

CHAPTER - I

RESEARCH DESIGN

CHAPTER - I

RESEARCH DESIGN

I] INTRODUCTION:

A bank is a financial intermediary that accepts deposits and channels those deposits into lending activities either directly or through capital markets. A bank connects customers with capital deficits to customers with capital surpluses. Banking is generally a highly regulated industry and government restrictions on financial activities by banks have varied over time and location. Indian banking is transforming itself into a customer centric commercial position by providing the better and qualitative services in addition to primary services with the help of superior technology and effective innovation which is producing customer delight. India has always been a high potential of savings and deposits and its customers were by and large conservative in nature. Today's customer is wise one. They are clear in their mind about their needs, desire, wants and the capabilities that they possess in converting their desire into demand. The relationship between the desire and demand is one which generates all the activities of the economy. The concept of bank marketing was started in the year 1972 by the State of Bank of India. As the days passed on the shift in consumer expectations also been taken place. Today's customer is wise, rational, choosy and intelligent one. In this situation question is how to satisfy banking customers? It is crucial one that has kept the flame of innovation ignited in the Indian banking landscape. With the shift in offering the primary banking products to its valued customers the technological development and revolutions, customer awareness immensely increased. Now a day the customer services is becoming an integral part of any banking industry as the main motto is to snatch the attention of the customer towards the bank and where they can retain with the bank for the long period of time. As customers are an integral part of any facet of banking and it defines the future of any banking

organization. For a service sector like banking industry the whole range of activities and generation of income swivels around the customers. With this the service quality plays vital role towards the determinant of competitiveness for establishing and sustaining, satisfying the relationship with the bank customers. A customer minded corporate culture, an excellent service system design, the effective utilization of information and technology are crucial superior service quality.

In this regard, by identifying the future needs, challenges the Indian Banking sector has responded to these needs by paying more attention to enhancement of service quality so as to retain its market position. In the present era in Indian banking scenario satisfactorily service quality is an indispensable competitive strategy. It is very much important to explore the perception of services quality and its relationship with the customer satisfaction, loyalty and commitment in banks. In this regard there are some thrust area where banking sector giving more stress as well as more importance for service quality dimensions which are; assurance, empathy, security and reliability. All these dimension of service quality tends to have strong impact on customer satisfaction depending upon the quality performance.

Therefore we can say that once banker becomes successful in providing better qualitative services by an indentifying the needs then he can satisfy the customer. In order to maintain competitive and providing the most effective services to their value customers they need to have best services to their customers they need to have the best and latest technologies in place. Irrespective of their ownership status (private and Public sector) almost all they have given maximum importance to the technological development and deployment. A. T. M, plastic money, online collection and payment services, electronic fund transfer and clearing services, mobile banking, doc management system, smart cards, core banking solutions, branch banking branch networking, internet banking are all the outcomes of their initiatives of technological up gradations. The technology enables products and more

effective delivery channels offers value to their customers, providing them with anytime, anywhere, anyway banking to their customers. The study regarding retail banking have found that the loans like housing loans and auto loans have been occupied prominent place. The researcher has also considered the concept of retailing banking. The retail banking encompasses retail scheme, retail credit, retail loans, credit card, debit cards, insurance products, mutual funds and other services like D.D, Core Banking Solutions (C. B. S), T.T etc. Retail banking includes various financial services and product forming a part of the assets as well as liabilities segment of the bank. In the present day the key success of any bank lies in aggravating and emphasizing the various retail marketing activities. Therefore, in India various banks in last decade have been started to taking up the need and importance of retail banking seriously. Banks needs to more aggressive on account of changes in needs, wants, demands innovative financial products, merger and acquisition, degeneration, information technology up gradation of variety of delivery of channels. To remain competitive in the financial service landscape the banks needs to expand their product lines, add new delivery channel, develop more effective marketing system and techniques and enhance the service quality for satisfaction of the banking customers.

II] IMPORTANCE OF THE STUDY :

As the primary role of the banking sector is to perform the basic and primary function i.e. accepting the deposits and the granting the loans and advance to the needy people. Now a day there is emerging issue i.e. bank marketing. The bank marketing denotes the marketing of banking service products. In this regard the people are the most important element of any service. Service tends to be produced and consumed at the same moment and aspects of the customer experience are altered to meet the 'Individual needs' of the person consuming. This situation is not applicable for only public and private sector banks but it is also to the scheduled bank.

As the Shamrao Vitthal Co-operative Bank Ltd is an oldest bank in the co-operative sector it has realized the importance of marketing of bank services. Due to adoption of banking services marketing; the bank can serve the customer more efficiently & effectively. The adoption of newest modern technology for delivering of banking services which not only impacted the banking products but also facilitated new outlets E.g. A.T.M, internet, secondly, it is renewed focus on high net worth customers, which has created a loyalty.

Taking this into consideration, the researcher has selected the topic i.e. "A study on Bank Marketing & Customer Satisfaction with the reference to The Shamrao Vitthal Co-Operative bank Ltd, Br. Sangli.

III] OBJECTIVES OF THE STUDY :

The following were the objective for the study. They are as follows;

1. To study the conceptual aspects of the study.
2. To study the needs & Significance of Bank Marketing.
3. To study the Customers satisfaction toward the Bank Services provided by the Bank in the study area.
4. To study the major difficulties faced by the customers regarding banking services.
5. To study the bank marketing strategy of SVC Bank Ltd, Sangli.
6. To suggest, if any for marketing bank more effectively & dynamic.

IV] HYPOTHESIS OF THE STUDY :

The hypothesis for this study was as follows :

- I] Marketing of Bank services & Customer satisfaction are dependent.
- II] The success of bank marketing is dependent on 7 P's [i.e. Product, Price, Place, Promotion, People, and Process & Physical Evidence.] of service marketing.

VI] RESEARCH METHODOLOGY :

The following methodology was adopted for the purpose of the study.

A) Methods of Data Collection : The 1st hand information bearing on any research which has been collected by the researcher or his agent or assistant may be called primary data. These are original observation collected for the first time. The primary data was collected through structured questionnaire from bank Manager and its customers.

The secondary data on the other hand based on second -hand information. The data which have already been collected, compiled & presented earlier by any agency may be used for the purpose of investigation. Such data may be called secondary data.

The secondary data was collected through the banks journals, periodicals, Bank annual reports, various bank related publications as well as through the internet, bank & marketing related web sites etc.

B) Statistical Techniques Used : For data analysis the statistical techniques like percentage, classification, tabulation, comparative analysis techniques were used.

C) Sample Studying Area : The samples study area was Sangli city. (Map of Sangli city is enclosed)

D) Sample Size of Respondents : The sample respondents of 200 from the bank were selected by using simple random technique of research. Then by using the structured questionnaire the data was collected from the sample selected customers.

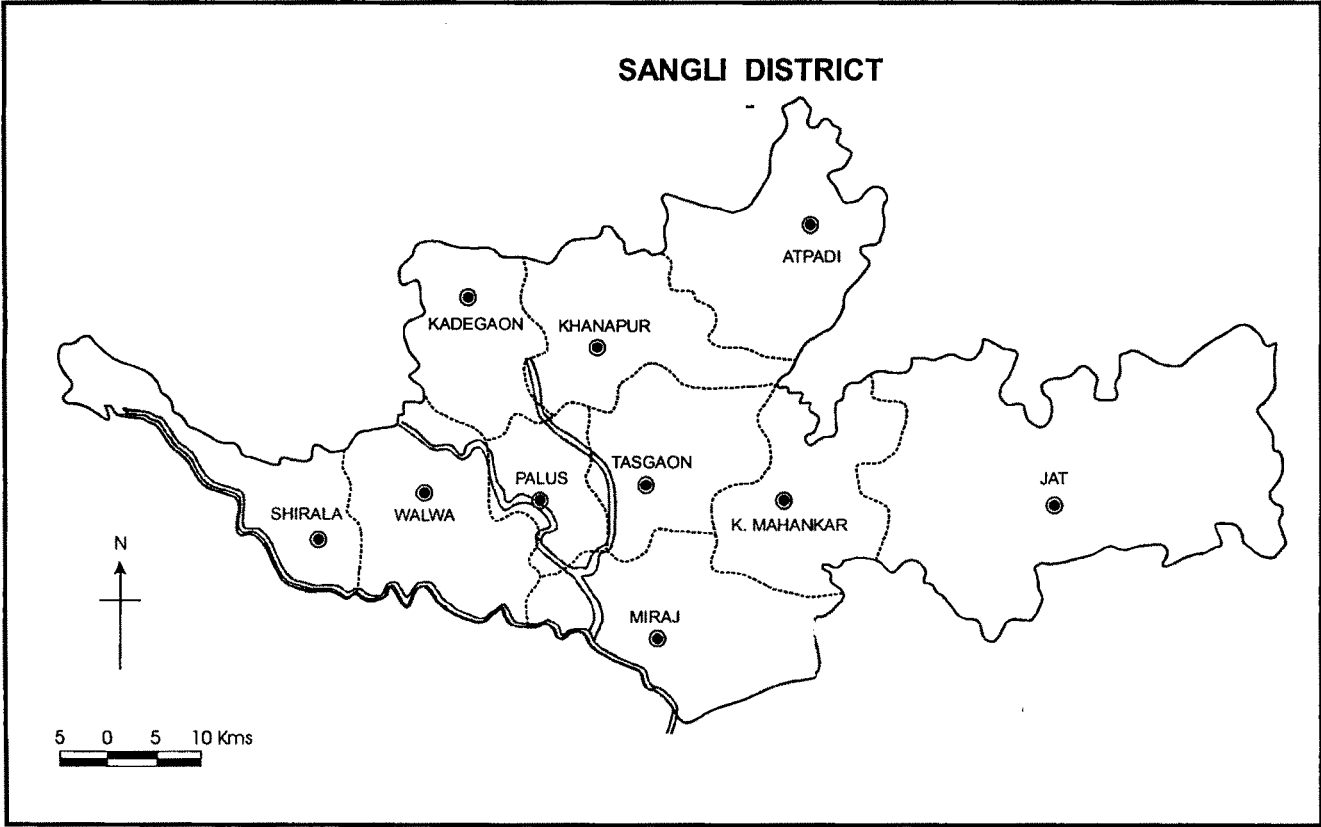
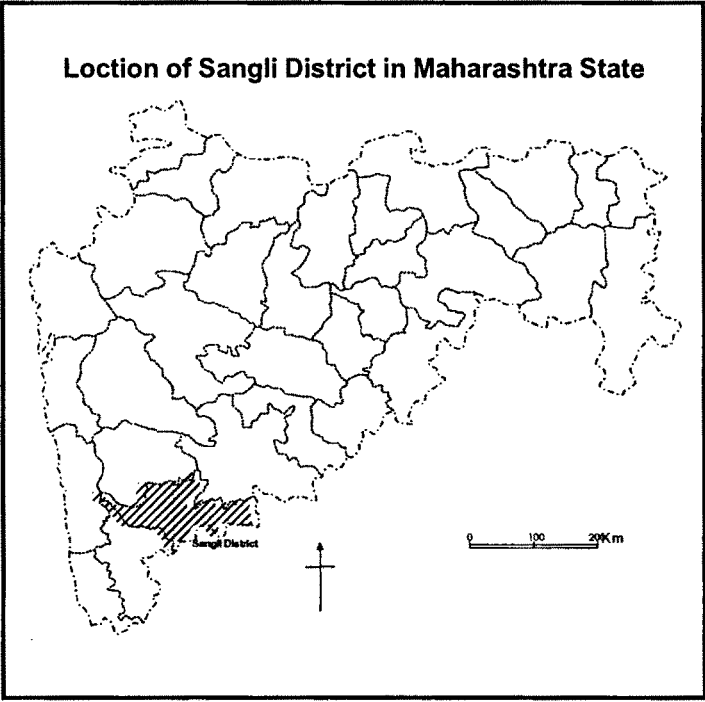
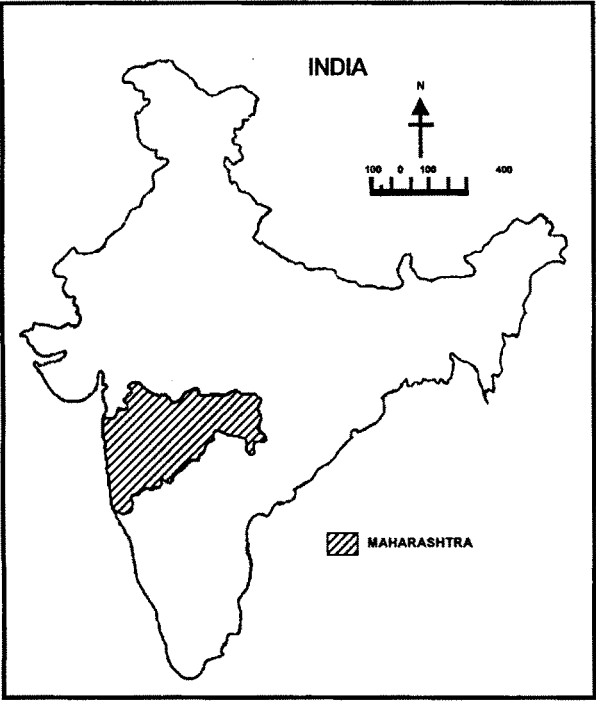
VI] SCOPE OF THE STUDY :

I] Analytical Scope : It has covered the objectives set for the study & the analysis of the marketing of Bank services & customer Satisfaction.

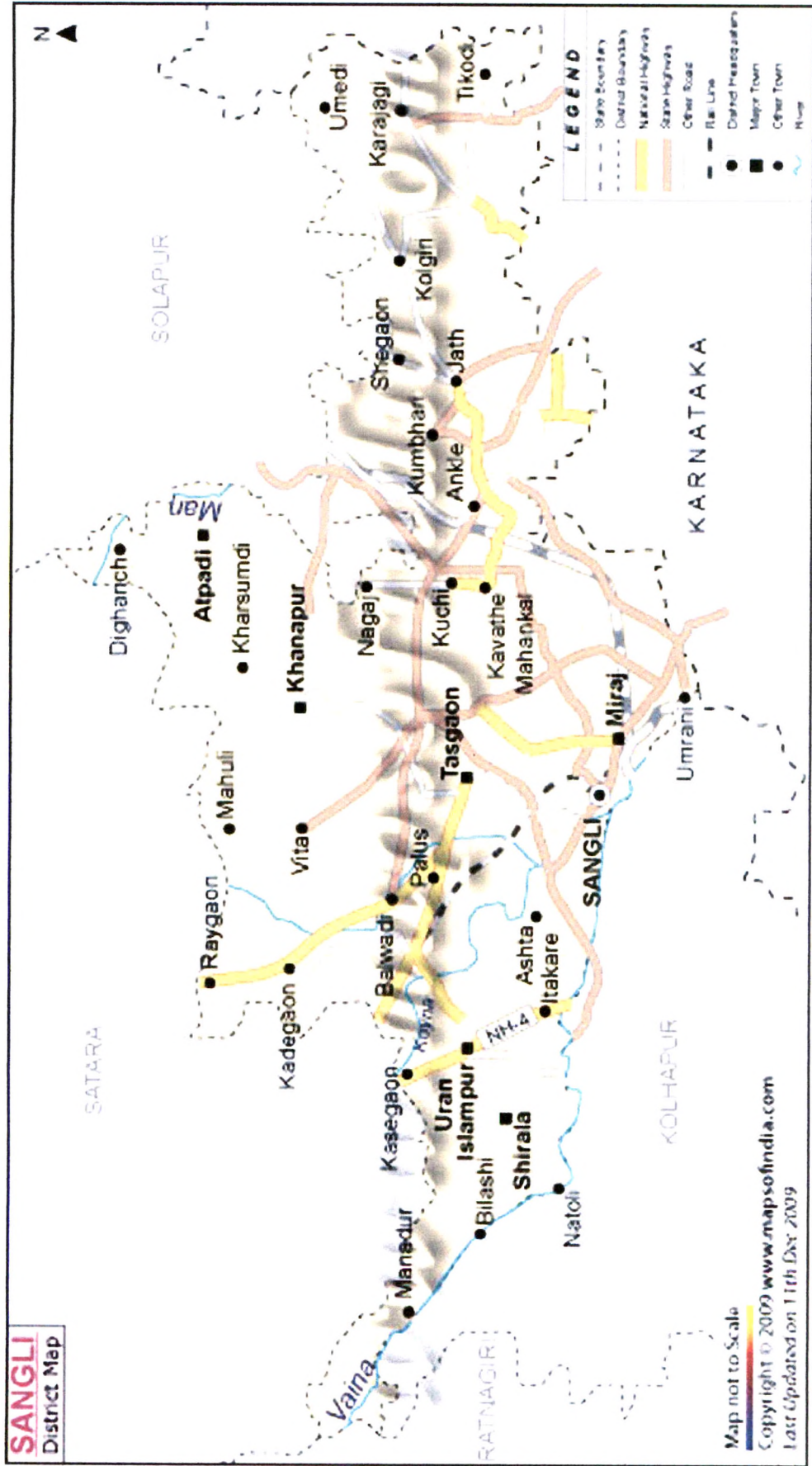
II] Subjective Scope : The scope of present study is restricted to the Marketing Management.

III] Geographical Scope : The Geographical Scope of present study is restricted to the Sangli city from Sangli district. (Map of the Sangli city is attached.)

Location Map



SANGLI DISTRICT MAP



SANGH. D. L. SANGH KHARDEK. B. LIBRARY
 SHIVAJI UNIVERSITY, KOLHAPUR.