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**Business Plan for “ComforBank”: Online banking system
and its application in Azerbaijan**

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1. ABSTRACT

In this Business Plan, the new online banking application which is called “ComforBank” will be introduced. The main point of building this application is to facilitate bank orders by customers and accepting orders by banks. Several problems by customers and banks, their interest toward that kind application are identified and analyzed through surveys. In this paper, detailed information about how this application will be used, what will be the advantages will be introduced. In addition, we will show how many workers and which departments we are going to have are shown clearly. Obviously, we will need to have marketing plan in order to demonstrate this new application to people and banks in terms of attracting people’s and banks’ attention and observing improvement on this application. Furthermore, from the financial side, we will introduce the costs and revenue, and funding request for building this online banking application. We will use Profit & Loss statement, Cash Flow Statement for 5 years and at the end, through Breakeven analysis, we are going to show the change over the years.

2. INTRODUCTION

Banking system has become the important thing in all people's life. This is because, according to Global Data (2021), in the modern life, in Azerbaijan, the government introduces financial literacy programmes which is helpful to increase the awareness of non-cash payments, and also provides strategies which are for financial services and cash withdrawal fees. Additionally, through government intervention, new regulations which are for usage of bank cards can encourage people to use it. So, this, in turn, causes limitation of cash transaction. Therefore, most of the people prefer to pay via bank cards instead of taking cash with themselves. According to data of Global Economy which is based on 2021, the number of using payment cards increased to 75% in Azerbaijan. In addition to this information, the data has been collected through survey from individuals and 52 people respond to that survey; based on that

survey, 69.2 % of people prefer to make payments with cards (*Appendix 1; p.36*). In addition to paying with cards, the ones which gives cashbacks makes an incentive on people to use these cards mostly. Credit cards are also helpful for people and most people prefer to have it in order to be able to pay the higher price once and pay back the credit month by month. According to survey from individuals, 63.5 % out of response of 52 people prefer to use credit cards (*Appendix 1; p.36*). Additionally, banks also play the safety role for people in order to save their money on bank, or have deposit account on bank in terms of getting additional interest on their deposit. Although the most widespread issues are mentioned above, there exists other issues that banks provide the services to customers. However, despite the fact that, banks play the main role on people's life, there are some dissatisfactions for customers. For example, when the person needs to have cards, he/she must approach to the bank and get ones and when that person is here, obviously, there are lots of people and have long queues so that he/she must wait for his/her turn. Therefore, this takes many times and it is hard to wait and sometimes, impossible for people, especially, who are working. Moreover, even though credit cards are useful enough, it has some negative aspects that not all people can take advantages of having credit cards. In other words, the people who are not working, obviously, cannot get credit cards and the workers who started to their career should wait for 6 months in order to be able to get the credits. To confirm waiting for 6 months of career life in order to get credit can cause to have difficulties, the question related to this issue has been asked through survey and according to result, 80.8 % of people have complaint about waiting for 6 months for getting credit (*Appendix 1; p.36*).

The problem or dissatisfactions not only happen from customers' side, but these issues also happen from workers' side at bank. This means that when there are lots of customers at bank, this can be hard and exhausted for workers to be busy with all customers during a day because every person is different from each other so that workers may spend too much time on only one person. In addition to that, there exists people who every time and, in every situation,

can make any problem and behave rudely towards the workers. So, working at these conditions, actually, is stressful for workers.

Taking all the aspects into account, ComforBank online banking system can be the solution to solve all these issues for both customers and workers at bank sectors. This online banking system illustrates that people can order debit and credit cards, get credits or other things online and customers will have the chance to choose any bank they want. Therefore, they will not be worry about wasting time at banks. In addition, there may be the case that customers can have the questions related to this online banking system and how to use it. For that, in this application the function will be added which is named as «Support» and from that people can get contact with this app's worker in order to help them. In the «support», people can also choose from which social network they can get contact. For example, there will be categories, such as, WhatsApp, Messenger, Telegram, and call by phone number. Moreover, from the workers' side, their work regime can become smoother and more comfortable than before.



3. COMPANY DESCRIPTION

3.1 MISSION

This online banking system which is named as ComforBank online banking is, firstly, customer-oriented banking system and takes into account the needs of customers in all regions of Azerbaijan. This system will also try to solve the problems that customers face with. First of all, it

would be better to introduce what this banking system will do and provide. The managers will have negotiations with banks which can agree to work with ComforBank online banking system and face with customers needs online. During negotiations, what this banking system will do will be introduced to bank managers. It means, preparing debit or credit cards based on customers' orders and delivering these cards to customers, providing credits to customers not based on their working months or years, but obviously, while providing credit, people's wage will take into account. One more advantage of having credit cards through this ComforBank online banking system is that customers will have opportunity to divide the amount that they spent into 3 months during 5 days after their payment and during these 3 months, people will not be required to pay the interest. In addition, while using debit cards, people will have opportunity to get cashbacks, approximately, maximum 2-3% based on categories, such as cafe and restaurants, beauty centers and barberhsops, supermarkets, taxi services, shopping centers. And each month, individuals will be able to choose 3 of them. This interest can be changed based on banks and categories.

As all banking sectors have application, this online banking system will have application to download that will be available for both Android and iPhone users. In this application, people can log in with their identity cards and their contact numbers, addresses will be added. Moreover, people have the opportunity to choose the bank which they want to get cards. So, when they order their cards, the order will be accepted by bank workers and all necessary steps for preparation will be done by them. After completion of this job, people will have two choices; either to get the cards by themselves at bank or using delivery services. When they choose delivery services, the card will be delivered to customers by bank worker who has the responsibility to approach the customer and get sign for the document and to introduce the card. In other words, for safety and bank rules, courier will not be allowed. In addition, in this application, if it is the credit cards, then, customers will be able to see how much money they have as debt and follow their monthly payment graphics, meaning that, in which exact day they should pay the debts will be shown clearly. Furthermore, as mentioned above, cashbacks will be

provided based on the categories. From these categories, customers will be able to choose three of them, but this can be changed every month in terms of person's wants. It means, for example, if the person chooses cafe and restaurants, beauty centers and barberhsops, supermarkets for cashback for this month, then, he/she can keep these categories, or change to another category for the next month.

ComforBank online banking system is also bank-oriented and it's workers-oriented system. This indicates that since accepting customers offline and preparing all of their orders take lots of time, and because sometimes customers are not patient, this can make problem to workers; therefore, that kind of things force workers to work under stressful conditions. So, this system helps workers to work very smoothly, accept many people's orders. This is also beneficial for banks that they can increase the number of customers they have. This is because this product can be considered as the new product, and through the advertisement about it's being comfortable and useful, banks can attract more customers' attention. To make sure for what purposes banks can accept to use this application, the question has been asked from the banks through survey and only one representative from each bank has been chosen; in general, 6 bank representatives were questioned. According to the result of survey 83.3 % of bank representatives answered that they would like to use this application due to observe the increase in the customer portfolio (*Appendix 2; p.39*). So, while there is increase in the number of customers, banks will be able to get more revenue, especially, if more people use credit cards. For example, when people use their credit cards, the commission will be calculated.

3.2 CORE VALUE

Core values indicates the point that we cannot consider the qualities only as the worth, but these qualities illustrate the businesses' or organizations' highest priorities. So, for this online banking system that is names as ComforBank has its own core values and they are mentioned below with detailed information about each of their meanings.

- *Perceived security risk*- This factor demonstrates that even though the cards are prepared online, people can get benefits of this app's usage, all the data about customers' bank accounts and information about people's personality are saved. Additionally, all illegal activities and improper use can be controlled and avoided. This core value is very important factor for both from customers' side and from banks' side and according to article written by Aldaz-Manzano (2011: 171), privacy and security is necessary issue that can show its effect on loyalty in case of online banking system so that banks need to keep the information and data in the process of transaction.
- *Satisfaction*- Customer satisfaction in this situation can be divided into three parts based on usage of the app, customers' side and banks' side. The first one as mentioned is related to how this app works. In other words, in order to get satisfaction, this app should have enough work speed, easier usage that everyone can use without facing with difficulties. Actually, the usage of the app can have effect on both customers and banks in terms of being able to access smoothly. Secondly, from the customers' side, its being comfortable, useful and safety can cause to have customers' satisfaction. Thirdly, from the banks' side, bank workers need to be able to access easily in order to prepare all the documents based on customers' order. Since this is online and requires not face to face conversation with people, it is necessary to get person's data certainly. Therefore, when bank workers can get it smoothly, it can show how satisfactory this app works for them. Furthermore, because there will be several banks in this app and people will choose from which bank they want to order, banks will observe its increase based on the number of customers. So, this factor indicates satisfaction level as well.
- *Responsiveness*- As mentioned in the executive summary part, in this application, there exists "Support" which is made in order to answer people's questions on time. So, this factor indicates that this is also important core value of this application since it is, actually, directly related to satisfaction and this is because, in most cases, people pay

attention to the honesty of the provider (Hinson et.al., 2010:173). The main aspects of this core value of the application are quick response to customers' demand, solving their problems on time.

- *Convenience*- This core value indicates that since it is online, both banks and customers can get advantages from that. In other words, people can order, whatever they need, online and bank workers can accept these orders and can begin to process online. So, this core value demonstrates that this application lets the process be completed very fastly and easily.

3.3 GOALS AND OBJECTIVES

The main objective of Comforbank is to earn profit while providing the opportunities for banks and their customers. Additionally, the main goal of this application is to become the largest and widespread online banking system app and make everyone, meaning that both banks and customers, feel convenient and better off on online banking system. In order to apply these goals and objective several steps are taken during the operational years.

First of all, it is clear that in order to apply these all processes, the formation of application is necessary to be developed. The important functions, the appearance of the application and logo will be provided in this app. In order to identify how many times we need to complete building the application, the IT manager who worked in R.I.S.K Company was interviewed. R.I.S.K Company is one of the successful company of Azerbaijan and has 23 years of experience on several fields of IT industry, such as oil & gas, banking & finance, transport sectors and etc. According to his response, it can take 8-9 months to develop online banking application and the reason is that all features of digital platform should be tested and these features of digital platform includes the product features which also include minimum viable product and after added features and design of application (*Appendix 3; p.42*). Thus, based on expert's experience, we expect that it can take approximately 8-9 months for development of this application. This is

going to be taken place in the first operational year. During this development process, it is needed to have negotiations with banks whether they want to accept to work with this online banking system or not. In order to have achievable negotiation, we should represent our minimum viable products and besides that we should indicate the problems, such as customers' dissatisfaction on waiting for a long time, time limit for acceptance of many customers, and as result of these cases, banks' having less sales. Nevertheless, since this is new on the market, and in order to be successful in the future, in the first stage, it would be better to prefer to have negotiations with less banks, approximately, 6-7 banks. In other words, we need to present our minimum viable product.

In the first operational year, our second goal is to test our minimum viable product with the limited features. Minimum viable product means that the version of the product is introduced with the less features and these features will be used and tested by customers and based on people's feedback, the company will be able to identify strengths and weaknesses of the product in terms of paying attention its being succesful (Jurgen Munch, 2015:4). Additionally, the reason why we prefer less features to the minimum viable product in the first stage is that adding features can be less costly rather than changing features (Jurgen Munch, 2015:7). Through this, we will get feedback from both customers and banks. After obtaining the feedbacks, we will add the consistent feautres which come from customers and banks.

During this first operational year, another goal is to attract more customers' and banks' attention. Obviously, we will need time to attract banks' and customers' attention and for that, we asked from the manager who works at R.I.S.K. Company about based on their experience, how many years we need in terms of observing increase in the customers. So, according to their experience, this will last till 2-3 years because of having more improvement and adding sufficient features to application, people's trust in security and privacy, perceiving it's being useful and from the banks' side, believing in increase in the number of customers and having more sales (*Appendix 3; p.42*). Increasing the number of customers and banks is the main case in

order to get significant market share. Firstly, since this is new, we are planning to attract 500-600 customers' attention. After that, this number can increase smoothly. In order to help people how to use this online banking application, starting from the first operational year, we will create "support" function. Both banks and people can contact with us in case they have questions related to this system. Adding this function in the first operational year will benefit to us to demonstrate how our application is easy to use. For this reason, we can observe the increase in the customer portfolio.

In the second operational year, our another objective is to let banks to set advertisement based on with which interest rate they offer for credit cards, how much credit they can provide, which debit and credit cards are useful enough, how much cashbacks people can earn. So, people can choose the banks that they want to order through getting information from these banks. In addition, setting advertisement by banks will benefit to us to get additional fees, meaning that we will, actually, charge additional fees in case the banks want to share the advertisement and make visible on this application.

Starting from the third operational year, our objective is to let banks get information and data about its customers. As mentioned, because the process will be applied online, banks need data of their customers to accept and follow their orders. Therefore, through our application, we need to provide the data of customers to the banks. In other words, we give a chance to banks to identify who are their customers, what their customers order mostly. While doing like that, it is the advantages for us to double our revenue.

3.4 DESCRIPTION OF THE PRODUCT

Since this app services to banks and individuals, the categories are different for each parties. First of all, it would be better to start with how customers can get advantages and use of this app's sections. Now, these sections are indicated below:

“Welcome to Comforbank” section- In this section, people can sign up with their identity cards. After that for safety, they can set password which is needed for every signing in.

“Banks” section- Here, people are able to read information about banks and they can choose the one with which they want to order.

“Order” section- In this section, people can order whatever they need. In addition, if it is cards and it does not matter whether the card is debit or credit card, individuals can choose how to get it. In other words, they can approach to banks and get their cards offline, or prefer to get card with the help of delivery service. When they choose the delivery service, the person who is going to deliver cards should be bank worker due to bank rules and safety and another reason is that, in order to hand over the cards, some documents should be signed by customers.

“Home page”- Here, people can see how many money they have on their cards, if it is credit cards, they can follow how many they have spent and how many they have left, the transactions and payments they have made. In this section **“Settings”** will be also added and here, individuals can increase their accounts, pay back their credits.

“Division” section- This section is totally related to payments with credit cards. Individuals can divide the amount they spent into 3 months and if they want to divide, they should do it during 5 days. Because after 5 days, this function will not be available. During 3 months, they pay back their debts, and in this section, they can observe how much amount it is left and in which exact date they should pay back.

“Cashbacks” section- Here, the categories, such as cafe and restaurants, beauty centers and barberhops, supermarkets, taxi services, shopping centers will be indicated and each month people can choose 3 of them among these categories. In this section, how much cashbacks they get will be shown.

“Profile” section- The information which people mention on the registration will be indicated in this section. If there is something new, for example, changes in address or phone number, individuals will be able to make amendment to their data.

Secondly, as mentioned, banks also can use this application. In comparison to people's usage of this app, there exists some other sections and these are indicated below:

“Welcome to Comforbank” section- Here, banks can be registered with their data, such as their address, tax ID, SWIFT code, phone number. As for individuals' registration, banks can also set password which is needed for every signing in.

“Home page”- In this section, bank workers can provide information about their offers, meaning that, what kind of advantages related to cards they offer to customers, what is the limit if it is the credit cards, how many cashbacks people can get. Besides this information, banks can give information about themselves, such as how they work, when that bank established, which successes they get.

“Acceptance of offers” section- Here, bank workers can see who chose and ordered to their banks, and in order to start preparation, they just click “accept” button.

“Customers” section- In this section, bank workers can observe and follow how many customers they have got through this online banking system, how often their customers use the debit and credit cards in order to be able to analyze satisfaction level of their customers.

“Advertisement” section- Here, bank workers can set new information related to their progress, they can also give more information about their banks in order to attract more customers' attention.

“Profile” section- What information about banks is added will be indicated in this section. If something is needed to be changed, bank workers can change or add something very easily and smoothly.

3.5 LOCATION

First of all, our target is to implement this online banking in Baku. In other words, we plan to work with banks that their head office and branches locate in Baku and customers who live in

Baku. Afterwards, we are going to work expand our business and work with branches of banks which are located in other regions and customers who live in other regions.

4. MARKET ANALYSIS

4.1 BEACHEAD MARKET

For beachhead market, we are going to choose the banks which have lower turnover. The reason why, we prefer to choose this segmentation is to make advantages for these banks to increase their turnover through having increase in the number of customers. It is obvious that in the beginning there will be less banks which want to have partnership with us but whenever the other banks will observe increase in the turnover, it will be incentive for others that will want to use our product. Therefore, we will observe in the number of banks for partnership. Also, the advantages that will be provided to customers will help us to have brand awareness. It means that when they start to use this application and see what kind of benefits people are provided, such as ordering debit and credit cards online, getting cashbacks with the high interest, getting credits, we will observe increase in the number of our customers as well.

4.2 COMPETITORS

It is more than normal that every business has its competitors. ComforBank online banking application system also faces with its competitor which is Leobank.

Comparison with Leobank- Leobank has been established under the control of Unibank. This online banking system only works based on Unibank's rules. Whoever wants to get this card, customers can only choose Unibank. So, they do not have any other choice in order to identify which banks offer lower interests on credits, offer higher interest in cashbacks and etc. Nevertheless, in contrast to LeoBank, Comforbank provide choices to its customers. Therefore, after getting information about banks, people are free to make a choice. Additionally, even

though Leobank work with Unibank, on the application there is not such a function that people get information about Unibank and be aware of new things of this bank. But on the application of Comforbank, people do not need to go to websites of banks separately, they can find necessary information about banks in this application. Leobank is also useful in terms of providing credit and debit cards, giving cashbacks and providing credits. Although Leobank provide credit to its customers only the person has minimum 3 months of work experience, Comforbank provide credit to its customers not based on their work experience, we mostly pay attention how much salary individuals earn and based on that salary we provide credit limit. In addition, increase in the number of customers is the main factor for banks. So, not only one bank as in Leobank, but also the banks whichever agree to use this product will get advantages of having more customers. To sum up, this all criterias indicates the competitive advantages of Comforbank which banks and customers will be willing to use this application.

4.3 SWOT ANALYSIS

Strengths:

Free to download- This app is free for both Android and iPhone users, and all customers and bank workers can download it freely.

Time efficiency- This indicates that people are not required to go to banks and wait for their queue. In addition, the documentation and process takes also lots of time so that while ordering online can save their time. Furthermore, there are some people who are working are not able to approach to the banks whenever they need. Therefore, this is great advantage for them to download and use ComforBank. These factors are from people's side, but from the banks' side, it also plays the main role. In other words, since it takes lots of time to accept customers' order face to face, through this online banking system, bank workers can accept more people's order. Another issue is that, sometimes it is hard to work with people face to face and it cause bank

workers to face with stressful condition and also it cause to spend lots of time on only one person. For that reason, this application can prevent that kind of things to happen and waste time.

Convenience- Since everything happens online, people feel comfortable while using this application and it is very easy to use. For example, they do not need to search for information about banks separately because on the “Banks” section, they can get information.

Support anytime- Having the “Support” section on this application allows to all customers and bank workers to be able to get contact immediately. So, if there is anything which is clear during process or registration, they can get contact with us very easily. While helping to them, we allow them to have smooth job on the process.

Weaknesses:

Not useful without internet connection- This app only is useful when there exists internet connection. Therefore, unfortunately, people may face with difficulties if they need to use this application but there is not internet connection.

Negative effect on relationship between banks and customers- Since all steps take place digitally, face to face conversation between customers and banks are getting smaller. This is, actually, negative case that cause the breakdown in the relationship.

Security issue- In modern life, obviously, hacking the profiles become the widespread issue and this is the main problem for all applications. Therefore, this is the issue or this application as well so that people may want to reject of using this app or may face with hacking issue. These problems may cause to lose the trust.

Opportunities:

Digitalization- It means that taking online banking system lets having digital transformation system and this, in turn, is beneficial in terms of improving efficiency.

Innovation- Till now, everyone goes to banks in order to order what they need. But development of ComforBank is the new beginning for everyone and innovation in the market.

Threats:

Competitors: As mentioned, there exists competitor for this product although LeoBank works with only one bank. Still, it is considered as threats for use because there may possible that Unibank may have lots of customers and for this reason, many people would like to use LeoBank.

Consumer behavior: Because till now, everyone goes to banks to order whatever they need, it may seem strange to do bank issues online. Also, all people know and understand how the data is safe with bank itself. Therefore, people may think about it's trust issue and may not believe in that. That is why, it may be difficult to attract customers' attention.

5. ORGANIZATION AND MANAGEMENT

5.1 KEY PARTNERS

Because we mostly related this system to the relationship between banks and customers, our key partners banks, including their branches as well. So, our main revenue comes from their being partnership with us.

5.2 TEAM MEMBERS (MANAGEMENT AND SUPPORT TEAM)

First of all, we will start to recruit limited number of staffs. This is because we are fresh in the market and mostly, we focus on development of this application. After that, whenever is needed, we will hire workers. Our main point while hiring workers is to pay attention to their skills, knowledge, incentives to work with us. In the following table, we are going to indicate the number of workers in our company, the salary expense and the time of the staffs, meaning that, when they will start working in. The table shows 5 years, but after 5 years, it is possible to have change in the number of workers. In order to identify how many salary the working staff who works for development of application earn, we ask this question on interview with R.I.S.K.

Company; therefore, the salaries which is indicated in the table 2 are based on expert's response (Appendix 3; p.42).

WORKING STAFF	Starting month	Year 1	Year 2	Year 3	Year 4	Year 5
IT department						
IT support manager	<i>Month 1</i>	1	1	1	1	1
IT support member	<i>Month 1</i>	2	2	2	2	2
Total of IT department		3	3	3	3	3
Marketing department						
Marketing manager	<i>Month 10</i>	1	1	1	1	1
Marketing specialist	<i>Month 10</i>	1	2	3	3	3
Total of marketing department		2	3	4	4	4
Sales department						
Sales manager	<i>Month 1</i>	1	1	1	1	1
Sales agent	<i>Month 1</i>	2	4	5	5	4
Total of sales department		3	5	6	6	5
Finance department						
Finance manager	<i>Month 1</i>	1	1	1	1	1
Finance specialist	<i>Month 10</i>	1	2	2	1	1
Total of finance department		2	3	3	2	2
TOTAL STAFF		10	14	16	15	14

(Table 1)

WORKERS' GROSS SALARY EXPENSES	AZN/pe r year	Year 1	Year 2	Year 3	Year 4	Year 5
IT department						
IT support manager	12000	12000	12000	12000	12000	12000
IT support member	9600	19200	19200	19200	19200	19200
Total expense of IT department		31200	31200	31200	31200	31200

Marketing department						
Marketing manager	9600	1600	9600	9600	9600	9600
Marketing specialist	8400	1400	16800	16800	25200	25200
Total expense of marketing department		3000	26400	26400	34800	34800
Sales department						
Sales manager	9000	9000	9000	9000	9000	9000
Sales agent	7200	14400	28800	36000	36000	28800
Total expense of sales department		23400	37800	45000	45000	37800
Finance department						
Finance manager	10800	10800	10800	10800	10800	10800
Finance specialist	9000	1500	18000	18000	9000	9000
Total of expense finance department		12300	28800	28800	19800	19800
TOTAL EXPENSE		69900	124200	131400	130800	123600

(Table 2)

Detailed calculation of tables is shown here:

Table 1 is given, meaning that, as the company we identify how many employee we need and according to that we hire the workers. For each worker, we set monthly salary which is indicated in Table 2. The calculation is shown below:

For IT department - we set the salary for IT manager as 1000 AZN per month so that per year salary expense will be: $1000 \times 12 = 12000$ AZN. The expense will be changed based on how many workers we will have each year and when they start to work. For example, during the first year, will hire only 1 person as the IT manager and that person will start to job from the first month. Therefore, the salary expense for the 1st year for IT manager will be like that: $1000 \times 12 \times 1 = 12000$ AZN. For IT support member, we set salary of 800 AZN per month. So the annual salary expense will be: $800 \times 12 = 9600$ AZN. We will hire 2 employees and they will start the work from

the first month as well. Therefore, the salary expense for years will be like that:
 $800 * 12 * 2 = 19200$ AZN.

For Marketing department- We set the salary for Marketing manager as 800 AZN per month. So, the salary expense for 1 year will be: $800 * 12 = 9600$ AZN. We will hire only 1 person as the marketing salary and that person will start to work starting from 10th month. Therefore, for the first year, our salary expense for marketing manager will be: $9600 / 12 * 2 * 1 = 1600$ AZN (here “2” indicates how many months the employee work till the end of operational year). The same calculation is available for marketing specialist whom we set monthly salary as 700 AZN

For Sales department- The monthly salary for sales manager will be 750 AZN and for sales agent, it will be 600 AZN.

For Finance department- For finance manager, the monthly salary will be 900 AZN and for finance specialist, it will be 750 AZN.

**Since the calculation is shown clearly for IT and Marketing departments clearly and the same calculation is taken for all of them, only the monthly salaries are indicated for the rest of the departments.*

The organizational structure will be consisting of 2 parts which are management and support team. In addition, we are going to operate and improve our business across 4 department in the beginning. These departments are IT support, Marketing, Finance, and Sales departments. Now, in the below, the responsibility of each organizational structures and departments will be illustareted.

Management team- In general and each department, the board members will be selected. Management team will be consisting of chief executive officier (CEO) and the responsibility id to manage the business generally and be aware of everything else that is going to happen during the progress. Additionally, each department should be managed by the department managers. Their main responsibility is to manage the department with new ideas, great knowledge in the field, being more responsible and being able to manage the team effectively. So, IT support will

be managed by manager who will be in charge of managing developers, product owners and support, Marketing department will be managed by manager who will be in charge of marketing and advertising activities. Finance department will be managed by manager who will be in charge of financial statements, reports. Sales department will be managed by managers who will be in charge of sales team and their activities.

Support team- Our support team will work with the management team and will follow their rules.

-IT support department- They play the main role on the development of ComforBank online banking application. The functions on this app are needed to be controlled and improved by them. So, how this app is going to work will be depend on their works.

-Marketing department- Their responsibility is to spread information about this application. The qualified advertisement and other marketing activities should be needed to be prepared effectively in order to attract more people's attention.

-Finance department- Obviously, since we are fresh in the market, in the beginning we will face with lots of costs and make a loss. But the workers who will work in this department should control financial and accounting activities exactly in order to get improve in this business and gain more revenue.

-Sales department- Because our key partners are banks, we need relationship managers who can negotiate with banks face to face. They should be aware of all information about this application and provide banks with banks in terms of encourage them to work with us.

6. MARKETING PLAN

6.1 MARKET SEGMENTATION, TARGETING, POSITIONING

Segmentation- It refers to identifying and dividing people into groups based on sharing the same the common needs and responding similarly to the marketing activities (Camilleri, 2018:13). The companies can segment markets in 4 ways which are geographic, demographic,

behavioral, psychographic. For our application, 3 ways out of them which are geographic, demographic, behavioral are more related.

From the demographic segment, the people who are officially working are considered our targeting. We cannot say the minimum age because there are some people who start their career when they are 22 years old, but there are also other people who start at above 25 years old. Nevertheless, we can say the maximum age which is 55 years old. This is because we consider the people who are able to use mobile applications smoothly and because we provide credit to people, above this age can be risky for banks that individuals may not pay afterwards. Furthermore, credits are provided to based on their income level. For example, if the group of people can be provided with the limit of credit amount 1000 AZN, then based on that income level, these people are categorized and this sequence continues.

From the geographic segment, we, firstly, start our business in Baku; therefore, ComforBank will be useful for banks which are located in Baku and customers who live in Baku. After improvement, we are going to implement this business in the regions as well. So, after improvement, ComforBank will be useful both in capital and in regions.

From the behavior segment, because we will follow banks' and customers' needs and interests, we can identify on the system which product is more useful to the people and mostly, they prefer to have it. It means that, for example, if the most of individuals prefer to have credit cards, these individuals will be able to see lots of information and advertisement based on usage of credit cards. From the banks' side, they will be able to observe which product the customers want to get more. So, it is like we will categorize people based on their interests and needs.

Targeting- This indicates the group of people with shared demographics who are considered to the buyers of the product (Markey et.al., 2017). For our online banking system, we choose the people with the maximum age of 55 year and the people who live in Baku in the beginning. Additionally, for the banks, we are going to target retail banks that have lower turnover. So, the

ComforBank will help them to acquire more customers to their banks and expand their customer base. Also, these banks can increase yearly turnover.

Positioning- It means that company should have different factor in terms of being able to operate well than its competitors in the market (Kotler, 2017:5). According to its definition, there exists the points regardless of how ComforBank is differentiated from its competitor. For example, as mentioned, in contrast to its competitor, this online banking system allows its customers to have choices of banks, to get more cashbacks, to have credit not based on their work experience.

6.2 GLOBAL MARKETING MIX

Points of parities- As a similarity, this online banking system also serves online. Through this application, the services are offered to its customers. The main point here is to accept customers' order and provide them with card activation by bank, fund transfers, account and personal information. Additionally, this kind of applications is available for both iPhone and Android users.

Points of differences- The different features of this application, actually, make this application more preferable to customers and banks. It means that, this online banking system allow customers to choose the banks that they want to order order from. To do so, necessary information about banks are indicated with further detailed information that people can make a choice. In addition, while providing the credit to customers, we pay attention how many salary the person earn, we do not pay attention how many months or years the person works. So, this also alternative for customers and banks since through doing like that banks will have more sales and customers.

People- As the target customers, we prefer to the people who are working and the maximum age of 55 years old. Because we are looking for the individuals who earn salary and if they want to get credit, how they will be able to pay back. We also prefer to customers who live in Baku.

Nevertheless, after improvement and working with branches of banks, we will refer to customer who live in regions as well.

Preferences to banks- Initially, we will prefer to have negotiations with banks which have lower turnover since we assume that they will be more willing to become partnership with us in order to increase their turnover and as a result to have increase in the customer. After having development, we will also try to have negotiations and partnership with well-known banks of Azerbaijan.

Price- Since we, mostly, focus on to have higher customer base and letting banks observe increase in the number of customers and yearly turnover, this application is free to download. So, no additional fund is required from both banks and individuals. This is important factor for the operational years. Nevertheless, after having improvement, we will set the price to download the app. Therefore, it indicates that we can switch to market-oriented pricing strategy which illustrates the point that the company compares the similar product in the market and based on that they set the price higher or lower than what their competitors set the price and they do it according to how well they operate in the market (Cooper et.al., 2018). In addition to that, for the usage of this app, we set the monthly payments to banks. We divide to the categories, meaning that, based on banks' need they will have monthly payments. For example, if they want to continue being partner with us, if they want to set the advertisement about their new things or products on this application and if they want to get data of customers. The charged price will be indicated in the revenue part below with further detailed information.

Place- Since ComforBank services online, but customers and banks can get this product from the app stores easily. Besides that, since we are going to advertise our product on social media, on websites, people and banks can acquire this from product from there..

Promotion- This illustrates the role of marketing communication mix on the company. Marketing communication mix refers to specific methods that the company uses these methods to promote the company and the product to its targeted customers (Kevin, 2018:370). We are

going to promote ComforBank via advertisements on social media. According to Digital 2021, 4.30 million of people in Azerbaijan are social media users and most of them prefer to spend their time on Instagram and Facebook. Therefore, it will be easier to grab people's attention and reach target customers, because while uploading posts and stories, the data on Instagram and Facebook will allow us to follow what is the more interesting for people and which services they mostly need. In addition, we will refer to influencer marketing as well. We are going to have negotiations with influencer in terms of their advertising our product. Therefore, through their advertisement, we can observe increase in the number of customers.

7. FINANCIAL PROJECTIONS

7.1 COST CALCULATION

ComforBank online banking system has fixed and variable costs. The fixed costs that we will face are related to salary, rent expense, service costs. We also have variable costs, such as maintenance, advertising, marketing-related costs and etc. Also, we asked from the IT manager at R.I.S.K Company about the useful life of the application and based on the response, the applications, in most cases, last till approximately, 10 years and this depends on the usage of the application, the speed and etc (*Appendix 3; p.42*). In this case, useful life means that according to IRS (Internal Revenue Service), how many time it will take for asset's being amortized. Therefore, according to expert's experience on this field, we take the useful life of the application into consideration as 10 years. Now, whatever costs we will face are indicated below with detailed information and how much they cost to us will be indicated in the Profit and Loss Statement.

Cost 1: First of all, we need to develop this application. For that reason, we need to have IT department and their software programs in order to develop this app. As the expert's opinion from interview at R.I.S.K Company, this can take, approximately, 35000 AZN to build this app (*Appendix 3; p.42*). In the process of development of this application, it is very unlikely for us to

make revenues due to low brand recognition and minimum product features. So, the building this application is considered as the expense for us and it is included to cash flow statements as cash outflow in the first operational year. During the building the app, we will have development expenses. This development expenses are considered as capital expenditure of ComforBank application. After completing the building of this application during 8-9 months (we planned to complete the development of ComforBank online banking application during 8-9 months and to identify how many we need exactly, we asked this question from expert on interview as well (*Appendix 3; p.42*)), we plan to launch minimum viable products of this application to the market in order to identify how it will work, what other features are needed to add to this application. After that, we will have maintenance expenses and these expenses are shown as the operating expenses. Another point is related to amortization of intangible asset which its calculation will start when this application begins to be worked. Since the useful life is 10 years and the cost of development of this application is 35000 AZN, we calculate amortization like that: $(35000/(12*10))*3=875$ AZN. This means that, for the first year, because this application will be used after 9 months, we will be able to use this application only 3 month, that is why we multiply it by 3 and we multiply 12 months by 10 years which is useful life. So, starting from the second operational year, since we will serve full year, the calculation will be like that: $(35000/(12*10))*12=3500$ AZN. These numbers will be indicated in Profit and Loss statement as the expense.

Cost 2: Because it will take 8-9 months for the development of the app, obviously, we are not going to get revenue in the first operational year. As mentioned in the objective and goals part, during the development of application, we need to have negotiations with banks in order to attract their attention to work with us. In addition, in the first operational year, we are going to test our minimum viable product which is costly for us as well.

Cost 3: In order to operate this business, we will face with salary expense, marketing expenses. Among them salary of workers is considered as the fixed cost, marketing expense is variable cost

that can be changed. In terms of getting more customers' attention and trying to spread more information about the existence and usage of this application, we, mostly, need advertisements, such as, setting information on social media, negotiations with influencers to advertise the application. Detailed information about how much we spend on marketing strategies during 5 years is shown below and total amount of marketing expense will be also shown in the Profit and Loss Statement:

	Year 1	Year 2	Year 3	Year 4	Year 5
Social media marketing	5000 AZN	4500 AZN	3500 AZN	3500 AZN	2000 AZN
Influencer marketing	4500 AZN	4000 AZN	3500 AZN	3000 AZN	3500 AZN
TOTAL	9500 AZN	8500 AZN	7000 AZN	6500 AZN	5500 AZN

(Table 3)

Now, in table 3, we are going to calculate how we get this amount. As mentioned in Promotion parts of Global Marketing Mix, we will mostly prefer to advertise our product on Instagram and Facebook. According to Social Media Advertising Cost in 2022 (WebFX), the average cost of monthly advertisement changes between \$200-\$1500 based on bidding options such as cost per action, cost per like and etc. And each bidding option has its price. Therefore, we limit the specific amount of 2500 AZN for Instagram and 2500 AZN for Facebook separately. In total, for the first year, we are going to spend 5000 AZN for social media marketing. In addition, for influencer marketing, we asked from influencers and based on stories and posts, price change between 400-1500 AZN. As for social media marketing, we also limit the price of 4500 AZN for the first year that is going to be spent on influencer marketing. Starting from the second year, in other words, after getting increase in the number of customers, we will try to spend less on social media and influencer marketing. It means that we will try to decrease our

costs and limit the amount that we are going to spend for the next years. These amount are indicated in Table 3.

Cost 4: We will have software licence fee and support cost. These are also important factor for operating our business. We need to fund software licence fee because that will help the software programs of our application to be maintained. Support cost that we should face with will play the role in order to have higher quality of this application. For software licence fee, we charged 10% of the revenue and for support cost, we charged 3% of the revenue. Therefore, based on these calculations, we will get cost of goods sold which is total of support cost and software licence fee and these will be shown clearly on the Profit and Loss Statement.

7.2 REVENUE STREAMS

The revenue streams of ComforBank will come from the montly payments that banks pay for the usage of this application. In addition, when the customers start to use this application, then our revenue will double. This is because when they order their needs from the bank, for that we will get extra payments made by banks. Moreover, since we allow banks to set advertisements on this application and we charge fees for that, we will be able to get more revenue from that process.

To make all these clear and identify the amount of revenue, it would be better to indicate the prices. We are going to charge fixed amount monthly to the banks and customers which they want to use our product. First of all, in order to be successful in the market and identify how much the banks are willing to pay for this application, we have survey which was taken from 6 bank representatives. Our aim to get revenue from banks in 3 ways; only using and being partnership with us, setting advertisement on this application, to get data of customers. Therefore, we asked questions related to their expected fee for the abovementioned ways. According to survey, 60 % among 6 bank representative answered to pay 100-150 AZN per month to be and continue being partner with online banking system (*Appendix 2; p.39*).

Therefore, based on this result, we charge the price of 150 AZN if they want to continue being partnership with us. In other words, if they want to continue using this product, they should pay 150 AZN monthly in order to stay on this app. In addition, for our second way which is to let banks advertise their new things or products in this application, we have a survey to make clear how much banks will be willing to pay for that. Thus, according to survey (*Appendix 2; p.39*), 50 % of 6 bank representatives have response of 450-550 AZN so that we will charge the price as 550 AZN for it. Furthermore, because all the process is going to take place online, we need to provide the data of customers to banks. On survey, we also asked this question and we mentioned its being important factor in terms of privacy so that it requires to be paid higher amount. Therefore, it is asked to be answered this question taking this factor into consideration. Thus, according to survey result, 33.3 % among 6 bank representatives answered to pay 3500-4000 AZN (*Appendix 2; p.39*). So, we charge 4000 AZN for it so that whenever banks need the data of their customers, they should pay 4000 AZN to get data. In addition, from the customer's side, in the first operational year, we will let them download freely and use this application. Nevertheless, after improvement we are going to charge 50 AZN monthly for downloading and using this application.

7.3 PROFIT & LOSS STATEMENT

To sum up, through all these revenue and costs, we are going to build Profit and Loss Statement of ComforBank in the below

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	16200	186000	333000	469200	670200
CGS (Cost of Goods Sold)	2106	24180	43290	60996	87126
Support costs	486	5580	9990	14076	20106
Software license fee	1620	18600	33300	46920	67020
Gross profit	14094	161820	289710	408204	583074

<i>Gross profit margin</i>	87%	87%	87%	87%	87%
Salary	69900	124200	131400	130800	123600
Marketing expenses	9500	8500	7000	6500	5500
Software support	400	400	400	400	450
OPEX	79800	133100	138800	137700	129550
<i>OPEX margin</i>	493%	72%	42%	29%	19%
EBITDA	-65706	28720	150910	270504	453524
<i>EBITDA margin</i>	-406%	15%	45%	58%	68%
Amortisation of an intangible asset	875	3500	3500	3500	3500
Non operating P-L	0	0	0	0	0
EBIT	-66581	25220	147410	267004	450024
Interest expenses					
Profit before tax	-66581	25220	147410	267004	450024
Tax expenses	0	0	0	0	0
Net profit	-66581	25220	147410	267004	450024
<i>Net Profit margin</i>	-411%	14%	44%	57%	67%

(Table 4)

To explain every details of Profit and Loss Statement, the calculation will be shown for each of them separately. Firstly, in this statement, revenue is calculated like that: we plan that in the first operational year, there will be 5 banks which want to use our product. Since our services is to help banks to have increase in the number of customers and the price that banks should pay to us is 150 AZN monthly, letting them advertise their new product and services of banks and the price for that is 550 AZN monthly and providing the data of the customers and for that the price is 4000 AZN monthly. Therefore, based on the number of banks whichever use these services differ, for example, we plan to have 2 banks which want to have only increase in the customers,

2 of them want to advertise the banks and 1 of them want to be provided with the data of the customers. The reason why we multiply it by 3 months is that after development of the app which takes 8-9 months, we will be able to earn revenue. So, the calculation for the first year is like that: $3*(2*150+2*550+1*4000)=16200$ AZN. Nevertheless, starting from the second operational year, we multiply it by 12 for full year. So, the calculation is like that: $12*(5*150+5*550+3*4000)=186000$ AZN. The other years are calculated like that based on the increase in the banks which want to join us.

As mentioned in the cost 4, for the support cost, we will charge 3% of the revenue and for software licence fee, we will charge 10% of the revenue. Therefore, if we calculate only for the first year, it will be like that: $16200*10%=1620$ AZN and $16200*3%=486$ AZN. And total of them, in turn, indicates cost of goods sold (CGS). It means, for the first year, cost of goods sold (CGS) is calculated as: $1620+486=2106$ AZN. The other years are calculated with the similar way.

Salary expense is take from Table 2 which is indicated “organization and management” part and it’s calculation is shown there. The calculation of marketing expense is shown in Table 3. Amortization is also calculated and is shown in Cost 1.

As shown from Profit and Loss Statement, in the first year, we will face with loss because we will many costs to face with. Nevertheless, starting from the second operational year, we will face with profit and this is because we will observe increase in the number of banks and customers. Additionally starting from the forth year, our expenses will decrease and this, in turn, affect our business to have increase in the profit.

7.4 FUNDING REQUEST

First of all, we should take it's being new in the market into consideration and we should face with our costs by ourselves, meaning that, we should finance ourselves in the first stage of operation. After that, we need to look for investors who can invest in our first stage of progress.

In the beginning, we should develop the application and obviously, because the development of this app and its implementation is new for us, we will face with cost of 35000 AZN approximately and the development of this app will last 8-9 months according to expert's experience on interview. Obviously in that period, we will not have revenue so that we will look for the investor who will be willing to make payment of 35000 AZN.

Area	For Year 1 and Year 2	Comments
Product Engineering and Development	50000 AZN	35000 AZN - Development of MVP in the first year. 15000 AZN – Improving existing features and developing new features
Marketing	47400 AZN	9500+8500 AZN-Advertising expenses of application 3000+26400 AZN-Marketing staff salaries
Sales	61200 AZN	Expansion of sales team/salaries (23400 AZN For Year 1 and 37800 AZN for Year 2) Their expenses while one-to-one meeting with customers.
Finance department	41100 AZN	The salaries of the finance workers (12300 AZN For Year 1 and 28800 AZN for Year 2)

(Table 5)

After that, during the operational years, we should improve the application. In other words, after getting feedback based on minimum viable product, we should add features to this app. Moreover, another responsibility in the second operational year is to let banks to set advertisement. Starting from the third operational year, we need to improve the application in

which the banks will be able to get data about customers in order to start the job. For these all cases, we will need to invest funds. That is why, on interview with the manager who works at R.I.S.K Company, we asked approximately how much adding these feature will cost to us and based on his response, we should take into account that approximately we will need to invest funds of 15000 AZN because all these feature should be tested several times in order to identify whether these will work smoothly or not (*Appendix 3; p.42*).

Moreover, in order to get improvement and attract more people's attention, we need to advertise our product. As the marketing strategies, we are going to prefer cost of customer acquisition, social media marketing and influencer marketing. In this case, we should fund the marketing department related expenses and the advertisement cost that we will face with. In total, for example for the first year, it will be 12500 AZN which is included the salary of marketing department (3000 AZN) and the total of advertisement expenses (9500 AZN), and for the second year, it will be 34900 AZN which includes the salary of marketing department (26400 AZN) and the total of advertisement expenses (8500 AZN). Thus, because in table 5, we show the total amount of funds for each area separately and for 2 years, in total for 2 years of marketing area will be 47400 AZN.

For sales which is more important for us, we should fund the salary of sales department's workers and the cost. These costs include the place of meeting in which they are going to have negotiations with banks, the transport fees. Therefore, we need to fund 23400 AZN for the first year and 37800 AZN for the second year. These amounts are the total salary of sales department for the first and second operational years consistently and are indicated in the "organization and management" parts with more detailed information. In table 5, the total amount of investment for sales area is 61200 AZN which is the sum of total salary of the first and second years (23400 AZN+37800 AZN).

For finance department, we should fund the salary of workers as well. In the first year, it will be 12300 AZN and for the second year, it will be 28800 AZN. So, the total amount of

investment for finance sector for 2 years will be 41100 AZN which is calculated as 12300 AZN+28800 AZN

This investment is done in order to cover the expenses for the first and second year. Thus, I total of 2 years, we will need 199700 AZN which is the sum up of 50000 AZN+47400 AZN+61200 AZN+41100 AZN.

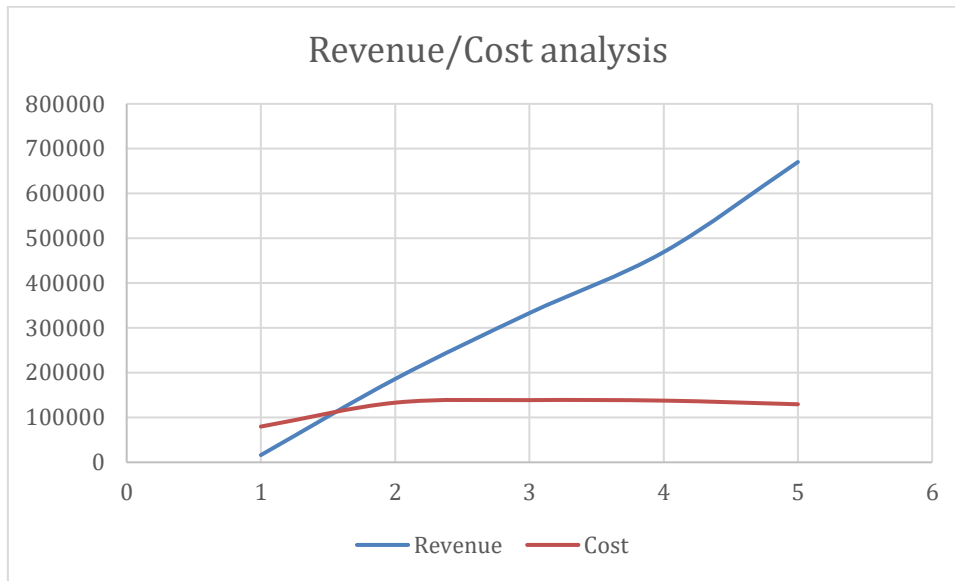
7.5 CASH FLOW STATEMENT

In this figure, we are going to introduce Cash Flow Statement of Comforbank online banking system. Since it is new, we will have zero cash on hand in the first operational year. as mentioned, we will have less revenue and more costs in the first year. Additionally, the number which are indicated in the cash flow (*Table 6*) are taken from Profit & Loss statement (*Table 4*). As mentioned in the Funding request part, in total we will need 199700 AZN investment for 2 years and this amount is divided between two years based on each year's costs. Moreover, after deducting capital expenditure of 35000 AZN which is for development of the application, we will left with 9194 AZN on hand at the end of the year. So, this amount will be beginning cash for us starting from the second operational year and this process will continue for the next years as well. As the years pass, our operational cash will increase over the years.

	Year 1	Year 2	Year 3	Year 4	Year 5
Beginning Cash	0	9194	108420	140860	259504
Gross Margin	14094	161820	289710	408204	583074
Expenses	-79900	-143100	-148850	-148700	140050
Investment	110000	89700	0	0	0
Capital Expense	-35000	0	0	0	0
Change in Cash	9194	108420	140860	259504	723124
Ending Balance	9194	108420	140860	259504	723124

(Table 6)

7.6 BREAKEVEN ANALYSIS



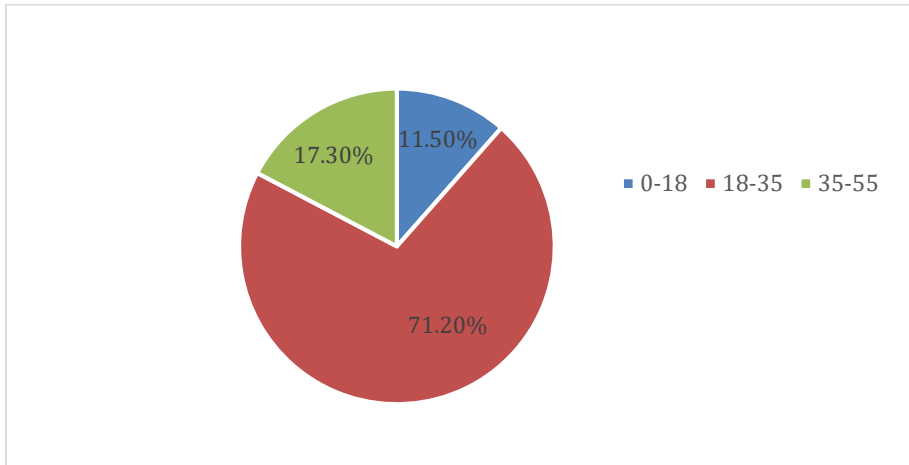
In this chart, we introduce the relationship between revenue and cost of ComforBank online banking application over the five years. As it is shown in the chart, in the first year, ComforBank is going to have more cost than revenue. The reason is that, as mentioned several times, we will mostly focus on the development of this application so that we are going to face with more costs. As shown in the chart. Between Year 1 and Year 2, revenue and cost intercept, meaning that, they are equal at this amount. This point is considered as the breakeven point. After that point, there is increase in the revenue so that as the years passes, we are going to have more revenue than costs.

8. APPENDIX

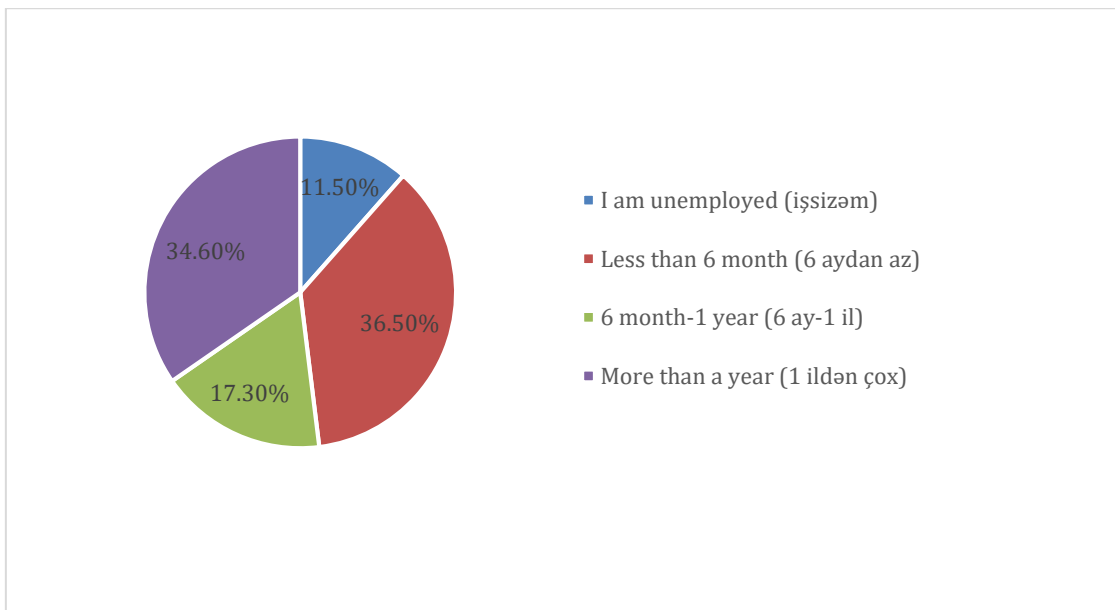
8.1 APPENDIX 1

Survey results from the people: (52 responses)

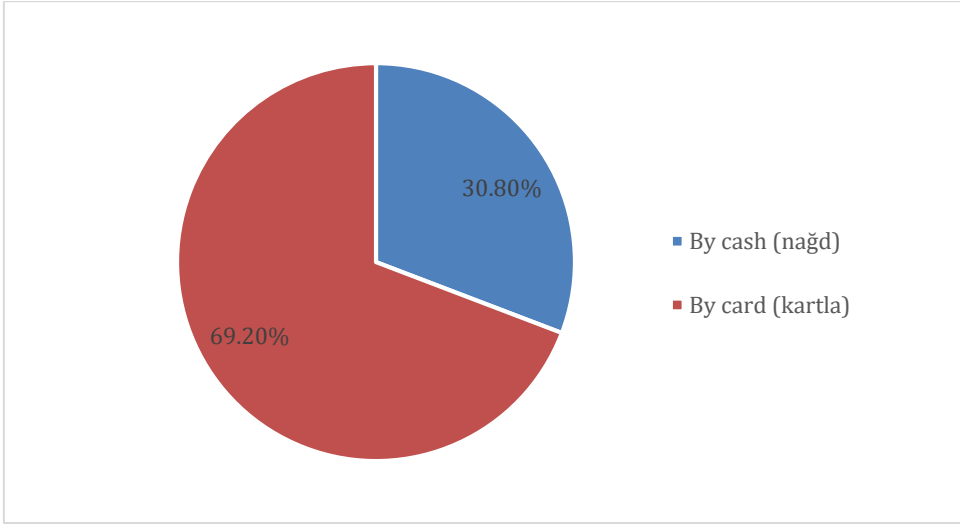
1) What is your age? (Yaşınız?)



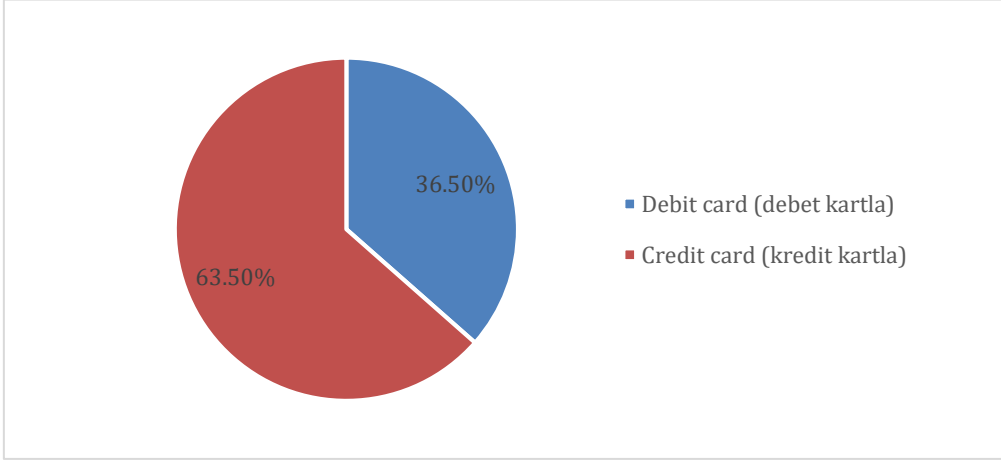
2) How long have you been working? (Neçə müddətdir ki işləyirsiniz?)



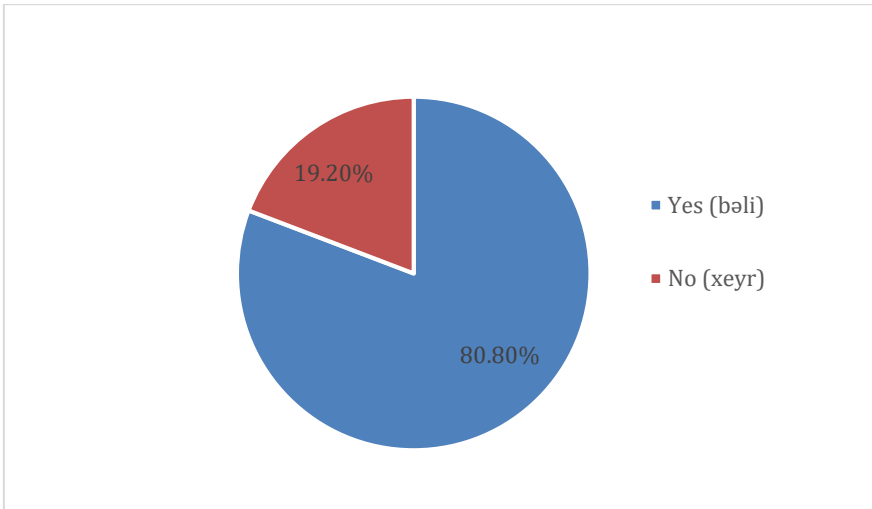
3) How do you prefer making your payments? (Ödənişlərinizi necə etməyə üstünlük verirsiniz?)



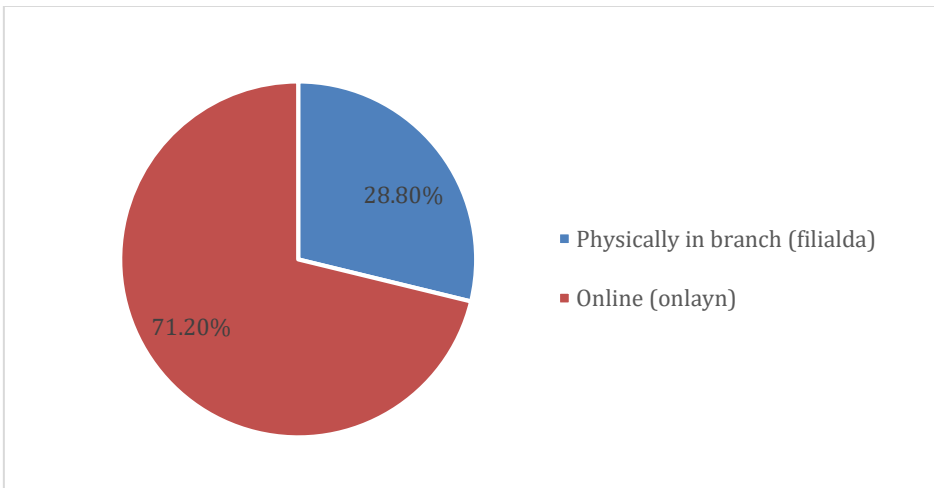
4) Would you prefer debit or credit cards? (Debit yoxsa kredit karta üstünlük verirsiniz?)



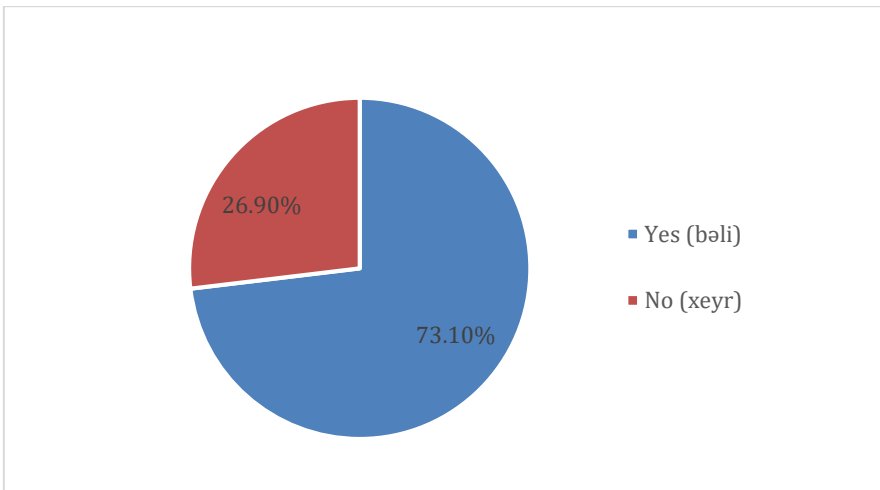
5) Do you think that criteria of having at least 6 months work experience while applying for credit creates difficulties? (Kredit müraciəti edərkən azı 6 ay iş təcrübəsi kriteriyası sizə çətinlik yaradır?)



6) How would you prefer ordering credits and cards (both Debit and Credit cards)? (Kredit və bank kartlarını (həm debit, həm kredit) necə sifariş etməyə üstünlük verərdiniz?)



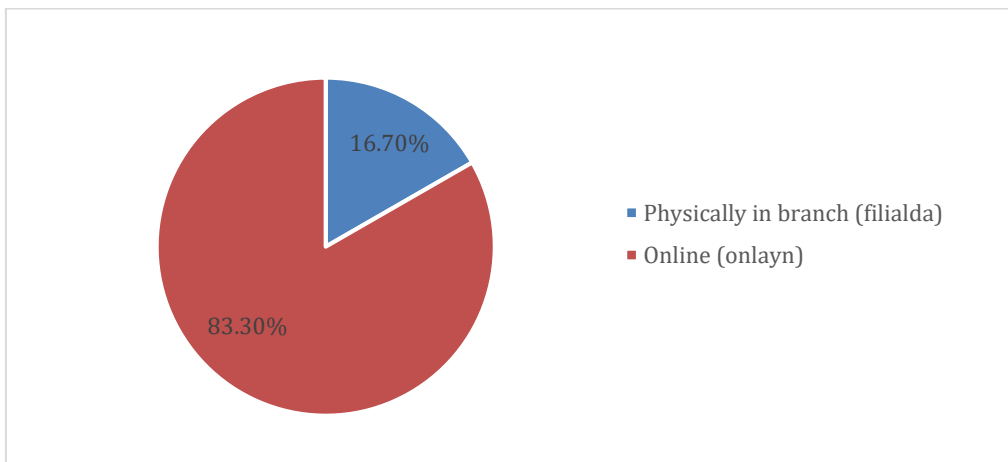
7) Would you like to use application in which all banks are collected there and you can choose which one you want? (Bankların yalnız bir mobil application-da olması və həmin mobil application-da istədiyiniz bankı seçmə şansınız olacağı mobil application istifadə etmək istərdiniz mi?)



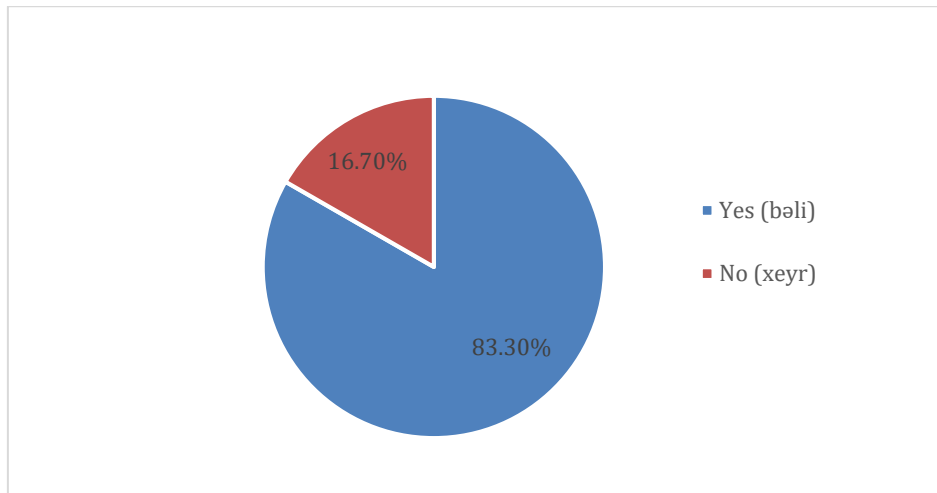
8.2 APPENDIX 2

Survey results of banks (6 responses)

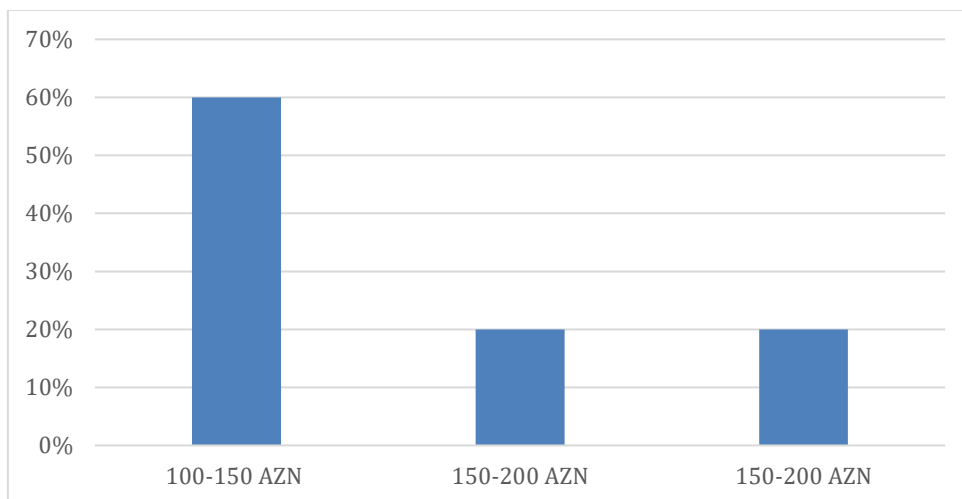
- 1) How would you prefer giving credits and providing cards to customers? (Kredit verərkən və kart açarkən hansını üstün tutursunuz?)



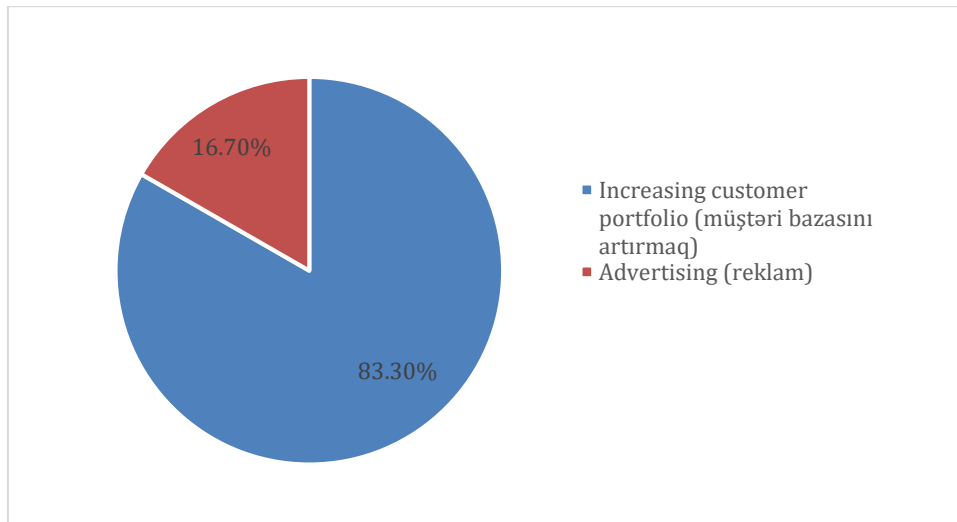
- 2) Would you join to the app that offers several customers online services? (Bir sıra müştəriyə onlayn servis edən mobil tətbiqə qoşulmaq istərdiniz mi?)



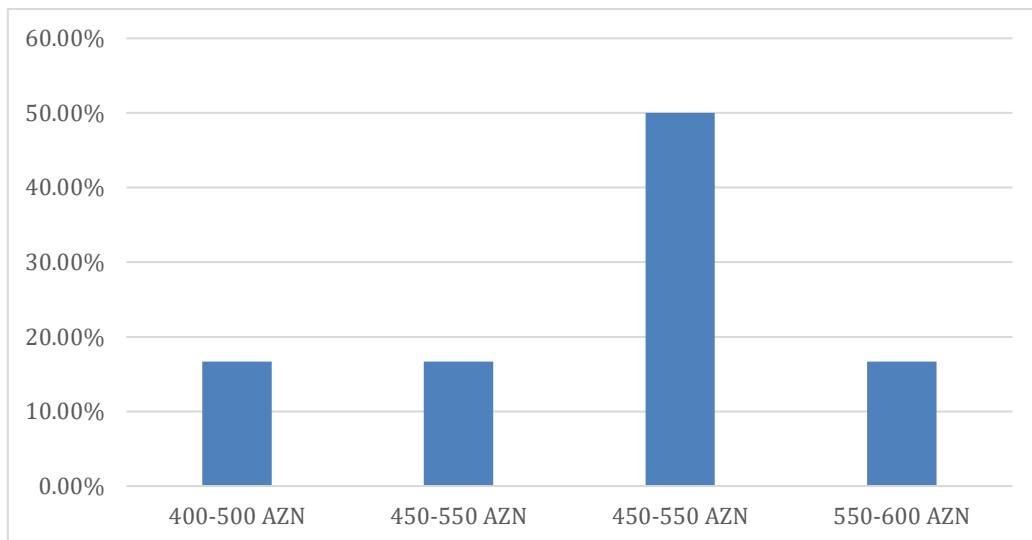
3) What is the highest amount you would pay for being in such app? (Belə bir mobil tətbiqə qoşulmaq üçün ödəyəcəyiniz maksimum məbləğ hansı aralıqda olardı?)



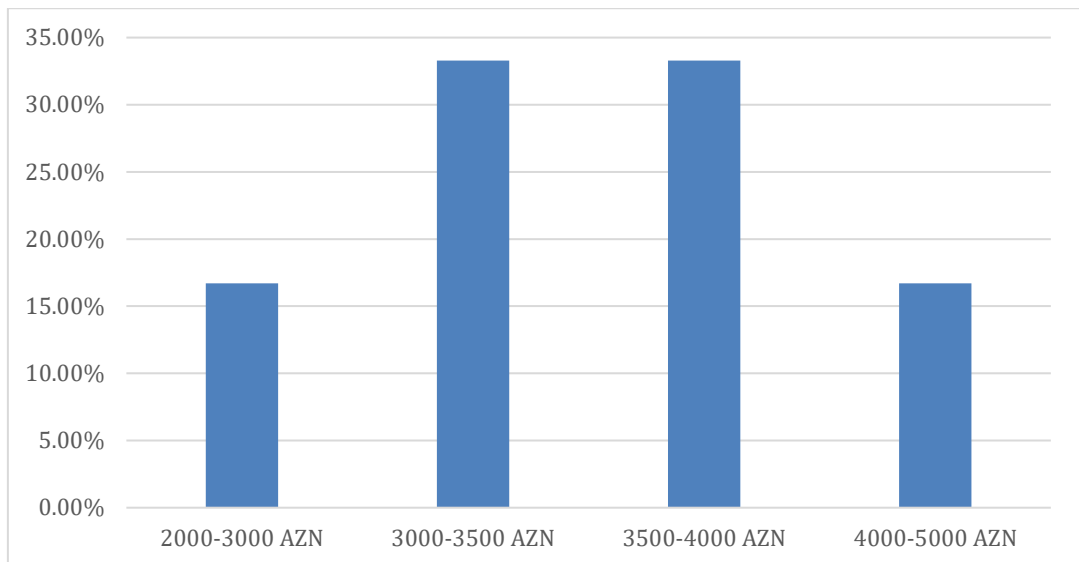
4) For what purpose you would join the app? (Tətbiqə hansı məqsədlə qoşulardınız?)



5) How much would you pay for advertising in this app? (Bu tətbiqdə reklamınız olması üçün nə qədər məbləğ ödəyərdiniz?)



6) How much would you pay in order to get data of customers in this app, considering its being expensive? (Müşətəri haqqında məlumat almaq üçün və bunun yüksək qiymətə olacağını nəzərə alaraq nə qədər məbləğ ödəyərdiniz?)



8.3 APPENDIX 3

Interview with the manager of R.I.S.K Company

1) How many months or years are needed in order to build new app?

Approximately 8-9 months are enough for that. And the reason is that all features, meaning that minimum viable product, after added features and design of the application should be tested.

2) How many years or months does it take to attract customers' and banks' attention to new application?

It can take 2-3 years because of having improvement and adding sufficient features to application, people's trust in security and privacy, perceiving it's being useful and from the banks' side, believing in increase in the number of customers and having more sales

3) Obviously, we need workers and we should pay the salary to them. How do you think that how many workers we need and how much salary we should pay to them?

It would be better to have IT department, marketing department, sales department and finance department. In the first year, it would be better to have few working staff in total because of salary expense. As the year passes, the working staff can be increase, but after improvement, it

would be better to have decrease in the number of working staff. The wage should be followed in the same logic and based on the number of workers

4) How many years can we consider for the application as the useful life?

We can consider 10 years as useful life and it depends on usage of application, the speed

5) How much money we need investment to build the application and after that for the development of application?

In most cases, for this kind of application, we need to invest 35000 AZN to build the application.

After that, for development, we will need 15000 AZN because all features should be tested several times

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