Sonali Bank PLC

Internship Report • Case Study Summary

Factors influencing customer switching decisions from Sonali Bank PLC to private banks

3 months	5	6
Internship at Principal Branch Nov 2025 – Feb 2026	Key factors analyzed in customer switching	Practical recommendations proposed

1. PROJECT CONTEXT

This internship report was prepared by Md. Hasibul as a partial requirement of the BBA program, Department of Marketing, University of Dhaka, under the supervision of Dr. Mohammad Anwar Hossain. It is based on a three-month internship at Sonali Bank PLC, Principal Branch, one of the largest state-owned commercial banks in Bangladesh, which faces growing competition from private banks.

Research question: What factors influence customers to switch from Sonali Bank PLC to private commercial banks?

2. INTERNSHIP OVERVIEW

Organization	Sonali Bank PLC, Principal Branch
Duration	November 02, 2025 – February 02, 2026
Role / Department	Intern (no specific department assigned; observed and assisted across branch activities)
Focus	Customer switching behavior from a public bank to private banks
Factors reviewed	Service Efficiency • Technological Facilities • Customer Service Quality • Convenience & Accessibility • Trust & Reputation
Theory base	Keaveney (1995) switching behavior • SERVQUAL (Parasuraman et al., 1988) • Kotler & Keller (2016) satisfaction

3. RESEARCH OBJECTIVES

- Understand the overall service system of Sonali Bank PLC.
- Identify the key factors influencing customers to switch to private banks.
- Analyze the role of service quality in switching decisions.
- Examine the impact of technological facilities and digital banking on customer preferences.
- Provide recommendations to improve customer service and retention.

4. METHODOLOGY

The study used a qualitative, observation-based approach. **Primary sources** were practical observations at the branch, informal discussions with bank officials and employees, and personal experience of the banking environment. **Secondary sources** were Sonali Bank annual reports and website, books, journal articles and earlier studies. No formal customer survey or statistical testing was conducted.

5. INTERNSHIP TASKS & LEARNING

Customer service support	Guided customers to the right counters and helped them understand forms and procedures.
Account opening	Observed savings and current account opening: documentation, form verification and activation checks.
Transaction processing	Observed deposit and withdrawal handling, verification and security checks.
Document handling	Organized banking documents under officer supervision; learned the value of accurate record keeping.
Skills developed	Communication, organizational skills, professional behavior and practical banking knowledge.
Challenges	Restricted access to internal data, heavy customer traffic and no fixed department.

6. KEY FINDINGS

Findings are drawn from observations at the Principal Branch and secondary literature, so they describe likely drivers of switching rather than statistically measured effects.

Factor	What was observed	Role in switching
Service Efficiency & Waiting Time	Long queues, limited-service counters and slow processing for simple transactions.	Switching driver
Technological Facilities	Some digital services exist, but private banks are perceived as more advanced (apps, online banking, ATM networks).	Switching driver
Customer Service Quality	Heavy workload limits personalized attention; private banks emphasize relationship management and staff training.	Switching driver
Convenience & Accessibility	Large branch network, but manual procedures and longer processing times for some services.	Moderate driver
Trust & Institutional Reputation	High trust from government ownership and long history; popular with government employees and pension holders.	Retention factor

Highlighted rows are the main factors observed to push customers toward private banks.

7. INSIGHTS

- **Speed and technology:** Slow service and less advanced digital facilities were the most visible gaps against private banks.
- **Service experience:** Staff are under heavy customer load, which limits friendly, personalized service.
- **Trust holds customers:** Reputation, government ownership and branch reach keep a strong base even as some customers consider switching.
- **Awareness gap:** Customers may not know the digital services Sonali Bank already offers.

8. RECOMMENDATIONS

- Improve service efficiency with digital token systems, extra counters at peak hours and better workflow.
- Enhance digital banking: better mobile app, stronger online platform and wider ATM network.
- Provide regular staff training in customer relationship management and communication.
- Modernize branch infrastructure, layouts and waiting areas.
- Strengthen customer feedback and complaint systems and act on the results.
- Run awareness campaigns on existing digital services to reduce branch congestion.

9. MY ROLE

I completed my internship at the Principal Branch, supporting and observing day-to-day branch activities under officer supervision, including customer guidance, account opening, transaction processing and document handling. I then connected these observations with service quality and switching-behavior literature to identify the main switching factors and develop practical recommendations for Sonali Bank PLC.

> **KEY TAKEAWAY**
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> **Slow service, limited technology and strained customer service are the main factors observed pushing customers toward private banks, while trust and reputation remain Sonali Bank PLC's key strengths.**

Data note: *This report is based on practical observations, informal discussions and secondary sources. No formal customer survey was conducted, and findings are centered on the Principal Branch, so they may not represent all Sonali Bank branches.*