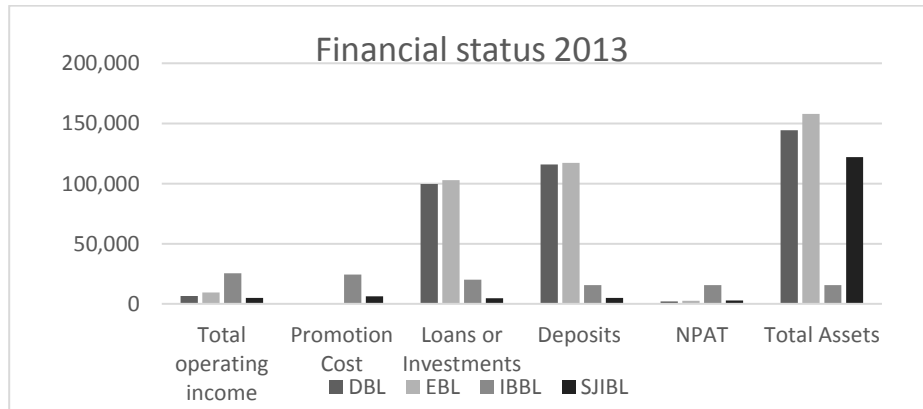
Table 3: Financial information of selected banks

	Banks			
	Conventional Banks		Islamic Banks	
	DB L	EBL	IBBL	SJIBL
Total operating income	6,410,329,762	9,469,373,199	25,346,295,252	5,031,416,729
Promotional Expenses*	134,486,079	233,344,345	329,947,366	64,931,338
Loan or Investment	99,595,883,469	102,910,218,949	20,000,078,858	4,630,395,237
Deposits	115,981,165,413	117,101,708,180	15,657,014,026	4,850,963,364
Net profit after tax (NPAT)	1,926,676,931	2,567,863,832	12,326,862,480	2,916,761,866
Total Assets	144,408,630,421	157,881,633,857	550,839,381,407	121,963,432,985
Total operating Expenses	2,716,740,008	3,681,117,160	11,039,146,797	2,337,590,289

*considered the expenses named Stationery, Printings, Advertisements etc.

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Figure 1: Financial status of sample banks in 2013



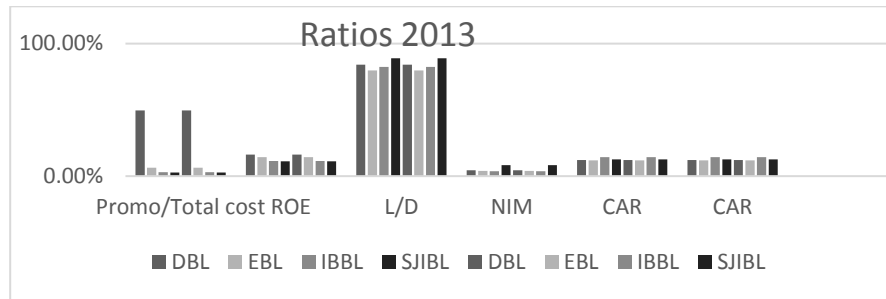
*Amounts are in million taka

4.1.1 Financial Ratios:

Table 4: Financial ratios of elected banks for the year 2013

Ratios 2013				
	DBL	EBL	IBBL	SJIBL
Promotional cost-to-Total operating cost	49.50%	6.34%	2.99%	2.78%
Return on Equity(ROE)	16.21%	14.44%	11.36%	11.25%
Loan-to-Deposit /Investment-to- deposit ratio	84.22%	79.66%	82.35%	88.88%
EPS	3.66	4.15	3.40	1.95
Net Interest margin(NIM)/Spread	4.32%	3.88%	3.79%	8.36%
Capital Adequacy Ratio(CAR)	12.18%	12.01%	14.26%	12.56%
P/E Ratio	5.28	7.01	11.17	8.60

Figure 2: Financial ratios for 2013



4.2 General Analysis

4.2.1 Marketing Tools Generally Used in Banks of Bangladesh

Promotion is the most important part of marketing mix for any business enterprise that may produce either goods or services. It makes a bridge between product development and its pricing strategy. Once a product developed then it has to be present with a very attractive, familiar and affordable way to the consumer. The promotional activities are technique which brings the special characteristics of the product and of the producer to the knowledge of prospective customers.

Elements of Promotion Mix



In our country several banks are strongly engaged to design the promotional activities for achieving the customer attention, which may reflect in their financial profitability and brand image. In comparison of other service institutions banks are quite low active to design promotional activities rather they follow and maintain their routine performance and bank policy. Some important promotional activities are given below in a comparative way.

Advertising:

Advertising is a form of non-personal communication to promote ideas, goods, or services in a variety of media outlets. In Bangladesh every Banks are born to fight in the competitive market. They use various media such as magazines, newspapers, radio, television, websites, city buses,

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etc. Advertising is the common and complete promotional tool to communicate the customer. Both Islamic and conventional banks are practicing advertisement to make them alive their brand image in competition.

Personal Selling

Basically personal selling is one-to-one communication between seller and prospective purchaser. In our country the conventional banks have a little concentration in this practice through personal meetings, telemarketing, e-mails, and correspondence but the Islamic banks are quite silent in this issue.

Direct Marketing

Direct marketing allows the banks to engage in one-way communication with its customers about product announcements, special promotions, bulletins, customer inquiries, and order confirmations. In present context most of the banks arrange this promotion by **online banking**.

Sales Promotion

Commercial banks don't practice sales promotion as like as the other business organization. Only some facilities are added with their services. Especially conventional banks are doing this. Examples are debit card, credit card, account opening at lowest amount, discount in payment for shopping etc.

Public Relations

In Bangladesh each commercial banks give a great emphasize on public relation. Both Islamic and conventional banks are following publicity in a remarkable way. Islamic banks are giving more concentration on the **Corporate Social Responsibility** such as scholarship to student, environmental aspect, charity in natural and national disaster, etc. On the other hand conventional banks are doing these and having more interest in **Event Marketing** in national and international boundary.

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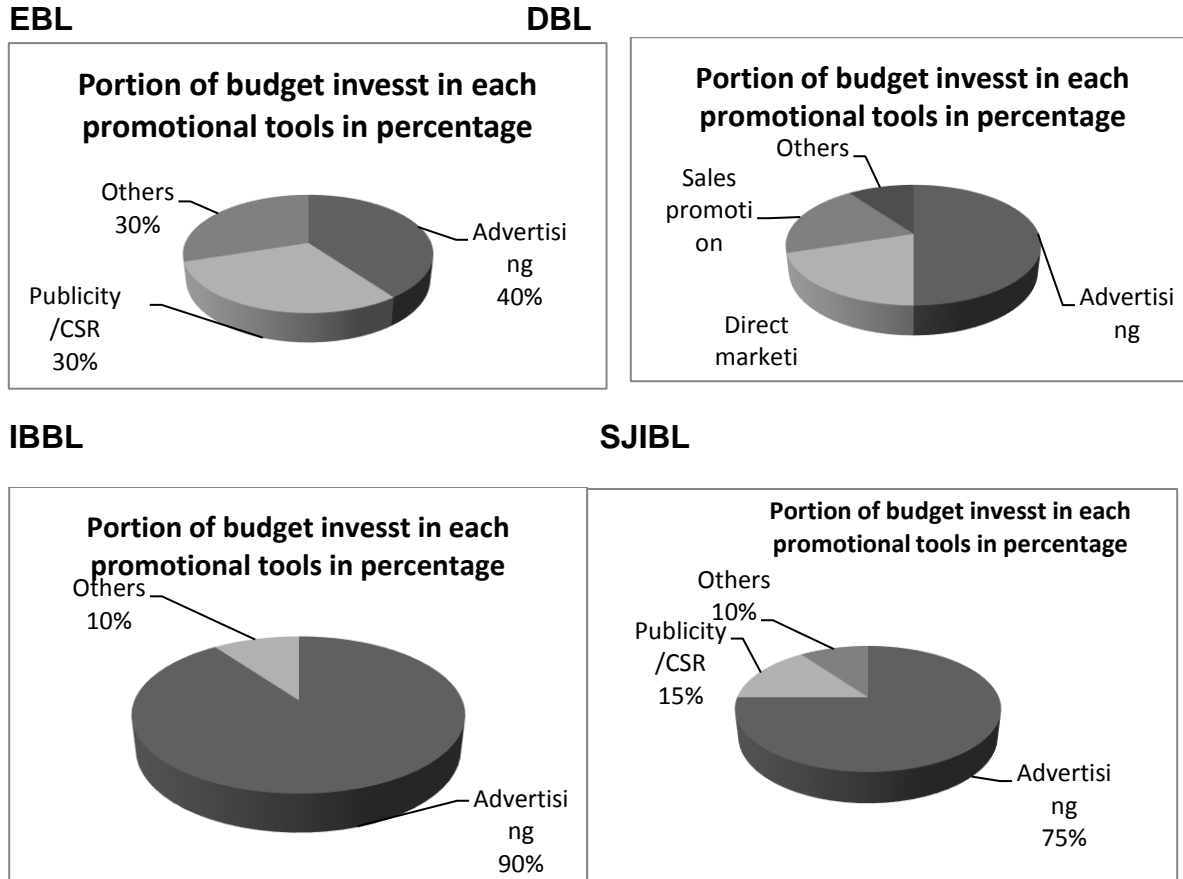
4.2.2 Promotional Activities and Other Issues of Selected Banks

Table 5: Promotional mix of selected banks

Promotional Issues	Islamic Banks		Conventional Banks	
	IBBL	SJBL	EBL	DBL
Advertising Expenses in %	65%	75%	25%	40%
Advertising Media	TV, News paper, Outdoor, Billboard SNS, internet.	News paper, Billboard.	TV, News paper, Outdoor, Billboard, SMS SNS, internet.	TV, News paper, Outdoor, Billboard, SMS SNS, internet.
Target Respondent	Customers who want to follow banking based on Islam.	Customers who want to follow Shariah banking	Active & potential customers of the banks.	Prospect & customers of the banks.
Publicity or Public relation budget in % including CSR & event marketing	25%	15%	25%	30%
Sales promotion budget in %	Nil	Nil	20%	Nil
Direct marketing budget in % including online banking	Nil	Nil	20%	Nil
Other Promotional budget in %	10%	10%	10%	30%
Motto of the banks	Based on Islamic Shariah's	Committed to Cordial Service	Simple Math	Excellence in Baking

4.2.3 Contribution in Each Category of Promotional Tools (Advertising and Others) In Time of Making Promotional Expenses or Budget:

Figure 3: Graphical presentation for portion of budget used in promotion for selected banks



4.3 Quantitative Analysis

4.3.1 For Conventional Bank:

For the regression analysis following variables have selected;

Percentage change in Profitability of Conventional banks- Dependent Variable (Y)
Percentage change in Promotion expenses of Conventional banks - Independent variable (X₁)

Five years change has been use to find out the regression)2009-2013)(Annexture-I)

Table 6: Descriptive statistics and summary of statistical results (SPSS output)

	Mean	Std. Deviation	N
Percentage change in Profit per year	331.74	726.237	5
Percentage change in promotion expenses per year	4.13	29.528	5

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R square Change	F change	df1	df2	Sig. F Change	
1	.989 ^a	.979	.972	122.396	.979	137.826	1	3	.001	2.814

a. Predictors: (Constant), percentage change in promotion expenses per year
 b. Dependent Variable: Percentage change in Profit per year

Coefficient of correlation (R):

Here, **R = 0.989** indicates that there is a positive correlation between the variables. If the independent variable increases then this will result the dependent variable increase accordingly.

Coefficient of Determination(R²):

Here R² is equal to **0.979 (97.9%** expressed in percentage) indicates **97.9%** of the variability in percentage change in Profitability of conventional banks is explained by the estimated by the independent variable.

Adjusted R²:

Here **Adj. R²= 0.972**.R square displays the proportion of variability in the dependent variable that can be explained by the regression. Adjusted R Square is the actual variability which is adjusted for both the independent variable. It is found after the analysis that the proportion is **0.972 or 97.2%**.

Standard Error of Estimate:

Here the error is **122.396** which indicate the variability between the expected and actual value.

Durbin Watson test, condition index, VIF and tolerance:

Here, D=2.814 which shows no autocorrelation problem exist in this case. All remain factors also express no mismatch with general criterion used in interpretation

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Table 7: Coefficients, collinearity diagnostics and AOVA (SPSS output)

Coefficients ^a								
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
(Constant)	231.334	55.401		4.176	.025			
Percentage change in promotion expenses per year	24.331	2.073	.989	11.740	.001	1.000	1.000	

a. Dependent Variable: Percentage change in Profit per year

Collinearity Diagnostics ^a					
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	Percentage change in promotion expenses per year
1	1	1.154	1.000	.42	.42
	2	.846	1.168	.58	.58

a. Dependent Variable: Percentage change in Profit per year

ANOVA ^b						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2064738.552	1	2064738.552	137.826	.001 ^a
	Residual	44942.257	3	14980.752		
	Total	2109680.809	4			

a. Predictors: (Constant), Percentage change in promotion expenses per year

b. Dependent Variable: Percentage change in Profit per year

Here

Sum of squares due to regression, (SSR) = 2064738.552

Sum of square due to error, (SSE) = 44942.257

Total sum of square (SST) = 2109680.809

F-Test:

Here the hypothesis for the F test is deemed as there is no significant relationship between dependent and independent variables. The alternative hypothesis is vice versa. Therefore the null hypothesis is:

$$H_0: \beta_1 = \beta_2 = 0$$

H_a: one of the parameters is not equal to zero

If null hypothesis is rejected we can conclude that the overall relationship between Y and independent variables is significant.

Test Statistic,

$$F = MSR/MSE \\ = 137.826$$

As the α is lower than level of significance of 5% ($\alpha=0.01$), so it can be certainly derived that the null hypothesis is rejected. So, the overall relationship is significant.

Regression Analysis:

Here,

Percentage change in Profitability of Conventional banks- Dependent Variable (Y)
Percentage change in Promotion expenses of Conventional banks - Independent variable (X₁)

Findings:

From the output above we can bring out an equation that is like:

$$Y = \beta_0 + \beta_1 X_1$$

% change in profit per year = 231.334 + 24.331(% change in promotion expenses per year)

Here $\beta_1 = 24.331$ represents an estimate of the changes corresponding to single quantity changes in promotion expenses which is in positive relation that for 1 increasing or decreasing arrangement with deposit volume results 24.331 increase or decrease the profit. $\beta_0 = 231.334$ is the constant which shows if there is no change in promotion expenses, the profit change will increase in such volume.

4.3.2 For Islamic banks:

For the regression analysis following variables have selected;

percentage cahange in Profitability of Islamic banks- Dependent Variable (Y)
percentage cahange in Promotion expenses of Islamic banks - Independent variable (X₁)

Five years change has been use to find out the regression(2009-2013)(annexture-I)

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Table 8: Descriptive statistics and summary of statistical results (SPSS output)

Descriptive Statistics			
	Mean	Std. Deviation	N
percentage change in profit per year	56.53	157.125	5
percentage change in promotion expenses per year	23.60	99.411	5

Model Summary^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R square Change	F change	df 1	df 2	Sig. F Change	
1	.475 _a	.225	-.033	159.688	.225	.873	1	3	.419	2.402

a. Predictors: (Constant), percentage change in promotion expenses per year

b. Dependent Variable: Percentage change in Profit per year

Coefficient of correlation (R):

Here, **R = 0.475** indicates that there is a positive correlation between the variables. If the independent variable increases then this will result the dependent variable increase accordingly.

Coefficient of Determination (R²):

Here R² is equal to **0.225 (22.5%** expressed in percentage) indicates **22.5%** of the variability in Profitability of Islamic banks is explained by the estimated by the independent variable. The relationship is not so strong to explain.

Adjusted R²:

Here **Adj. R² = -0.033**. It is too weak to explain as this has negative value.

Standard Error of Estimate:

Here the error is **21.456** which indicate the variability between the expected and actual value.

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Durbin Watson test, condition index, VIF and tolerance:

Here, $D=2.402$ which shows no autocorrelation problem exist in this case. All remain factors also express no mismatch with general criterion used in interpretation.

Table 9: Coefficients, collinearity diagnostics and AOVA (SPSS output)

ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	22252.107	1	22252.107	.873	.419 ^a
	Residual	76501.044	3	25500.348		
	Total	98753.151	4			

a. Predictors: (Constant), percentage change in promotion expenses per year

b. Dependent Variable: percentage change in profit per year

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	74.234	73.887		1.005	.389	
	percentage change in promotion expenses per year	-.750	.803	-.475	-.934	.419	1.000 1.000

a. Dependent Variable: percentage change in profit per year

CollinearityDiagnostics^a

Dime Model nsion	Eigenvalu e	Condition Index	Variance Proportions	
			(Constant)	percentage change in promotion expenses per year
1	1	1.257	1.000	.37
	2	.743	1.300	.63

a. Dependent Variable: percentage change in profit per year

Here

Sum of squares due to regression, (SSR) = 22252.107
 Sum of square due to error, (SSE) = 76501.044
 Total sum of square (SST) = 98753.151

F-Test:

Here the null hypothesis is:

H₀: β₁ = β₂ = 0

H_a: one of the parameters is not equal to zero

If null hypothesis is rejected we can conclude that the overall relationship between Y and independent variables is significant.

Test Statistic,

F= MSR/MSE
 = 0.873

As the α is lower than level of significance of 5% (α=0.419), so it can be certainly derived that the null hypothesis is accepted. So, the overall relationship is not significant.

Regression Analysis:

Here,

Percentage cahange in Profitability of Islamic banks- Dependent Variable (Y)
Percentage cahange in Promotion expenses of Islamic banks - Independent variable (X₁)

Findings:

From the output above we can bring out an equation that is like:

$$Y = \beta_0 + \beta_1 X_1$$

% change in profit per year = 74.234 – 0.750(% change in promotion expenses per year)

Here $\beta_1 = -0.750$ represents an estimate of the changes corresponding to single quantity changes in promotion expenses which is in inverse relation that for 1 increasing or decreasing arrangement with deposit volume results decrease or increase the profit. $\beta_0 = 74.234$ is the constant which shows if there is no change in promotion expenses, the profit change will increase in such volume.

4.3.3 Findings from Statistical Results

The statistical analysis shows that the relationship between profit changes and changes in promotion expenses of selected conventional banks is significantly positive. On the contrary, the statistical analysis shows that the relationship between profit changes and changes in promotion expenses of selected Islamic banks is insignificantly negative. It means there is possibility to increase profit in conventional banks through increasing the promotion expenses. But in Islamic banks, there is no significant relationship between promotion expenses and profit. It may be because of fewer numbers of Islamic banks of Bangladesh and the advantage of religious support and emotion.

4.4 SWOT Analysis

A comparative SWOT analysis of these two prime sectors of banking industry of Bangladesh is furnished as follows;

		Conventional Banks	Islamic Banks
Internal	Strengths	<ul style="list-style-type: none"> ● Huge product line for client attraction ● High branch cost for branch look and quality to promote better ● Well-informed about the target market 	<ul style="list-style-type: none"> ● Religious support ● Have a Shariah based product line to capture client's religious emotion. ● Employee satisfaction
	Weaknesses	<ul style="list-style-type: none"> ● Lack of concentration in promotion 	<ul style="list-style-type: none"> ● Lack of concentration in promotion
External	Opportunities	<ul style="list-style-type: none"> ● More and more unbanked people are exist in Bangladeshi market to capture 	<ul style="list-style-type: none"> ● More and more unbanked people are exist in Bangladeshi market to capture
	Threats	<ul style="list-style-type: none"> ● Competitors will increase in future 	<ul style="list-style-type: none"> ● Competitors will increase in future

5. Concluding Remarks

Being a part of Muslim country, the Islamic banks already have some extra mileage in their profit. Along with this advantage there are fewer number competitors of this banking category which is also work as a cherry on a cake. But the number may increase in future. Already many conventional banks have started their Islamic wings. Further research can be done to show the importance of marketing strategy to maintain their profitability growth and brand image for Islamic banks in the lieu of this study. Conventional banks basically believe that there is a little competition exists in the Bangladeshi market. But the numbers of banks are increasing year by year. In **1976** there was only **9** banks but now, in **2014** the number is **58** excluding Bangladesh Bank and some are up coming. It may be a threat to the existing banks. There are so many unbanked people exist in Bangladesh in lieu of number of banks so that in recent time banks are not aware of promoting them for maintaining profit growth as well as brand image. They generally believe that wallet sharing is more important rather than market sharing. Both the types of banks are not so much concern about promotion expenses. They think branch costing (Decoration, maintenance, location conveniences etc.) and employee development costing (Human Resources costs) is essential rather than promotion expenses as tellers are the representatives of the bank to the customers and branch location and look is also important to impress customers. So they are more conscious about HR costing and branch costing.

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Conventional banks are a bit more concern about branding and financial growth through promotion and advertisement. But Islamic banks are little more reluctant in this issue. Numbers of bank are increasing time to time. So it may possible within a decade banks need to fight for market sharing even the existing ones. So they should concentrate on promotional activities more and more through media, TV, press, billboard, CSR etc. to sustain with high financial growth. As we all know like telecommunication industry banks are also faced a prisoner's dilemma. Spreads among the banks are quite same as Bangladesh Bank every year imposes interest range for both deposits and loans/investments. The practice of branding is not popular in Bangladesh especially for the banks. Because banks believe on their employees more than the prospect but in future when competition will increased the banks need to become more concern about its brand awareness to be fit with economic market which can be shown by further study.

Access of information is not as easy as many data related to the paper is quite confidential. Data collection is difficult due to time and access to the banks. The sample size selected for the study is not fully sufficient. Two banks from each category of banking industry is not fully enough. Moreover for the paper 2 top most banks have been selected for each category which also have some lacking to define the whole banking scenario as there are some new and struggling banks are also exist in the financial market. But in the paper, it has tried to focus that the need of promotion is exist even in case of well-established profitable banks. The study reveals that that in recent time the banks are not aware about promotion though they are still doing promotional activities but they should start thinking about such issue as competition is becoming harder in Bangladesh.

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Annexure 1

Year	Conventional Banks		Islamic Banks	
	% change in profit per year	% change in promotion expenses per year	% change in profit per year	% change in promotion expenses per year
2009	162.6%	55.95%	-63.91%	200.575%
210	-33.78%	-14.81%	40.85%	-14.989%
2011	111.48%	-1.007%	328.49%	-29.01%
2012	-9.90%	-13.82%	8.75%	-30.81%
2013	-35.46%	-5.67%	-31.54%	-7.60%

For calculating percentage following formula has used and data used from 2008-2013 of each banks.

$$\% \Delta = \frac{P_1 - P_0}{P_0} \times 100$$

Average profit and promotion expenses of sample banks of each sector have used to calculate the percentage change.