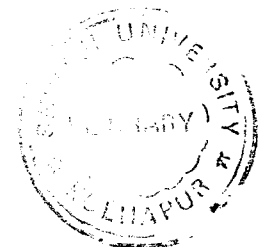

CHAPTER -I

Introductory



1.1) IMPORTANCE OF THE STUDY:

Customer service in banks means satisfying the needs of customers at the right time and in a right manner. In the words of a banker, customer service includes broadly, giving expeditious assistance, explaining various policies and keeping necessary balance and patience.

Important to customer services in banks are the systems and organizational arrangements. The scenario of banking industry completely changed during the last 20 years. Today every section of society, directly or indirectly participates in banking activities. Class banking has converted into mass banking, and so the maximum satisfaction of consumers of every section of society by efficient banking services is the need before the banking industry. The success of the bank depends on the range and quality of services offered by the bank.

The success of a bank and its branches can be highlighted through various performance indicators. For this purpose, various attributes such as prompt service, convenient location, reputation of the branch etc. are used. These attributes and other performance parameters will give an idea about the need and importance of the branches, for various classes of society.

1.2) SELECTION OF THE PROBLEM:

In modern dynamic world, banking industry is a special type of industry i.e. a service industry, whose main objective is not only to make profit but also to provide satisfactory services to its customers.

As far as banking industry is concerned a banker must be always ready and willing to serve its customers. It can be said that, success of bank depends on range and quality of services provided by the bank. And so, in modern customer oriented market, bank should think of marketing of its services in such a way which will bring maximum satisfaction to the customers.

The objective of the study is to examine the applicability of marketing concept or societal approach of banking services and to judge the range and quality of banking services offered and consumers' satisfaction. The main object of the study is to know the expectations of consumers from the bank and how bank can fulfil their expectations through their services ?

1.3) OBJECTIVES AND HYPOTHESIS:

(A) Objectives of this Study:

This study makes an attempt to present informative analysis of the banking industry from marketing point of view on the basis of primary and secondary data available. Also an attempt is made to study the consumer satisfaction with banking services

and the applicability of marketing concept in working of Sangli Urban Co-operative Bank in Sangli city.

The main objectives of this study are given below :

- (1) To study the need and significance of banking services.
- (2) To survey present performance of banking services from the angle of efficiency and adequacy.
- (3) To know the major difficulties faced by the customers regarding banking services.
- (4) To know the difficulties faced by the branch manager and other employees.
- (5) To know the expectations of customers from the bank.
- (6) To suggest measures for the improvement and development of banking services.

(B) Hypothesis:

The study is based on the following hypothesis :

- (1) Necessary attention is paid to the basic problem of the customers.
- (2) Customers complaints and queries are properly attended.
- (3) Bank authorities are serious about customers' satisfaction.

(4) Branches are working as per the guidelines given by the Head Office.

1.4) METHODOLOGY:

For this study, relevant information was collected from various published documents e.g. the banks, committee reports, etc.

For the study of consumer satisfaction in Urban Co-operative Bank, Sangli, three banks were selected. A schedule was prepared to seek response from account holders visiting the various banks. A schedule was prepared considering the various points highlighted in hypothesis section. As many as 150 respondents were randomly selected from each of the banker to generate primary information (50 current account holders, 50 saving account holders and 50 borrowers).

As the study was based on survey technique, intensive data were collected with the help of questionnaire, interview schedule and informal discussions with the customers, bank staff and branch manager. For conducting a customer survey an interview schedule was prepared to answer the managerial questions, research questions and investigative questions. The response structure to the questions for customers was of closed form with closed response, the respondents chose one from the alternatives given.

Though the survey was done under some limitations, it is believed that this will reveal a real performance of the various branches.

1.5) LIMITATIONS:

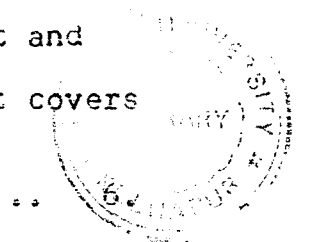
While studying the consumers satisfaction, following limitations were encountered.

- (1) The study is limited to the 3 branches of Sangli Urban Co-operative Bank located in Sangli city only.
- (2) The researcher had to rely on random sampling as the respondents represented various categories of the people.
- (3) The study is restricted to the following attributes as indicators of bank performance.
 - a) Nearness
 - b) Prompt service
 - c) Reputation
 - d) Convenient working hours
 - e) Personal attention
 - f) Recommendations from friends and relatives
 - g) Financial and technical advice.

1.6) CHAPTER SCHEME:

The present study is divided into five chapters. The first chapter is the introduction, which states selection of the problems, importance of the problems, objectives and hypothesis of the problems, methodology and limitations of the problems.

The second chapter includes development and growth of Urban Co-operative Bank, Sangli - it covers



its historical development, geographical coverage, organisational set-up.

The third chapter deals with marketing of banking services - it includes evolution of bank marketing, marketing concept, conceptual framework, marketing strategies, the need for marketing approach and customers' expectations from banks.

The fourth chapter deals with the data collection and its analysis.

The last chapter covers the conclusions and suggestions. These are based upon the observations of the data collected.

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