



CHALLENGES OF IMPLEMENTING AFFILIATE MARKETING IN THE RETAIL BANKING SECTOR OF BANGLADESH.

By

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**Dissertation submitted in partial fulfilment
of the requirements for the degree of
MSc Digital Marketing & Analytics
at Dublin Business School**

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May 2024

Declaration

I declare that this dissertation that I have submitted to Dublin Business School for the award of MSc Digital Marketing & Analytics is the result of my own investigations, except where otherwise stated, where it is clearly acknowledged by references. Furthermore, this work has not been submitted for any other degree.

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Acknowledgements

Firstly, I would like to thank Almighty Allah.

I sincerely thank my supervisor Dr. Heikki A O Laiho for his through guidance and support throughout this dissertation.

I also like to thank my family and friends for all their support and sacrifices throughout the year. It was their continuous advice and support that prepared me to come over to pursue higher studies in Dublin.

Specially, I would like to thank Dublin Business School for giving me the opportunity to carry on with the research project.

Abstract

Affiliate marketing offers a low-cost marketing solution for the retail banking industry in Bangladesh, which is forced to face the twin specters of market saturation and high costs resulting from traditional marketing, since the expenses are directly related to performance outcomes. In spite of the rise of internet penetration, the banking industry at the local level has adhered to a great degree to the use of traditional marketing techniques and has lagged behind in implementing affiliate marketing tools, which are digital and scalable in nature. Therefore, the study tried to evaluate the strategic challenges of implementing affiliate marketing and its potential as a core marketing strategy in financial institutions in Bangladesh. This study, through qualitative analysis with the help of in-depth interviews of industry experts, identifies possible benefits and significant barriers of affiliate marketing. Key benefits that have been noted in this regard encompass cost effectiveness and better reach of markets due to the performance-based nature of the tool of affiliate marketing that directly aligns the cost of marketing with outcomes. Technological readiness, regulatory compliance, and customer trust remain the major challenges. It then moves on to examine strategic requirements and needs for the incorporation of affiliate marketing within a broader framework of marketing for achievement of competitive advantages and better market penetration. The study contributes to academic literature and industry practice by offering insight into the intricate process of adoption of digital marketing by the retail banking sector of a developing country like Bangladesh and reporting of strategies that had been custom-designed to overcome specific local challenges.

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Chapter 1: Introduction

Background

The current market of Bangladesh banking sector consists of 61 scheduled bank and 35 non-banking financial institutions (NBFI) (Bangladesh Bank, n.d.). All of these institutions are offering deposit and loan products for the customers. Due to presence of a large a number of firms the market is saturated and competitive. Also, the higher pay rate announced by the central bank of bank employees make marketing of the product expensive for entities. On the other hand, affiliate marketing can be cost effective for the banks as it is directly related to the results. This may lead to optimization of marketing budgets, allowing financial institutions (FI) to save on customer acquisition costs and potential reinvestment of the same on more loan products which may enhance their portfolio and also lead to higher return to their depositors. On the other hand, the scalability of affiliate marketing allows businesses to develop their affiliate programmes without having to increase their marketing expenditure. That is, businesses can raise their growth rate while avoiding increased costs and maintaining an operational budget as they grow their market share (Similarweb, 2023).

This is based on the huge potential of growth in this affiliate marketing retail banking in general, more so in developing economies like Bangladesh, where the financial market is almost saturated and the potential very high. A study by Jahid, 2024, identified that three-fourths of the total population over the age of 15 years are still unbanked. Touching such a big customer base with versatile economic conditions is also a challenge and a high potential for the business growth of FIs.

Marketing strategies in this regard have become some of the most conspicuous features in business development, with diversity and mobility. The study in this regard will consider the affiliate marketing as integral in the overall marketing effort made by a business in an absolute customer-centric banking sector. This method has in return, a number of related benefits to the business that come in the form of cost-effectiveness and better marketing efficiency. This approach has, in return, a number of associated benefits to the business in terms of cost-effectiveness and better marketing efficiency. These marketing strategies, however, are highly dynamic and keep on changing with time.

However, with the banking sector being a heavily regulated industry all over the world, there are several challenges involved in adopting these strategies. These challenges range from legal constraints to issues with technology and customer confidence and market acceptance (Baxter, 2018). Affiliate marketing is a solution for banks to utilize the platform of the third-party entity to gain access to more customers for their products and services, all without the huge initial outlays required for other forms of advertising (Libai et al., 2010). However, the issues involved with monitoring such affiliate marketing, while making sure that it is fully compliant with regulations that are stringent on finances, is quite a barrier to adopting the practice (Prabhu and Satpathy, 2015).

Furthermore, the affiliate marketing has been a prevalent issue in the existing literature; however, it just has more generalized scope or has been considered in the context of the industry other than banking. It does not always articulate the problems faced in the banking industry in the developing countries (Duffy, 2005). It means the objective of the current research is to address the identified research gap that is to analyze the affiliate marketing in the retail banking industry in Bangladesh with the view of suggesting the practical implications for the policymakers, marketers, and the management of the banks. Here, the current research has the following objective: to analyze and identify how the affiliate marketing could be more effective in the given setting as well as to explore the potential benefits as well as challenges associated with it.

The huge growth potential of affiliate marketing in the retail banking industry, particularly in emerging markets like Bangladesh, has motivated this research. The scenario of retail banking in Bangladesh could also be expected to change with time by the inculcation of these latest digital marketing practices, such as affiliate marketing. Despite its potential for cost-effectiveness and productivity, the practice has issues and huge challenges that hamper implementation. This practice also has some challenges in running the practice successfully. These problems are related to government restrictions, technological barriers, and issues related to customer confidence and market adaptability.

Affiliate marketing is particularly advantageous to banks in the sense that they can advertise their banking products through third party networks thus being able to acquire new customers without having to incur the costs previously involved in advertising through other avenues. However, such relationships and the requirement to have stringent controls over the adherence to financial regulations makes for some hassle in implementing such strategies effectively.

Further, there is only the presence of literature that mainly focuses on affiliate marketing in broader contexts or in different industries; it does not pay specific attention to the banking sector in underdeveloped nations. This paper is trying to fill this gap by emphasizing affiliate marketing in the retail banking industry in Bangladesh to derive important insights that could be critical to regulators, marketers, and bank managers.

Problem Statement

Though the number of internet banking facilities in Bangladesh is growing, and the internet is no longer a luxury, the retail banking industry has not taken on affiliate marketing activities as part of its strategy. The industry is mainly based on traditional marketing practices and has not considered cost-effective, scalable, and digital marketing tools like affiliate marketing. The article maintains that though existing evidence proves this effect can be gained by adopting affiliate marketing, the potential for generating increased reach and marketing effect in the international financial services industry has not been realized yet. Furthermore, the affiliate marketing approaches are very challenging to be implemented due to the complexities in the regulatory issues, technological platforms, and customer trust. The motive of the article is to find out the major problems that will be faced by the financial institutions during taking affiliate marketing strategy and also find out the possible ways to combat it.

Research Objectives

The objective of this paper is to evaluate the feasibility and strategic implications of implementing affiliate marketing within the retail banking sector in Bangladesh, as well as to analyze the challenges of adopting the strategy into the key marketing strategy of FIs. Accordingly, this paper focuses on identifying the benefits, challenges, and initiatives needed to bring into action such a marketing strategy based on information collected from in-depth interviews with experts of the financial market in Bangladesh. Therefore, the research is expected to harness a qualitative expert insight in order to capture a better understanding of the critical aspects affecting the effectiveness of the adoption and implementation of affiliate marketing tactics. The dissertation intends to proffer strategic advice to banks on how to effectively use affiliate marketing for better competitive advantages in engaging customers and securing a stronger market presence in the digital banking space.

Research Areas

- This research will attempt to critically analyze the opportunities and challenges that affiliate marketing can provide in the retail banking sector of Bangladesh. The following study incorporates the following:
- This research will analyze the existing practice of affiliate marketing by banks, the strategies applied, and the effectiveness toward the attraction and engagement of customers for evaluating the current position of affiliate marketing in the retail banking industry in Bangladesh.
- To understand the challenges that banks face when they implement affiliate marketing. The aim will be to explore regulatory requirements, infrastructural necessities, and challenges in the management of affiliate relationships, i.e., the underlying factors for these challenges and how they affect the effectiveness of the adopted affiliate marketing methods.
- To understand the effect of affiliate marketing toward the performance of retail banking, and both the advantages and possible disadvantages of implementation of the strategies of affiliate marketing in the industry.
- Predict and analyze the future trends and developments in affiliate marketing in retail banking for Bangladesh, with regard to changes in the dynamics of technical progress and the market.

Significance of the Study

This study has substantial significance in different aspects, like, academic literature, industry practices, regulatory frameworks, and larger societal results. Here, we outline these contributions:

Academic Contributions

Addressing Knowledge Gaps: This research fills a significant gap in the current body of literature by examining the practice and challenges of affiliate marketing in the retail banking sector of Bangladesh, which has received limited attention by the previous researchers.

Theoretical Enrichment: The perspectives of industry specialists offer magnitude that expand current theoretical frameworks of affiliate marketing strategies to be taken into consideration by the financial institutions, which will lead to a more insightful understanding for the implementation of this strategy in the financial services sector.

Methodological Advancements: The in-depth interviews of the industry experts for gathering detailed industry insights indicate well the effectiveness of qualitative approaches in analyzing complex market dynamics, especially in developing economies like Bangladesh, and provide a reproducible framework for future research under comparable situations.

Industry Impact

The study provides valuable insights that help financial service providers specially banks and other retail banking service providing institutions in improving their marketing strategies, hence increasing efficiency in the form of cost efficiency as well as the management efficiency, expanding client base, and gaining competitive advantages in the market. The study identifies

the need for operational perfections, specifically in the integration of marketing technology and partnership management.

Policy implications

The research aims to inform policymakers by presenting detailed market conditions from the experts on the difficulties and benefits of adopting affiliate marketing in financial service sector. This information can help policymakers create policies that promote innovation, protect consumers, and ensure fair marketing practices along with the data protection and also by protecting the customer money from risky investments.

The study highlights the importance of affiliate marketing in expanding access to financial services for marginalized communities, therefore aiding governmental and non-governmental efforts to promote financial inclusion.

This will add more to academic discourse and give practical insight, which could impact the operational strategies of banks in Bangladesh in a great way. The study has focused on the possible effects of affiliate marketing and associated challenges that could be helpful in enhancing banking operations to be inclusive, efficient, and consumer-friendly. This aligns with broader aims of economic and social development.

Scope of the Study

The study examines the incorporation of affiliate marketing within the current marketing practices in retail banking sector of Bangladesh. The study is concentrated on Bangladesh market and with core focus on retail banking, omitting other sectors within the financial industry. It examines strategic methods and challenges in adopting affiliate marketing by analysing information gathered from interviews with industry specialists, such as bank executives and marketing professionals.

Main areas of concentration

- Challenges in Strategic Implementation: Analysis of partner selection, adherence to regulations, and incorporation of marketing.
- Qualitative Analysis: Involves conducting interviews to gain a comprehensive knowledge, without using quantitative approaches.

Contributions

This research adds to the existing body of knowledge on marketing and strategic management in financial services, offering practical and customized insights specifically for the banking industry in Bangladesh.

This scope guarantees that the research stays focused and pertinent, providing concentrated insights into the strategic utilization of affiliate marketing to enhance the marketing skills of retail banks in Bangladesh.

Chapter 2: Literature Review

Theoretical Framework

According to Patrutiu-Baltes (2016), Affiliate marketing is a performance-based marketing strategy where a company hires affiliates to promote its products to customers. The company then compensates the affiliates with a commission for each visitor or customer brought in through their marketing efforts. This enables companies to demonstrate more efficient marketing plan and lead to more successful achievement by the utilization of the skills of a diverse group of individuals through the activation of this method, which also provides contributors with a portion of the profit. It makes it possible for businesses to successfully disperse their marketing efforts throughout a broad network, which can lead to a significant decrease in the financial expenditures associated with marketing as well as an expansion of the marketing reach of the firm.

A Conceptualization of Affiliate Marketing

During the process of affiliate marketing, affiliates make use of a variety of venues, such as blogs, social media, or their own websites, in order to promote a merchant's products or services by utilising singular links. The affiliate earns a commission if a consumer clicks on one of those links and buys the product as a result. The amount of the commission can be really quite variable, but it usually is determined by the nature of the goods and by the terms that are set beforehand by the merchant. Because affiliate marketing is pay-per-performance-based, merchants do not have to bear the expenses on marketing unless they are in effect after the sale is complete (Chaffey and Ellis-Chadwick, 2019). This is actually the prime advantage that affiliate marketing provides to commercial companies.

Affiliate marketing is a low-cost strategy embraced even by financial services firms such as banks, insurance companies, and investment houses to acquire clients without the high

overhead cost that is commonly attached to traditional marketing strategies. For instance, a bank that is marketing for more clients to apply for credit cards or open savings accounts might partner with affiliate bloggers who specialize in financial matters. When the application of a fan of an affiliate blogger gets approved for the credit card, the blogger will get a share of commission in a transaction.

An example that is applicable to real-world situations is the collaboration between credit card firms and travel bloggers. Promotion of credit cards that provide their readers with travel benefits is accomplished through the use of affiliate links by the bloggers. When someone applies for the credit card through the link and is authorised, the blogger receives a commission, and the credit card business gains a new customer, potentially at a reduced acquisition cost compared to other advertising strategies (Duffy, 2005). In addition, the blogger receives a commission.

One of the benefits of affiliate marketing is its cost-effectiveness. According to Libai et al. (2010), the fact that businesses only pay for results in client acquisition can dramatically reduce the overall cost of customer acquisition.

Affiliates have the ability to reach highly targeted segments that the company may not be able to contact as effectively on its own.

Scalability refers to the ability of an affiliate programme to expand without requiring an equivalent rise in the number of marketing staff members or the amount of money allocated to advertising.

Prospects and Obstacles in Affiliate Marketing

Many advantages exist in affiliate marketing, whereas at the same time, there are a few disadvantages as well. One of these is that continuous monitoring and regulation have to be implemented to prevent the happening of fraudulency and deceptive advertising. Furthermore,

the management of a vast network of affiliates can be difficult and calls for the implementation of strong tracking systems in order to appropriately credit the affiliates who are responsible for bringing in traffic and customer sales (Smith, 2020).

Global trends in affiliate marketing within the banking sector

Affiliate marketing is being widely acknowledged as a crucial element of digital transformation plans in the banking sector. On a global scale, the banking sector is utilizing affiliate marketing to improve the acquisition of customers, strengthen customer involvement, and broaden sources of revenue.

The emergence of digital technology has immensely driven the approach taken by banks with regard to the techniques of affiliate marketing. Banks use increasingly advanced analytics and artificial intelligence (AI) tools to ensure maximum efficiency from the activities that are invested in affiliate marketing. It even goes as far as the use of generative artificial intelligence (AI) toward improving marketing material and personalizing customer communication in ways that are showing promise for productivity gains and cost reduction (McKinsey & Company, 2023).

The constantly changing regulations impact the global banking business, and therefore the affiliate marketing strategies will be influenced to a more considerable degree. Banks are attempting to ensure that their affiliate marketing activities are made compliant with the new laws, more so because the level of monitoring by the different agencies has increased significantly over unconventional financial institutions and intermediaries. The other important macroeconomic factors determining the economic environment include interest rates and inflation, which, in turn is affecting the affiliate marketing strategies and their outcomes positively (Deloitte Insights, 2024).

The banking sector is progressively acknowledging the importance of expanding and diversifying affiliate networks. This encompasses partnerships with diverse entities beyond conventional affiliates, such as fintech firms and digital influencers, to generate leads and expand market penetration. There is a clear shift towards more comprehensive and unified affiliate programmes, as banks want to incorporate affiliate marketing tactics into different areas of their organization in order to achieve maximum reach and effectiveness (HubSpot, 2024).

That is to say, the dynamism of customer behavior and demographics is a crucial aspect in the development of customization of the affiliate marketing strategy. The banking sector has to monitor the market keenly, with a tech-savvy customer group that mostly relies on the Internet for advice and recommendations on the best financial decisions to make. The field of affiliate marketing is placing more emphasis on utilising influencers and content creators who have the ability to genuinely captivate these target audiences (SaaS Scout, 2021).

These patterns suggest a movement towards affiliate marketing methods in the banking sector that are more strategic, technologically advanced, and consistent with regulations. Banks are actively seeking to increase their online presence and are also striving to ensure that their affiliate marketing methods are both enduring and in line with their overall business goals.

Example of Affiliate marketing in Global Market

The manner in which affiliate marketing is optimized in the fiercely competitive retail banking industry can be different in different regions and with the type of consumer segments one deals with. The paper looks into a few real-life examples across various regions and details their methodologies, challenges, and solutions.

American Express and Blog Partnerships

Methodology: American Express collaborates with travel and personal finance bloggers to promote its credit cards. Blog posts include embedded links directing users to the card application pages.

Challenges: Reader skepticism towards commission-driven recommendations can affect the authenticity and trustworthiness of the content. Regulatory compliance is also crucial to ensure all promotions meet advertising standards.

Solutions: American Express selects bloggers who align with their brand values and imposes strict standards to ensure transparency about the advertising nature of content (Patrutiubaltes, 2016).

Barclays and Comparison Websites

Methodology: Barclays utilizes financial comparison websites to advertise products like loans, mortgages, and savings accounts. These sites provide detailed comparisons, user reviews, and affiliate links to Barclays' application forms.

Challenges: Maintaining accurate and up-to-date product information can be difficult. Additionally, there is a risk of brand dilution if too many products are displayed without clear differentiation.

Solutions: Barclays does take control of the content accuracy through strong partnership with these platforms and manages its strategic presence on comparison websites targeting specific products and demographics. (Chaffey and Ellis-Chadwick, 2019).

HSBC and Social Media Influencers

Methodology: HSBC partners with social media influencers to target a younger audience, promoting student banking services and accounts for young professionals. Influencers create posts and stories encouraging their followers to try HSBC's online banking services.

Challenges: It is vital to ensure that influencer endorsements adhere to financial advertising regulations and that the influencers' image and message align with HSBC's brand.

Solutions: HSBC selects influencers based on brand alignment and conducts regular audits and training to comply with marketing guidelines (Smith, 2020).

Retail banking affiliate marketing faces various challenges. Some of the issues include the authenticity of information, conformity to set regulations, and brand integrity. However, these are well handled by strategic selection of partners, conforming to standards, monitoring, and training. These strategic initiatives will ensure that financial institutions get the best out of affiliate marketing; it will increase their reach, make them better at what they do, while at the same time protecting reputation and consumer trust.

Overview of the retail banking landscape in Bangladesh

Retail banking in Bangladesh constitutes a major part of the total financial system of the country. Its main intention is to meet the personal financial needs of ordinary people. The very foundation on which the importance of this sector rests is the extent to which this sector contributes towards financial inclusion, economic growth, and consumer participation within the financial system through the facilitation of banking, for which the sector is well known.

The following are some of the elements that are driving the expansion of retail banking in Bangladesh:

- **Increased number of customers:** As a result of the continued expansion of the Bangladeshi economy, an increasing number of individuals are enrolling in the formal banking system. As a result of this economic improvement, there is a rise in the demand for banking services such as savings accounts, personal loans, and mortgage products (Siddiqi, 2011).
- **The Rise in Per Capita Incomes:** There is greater propensity to save and invest with the rise in personal incomes, thus inducing individuals to demand for more advanced banking services. This trend will probably continue as the economy grows further and when the income per person continues to rise.
- **Increasing Consumer Awareness:** The populace of Bangladesh is becoming more aware of the advantages that can be gained by using financial services. Knowledge about financial goods has improved as a result of educational efforts made by the government and non-governmental organisations (NGOs), as well as promotional campaigns conducted by the banks themselves (Hossan and Ahammad, 2013). This has led to an increase in the number of people engaging with the banking sector.

Despite its expansion, the retail banking business in Bangladesh is beset by a number of obstacles, including the following:

- The market is getting gradually congested as the number of banks and financial institutions focusing on the growing financial sector increases in their quest to tap into the growth. Due to this kind of competition, margins are put under pressure and new ways of product offerings and customer service are required.
- The Bangladeshi banking sector is subject to periodic regulatory changes that are aimed at promoting transparency and stability within the business. These adjustments are made in order to ensure market stability. According to Siddiqi (2011), these laws, despite the fact that they are essential, can occasionally be a deterrent due to the rapid rate of change and the requirement for continuous compliance.
- **Advancement in Technology:** The retail banking industry is in dire need of technology advancement, and this need is becoming increasingly urgent. Hossan and Ahammad (2013) state that Bangladeshi banks need to make investments in technology in order to deliver online and mobile banking services that are up to the standards of a population that is well-versed in technology. This is because digital banking is becoming increasingly widespread around the world.

Affiliate marketing in banking

The incorporation of affiliate marketing methods in the banking sector has been an issue of continuous debate in scholarly and professional publications. This signifies a significant shift towards digital marketing strategies that prioritise cost-efficiency and targeted customer interaction. This review compiles findings from several prominent studies that have investigated different aspects of affiliate marketing in the banking industry. It provides a complete account of how these tactics are implemented and analysed in various global markets.

Key findings from previous studies on the uptake and impact:

- Available research has pointed out that banks are increasingly adopting affiliate marketing strategies in their broader digital marketing approach. The overall objective of the strategy is to enable the financial institutions to bolster their customer acquisition and at the same time optimize their marketing budgets. Through affiliate marketing, banks get a performance-based approach in marketing, where costs are channeled directly to results from the third-party influencers and platforms being used (Rastas, 2022).
- Strategic integration can be defined as the deliberate and planned process of combining several aspects or components to realize a certain objective or target.

With the banking sector, studies suggests that for successful implementation, affiliate marketing needs to involve a systematic approach in carrying out in-depth affiliate training, much attention to compliance with regulatory standards, and strong technical support. This would make affiliate marketing effective and, at the same time, compliant with industry regulations (Fintelconnect, 2021).

The emergence of digital banking has deepened the reliance on modern technologies such as data analytics and artificial intelligence in affiliate marketing strategies today. These technologies are utilised to augment marketing endeavours and personalise consumer

interactions. These technologies enable banks to improve their capacity to evaluate the effectiveness of their affiliate programmes and make immediate adjustments to strategies based on insights obtained from data analysis (Sciencedirect, 2021).

Although affiliate marketing in banking has some advantages, it is also susceptible to facing challenges during its execution. Obstacles of significant magnitude arise from challenges such as maintaining consistent branding, ensuring the confidentiality of data, and managing a diverse set of partners. Previous studies propose that the challenges can be addressed by developing thorough screening methods for affiliates, conducting periodic reviews of their performance, and successfully communicating brand values and campaign objectives (Journal IJAR, 2019).

The regulatory environment has a significant impact on the affiliate marketing tactics employed in the banking industry. Financial institutions are required to navigate complex financial regulations that might range significantly between various nations. Ensuring adherence to regulations is of utmost importance for banks, necessitating the allocation of resources towards obtaining legal expertise and delivering compliance training to its affiliates on a regular basis. The purpose of this is to ensure that their marketing operations comply with regulatory standards (Index Copernicus, 2021).

Existing research provides valuable insights into the complexities of incorporating affiliate marketing in the banking sector, elucidating both the potential benefits and challenges. As banks adapt to the rapidly changing digital landscape, affiliate marketing offers a promising possibility for growth and customer engagement, provided that it is managed with careful consideration of regulatory, technological, and strategic factors.

Gaps in Literature

Although there is a growing number of literatures on affiliate marketing in the banking sector, there are still some areas that lack investigation, especially in emerging markets such as Bangladesh. The incorporation of affiliate marketing in the banking sector presents distinct problems and opportunities that have yet to be thoroughly examined or recorded in the current body of literature. Below is an exhaustive analysis of the research deficiencies derived from the existing knowledge and prior investigations:

Studies focused on certain regions or areas that are experiencing rapid growth and development in their economies, known as emerging markets: Although there is a significant amount of literature on affiliate marketing in developed nations and worldwide banking operations, there is a clear absence of concentrated research on the adaptation and implementation of these techniques in emerging markets, specifically in Bangladesh. Most of the studies are not considering the specific socio-economic, cultural, and regulatory complexities that shape the implementation of affiliate marketing in these regions. A research study requires the exploration of ways to increase affiliate marketing effectiveness for affiliates in Bangladesh, considering unique features of the country's market like the lower level of digital literacy, unequal availability of the internet in different regions, and local preferences.

The Influence of Regulations on Affiliate Marketing: While most of these studies have highlighted that most regulatory compliances act as a hurdle in the development of affiliate marketing, none of the studies discuss the influence of these local regulations in countries like Bangladesh on the successful implementation of affiliate marketing strategies in the banking sector. Conducting a comprehensive analysis of the correlation between local regulatory frameworks and affiliate marketing activities could offer significant knowledge to banks on properly managing compliance while capitalizing on the advantages of affiliate marketing.

Evaluation and Measurement of Affiliate Marketing Effectiveness and Performance

Metrics: The banking sector lacks sufficient empirical research that particularly evaluates the effectiveness of affiliate marketing tactics. In addition, there are hardly few studies that have shown precise performance indicators or benchmarks, exclusively tailor-made for banking products and services. A more in-depth research, that devises and checks exact performance indicators for affiliate banking marketing programs can help the investment return and effective and efficient measure of the effectiveness of the affiliate programs for banking organizations.

Technology Application in Affiliate Marketing: This gap, in terms of advanced analytics and AI technologies being put into place specifically in affiliate marketing practices relevant to the Bangladeshi banking sector, is created as a direct result of no adequate analysis being conducted that takes into account the limitations of the technological landscape existing within Bangladesh. Research that investigates the implementation of affiliate marketing strategies in the banking sector, with a specific focus on the advantages and disadvantages of the current technological environment in Bangladesh, will be handy.

The relationship between consumer trust and affiliate marketing: However, there are no extended studies showing the way affiliate marketing impacts the customer confidence in the banking sector of emerging nations, which forms one of the integral aspects of the effectiveness of affiliate marketing. A study on the relationship between the affiliate marketing strategy and consumer trust in the banking industry of Bangladesh would be insightful for the betterment of banking affiliates to build and maintain consumer trust.

Future study can enhance our understanding of the strategic implementation of affiliate marketing in the banking sector of Bangladesh by addressing these gaps. This would contribute

to both academic knowledge and practical marketing strategies by providing more detailed insights.

Chapter 3: Methodology

Within the context of the retail banking industry in Bangladesh, this section provides a description of the qualitative research approach that was utilized to explore the adoption of affiliate marketing. Interviews with industry specialists that are in-depth and subsequent analyses that are comprehensive are the primary sources of information for this study.

Research Design

The study design is exploratory, and thus the nature of the study is qualitative in as much as the present study will seek to have a thorough understanding of the views and experiences of key stakeholders in the banking industry regarding affiliate marketing. This technique is very suitable for research projects calling for a detailed understanding of contexts and nuances, particularly when researching complex phenomena on marketing strategies within industries that fall under strict regulations.

Participant Selection and Selection of Sample

Because of their direct involvement or knowledge in affiliate marketing within the banking industry, six industry professionals were carefully selected to take part in the discussion. What makes up the sample is:

- An academic specialist is a professor at a university who specializes in marketing and provides insights into digital marketing that are both theoretical and contextual in nature.
- An academic specialist who is an Assistant Professor at a university specialized in digital marketing provides insights into both theoretical and contextual in nature.

- In the retail banking industry, a bank professional is a high-ranking executive who plays a direct role in marketing and is responsible for making strategic decisions.
- An individual who possesses significant knowledge in the process of developing and managing affiliate marketing campaigns is referred to as a marketing specialist.
- A representative from the Bangladesh Bank, the central bank of Bangladesh who offers insights on the regulatory factors and ensures compliance with laws and regulations is referred to as a regulatory official.
- A banking expert who has practical experience in executing and supervising affiliate marketing initiatives is referred to as an implementation specialist.

Recruiting procedure

Participant selection was accomplished through targeted outreach efforts that took into account the participants' professional jobs and how relevant they were to the research subject. The initial communication was created through the use of email, which was then followed by the sending of a formal invitation letter that included extensive information regarding the aims of the study, anticipated contributions, and ethical concerns.

Protocol for the Collection of Data Interviews

Development: The interview guide was meticulously created to ensure that all topics that are relevant to affiliate marketing in banking were thoroughly investigated. The questions were created with the intention of eliciting thorough responses concerning strategies, challenges, advantageous outcomes, and experiences with regulations.

Method: Interviews using a semi-structured format were conducted in order to allow flexibility and in-depth insights on the responses. Every single interview was scheduled at a time that was

mutually agreeable for the participants, and it was conducted in a calm and professional setting to ensure that the participants were comfortable and that their privacy was protected.

Recording and Transcription: After receiving informed consent from each participant, the interviews were recorded using audio technology. There was also transcription of the interviews. The transcripts were prepared in a manner that was identical to what was stated, and they were rendered anonymous in order to protect the participants' privacy and anonymity.

Ethical concerns: In order to ensure that the study adhered to the standards of ethical research, the institutional review board gave its clearance to perform the research. The participants were given information about the objectives of the study, their rights as participants, and the precautions that were taken to protect their information before they agreed to take part in the research. Before individuals had the opportunity to take part in the study, they were required to provide their written consent.

Study of the data

Thematic analysis

Thematic analysis is a key qualitative research method aimed at identifying and interpreting themes that emerge organically from data, such as interview transcripts. Here's a detailed breakdown of the manual thematic analysis process used in this study:

Data Familiarization

First Pass: Initial engagement with raw data involves multiple readings of the interview transcripts to deeply understand the content. Initial impressions and potential coding patterns are noted during this phase.

Annotation: Further readings allow the researcher to highlight significant or relevant excerpts in the transcripts that stand out, providing a basis for developing initial codes.

Coding Process

Primary Coding: Starting with the annotated data, the researcher creates codes—short labels that categorize relevant data snippets in relation to the research questions. This phase is iterative, requiring ongoing refinement of codes as more data is reviewed.

Data Compilation: All relevant data for each code is compiled, enabling a comprehensive understanding of how each category contributes to the study.

Theme Development

Identifying Patterns: Codes are grouped into potential themes. A theme represents a meaningful pattern in the data set and is integral to conveying insights relevant to the research question.

Theme Evaluation: Each potential theme is scrutinized for coherence. This may involve merging similar themes, forming broader themes, or discarding unsupported ideas.

Refinement and Definition

Theme Refinement: Themes are refined to ensure they are distinct and accurately represent the data. This involves detailed examination and definition to ensure each theme's integrity.

Peer Review: The themes are subjected to scrutiny by a peer review panel, which consists of experts in qualitative research or the study's subject matter. This step enhances credibility and can lead to further refinement of themes.

Final Analysis

Theme Finalization and Naming: Themes are finalized and named based on their content and the underlying concepts they represent. This process ensures that the themes comprehensively cover the study's scope.

Narrative Construction: A narrative that weaves together the themes is developed, explaining how they relate to the research questions and illustrating them with examples from the data.

Reporting

Integrating with Literature: The final report situates the findings within the existing body of literature, highlighting how they align with or diverge from established theories and practices.

Contextual Relevance: The report details how the findings contribute to broader theoretical, practical, or methodological discussions in the field, providing contextual and intellectual insights.

Manual thematic analysis, while labor-intensive, offers a deep, unbiased look into the data, making it highly suitable for research that requires an in-depth understanding of participant perspectives. The flexibility of the manual process allows for adaptation as new themes emerge, ensuring the analysis remains closely tied to the data throughout the research process.

Comparative analysis

The comparative analysis phase in the research provided a crucial method for understanding the full spectrum of opinions presented in the data after conducting the thematic analysis. This process involved a systematic comparison of the themes identified across various interviews to explore both the commonalities and disparities in how respondents perceive affiliate marketing within the banking industry.

Execution of Comparative Analysis

Identification of Patterns: The goal of comparative analysis was to identify the patterns of consensus and discord among the interviewed bank executives, for instance, though some may consider affiliate marketing a critical tool that has to be maximized for cost reduction and customer reach, others would raise issues on the possible brand reputation risks, regulatory complications, among other issues.

Diverse Perspectives: By comparing different perspectives, the study illuminated the variety of opinions and experiences within the industry, highlighting areas of agreement and disagreement. This was instrumental in understanding the nuanced views held by stakeholders.

Role and Experience Influence: This was further on to determine how different situations, for example, the role of the respondent in their organization, past experiences of affiliate marketing, or for that matter any other challenges specific to the institution, could mold individual perspectives. For instance, marketing professionals would better apprehend affiliate marketing's strategic advantages, while IT professionals would envision the technological challenges.

Insights Gained from Comparative Analysis

Industry Readiness and Efficacy: By noting these differences, the analysis helped build a well-detailed map on how the affiliate marketing landscape really looks in retail banking. It allowed a deeper understanding of the industry's readiness to change its marketing models, the perceived efficiency of these new models, and strategic considerations that influence such decisions.

Strategic Recommendations: Understanding these differences was pivotal in crafting a comprehensive guide for industry stakeholders, informing recommendations and interventions tailored to meet the diverse needs and challenges within the sector. This approach ensures that proposed solutions are not only effective but also resonate with the varied operational realities of the industry.

Impact on Research Credibility

Enhancement of Findings: The comparative analysis has enriched the findings in the study by giving depth to the understanding of each theme, to ensure the conclusions were strong and reflective of the diversity of experiences and perspectives articulated in the data of the study.

Strengthening Study Validity: Ultimately, this method enhanced the overall credibility and practical relevance of the research to the field of affiliate marketing in banking. By incorporating a broad spectrum of perspectives, the research painted a comprehensive picture of the challenges and opportunities in affiliate marketing, making it a valuable resource for stakeholders aiming to optimize their marketing strategies in the banking sector.

In summary, the comparative analysis was essential not just for validating the thematic insights but also for ensuring that the research outcomes were reflective of the complex and varied landscape of opinions and experiences within the banking industry. This thorough approach bolsters the study's applicability and utility in informing strategic decisions in affiliate marketing practices.

SWOT analysis

Following the comparative analysis, the research moved on to the next step, which was to conduct a SWOT analysis. This analysis was a strategic evaluation technique that was used to examine the numerous components of affiliate marketing within the banking business. The purpose of this analysis was to provide a comprehensive perspective of the environment by evaluating both the possibilities and threats that come from the outside as well as the strengths and weaknesses that are found within the organisation.

Because of the strengths that were revealed in the SWOT analysis, the inherent advantages of affiliate marketing were brought to light. These advantages include the fact that it is cost-efficient and successful in reaching a wider and more targeted audience. The capacity of affiliate programmes to be scaled up was another one of their strengths. This enabled financial institutions to increase their marketing efforts without proportionately raising their expenditures, which resulted in a higher return on investment.

The internal issues that banks are confronted with, such as the technology impediments that impede the execution of complex affiliate plans, were the primary focus of the weaknesses that were identified. In addition, one of the drawbacks was the complexity needed in managing and monitoring a network of affiliates in order to guarantee compliance and alignment with the bank's brand values. This might provide possible hazards to the bank's reputation.

The opportunities that were given by affiliate marketing were particularly noteworthy in areas such as tapping into new demographic categories, which are frequently difficult to reach through standard marketing channels. The investigation also highlighted the possibility of incorporating modern data analytics and artificial intelligence technologies in order to improve affiliate marketing strategies by making them more efficient and personalised. This might result in a considerable increase in consumer engagement and satisfaction.

Threats included external problems such as severe regulatory requirements that could impose constraints on the operating scope of affiliate marketing. These external challenges were examples of threats. The intense level of competition in the banking industry was also noted as a potential risk, since it has the potential to lessen the impact of individual campaigns and necessitates ongoing innovation and adaptation in order to maintain effectiveness.

The strengths, weaknesses, opportunities, and threats study produced actionable intelligence that could be utilized to steer strategic planning and implementation efforts inside the banks. This was accomplished by synthesizing these findings. This included leveraging strengths such as cost-efficiency and market reach, addressing weaknesses through improved technology infrastructure and affiliate management practices, capitalizing on opportunities by adopting cutting-edge technologies, and developing strategies to mitigate threats like regulatory penalties and competitive pressures. This in-depth analysis made it possible for financial institutions to devise strong plans for optimizing their affiliate marketing operations, bringing them into close alignment with the dynamics of the market as well as the objectives of the organization.

The Accumulation of Results

The findings are presented through the use of a narrative approach, which integrates the themes, comparative insights, and strategic evaluations that were derived from the SWOT analysis. This story is supported by remarks made by participants verbatim, which ensures the authenticity of the insights that are being asserted and provides a perspective that is well-founded on the perspectives of the experts.

With the use of this careful method, the research process is guaranteed to be robust, transparent, and scientifically valid. This provides a comprehensive understanding of the incorporation of affiliate marketing in the retail banking industry in Bangladesh.

Chapter 4: Results

Thematic analysis

From the in-depth interviews conducted with industry experts, several critical themes have emerged, each highlighting different aspects of affiliate marketing's potential, challenges, and strategic necessities within the retail banking sector of Bangladesh.

Potential of Affiliate Marketing

1. Digital Engagement

Overview: Experts consistently note the expanding digital landscape in Bangladesh as a fertile ground for affiliate marketing. The increasing internet penetration and the rising prevalence of digital devices offer banks unprecedented access to younger demographics that prefer online interactions (Chaffey and Ellis-Chadwick, 2019).

Insight: The trend towards digitalization is seen as an opportunity to engage with tech-savvy customers who are inclined towards using digital banking services and are influenced by online marketing (Smith, 2020).

2. Cost-Effectiveness

Overview: A notable advantage of affiliate marketing highlighted by the experts is its cost-effectiveness. Banks are only required to pay for actual results in terms of customer acquisition or sales, making it a more efficient use of marketing budgets (Patruti-Baltes, 2016).

Insight: This performance-based payment model ensures that marketing funds are not squandered on ineffective campaigns, providing a measurable return on investment that traditional marketing channels often lack (Libai et al., 2010).

Challenges in Implementation

1. Trust and Consumer Protection

Overview: Trust issues between consumers and affiliates are significant. Experts emphasize the need for enhanced transparency and robust consumer protection practices to bridge this trust gap (Chaffey and Ellis-Chadwick, 2019).

Insight: Ensuring that affiliate marketers adhere to ethical marketing practices is crucial, as is the protection of consumer data to prevent misuse and maintain consumer confidence (Smith, 2020).

2. Technological Barriers

Overview: The lack of sufficient technological infrastructure is a major barrier. Reliable internet connectivity and sophisticated data analytics are necessary for the effective implementation of affiliate marketing strategies (Patruti-Baltes, 2016).

Insight: Banks need to invest in advanced technology platforms that support detailed tracking and analytics to optimize marketing efforts and ensure compliance with regulatory standards (McKinsey & Company, 2023).

Table 1: Themes from expert interviews

Main Theme	Sub-Themes
Affiliate Marketing	- Digital Engagement
	- Cost-Effectiveness
Challenges in Implementation	- Trust and Consumer Protection
	- Technological Barriers
Regulatory Concerns	- Compliance and Data Privacy
Strategic Recommendations	- Effective Partner Selection
	- Performance Tracking and ROI Measurement

Regulatory Concerns

Compliance and Data Privacy

Overview: Regulatory compliance and data privacy are paramount. Experts stress the importance of adhering to the Digital Security Act and other relevant regulations to safeguard consumer information and ensure lawful marketing practices (Deloitte Insights, 2024).

Insight: Regular audits and compliance training for affiliates are recommended to maintain high standards of data security and regulatory adherence (HubSpot, 2024).

Strategic Recommendations

Effective Partner Selection

Overview: Selecting the right affiliates is critical. Experts suggest that banks should choose partners not only based on their market reach but also their alignment with the bank's values and compliance standards (SaaS Scout, 2021).

Insight: Vetting potential affiliates for their reputation, technological prowess, and ethical marketing practices is essential to ensure that affiliate programs enhance, rather than endanger, the bank's reputation (Fintelconnect, 2021).

Performance Tracking and ROI Measurement

Overview: Measuring the effectiveness and ROI of affiliate marketing campaigns is crucial. Experts recommend the implementation of advanced tracking systems that can accurately trace referrals, conversions, and sales attributed to affiliate marketing (Sciencedirect, 2021).

Insight: Effective performance measurement allows banks to make data-driven decisions about continuing or adjusting marketing strategies, ensuring optimal resource allocation and marketing impact (Journal IJAR, 2019).

Comparative Analysis

In this section, the similarities and dissimilarities among the interview responses is discussed and examined carefully based on the themes identified from the responses.

Similarities

Most of the industry experts, when surveyed, believe that the digital space opens up a lot of opportunities for affiliate marketing, especially with the younger target groups who seem to be very involved with anything that happens in digital.

With regard to affiliate marketing, it is commonly agreed that the key focus should be cost effectiveness. Usually, affiliate marketing can be considered a lower-cost marketing practice compared to traditional methods, mainly because the benefits are based on success.

These experts unanimously emphasize the complexities that come with complying with stringent legal obligations, not to mention the consideration of data privacy and the provision of consumer protection.

Differences

Confidence in Affiliate Marketing: Industry experts have also expressed grave concerns over third-party affiliates' dependability and the kind of influence consumers would have on the confidence in the value proposition. On the other side, there are contrary views that stipulate the fact that these concerns are manageable through the application of partner selection criteria that is very strict and an orientation that is more transparent.

Regarding the adequacy of the current technological infrastructure, opinions harbor many variable outlooks. While some tend to believe that affiliate marketing can be started with the

current level of technology availability, there are also those who advocate for drastic changes and improvements in the abilities of internet connectivity and data analytics.

There are several techniques used to measure performance, and there is no consensus on the best approach for use in measuring the effectiveness of affiliate marketing efforts. These vary from very elaborate analytics to including affiliate effort as part of other marketing KPIs.

SWOT Analysis

Table 2: SWOT analysis of Affiliate marketing in Bangladesh

Strengths	Weaknesses
Digital Engagement Opportunities	Technological Infrastructure
- High digital growth potential in Bangladesh.	- Inadequate infrastructure may limit the effective implementation of affiliate marketing programs.
- Increasing use of internet banking among younger demographics.	
Cost Efficiency	Consumer Trust Issues
- Payment based on performance reduces marketing costs.	- Skepticism towards third-party affiliates could reduce effectiveness.
- Aligns marketing expenses with actual results.	
Opportunities	Threats
Market Expansion	Regulatory Penalties
- Affiliate marketing provides opportunities to reach new customer segments.	- Non-compliance with stringent financial Regulations could lead to penalties.
- Particularly effective in reaching tech savvy young customers	
Regulatory Evolution	Competitive Intensity
- Potential for more supportive policies as regulations evolve.	- As affiliate marketing becomes more prevalent, increased competition might reduce the impact of individual bank's campaigns.
- Opportunity to influence policies that support innovative marketing approaches.	
	- Risk of dilution in brand messaging.

Strength

Digital Engagement Opportunities

As far as affiliate marketing is concerned, the digital connection and involvement of Bangladesh have been burgeoning recently and have created a dependable base for the industry. With the rise in connectivity to the digital world among the mass population, financial institutions can

capitalize on the situation and connect to their potential audiences through digital media, which is easier to approach for them. This change broadens marketing activities and adds value to such efforts from the perspective of technology-savvy customers.

Cost efficiency

Affiliate marketing is an especially cost-effective method. Banks can ensure that all their marketing expenditure is linked to measurable results because affiliates are only remunerated for conversions or successful leads (Libai et al., 2010). This cost-effective decision is feasible for financial organizations with tight budgets, as this performance-based strategy cuts resource wastages and maximizes returns on investment.

Weakness

Technological Infrastructure

However, the increase in the use of digital technology may not be supported by the technological infrastructure available in Bangladesh for rolling out comprehensive affiliate marketing programs. McKinsey & Company (2023) cites insufficient internet connections, lack of advanced data analytics tools, and weak cybersecurity protections as reasons these programs have not been effective or scaled as elsewhere. Augmenting these technological infrastructures is necessary if the potential of affiliate marketing is to be fully realized.

Consumer Trust Issues

The most significant hindrance is the risk of uncertainty or mistrust regarding third-party agents. For the banking industry, which is especially sensitive to matters of trust, it is important

that the industry manages the responsibility of developing and nurturing consumer confidence effectively when dealing with associated businesses. Necessary steps include rigorous assessment of third-party affiliates, communicating in a manner that is both transparent and honest, and ensuring that the message articulated is coherent and consistent with the values that the bank stands for (Smith, 2020).

Opportunities

Market expansion

Affiliate marketing offers a chance to tap into younger demographics that remain unreached by traditional banking methods. Most are hard to reach directly. Affiliating with those whose interest lies within these demographic groups, including influential personalities and content creators, will drive the level of market reach and brand awareness among these critical client bases for financial institutions (SaaS Scout, 2021).

Regulatory Evaluation

The evolving regulatory landscape affords opportunities to ensure that laws foster innovative marketing strategies, while meaningful protection for consumers is built into the future. Proactive involvement of regulators in influencing and reacting to these developments would place financial institutions on a road to leadership in adopting marketing strategies that are both responsible and effective (Deloitte Insights, 2024).

Threats

Regulatory Penalties

Failure to meet strict rules in finances and data protection results in big fines and significant loss of reputation. The Journal of International Journal of Regulatory Affairs (2019) acknowledges that for banks to ensure compliance, they must invest and dedicate resources for providing compliance education to its affiliates and be proactive in monitoring and enforcing rules. As affiliate marketing becomes more common in the banking industry, competition will become tighter. Owing to growing competition, some efforts are likely to have little impact, and banks will need to continually come up with new ideas to remain unique and relevant and to continue succeeding in their affiliate activities (HubSpot, 2024).

Competitive Intensity

The implementation of affiliate marketing in the banking sector leads to heightened competition, potentially undermining the focused efforts of banks and posing a risk to their brand messaging. The unique value proposition of a bank may become obscured among numerous comparable marketing messages, leading to brand ambiguity.

Choosing Strategic Alliances: In order to maintain the integrity of their brand message, banks should exercise caution when choosing affiliates that align with their brand values and cater to the appropriate target audience.

The research fully realizes how internal capabilities and external factors determine the potential success of affiliate marketing in the retail banking sector in Bangladesh. This is done through key components of the SWOT analysis. Stakeholders who are privy to such information will also be in a better position to handle the whole process of development and optimal configuration of affiliate marketing programs. In doing so, they will maximize strengths and

opportunities while simultaneously mitigating their weaknesses and minimizing the risks associated.

Chapter 5: Discussion

In this section, the detail implication of the themes identified will be discussed in detail considering the SWOT analysis.

Digital Engagement

The rapidly expanding digital space in Bangladesh actually provides a huge opportunity for the banking sector to embrace affiliate marketing as a strategic tool in the near future. With the rapid increase in internet usage and a rise in the number of people already using digital devices, banks now find themselves with a great opportunity to target a group that is highly internet-savvy and tech-literate but was left untapped in the past. This does not just mean an increased size of the audience but also engagement in ways that are native to the digital natives.

Over the past 10 years, the number of internet users in Bangladesh has increased significantly, with an unprecedented growth in mobile internet access mostly due to the cost and availability of affordable smartphones. Digital devices are now quite common, which has ultimately changed consumer behavior to a large extent since many people now not only browse the internet using smartphones and laptops but are also dependent upon them to avail themselves of basic services, such as banking. This means that banks can now easily reach out to customers through digital platforms, to young customers who are always seen glued to the internet.

The younger demographics in Bangladesh are technologically savvy and even much more receptive to digital innovations, which makes them the ideal prospects for digital banking services. The best way to tap into the technology competence and user-friendliness of this group would be to create focused affiliate marketing methods and utilize digital forums like social media, blogs, and other online avenues.

Perception: The onset of digitalization has been forcing the banks in Bangladesh to alter the ways they used to do consumer engagement and marketing. In this regard, the very aspect of affiliate marketing is a decent way of capitalizing on the enhanced digital habits of the

consumers, particularly the youths who are in search of newer and more innovative options of banking.

And it is critical for banks to engage with their technology-savvy customers, who will be more likely to adopt digital banking services and additionally influence others through their online behavior. Affiliate marketing allows a bank to reach out to this section of society for the purpose of product promotion but also, more importantly, for improving brand loyalty and trust. Popular bloggers, influential social media personalities, or trusted financial advisors can carry the benefit of using a bank's digital services to targeted customers through affiliates.

The effectiveness of online marketing: The use of affiliates in online marketing offers a very scalable and measurable form of word-of-mouth promotion. Analytics tools can be used by financial institutions to measure the effectiveness of their affiliate programs and obtain information on the best ways to acquire and retain young customers. Online marketing campaigns can also be customized and changed very quickly to give banks the flexibility needed to respond to the rapidly changing preferences of their customers and market conditions. Banks can, therefore, use online marketing to increase customer lifetime value, acquire new customers, and retain old ones.

Strategic Implications: In order to leverage this potential, the banks have to develop enormous digital marketing strategies that incorporate affiliate marketing for all the client engagements. This includes:

Opting for the Appropriate Affiliates: Picking affiliates with a robust internet presence and a reputation for trustworthiness within the desired audience.

Optimize Digital Touchpoints: Ensuring that all digital interactions, from a social post to an online application for a financial product, are optimized to make sure the user experience is friendly, secure, and efficient.

Harnessing Data Analytics: Leveraging the data collected from affiliate marketing campaigns to gain insights into customer preferences and behaviors, ultimately improving marketing strategies and product offers.

It is a positive scenario of growing digital literacy and device penetration in the banking sector of Bangladesh, enabling successful affiliate marketing techniques to be implemented. At present, the banks can relate those strategies to the increasing, technology-focused client base for an increased market penetration and customer satisfaction.

Cost-Effectiveness

Affiliate marketing is highly cost-effective and critically important for the banking industry. Its distinctive feature is the purely performance-based compensation model, where banks pay affiliates only based on the outcomes achieved, such as new customer acquisitions or sales. This approach differs significantly from traditional marketing tactics, which may involve charges for advertising without guaranteeing success.

Understanding the Principles of Pay-for-Performance Payment Models: Affiliate marketing inherently links payment structures to tangible results, typically through sales commissions or lead generation. This setup incentivizes affiliates to enhance their performance, naturally driving efficiency and effectiveness. Patrutiu-Baltes (2016) notes that this allows banks to distribute budgets more predictably, focusing expenditures on more effective strategies and thereby minimizing wasteful spending.

Cost Efficiencies and Optimization of Marketing Expenditures: The performance-based approach ensures that every dollar spent directly contributes to tangible and measurable business outcomes. Unlike traditional marketing costs, which might be allocated under general advertising without clear impact, affiliate marketing expenses are directly associated with measurable results. This direct tracking facilitates financial companies to calculate return on investment accurately, justifying marketing costs and refining their marketing strategies over time (Libai et al., 2010).

This flexible budgeting allows financial institutions to adjust their affiliate marketing budgets in real time, based on performance and campaign outcomes. This flexibility facilitates dynamic resource allocation, enhancing effective strategies and eliminating inefficient ones. The performance-based payment model significantly reduces overall financial risk, as banks only compensate for successful transactions.

Scalability of Affiliate Marketing: One of the standout characteristics of affiliate marketing is its scalability, which allows financial institutions to expand or reduce their affiliate networks

with minimal initial costs. This scalability is particularly suited for financial institutions that need to adapt their marketing activities in response to market developments or changes in strategic direction.

These cost savings not only accrue immediately but also align with the management of long-term strategic finances. Employing this model helps optimize overall marketing efficiency, thereby reducing costs associated with customer acquisition and potentially increasing the lifetime value of customers. Given the alignment of cost management and marketing performance, affiliate marketing has become a vital component of modern digital marketing strategies in the banking sector.

A compelling case exists for implementing affiliate marketing in the banking industry due to its cost-effectiveness and the substantial financial and strategic benefits it provides over traditional marketing approaches. By leveraging this model, financial organizations can enhance their marketing effectiveness, reduce financial risks, and establish a stronger correlation between marketing expenditures and actual business outcomes.

Trust and Customer protection

In the banking sector, trust and customer protection are paramount, especially within the context of affiliate marketing, where third-party involvement in promoting banking products often occurs. This relationship introduces potential conflicts between the actions of affiliates and the ethical expectations consumers have for their financial institutions.

How Trust Is Vital for Success

The sensitive nature of financial services and the impact of financial advice and products on customers' lives make trust an indispensable element in banking. When financial institutions engage affiliate marketers, they effectively extend their brand representation to these third parties. If affiliates fail to maintain the transparency and ethical standards expected by customers, it could jeopardize the bank's brand integrity (Chaffey and Ellis-Chadwick, 2019).

Challenges to Overcome in Keeping Customers' Trust

Affiliates, driven by commission-based incentives, may prioritize short-term gains over the sustained relationship between the bank and its customers. Such an approach can lead to overly aggressive marketing or the dissemination of erroneous information, potentially eroding trust and harming the bank's reputation.

Strategies for Enhancing Transparency and Consumer Protection

Clear Communication and Disclosures: Banks must ensure that all affiliate marketing materials clearly and prominently disclose the nature of the affiliate relationship. Informing consumers that affiliates are compensated for their marketing efforts helps set expectations and maintains transparency (Smith, 2020).

Stringent Training and Background Checks on Affiliates: To maintain high integrity standards, banks should implement rigorous selection and training processes for their affiliates. This includes thorough background checks, ongoing education on the bank's products and ethical standards, and regular evaluations to ensure compliance.

Robust Information Security Measures: Protecting customer information is critical in affiliate marketing. Financial institutions must enforce strict data security guidelines for affiliates to prevent data breaches and misuse of customer information, such as encrypting data transmission routes and ensuring compliance with privacy regulations.

Systems for Monitoring Performance: Banks should continuously monitor and review the performance and practices of their affiliates. Establishing proper processes for this oversight ensures that marketing operations are conducted ethically and comply with bank standards.

Feedback Mechanisms: Establishing transparent channels for customer feedback on interactions with affiliates allows banks to closely monitor affiliate performance and address any issues promptly. This feedback is invaluable for adjusting strategies or terminating relationships with affiliates who do not meet required standards.

Implications on Customer Confidence and Maintenance of Long-Term Relationships: Enhancing consumer trust through increased transparency and robust protection measures not only meets regulatory requirements but also strengthens customer relationships. Demonstrating a commitment to ethical practices and consumer protection can enhance customer loyalty and provide a sense of security, aiding in customer acquisition and retention.

Maintaining and enhancing consumer trust and protection is not merely a regulatory necessity but a business imperative for financial institutions engaged in affiliate marketing. Successfully managing these aspects directly impacts a bank's ability to retain customers and maintain a strong reputation in a competitive market. Robust management of affiliate marketing practices ensures that financial institutions can continue to benefit from affiliate marketing without compromising customer confidence and safety.

Technological Barrier

The technological infrastructure significantly determines the feasibility of implementing affiliate marketing within the banking sector. It encompasses everything from basic digital tools required to launch marketing campaigns to complex systems designed for extensive tracking and analysis of marketing initiatives. A lack of robust infrastructure can severely restrict a bank's ability to effectively and compliantly utilize affiliate marketing strategies.

Essential Internet Connectivity: Reliable internet connectivity is fundamental for the success of any online affiliate marketing program. In regions with erratic internet access, the potential reach and effectiveness of online affiliate marketing are substantially limited, posing challenges to potential marketers. According to Patrutiu-Baltes (2016), such unreliability can also lead to poor user experiences, preventing potential customers from accessing financial services or completing transactions initiated through affiliate links.

Growing Importance of Advanced Data Analytics: Advanced data analytics tools and seamless connectivity are crucial for optimizing the efficacy of affiliate marketing strategies. Banks require these systems to:

Analyze campaign performance: Sophisticated tracking tools are necessary to determine which affiliate strategies are most effective and to make real-time adjustments to enhance their impact.

Identify customer behaviors and actions: Analytics can provide valuable insights into customer behaviors, preferences, and patterns, enabling financial institutions to tailor their marketing efforts to better meet customer needs.

Ensure accuracy and compliance: In the highly regulated banking industry, it's imperative that marketing strategies adhere to regulatory standards. McKinsey & Company (2023) suggests that advanced analytics can help monitor and ensure compliance by providing detailed insights into how data is collected, used, and secured.

Investment in Cutting-Edge Technology Platforms: To address these technological challenges, financial institutions must invest in state-of-the-art systems that meet the demands of modern affiliate marketing. Investments might include:

Advanced Data Management Systems: These systems handle and secure large volumes of data, ensuring proper processing of information collected from affiliate marketing endeavors.

Robust Affiliate Management Platforms: These platforms efficiently manage multiple affiliate partnerships, track their performance, and ensure adherence to regulatory guidelines.

Predictive Analytics Systems: Financial firms can use these systems to forecast market changes and adjust their strategies accordingly, utilizing historical data to predict future trends.

Strategic Implications for Banks: Overcoming technological limitations is not only operationally essential but also strategically beneficial. Financial institutions that successfully implement and integrate advanced technology infrastructures are more likely to fully exploit the potential of affiliate marketing. This technological edge can significantly differentiate a financial institution, enabling it to attract and retain a larger customer base in a highly competitive industry.

Technological advancement is critical for the successful implementation of affiliate marketing strategies in the banking sector. By investing in reliable internet services and advanced analytics systems, financial institutions can enhance the efficiency of their marketing efforts and ensure compliance with regulatory standards. Moreover, a committed approach to digital transformation is necessary to effectively overcome these challenges and achieve higher commercial success.

Compliance and data privacy

In the banking sector, regulatory compliance and data privacy are pivotal for the successful implementation of affiliate marketing programs. These elements are increasingly vital due to the complexity of digital marketing and the sensitive nature of financial services, requiring adherence to laws such as the Digital Security Act. Deloitte Insights (2024) highlights that these regulations are designed to protect consumer information and ensure marketing practices align with legal standards.

The Importance of Regulatory Compliance: Compliance is crucial not only for legal conformity but also for maintaining consumer trust and the reputation of financial institutions. Given the highly scrutinized nature of the finance industry, non-compliance can lead to severe penalties, including substantial fines and legal actions. Moreover, failing to comply can damage customer relationships and diminish trust, essential elements in financial transactions.

Data Privacy Concerns: Data privacy is a key driver of success in affiliate marketing within the banking sector. Financial institutions must ensure that all parties, including affiliates, strictly adhere to data protection standards. This compliance is critical not only to avoid penalties but also to protect customers from unauthorized use of their information, identity theft, and fraudulent activities. Ensuring that affiliates have robust data security mechanisms is vital for maintaining the integrity of consumer information.

Enforcing Compliance and Protecting Data: Periodic audits are a practical approach to ensure ongoing compliance with regulations. These audits help identify potential non-compliance or vulnerabilities in data processing and marketing practices, allowing banks to address issues proactively. Continuous monitoring of affiliates and their data protection practices is essential for maintaining security standards (HubSpot, 2024).

Comprehensive Compliance Training for Affiliates: It is important to provide comprehensive training to affiliates that covers all aspects of the regulatory framework governing marketing and data privacy in the banking industry. Well-informed affiliates

understand their responsibilities and the legal implications of their marketing activities, ensuring that their actions align with the bank's compliance standards (Deloitte Insights, 2024).

Implementing High-Security Technologies: Employing advanced security technologies is crucial for safeguarding data communications between affiliates, the bank, and customers. Techniques such as data encryption, secure servers, and robust IT infrastructures protect against cyber threats and ensure the resilience of affiliate marketing platforms.

Strategic and Tactical Benefits of Compliance and Data Security: Strict adherence to regulatory guidelines and comprehensive data protection measures not only reduces the risk of legal repercussions but also enhances the bank's reputation as a trustworthy institution. In an era marked by frequent data breaches and regulatory violations, a bank that demonstrates a strong commitment to compliance and privacy can differentiate itself in a competitive market, fostering stronger relationships with clients.

For an affiliate marketing plan to be effective in the banking sector, integrating regulatory compliance and data privacy is imperative. By adhering to legal standards and safeguarding client data, financial institutions can mitigate regulatory risks, enhance their market reputation, and build customer trust.

Effective Partner Selection

Selecting the right affiliates is a crucial aspect of executing a successful affiliate marketing plan in the banking sector. It involves more than just considering their market size; it requires a detailed assessment of their alignment with the bank's core values, regulatory obligations, and strategic objectives. As noted by SaaS Scout (2021), careful screening ensures that the affiliate's activities will positively impact the bank's marketing goals and further enhance its already positive reputation.

Strategic Alignment Is Essential: Affiliate marketers act as extensions of the brand they represent. Therefore, it is crucial to partner with affiliates whose values and principles mirror those of the bank, which are typically founded on trust and security. Any deviation from the bank's ethical standards or compliance regulations by affiliates can severely damage the bank's reputation and quickly erode customer trust. Ensuring that the brand's ideals are in harmony with its operational practices is vital.

Criteria for Selecting Affiliates Based on Market Reach and Relevance: While the market reach of an affiliate is important, the relevance of their audience to the bank's target market is paramount. Affiliates should have a strong presence in market segments that overlap with the bank's client profiles, ensuring that marketing efforts are targeted and effective.

On Reputation and Dependability: Potential affiliates should undergo a thorough research and evaluation process. This includes reviewing their past marketing campaigns, feedback from other partnerships, and any publicly available data that can provide insights into their reliability and ethical behavior. To protect the brand from potential damage, it is advisable to steer clear of affiliates known for engaging in questionable activities or those with a history of conflicts (Fintelconnect, 2021).

Technological Capabilities: In today's digital age, the technological prowess of affiliates is crucial. Chaffey and Ellis-Chadwick (2019) suggest that individuals in digital marketing should

possess not only fundamental technical skills but also advanced capabilities in data management, security, and real-time data-driven strategy optimization.

Marketing Practices Aligning with Ethical Standards: Affiliates must have a thorough understanding of marketing regulations and strictly adhere to them, especially those pertaining to the banking and financial sectors. This includes compliance with personal data protection laws, transparency in advertising practices, and avoiding actions that breach ethical standards. To ensure ongoing compliance, incorporating regular compliance training and audits into the relationship management process is recommended (Smith, 2020).

Benefits of a Successful Affiliate Selection Strategy: By carefully choosing the right affiliates, banks can ensure that their marketing messages consistently reach the intended audience in a manner that builds trust and strengthens the bank's brand. This strategic selection process significantly reduces the risks associated with affiliate marketing, such as potential loss of brand value and failure to meet regulatory requirements.

In summary, meticulous selection of affiliates is vital for the success of affiliate marketing programs in the banking industry, ensuring that marketing campaigns achieve their objectives and safeguard the bank's integrity and reputation.

Performance Tracking and ROI Measurement

In the highly competitive banking industry, it is crucial to accurately measure the efficacy of affiliate marketing initiatives and analyze their return on investment (ROI). The dynamic nature of affiliate marketing necessitates the development of complex tracking systems to monitor every aspect of an affiliate's influence, from the initial referral to conversions and final sales. This ensures that every dollar spent contributes effectively to the bank's marketing objectives (Sciedirect, 2021).

The Importance of Advanced Tracking Systems

Advanced tracking technologies provide a transparent, real-time overview of the performance of affiliate marketing. These tools help identify which affiliates attract the most valuable customers, which marketing messages resonate best with the target audience, and which channels are most effective at driving conversions. This level of detail allows financial institutions to continually refine their marketing strategies and budget allocations, maximizing their effectiveness (Journal IJAR, 2019).

Components of Effective Referral Tracking

Traffic Source Identification: Tracking begins by identifying the source of traffic directed to the bank's websites. Sophisticated tracking software pinpoints which affiliates generate traffic and through which campaigns, offering insights into the effectiveness of promotional efforts.

Conversion Metrics: Following referral tracking, the next step involves measuring conversion rates, i.e., the percentage of referred prospects who complete a desired action, such as making a purchase, filling out an application form, or signing up for a newsletter. Conversion metrics are key indicators of how effectively an affiliate engages their audience.

Sales Attribution: Properly attributing revenue to specific affiliates is crucial for a comprehensive ROI analysis. This ensures that affiliates are appropriately compensated for the customers they bring in, influencing both compensation and future marketing decisions (Sciencedirect, 2021).

Cost Assessment: Banks must evaluate the cost-effectiveness of affiliate marketing efforts by comparing costs to the revenue generated. This includes expenses per lead, costs per conversion, and total campaign costs relative to returns. Understanding these financial metrics helps banks assess the financial viability of their affiliate arrangements.

Strategic Benefits of Data-Driven Decisions

Performance Monitoring: By leveraging data from tracking systems, financial institutions can enhance their marketing strategies and optimize budget use, leading to improved resource allocation and increased marketing effectiveness.

Adaptability: Effective performance measurement systems allow banks to quickly adapt to market changes. If specific affiliates or campaigns underperform, banks can immediately shift their focus to more successful areas.

Regulatory Compliance and Transparency: Advanced tracking also supports regulatory compliance by ensuring that affiliate marketing operations are transparent and verifiable, maintaining trust with regulators and customers alike.

Overall, the success of affiliate marketing strategies in the banking sector hinges on robust performance tracking and ROI measurement. By implementing sophisticated tracking systems, financial institutions can maximize the impact of their marketing activities, ensuring each campaign is not only effective but also cost-efficient and compliant with industry standards.

Chapter 6: Conclusion and Recommendations

Summary of Findings

The research on affiliate marketing in Bangladesh's retail banking sector uncovers key characteristics that present both opportunities and challenges. Here's a summary of analysis:

Opportunities and Potential

Effective Use of Resources: Affiliate marketing's performance-based compensation model ensures that banks only pay for successful outcomes like customer acquisitions or completed sales. This aligns marketing expenditures closely with actual results, minimizing financial wastage on ineffective promotions. This model is particularly beneficial for banks in budget-conscious environments like Bangladesh, allowing them to redirect savings towards product development or service enhancements.

Market Expansion: Affiliate marketing enables banks to tap into the networks and audiences of affiliates, reaching new consumer segments, including niche markets previously inaccessible through traditional marketing. This expansion not only fosters growth but also diversifies the customer base, enhancing the banks' market position in a competitive landscape.

Challenges and Strategic Responsibilities

Technological Limitations: Effective affiliate marketing requires robust technological support, including advanced data analytics and secure transaction platforms. However, in Bangladesh, inconsistent internet connectivity and inadequate technological infrastructure can hinder these efforts. Strategic investments in technology development, possibly through partnerships with tech firms or prioritized IT infrastructure upgrades, are crucial for overcoming these barriers.

Regulatory Challenges: The banking sector faces stringent regulations regarding data security, consumer privacy, and marketing practices. To avoid penalties and maintain customer trust, it's essential that affiliate marketing activities comply with these regulations. Implementing comprehensive compliance programs for affiliates, including regular training and audits, can help ensure adherence to legal standards.

Enhancing Digital Engagement and Partner Selection

With the increasing trend of digital channel usage among Bangladeshi customers, banks need to focus more on online interactions. Affiliate marketing strategies that leverage digital platforms like blogs, social media, and emails are well-positioned to capitalize on this shift. Developing appealing digital content and partnering with relevant digital influencers can significantly boost the bank's reach and effectiveness.

Choosing the Right Partners: The selection of affiliates is critical as they directly represent the bank's brand. Partnerships with entities that have questionable reputations or do not align with the bank's values can damage its image. A stringent selection process that evaluates the potential affiliate's influence, audience relevance, credibility, and ethical alignment is necessary.

Performance Tracking: To maximize the effectiveness of affiliate marketing campaigns, banks must implement sophisticated tracking systems. These systems should monitor key performance indicators such as click-through rates, conversion rates, and overall ROI, allowing for ongoing optimization of marketing strategies and strengthening affiliate relationships.

The findings from the study highlight the significant potential of affiliate marketing to enhance cost efficiency and market reach in Bangladesh's retail banking sector, despite existing technological and regulatory challenges. By strategically investing in technology, adhering to regulations, and focusing on digital engagement and effective partnership management,

financial institutions can fully leverage the benefits of affiliate marketing while safeguarding their reputation and customer trust.

Recommendations

Leveraging Advanced Technology Infrastructure

To successfully execute affiliate marketing strategies, it is essential to have robust technological support. This includes user-friendly platforms, advanced analytics for tracking and evaluating affiliate performance, and secure transaction platforms. Financial institutions should invest in integrating affiliate systems with their existing digital infrastructure, such as CRM systems that can manage affiliate data and tools for monitoring performance.

Improving Compliance and Training Programs

Given the complex regulatory landscape in the banking and financial industry, strict compliance with rules, especially when dealing with third-party affiliates, is crucial. Developing comprehensive training programs that cover key regulatory issues, ethical marketing practices, and data protection is essential. These programs should be tailored for both internal staff and affiliates, ensuring that they are regularly updated to reflect changes in laws and regulations.

Forming Strategic Alliances with Affiliate Organizations

The effectiveness of affiliate marketing heavily depends on the quality and reliability of the affiliates. Therefore, it's important to partner with reputable entities that align with the bank's values. Clear criteria should be set for selecting affiliates, assessing their market reach, audience alignment, credibility, and past marketing performances. Regular reviews and feedback are necessary to maintain high standards.

Future Research Directions

While the focus here is on Bangladesh, the implementation and success of affiliate marketing can vary significantly across different markets or sectors. Future research could broaden its geographical scope or delve into other areas of finance such as investment banking, insurance, or fintech. Quantitative studies using statistical tools to measure the impact of affiliate marketing on sales, client retention, and ROI are also recommended. Longitudinal studies could provide insights into the long-term effects and sustainability of affiliate marketing strategies.

Maximizing the effectiveness of affiliate marketing requires improving technological capabilities, complying with legal standards, and forming strategic collaborations. Further research will help better understand the impact of affiliate marketing across various contexts over time, providing a comprehensive guide for both academic and practical exploration in this field.

Limitations of the Study

The study on affiliate marketing in Bangladesh's retail banking sector provides valuable localized insights but has limited applicability to other financial sectors or geographical regions due to its focused scope. This limitation arises because the socioeconomic and regulatory environment in Bangladesh significantly differs from those in other countries, affecting market dynamics, consumer behavior, and regulatory frameworks.

Significance of the Study's Constraints

The constraints are significant because they limit the utility of the findings for policymakers and industry leaders in other regions or sectors without adaptations or additional context-specific research. This also means that broader trends in affiliate marketing across the global financial sector might not be accurately captured by this study.

Qualitative Focus and Its Implications

The study's reliance on qualitative methods, such as interviews and discussions, introduces a level of subjectivity and limits the generalizability of the findings. While qualitative research provides depth and contextual understanding, it may not capture broader trends or produce quantifiable outcomes effectively.

Technological Evaluation

The technological assessment provided is based on the state of technology at the time of the research. Given the rapid pace of technological advancements, particularly in digital marketing and financial technologies, these evaluations may quickly become outdated. Stakeholders might need to continually update their technological tools and strategies to stay relevant, which could incur additional costs and effort.

Recommendations for Future Research

Expanding Research Scope: Future studies could broaden their geographical scope or delve into other areas within the financial sector, such as investment banking, insurance, or fintech, to provide more widely applicable insights.

Incorporating Quantitative Methods: Integrating quantitative research methodologies with qualitative insights could create a more comprehensive study that validates qualitative findings with empirical data.

Continuous Technological Review: Regularly updating and reviewing technological assessments is crucial in a rapidly changing environment. This approach would help maintain the relevance of the recommendations and adapt to emerging technologies.

The limitations of the current study underscore the need for a more holistic approach to research and strategy formulation. While the study offers significant insights into affiliate marketing within Bangladesh's retail banking sector, addressing these limitations in future research could enhance the robustness and practicality of the findings, enabling stakeholders to make informed, timely, and relevant decisions.

Conclusions

This research enhances understanding of affiliate marketing in emerging markets like Bangladesh, where the retail banking sector faces unique challenges and opportunities different from established markets. Here's a detailed look into the key aspects and strategic implications based on the study:

Economic Forces and Market Dynamics

In emerging economies such as Bangladesh, the mix of increasing digital usage and a significant unbanked or underbanked population creates a dynamic market environment. Affiliate marketing can bridge the gap between different consumer segments by leveraging credible local influencers and digital channels to extend the reach of banking products to a broader audience.

Key Areas of Affiliate Marketing That Boost Customer Acquisition

Performance-Based Marketing: Banks can optimize marketing budgets by only paying for successful acquisitions, which leads to cost-effective consumer engagement. This model is especially beneficial in areas where traditional advertising is either too expensive or ineffective.

Expanding Market Reach: By partnering with reputable affiliates who have extensive customer bases, banks can access demographics that typically have limited access to traditional banking services. This strategy is most effective in regions with high internet penetration but low banking involvement.

Marketing Efficiency and Targeted Campaigns

Affiliate marketing enables financial institutions to conduct highly targeted campaigns that are more likely to resonate with specific demographic groups, such as tech-savvy younger populations who predominantly consume online content.

Resilience and Analytical Capabilities

The use of advanced analytics in affiliate marketing allows banks to monitor the effectiveness of their campaigns in real-time, making it possible to quickly adjust strategies based on performance data. This adaptability is crucial in rapidly changing markets where consumer preferences and behaviors can shift unexpectedly.

Understanding Strategic and Operational Barriers

Regulatory Challenges: The regulatory environment in developing countries is often strict and rapidly evolving, posing significant compliance challenges for affiliate marketing. Ensuring that all activities adhere to legal standards is essential to avoid penalties.

Technological Barriers: Despite rapid digital advancements, disparities in technological infrastructure can impede the effective implementation of affiliate marketing strategies. Success in such initiatives often depends on reliable internet access, robust data security, and advanced analytical capabilities.

Strategic Consequences and Building Robust Affiliate Networks

Financial institutions should focus on building strong networks of affiliates that can operate effectively within the regulatory and technological frameworks of the market. This involves rigorous screening, continuous training, and effective partnership management to align affiliates with the bank's goals and regulatory requirements.

Novel Approaches to Overcoming Challenges

The study suggests employing innovative strategies to address these challenges, such as investing in mobile technology to reach customers in remote areas, using localized content to enhance engagement, and forming partnerships with fintech companies to leverage their technological expertise.

The research provides a comprehensive roadmap for financial institutions to effectively and economically expand their customer base using affiliate marketing in emerging markets like Bangladesh. It equips stakeholders with the necessary knowledge to tailor marketing strategies to the unique conditions of developing countries, considering both the opportunities and limitations present.

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Appendix

Appendix A. Interview Questions

Interview Questions

Topic: Challenges of Implementing Affiliate Marketing in the Retail Banking Sector of Bangladesh

Target Participants:

- Academic researchers/industry experts

General Questions:

- a) What are your overall thoughts on the potential of affiliate marketing for the retail banking sector in Bangladesh?
- b) What are some of the key challenges that you foresee in implementing affiliate marketing strategies in this sector?

Specific Questions:

1. Regulatory and Compliance Challenges:

- a) How can retail banks in Bangladesh ensure that their affiliate marketing programs comply with all relevant regulations and laws?
- b) What specific challenges do you see in terms of data privacy and consumer protection in the context of affiliate marketing for financial services?

2. Partner Selection and Management Challenges:

- a) What criteria should retail banks use when selecting affiliate partners for their marketing programs?
- b) What are some of the potential risks associated with working with third-party affiliates?

3. Performance Measurement and Tracking Challenges:

- a) How can retail banks accurately measure the effectiveness of their affiliate marketing campaigns?
- b) What challenges do you see in attributing sales and conversions to affiliate marketing efforts?

4. Consumer Trust and Perception Challenges:

- a) How can retail banks build trust with consumers when using affiliate marketing?
- b) What role can transparency and disclosure play in addressing consumer concerns about affiliate marketing?

5. Technological and Infrastructure Challenges:

- a) What technological infrastructure is needed to support effective affiliate marketing programs in the retail banking sector?
- b) What data management and analytics capabilities are required to optimize affiliate marketing performance?

6. Additional Questions:

- a) What lessons can retail banks in Bangladesh learn from previous success stories?
- b) What are your predictions for the future of affiliate marketing in the Bangladeshi retail banking landscape?

Appendix B. Informed Consent sheet/Debriefing Form

Informed Consent sheet/Debriefing Form

Research project title: Challenges of Implementing Affiliate Marketing in the Retail

Banking Sector of Bangladesh

Student Researcher: Md. Golam Murtoza Fahim (20005266@mydbs.ie)

Research Supervisor: Dr. Heikki A O Laiho (heikki.laiho@dbs.ie)

About the Project

I am a masters student at Dublin Business School and I am carrying out my thesis project under the direct supervision of Dr. Heikki A O Laiho on the subject of Challenges of Implementing Affiliate Marketing in the Retail Banking Sector of Bangladesh.

The aim of the study is to identify and examine the main obstacles that Bangladeshi retail banking sector faces when attempting to launch affiliate marketing strategies such as regulatory constraints, customer trust issues, competition, and technological limitations. By understanding these challenges, the research will seek for insights and recommendations that will help the Bangladeshi retail banking industry successfully incorporate affiliate marketing tactics, thereby boosting the sector's growth and competitiveness.

I would like to invite you to take part in an Interview.

As a participant in the study, you would be required to answer questions about Affiliate Marketing in the Retail Banking Sector of Bangladesh.

Data Protection

Interviews will be recorded for the sole purpose of facilitating later transcription of the data. Precise transcripts are important in research to ensure that data is recorded accurately, to allow the interviewer to be more present in the conversation and, importantly, to support greater accountability and scientific integrity. During the transcription phase your data will

undergo de-identification involving the removal of all personally identifying information thereby rendering them anonymous for retention. The original recordings will be digitized and kept under password protection. Upon graduation all recordings will be permanently deleted. Your data will be used strictly for academic purposes and will not be shared with used or shared with anyone for commercial purposes. The researcher will adhere to strict ethical guidelines and principles and will not anecdotally share any personally identifying information about you with anyone.

What are the risks and benefits of taking part in this study?

In addition to providing much appreciated assistance to the student researcher, the main benefit of taking part in this study will be your contribution to academic research, which aims to expand knowledge and generate new insights. There will be no risks posed to you as a participant in this study, either physical or psychological, beyond that which is normally expected of day-to-day activities.

If you are interested in taking part...

If you are interested in taking part, please review the information provided in the consent form and if you are happy to proceed with the study then please indicate your willingness to take part by ticking the appropriate box / signing your name where appropriate.

You are under no obligation to take part in this study or to provide a reason if you decide not to take part. You may choose not to take part without fear of penalty. If you agree to take part you have the right to cease participation and withdraw your data at any time for any reason without fear of penalty. The data will not be used by any member of the project team for commercial purposes.

Appendix C. Consent form

Consent Form

I _____ voluntarily agree to take part in this research study.

I understand that I am not obliged to take part in this study and that my participation in the study is entirely voluntary.

I understand that I am free to withdraw from the study at any time or refuse to answer any question without the need to provide reason and without fear of negative consequences.

I understand that digital recordings will be stored under password protection for some time until the approval of their dissertation by the examination board, at which point recordings will be permanently deleted.

I understand that my data will undergo de-identification during transcription and will be rendered anonymous for retention and for the purpose of subsequent publications.

I understand that I can withdraw permission to use data from my interview within two weeks after the interview, in which case the material will be deleted.

I understand that I will not benefit directly from participating in this research.

I understand that I am free to contact any of the people involved in the research to seek further clarification and information.

I understand that signed consent forms will be retained for some time until the exam board confirms the results of their dissertation.

I confirm that I have had the purpose and nature of the study explained to me in writing and I have had the opportunity to ask questions about the study with satisfactory answers provided.

I confirm that I have read and fully understood the information provided and statements above.

Name & Signature of research participant

Date

Name & Signature of researcher

Date

Md. Golam Murtoza Fahim