

CHAPTER - IV

ANALYSIS OF SURVEY RESULTS

Indian banking is at cross roads today. With the deregulation and liberalization process in full swing, the consequent policy changes introduced in the Indian financial system in general and banking in particular are effecting unprecedented changes in its functioning. With the emerging changes did spring up new challenges of commercial viability, cost effectiveness, effective marketing strategy, etc. Market oriented policies also gave birth to new players like foreign and private sector banks and subsidiaries offering varied high tech and cost effective Service. There was an absolute shift from sellers into buyers' market, establishing the 'consumer' as the key factor in the market. The dictum "as the bank exists because of its customers, has become more pronounced and relevant in the present context". Thus, marketing constitutes the key strategy for banks to retain good customers and also anticipate their future demands.

Bank Marketing

Deryk Weyer of Barclays Bank call marketing strategy as "a process, consisting of identifying the most profitable markets now and in future; assessing the present and the future needs of the customers; setting business development goals and making plans to meet them; and managing various services and promoting them to achieve the plans – all in the context of a changing environment in the market".

Special Features of Bank Marketing

- Banking product cannot be seen or touched like manufactured products (intangibility)
- In marketing banking products, the product and the seller are inseparable; they together define the banking product (inseparability)
- Banking products are products and delivered at the same time; they cannot be stored and inspected before delivering' (perishability)
- Standardization of banking product is difficult (variability)

Importance of bank marketing

- **Awareness among Customers**

Modern technology has made customers aware of the developments in the economic environment, which includes the financial system. Financial needs of the customers have grown multifold into various forms like quick cash accessibility, money transfer, asset security, increased return on surplus funds, financial advice, deferred payments etc. With a wide network of branches, even in a dissimilar banking scenario, customers expect the banks to offer a more and better service to match their demands and this has compelled banks to take up marketing in right earnest.

➤ **Quality as a Key Factor**

With the opening up of the economy, fast change has been experienced in every activity, and banking has been no exemption. Quality is the watchword in the competitive world, which is market driven and banks have had to face up to this emerging scenario. In fact, it may not be out of place to reiterate that quality will in future be the sole determinant of successful banking ventures and marketing has to focus on this most crucial need of the hour.

➤ **Growing Competition**

Increased completion is being faced by the Indian banking industry from within the system with other agencies both, local and foreign, offering value added services. Competition is no more confined to resource mobilization but also to lending and other areas of banking activity. The foreign commercial bank with their superior technology, speed in operations and imaginative positioning of their services has also provided the necessary impetus to the Indian banks to innovate and complete in the market place.

➤ **Technological Advances**

Technological innovation has resulted in financial product development especially in the international and investment banking areas. The western experience has demonstrated that technology has not only made execution of work faster but has also resulted in greater availability of manpower for customer contact.

Marketing Strategy in Banking Sector

➤ **Consumer Behavior and Segmentation**

Banks deal with individuals, group of persons and corporate, all of whom have their likes and dislikes. No bank can afford to assess the needs of each and every individual buyer (actual or potential). Segmentation of the market into more or less homogenous groups, in terms of their needs and expectations from the banking industry, provides a solution to this problem. This involves dividing the market into major market segments, targeting one or more of these segments, and developing products and marketing programs tailor-made for these segments. In the **first segmentation**, the market is divided from a unitary whole, to groups of buyers who might require separate products and marketing mix. The marketer typically tries to identify different segments in the market and develop profiles of resulting market segments. The **second step** is market targeting in which each segment's attractiveness is measured and a target segment, is chosen based on its attractiveness. The **third step** is product positioning which is the act of establishing a viable competitive position of the firm and its offer in the target segment chosen. In the process of segmentation, the market can be divided into major segments which are gross slices of the market, or into smaller specially formed segments, otherwise known as niches. Niche customers have a specific set of needs which the marketer tries to address. While a market segment attracts several competitors, a niche attracts fewer competitors and therefore, a company should clearly define its target segment and devise strategies to target the customer, so that it has a competitive advantage in the segment. An important criterion for market segmentation the economic system in which we find agricultural sector, industrial sector, services sector, household sector, institutional sector and rural sector requiring of weight age while segmenting.

➤ **Customer Relationship Management**

The marketing strategy consists of a very clear definition of prospective customers and their needs and the creation of marketing mix to satisfy them. A recent development in this regard is Customer Relationship Management (CRM). It is a business strategy to learn more and more about customer behavior in order to create long term and sustainable relationship with them. It is a comprehensive process of acquiring and retaining selective customers to generate value for the bank and its customers. Under CRM, acquisition of customers is done through personal visits, media advertisement or word of mouth from existing customers. Customer retention is carried out through data warehousing and mining tools, customer service and call

services, and improved customer value is obtained through cross-selling and up selling to the retained customers. The concept of data warehousing and data mining used in CRM helps in seeking information about individual customers and their needs on a regular and systematic basis. Data warehousing builds customer wise data by mapping it from various services and products used by the customers such as deposits, credits, foreign exchange, e-business, safe custody, lockers, bill collection, etc. Data mining carries out various types of analysis on collected data to determine customer behavior with respect to product, price and distribution channels, and offers a holistic view of every customer at a given point of time. The customer information gathered by the bank in their day-to-day banking operations is often sufficient for effective data storage. However, many times, it needs to be supported by data collected from outside sources and agencies.

➤ **Identification of Target Customers & their Needs**

This is an important area in formulation of a marketing strategy. Unless the bank has clear idea about the customers it wants to serve, it is not possible to work out products to satisfy their needs. This identification process involves:

- ❖ Finding out profile of present customers in terms of their education, occupation, income, geographical location, population group, age, sex, marital status, products and services their purchase, their habits, tastes & preferences, their businesses & future prospects ,etc.
- ❖ Finding out opinions of existing customers about the services provided by the bank and their suggestions for improvement in present services and introduction of new services.
- ❖ Collecting such information from the persons who are not currently customers of the bank.

All this can be done by conducting a survey of customers and non-customers of the bank. Moreover, this process of seeking information about the market must form an integral part of the system and must be done on a regular basis. The survey would give valuable information about profiles and opinions of customers and non-customers of the bank, and it can be analyzed to find out the target group of the customers and their felt and latent needs.

Marketing Mix in Bank

The second element in formulation of marketing strategy is development of proper marketing mix, so as to satisfy the needs of the target group of customers. This would involve decisions regarding product, place, price, promotion, process, physical evidence, and people.

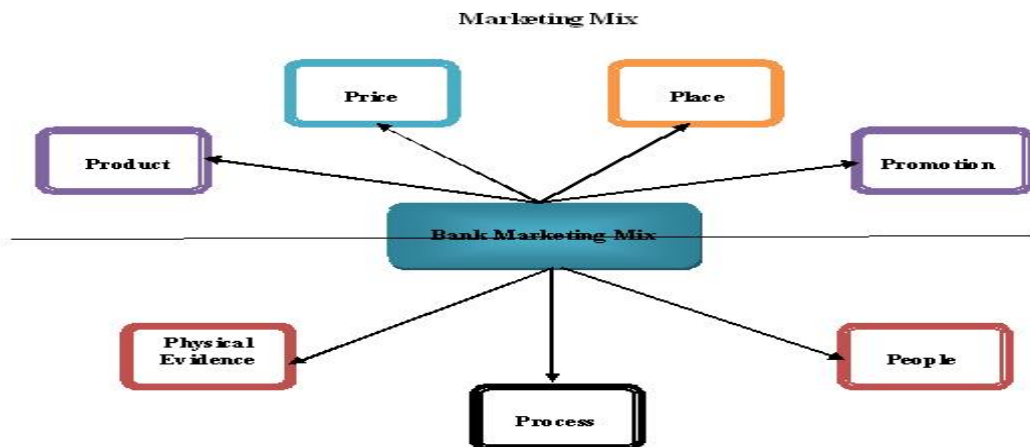


Chart 4.1: Bank Marketing Mix

In the above paragraphs details regarding the bank marketing and its importance and the important aspects that are to be considered by the bankers in framing a marketing strategy and bank market segmentation and its features were been discussed. After the detailed discussion it is also important to know about the 7P's of marketing which are going to play an important role in the marketing strategies of the bank. The seven P's are:

- PRODUCT
- PRICE
- PLACE
- PROMOTION
- PEOPLE
- PROCESS
- PHYSICAL EVIDENCE

The above 7P's are playing a vital role in the framing of strategies in the banking sector. A detailed information regarding the above P's was given in the following paragraphs.

HYPOTHESES Guiding the Study:

H01: There is no significant association between age and marketing mix

H02: There is no significant association between Gender and marketing mix

H03: There is no significant association between Location and marketing mix

H04: There is no significant association between Education and marketing mix

H05: There is no significant association between Occupation and marketing mix

H06: There is no significant association between Income and marketing mix

5.1 PRODUCT STRATAGIES:

A product is a bundle of physical, service, and symbolic attributes designed to satisfy consumer wants. Therefore, product strategy involves considerably more than producing a physical good or service. For the purpose of study two from the public sector and two from the Private sectors banks was considered and its details are as follows:

Public Sector Banks:

- A. State Bank of India
- B. Andhra Bank

Private Banks:

- C. ICICI
- D. HDFC

A. State Bank of India:

State Bank of India is India's largest bank with total assets of US\$ 260 billion at September 31, 2009. The Bank has a network of 16,000 branches and about

3000ATMs in India and presence in 32 countries. SBI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries and affiliates in the areas of investment banking, life and non-life insurance, venture capital and asset management. The Bank currently has subsidiaries in the United Kingdom, Russia and Canada, branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre and representative offices in United Arab Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia .SBI Bank's equity shares are listed in India on Bombay Stock Exchange and the National Stock Exchange of India Limited.

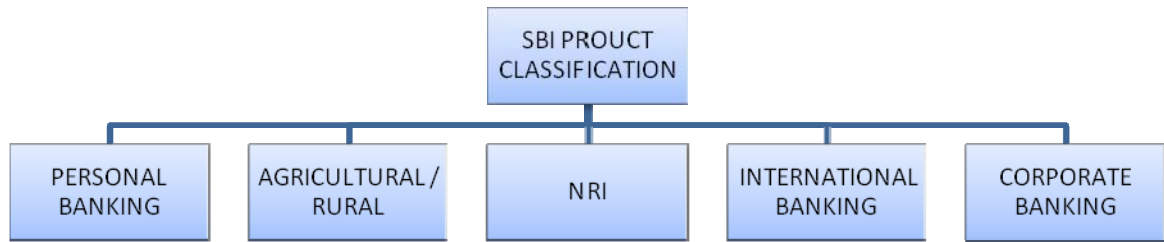
Different Products and Services:

Deposits – Banks accept the deposits of the public. In order to attract the savings of the people, the bank provides every sort of facility and inspiration to them and collects the scattered savings of the society. The bank opens an account of those people who deposit their savings with the bank. These deposit accounts can mainly be of three types and people can open any of these three types of accounts according to their wish. These accounts are current account, saving bank account, fixed deposit account.

Loans – The bank just don't keep with themselves the deposited amount of the people, rather they advance them in the form of loans to the businessman and entrepreneurs, just to earn profits for their partners. The loanee keeps some gold, silver, fixed and variable assets in the form of security with the bank. The bank can advance loan to their customers in three ways: overdrafts, money at call, discounting bills of exchange.

As per the banking policies and practices, every bank follows different forms of products with different names its information and classification is mentioned below:

Chart 4.2: SBI Product classifications



7 P's of Marketing of SBI Bank:

1. DEPOSITS:

SBI Bank offers wide variety of Deposit Products to suit customer requirements. Coupled with convenience of networked branches over 3000 ATMs and facility of E-channels like Internet and Mobile Banking, SBI Bank brings banking at customer doorstep.

Savings Account: SBI Bank offers a power packed Savings Account with a host of convenient features and banking channels to transact through.

Senior Citizen Services: The Senior Citizen Services from SBI Bank has several advantages that are tailored to bring more convenience and enjoyment in their life.

Fixed Deposits: Safety, Flexibility, Liquidity and Returns. A combination of unbeatable features of the Fixed Deposit from SBI Bank.

Recurring Deposits: Through SBI Bank Recurring Deposit you can invest small amounts of money every month that ends up with a large saving on maturity. So you enjoy twin advantages- affordability and higher earnings.

SBI Bank Salary Account: is a benefit-rich payroll account for Employers and Employees. As an organization, it can opt for Salary Accounts to enable easy disbursements of salaries and enjoy numerous other benefits too.

2. INVESTMENTS

Along with Deposit products and Loan offerings, SBI Bank assists customers to manage their finances by providing various investment options such as:

- SBI Mutual Funds

- SBI Life insurance
- SBI Gold Bonds.

3. ANYWHERE BANKING

SBI Bank is the largest bank in the country. It services a customer base of more than 150 million customer accounts through a multi-channel access network. This includes more than 16000 branches and extension counters, over 3000 ATMs, Call Centre and Internet Banking. Thus, one can access the various services SBI Bank has to offer at anytime, anywhere and from anyplace.

4. LOAN: Different forms of loans offered by SBI is given below:

- a) Home Loans
- b) Personal Loans
- c) Car Loans
- d) Two Wheeler Loans
- e) Commercial Vehicle Loans
- f) Loans against Securities
- g) Farm Equipment Loans
- h) Construction Equipment Loans
- i) Office Equipment Loans
- j) Medical Equipment Loans

5. CARDS: Different forms of cards offered by bank are as follows:

- a) Credit Card
- b) Debit cum ATM Card
- c) Travel Card

6. DEMAT SERVICES : SBI Bank Demat Services boasts of an ever-growing customer base of over 12 lacs account holders. In their continuous endeavor to offer best of the class services to customers by offering with the following features:

- Digitally signed transaction statement by e-mail.
- Corporate benefit tracking.
- e-Instruction facility – facility to transfer securities 24 hours a day, 7 days a

week through Internet Interactive Voice Response (IVR) at a lower cost.

- Dedicated specially trained customer care executives at their call centre, to handle all queries.

7. MOBILE BANKING :

With SBI Bank, banking is no longer what it used to be. SBI Bank offers Mobile Banking facility to all its Bank, Credit Card and Demat customers. SBI Bank Mobile Banking enables you to bank while being on the move.

8. ONLINE MONEY TRANSFER :

Online money transfer facility available to NRIs worldwide through the click of a button.

Benefits:

- FREE Money transfers into accounts in India
- ONLINE Tracking of the status of your funds
- SUPERIOR Exchange rates
- OFFLINE MONEY TRANSFER facility is also available across geographies through local branches and in association with partner banks/ exchange houses.

The following are the performance of the bank with its products and customers details from the year 2007-08 to 2011-12

Table No: 4.1 showing the SBI overall performance for various years

State Bank of India overall performance details for various years							
Items	YEARS					<i>(Amount in ` million)</i>	
	2007-08	2008-09	2009-10	2010-11	2011-12	Group Aggregate 2011-12	All Banks' Aggregate 2011-12
No. of offices	10683	12034	13094	14046	14316	19485	83229
No. of employees	179205	205896	200299	222933	215481	280256	1013390
Business per employee	45.60	55.60	63.60	70.47	79.84	91.24	113.76
Profit per	0.37	0.47	0.45	0.39	0.53	0.55	0.81

employee							
Capital and Reserves & Surplus	490327	579477	659492	649860	839512	1072494	6085315
Deposits	537403 9	742073 1	804116 2	933932 8	1043647 4	14050241	64536642
Investments	189501 3	275954 0	295785 2	295600 6	3121976	4173221	22305472
Advances	416768 2	542503 2	631914 2	756719 4	8675789	11519913	50745793
Interest income	489503	637884	709939	813944	1065215	1434878	6550565
Other income	86949	126908	149682	158246	143514	178904	857402
Interest expended	319291	429153	473225	488680	632304	888512	4305185
Operating expenses	126086	156487	203187	230154	260690	327396	1371033
Cost of Funds (CoF)	5.64	5.72	5.14	4.67	5.35	5.66	5.90
Return on advances adjusted to CoF	3.70	3.95	3.48	3.97	4.63	4.61	4.51
Wages as % to total expenses	17.48	16.64	18.86	21.16	19.01	17.42	13.73
Return on Assets	1.01	1.04	0.88	0.71	0.88	0.89	1.08
CRAR	13.54%	14.25	13.39	11.98	13.86	13.70	14.25
Net NPA ratio	1.78	1.79	1.72	1.63	1.82	1.76	1.28

Source: Bank Annual Reports for various years

Product Strategies in SBI:

The banking organizations are required to frame strategies. The strategy is concerned with product and its allied services are mentioned in the following paragraphs.

Apart from restructuring, SBI launched several innovative, value-added products and services to project a customer friendly image. It launched a special service for corporate customers called 'teleshopping and remote login' to support transactional requests.

Alliances and Tie-Ups

To boost its business, SBI entered into several alliances and tie-ups with automobile, insurance, mutual fund, project finance and medical equipment companies.

Auto Finance:

Unlike other competitors that relied on reduced interest rates to get business, SBI extended the tenure of car loans from five to seven years, thereby lowering the monthly debt repayment burden of the loan seeker. SBI entered into a tie-up with Maruti, the largest automobile manufacturer in India, to provide loans for purchase of Maruti cars at the rate of 10.05 per cent and 11.25 per cent for three years and above three years respectively. After the scheme was introduced, SBI emerged as the largest financier for Maruti cars in India

The Marketing Initiatives

SBI carried out various marketing initiatives to enhance its reach. They included segregating and targeting existing high value customers, cross sales of other products, setting up call centers and outbound sales force to secure new customers. Plans were also made to utilize database marketing to pursue large and medium sized corporates, government and trade finance customers. Database marketing was expected to draw increased revenue from cross selling, lower costs and increased customer loyalty. SBI also introduced various other ways of reaching out to customers like extension of hours of work and aggressive marketing through print and television media. SBI increased daily working hours by two hours and Sunday banking was introduced...

The Restructuring

To overcome the intense competition from private and foreign banks, SBI planned a major organizational restructuring exercise. The key aspects involved redesigning of branches, providing alternate channels; focus on a lean structure and technological upgradation. A business process reengineering (BPR) team was constituted in June 2003 with McKinsey & Company as consultants. The BPR's basic goal was to create an operating architecture that would facilitate service delivery of

international standards. The project objectives were defined as "increasing customer satisfaction and convenience, freeing up time for branch manager and branch staff to focus on sales and marketing, simplifying process for employees, enhancing SBI's competitiveness in the market, increasing the profitability through higher market share and improved process efficiency..."

New Products and Services

Apart from restructuring, SBI launched several innovative, value-added products and services to project a customer friendly image. It launched a special service for corporate customers called telebanking and remote login' to support transactional requests.

B. Andhra Bank:

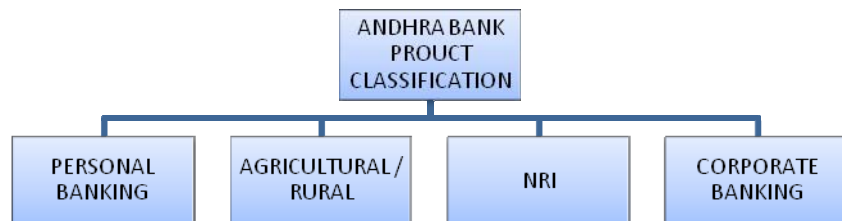
Andhra Bank is a banking institution based in India providing wide range of banking and financial services. It is engaged in providing retail banking, corporate banking, treasury and other banking services. The bank is a depository participant with Central Depository Service Limited (CDSL) and National Securities Depository Limited (NSDL). Andhra Bank offers depository services to the public under the brand name of AB Demat. It also offers life and non-life insurance products, and mutual fund products. The bank offers its services through a wide spread network of branches across India including rural, semi-urban, urban, and metro regions. Andhra Bank also operates a strong alternative distribution channel. The bank is headquartered at Hyderabad in Andhra Pradesh, India.

The products and services provided by the bank mainly categorised into businesses of Retail, Corporate, NRI, MSME, and Agricultural industries. Under the Retail Business, the bank offers Deposits, Loans, Cards, DMAT Services, Payment Services, Insurance, and Mutual Funds to individual customers. Under the Corporate Business, the bank offers Loans & Advances, Project Appraisal services, and Syndication of Loans to the business entities. Under the NRI business segment, the bank offers Deposit schemes, Loans, Remittance services, and Investment services to the Non Resident Indians. Under the MSME business segment, the bank offers different schemes that aimed at providing loan and transaction services to Micro

Small and Medium Enterprises (MSME). Some of the MSME schemes available are OTS Scheme, Composite loan scheme, Open cash credit (OCC), Artisans Credit Card (ACC), AB Laghu Udhyaami Credit Card (LUCC), AB Power Tools (Shakti), Technology upgradation fund scheme (TUFs), Credit guarantee fund trust for small industries (CGTSI), AB Doctor Plus...etc. Under the Agriculture business segment, bank provides different credit schemes to farmers, Women Empowerment schemes, and Andhra Bank Rural Development Trust (ABRDT) helps Rural Self Employment Training Institutes (RSETIs).

As per the banking policies and practices, every bank follows different forms of products with different names its information and classification is mentioned below:

Chart 4.3: Andhra Bank Product classifications



Following are the various Deposit Schemes under above heads:

- AB Current Accounts
- AB Term Deposits
- AB Arogyadaan Scheme
- AB Bancassurance Life
- AB Bancassurance (Non Life)
- Retail Loans
- Agricultural Loans
- Corporate Banking
- NRI Banking
- NRI Products and Services
- NOSTOR details for remittance
- Western Union Money Transfer

Following are the various Technology Products available –

- Internet Banking
- Credit cards (Either on the basis of Fixed Deposit or latest Income Tax returns)
- Multi City Cheque Facility
- On-Line Tax Accounting System (OLTAS)
- Real Time Gross Settlement (RTGS)
- Instant Funds Transfer
- ATM Services
- Any Branch Banking
- Electronic Clearing Service (ECS)
- National Electronic Funds Transfer

Performance of Andhra Bank:

Table No:4.2 showing the Andhra Bank overall performance for various years

Andhra Bank							
Items	YEARS					<i>(Amount in ` million)</i>	
	2007-08	2008-09	2009-10	2010-11	2011-12	Group Aggregate 2011-12	All Banks' Aggregate 2011-12
No. of offices	1401	1463	1586	1660	1712	50013	83229
No. of employees	13387	14255	14292	14098	15099	491132	1013390
Business per employee	62.65	72.83	93.90	116.50	126.20	128.75	113.76
Profit per employee	0.43	0.46	0.70	0.90	0.90	0.70	0.81
Capital and Reserves & Surplus	32493	36470	44100	64924	74794	2483271	6085315
Deposits	494365	593900	776882	921563	1058512	35969893	64536642
Investments	148982	169111	208810	242040	296289	10867544	22305472
Advances	342384	441393	561135	714354	836418	27263212	50745793
Interest income	42096	53746	63729	82913	113387	3412524	6550565
Other income	6265	7654	9646	8970	8599	324674	857402
Interest expended	28700	37477	41781	50703	75794	2396879	4305185
Operating expenses	9091	11043	13495	17049	18042	574750	1371033
Cost of Funds (CoF)	6.12	6.40	5.38	5.23	6.83	6.22	5.90
Return on advances adjusted to CoF	4.11	4.36	4.92	5.26	5.14	4.10	4.51
Wages as % to total expenses	13.48	12.86	14.91	16.30	12.25	12.20	13.73
Return on Assets	1.16	1.09	1.39	1.36	1.19	0.88	1.08
CRAR	11.61%	13.22	13.93	14.38	13.18	13.03	14.25
Net NPA ratio	0.15	0.18	0.17	0.38	0.91	1.43	1.28

Source: RBI Website

Andhra Bank's loan book grew by 4.4% sequentially, versus our expectation of 5.2%. Healthy growth was witnessed across all the segments - Agriculture (6.1% qoq); Retail (5.3% qoq); MSME (4.8% qoq) and Corporate (3.1% qoq). Within Retail, gold loans witnessed strong traction reporting a growth of 12% qoq/23.9% yoy. Bank is extremely cautious in corporate lending given the challenges confronted by this segment. Going forward, retail will be the key area of focus. Deposits grew by 3.5% qoq led by strong growth in Retail TDs and Current Deposits. Bulk deposits as a proportion of total deposits continued to shrink to 27% as against 35% earlier. CASA ratio improved by 11bps to 26% owing to 10.9% sequential growth in Current Deposits. It is expected to improve further in the wake of substantial branch addition

in CASA accretive locations. ~100 more branches are expected to be opened in Q4 FY13 taking the total branch count to ~1900 by Mar'2013. With advances growing ahead of deposits, C/D ratio improved by 70bps qoq to 80.3% in Q3 FY13. Management has guided credit and deposit growth of 14% and 13% respectively in FY14.

NIM improved by 22bps to 3.35% in Q2 FY13 due to 20bps decline in CoF (on account of re-pricing of Term Deposits at lower rates and consistent shedding of bulk deposits) and improvement in C/D ratio. NIM is expected to stabilize given the focus on relatively better yielding retail lending and improvement in deposit profile.

GNPA (3.7%) and NNPA (2.3%) ratio rose by 18bps and 13bps respectively in Q3 FY13. Delinquency ratio improved significantly from 3.6% in Q2 FY13 to 2.1% in Q3 FY13. During the quarter, two large accounts Deccan Chronicle (Rs2bn) and one from restructured portfolio (Rs200mn) slipped into NPA. Outstanding restructured advances stood at 11.5% of total advances. Tamil Nadu SEB was restructured during Q3 FY13. Management expects restructuring of Andhra Pradesh SEB (Rs20bn) and other restructuring of ~Rs4-4.5bn in Q4 FY13. Out of the outstanding restructured advances of Rs103.8, only advances worth ~Rs14bn are cause for concern. PCR declined further by 80bps to 52.4% in Q3 FY13. During the quarter, bank made additional provision of 0.75% on the existing restructured book (as mandated by RBI). Asset quality is likely to remain under pressure in the near term.

Non-interest income registered robust 8.6% qoq growth. However, on yoy basis it was almost flat. Strong NII and other income growth resulted in improvement in C/I ratio by 160bps sequentially to 41.1% in Q3 FY13. Bank plans to add 100 branches in Q4 FY13 and 200 branches in FY14. Additional operational expenses pertaining to these branch additions will be absorbed by healthy NII growth, sustaining the C/I ratio at current level.

Currently the Tier I ratio stands relatively lower at 8.1%. Excess SLR of Rs40bn would suffice the capital requirement for FY13. In the beginning of FY14, bank would approach the Government of India for additional funds to meet its planned balance sheet expansion.

Keeping in view bank's stressed asset quality, weak PCR, and lower capitalization we do not foresee any material upside in the stock. Thereby, maintain Market Performer rating with target price of Rs122.

Product Strategies adopted by Andhra Bank:

- Bank introduced a new Loan Scheme for practicing Professionals named "AB Professional Loan" from 30 January 2012, to cater to the potential segment consisting of practising Chartered Accountants, Architects, Engineers, Valuers, Management & Financial Consultants, Company Secretaries, Cost Accountants, etc.,
- Bank recently launched a new Product named "Abhaya First Wealth Pack" in all its Branches, combining features of four products, viz., Recurring Deposit, Savings Bank Account, Unit Linked Plan (Equity Option) and Life Insurance Cover. This is available in three denominations of Silver (₹ 25,000/-), Gold (₹ 50,000/-) and Platinum (₹ 1,00,000/-).
- The prepaid cards launched by the bank in September 2011 under gift and international travel received good response from the customers. The gift cards are available in flexi denomination from Rs.250/- to Rs.50,000/-. Gift cards, like international travel prepaid cards, are issued initially in US dollars. The cards are issued with an initial load of US\$200 and reloading in multiples of US\$10
- Andhra Bank has launched a new health insurance product for its account holders. The scheme called 'AB Arogyadan' is to meet hospitalisation of family members of those who have any form of account with the bank at a very affordable premium

Andhra Bank on June 23 launched a deposit scheme 'AB Recurring Plus' with several special features, including monthly instalments of not less than Rs.100 and not more than Rs.1 lakh (core amount).

- Andhra Bank has entered into an insurance joint venture with Bank of Baroda and Legal and General. Launching the joint venture under the name IndiaFrist Life Insurance Company Ltd.

Andhra Bank has tied up with the United Arab Emirates Exchange Centre at Kuwait in an arrangement under which the bank's customers, NRIs there, can remit amounts that will be credited to account holders in India the same day.

II. Private Banks:

A. ICICI BANK:

ICICI Bank Limited is the second largest financial service company headquartered at Mumbai, India. It ranks second in term of sales and total assets. It offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialised subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management.

The Bank currently has subsidiaries in the United Kingdom, Russia and Canada, branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre and representative offices in United Arab Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia. Our UK subsidiary has established branches in Belgium and Germany.

It is one of the Big Four banks of India, along with State Bank of India, HDFC Bank and Punjab National Bank—its main competitors and its product classification are mentioned under.

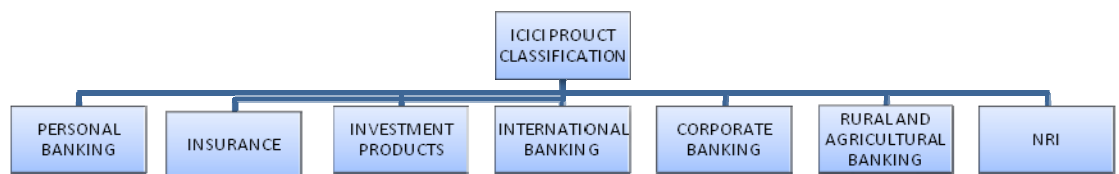


Chart 4.4: ICICI Bank Product classifications

Product Marketing of ICICI Bank:

ICICI Bank offers a range of banking products and financial services to corporate and retail customers through several delivery channels and specialised

subsidiaries and affiliates. The areas include investment banking, life and non-life insurance, venture capital and asset management. ICICI Bank, which accepts deposits under various savings and fixed schemes, offers a range of loans for various purposes, including housing, cars and 2-wheelers, commercial vehicles, farm equipment, medical equipment, office equipment and construction equipment. The bank also has a popular credit card business. ICICI offers other services such as internet banking, mobile banking, telephone banking etc ICICI was the first bank in India to start internet banking way back in 1996.

Other services include:

ATM Network:

A saving Bank Account with ICICI Bank Entitles a free ATM card, which enable us to access our account anytime & at any ATM center across the country. Unlike most other ATMs, an ICICI bank ATM allows one to withdraw Upto RS. 25,000 a day. In addition, cash can be withdrawn from any of the ATM from our master card. (Domestic/ International).

7 Days Banking:

At select branches spread over a country we can do your banking on all the 7 days of the week (except for public holidays), over extended working hours. For consumer convenience ICICI is one of very few banks which operates from morning eight to evening eight i.e. twelve hours banking.

Tele-banking:

A Tele-banking service provides us instant access to our account. They offer us a wide range of service over the phone such as account information, Balance enquiry, Transaction details, statement of account on fax, status of our cheque (Available during branch business Hours).

Connect – internet Banking:

Through the concept of “the bank on your desktop” we can look up the status of our account, query & undertake a range of financial transactions, simply by clicking the mouse.

ICICI card service:

ICICI Bank has joined hands with several banks, to give rise to a new kind of card power- unique & unmatched benefits & international utility at the most competitive rates. The ICICI Bank internal silver card, the Master Card & 'unique' card offer quite a few benefits.

CREDIT CARDS

ICICI Bank Credit Cards gives the facility of cash, convenience and a range of benefits, anywhere in the world. These benefits range from life time free cards, Insurance benefits, global emergency assistance service, discounts, utility payments, travel discounts and much more.

DEBIT CARDS

The ICICI Bank Debit Card is a revolutionary form of cash that allows customers to access their bank account around the clock, around the world. The ICICI Bank Debit Card can be used for shopping at more than 100,000 merchants in India and 13 million merchants worldwide.

TRAVEL CARDS

Presenting ICICI Bank Travel Card. The Hassle Free way to Travel the world. Traveling with US Dollar, Euro, Pound Sterling or Swiss Francs; Looking for security and convenience; take ICICI Bank Travel Card. Issued in duplicate. Offers the Pin based security. Has the convenience of usage of Credit or Debit card.

Other Features:

The ICICI bank card has the widest possible reach – welcome by 1, 10,000 Merchant partners across India & Nepal & yet another 160lakh merchant Establishment worldwide.

Mobile ATM's:

ICICI Bank launched its mobile ATM in Mumbai way back in 2002— the first of its kind in India. In Mumbai, the mobile ATM vans are parked at four locations in the suburbs daily for two hours each. The four locations have been chosen depending

on the sizeable number of customers the bank have in these pockets. These ATMs are equipped with Video Surveillance devices. Regular customers can also use this ATM under normal course.

Product Strategies of ICICI Bank:

Introduced a new product - 'NRI smart save Deposits' – a unique fixed deposit scheme for nonresident Indians. Representative offices opened in Thailand, Indonesia and Malaysia. ICICI Bank became the largest retail player in the market to introduce a biometric enabled smart card that allow banking transactions to be conducted on the field. A low-cost solution, this became an effective delivery option for ICICI Bank's micro finance institution partners.

Financial counseling centre Disha was launched to provides free credit counseling, financial planning and debt management services. Launched India's first ever jewellery card in association with jewelry major Gitanjali Group. ICICI Bank became the first bank in India to launch a premium credit card -- The Visa Signature Credit Card.

ICICI Bank became the first private bank in India to offer both floating and fixed rate on car loans, commercial vehicles loans, construction equipment loans and professional equipment loans. In a first of its kind, nation wide initiative to attract bright graduate students to pursue a career in banking, ICICI Bank launched the "Probationary Officer Programme". Launched Bank@home services for all savings and current a/c customers residing in India

ICICI Bank launched iMobile, a breakthrough innovation in banking where practically all internet banking transactions can now be simply done on mobile phones .ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialised subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management.

Go Green Initiative “Each one for a Better Earth”

It is an organization wide initiative that moves beyond moving people, processes and customers to cost effective automated channels to build awareness and consciousness of our environment, our nation and our society.

Objective

ICICI Bank's Green initiatives aimed at their customers are driven by the objective of collaborating with each of their customers and making 'Green' a part of their lives. These initiatives range from Green offerings/ incentives, Green engagement to Green communication with their customers.

Green Products & Services

Instabanking

It is the platform that brings together all alternate channels under one umbrella and gives customers the convenience of banking anytime anywhere through Internet banking, i-Mobile banking, IVR Banking. This reduces the carbon footprint of the customers by ensuring they do not have to resort to physical statements or travel to their branches

Vehicle Finance

As an initiative towards more environment friendly way of life, Auto loans offers you 50% waiver on processing fee on car models which uses alternate mode of energy. The models identified for the purpose are, Maruti's LPG version of Maruti 800, Omni and Versa, Hyundai's Santro Eco, Civic Hybrid of Honda, Reva electric cars, Tata Indica CNG and Mahindra Logan CNG versions. They say, "Each car that hits the road impacts the environment...make an informed choice for a better earth"

Power Go Green Contest

ICICI Bank invited ideas for Going Green from employees through the Power Go Green contest. The contest received an overwhelming response with participation through over 540 ideas. The ideas were evaluated and selected for implementation by a panel from the Organisation Excellence Group on parameters

of effectiveness and efficiency like Novelty, Ease of Implementation, Impact, Scalability and Cost efficiency.

Carbon Footprint Calculator

It takes region,user input of the distance traveled in a particular medium of transport daily,electricity consumed per month,LPG cylinder/piped natural gas used per month and calculates the net carbon footprint to create awareness and sensitize people about the environment.It also shows the world's and India's average carbon footprint Carbon Footprint Calculator

Table No: 4.3 showing the ICICI Bank overall performance for various years

ICICI Bank							
Items	YEARS					<i>(Amount in ` million)</i>	
	2007-08	2008-09	2009-10	2010-11	2011-12	Group Aggregate 2011-12	All Banks' Aggregate 2011-12
No. of offices	1271	1432	1719	2565	2780	7853	83229
No. of employees	40686	34596	35256	26929	25253	151339	1013390
Business per employee	100.80	115.40	76.50	73.50	70.80	105.39	113.76
Profit per employee	1.00	1.10	0.90	1.00	1.10	1.24	0.81
Capital and Reserves & Surplus	468202	495330	516184	550909	604052	1313989	6085315
Deposits	244431 1	218347 8	202016 6	225602 1	255500 0	8586960	64536642
Investments	111454 3	103058 3	120892 8	134686 0	159560 0	4166489	22305472
Advances	225616 1	218310 8	181205 6	216365 9	253727 7	7363235	50745793
Interest income	307883	310925	257069	259741	335427	1013874	6550565
Other income	88108	76037	74777	66479	75028	211156	857402
Interest expended	234842	227259	175926	169572	228085	642787	4305185
Operating expenses	81542	70451	58598	66172	78504	268046	1371033
Cost of Funds (CoF)	6.40	5.72	4.18	3.59	4.32	5.45	5.90
Return on advances adjusted to CoF	4.33	4.33	4.51	4.68	5.10	5.23	4.51
Wages as % to total expenses	6.57	6.62	8.21	11.95	11.47	12.06	13.73
Return on Assets	1.12	0.98	1.13	1.35	1.50	1.63	1.08
CRAR	13.96	15.53	19.41	19.54	18.52	16.66	14.25
Net NPA ratio	1.55	2.09	2.12	1.11	0.73	0.42	1.28

SOURCE: RBI WEBSITE

B. HDFC BANK:

HDFC bank is a leading private sector bank and financial services company in India. The bank aspires to be the preferred provider of financial services to upper- and middle-income individuals and leading corporations in India. The strategy of the bank over the years have been to provide a comprehensive range of financial products and services for the customers through multiple distribution channels, with high quality

service and superior execution of the services offered. The bank principally deals into mainly three business activities which can be categorized as: retail banking, wholesale banking and treasury operations.

Products and services at a glance:

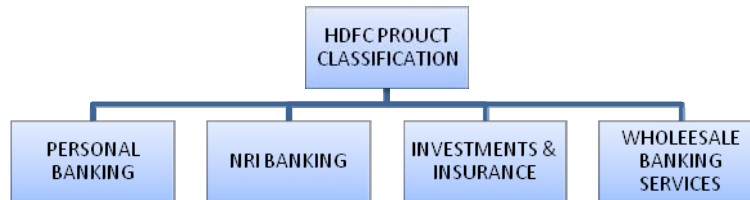


Chart 4.5: HDFC Bank Product Classification

HDFC Bank mainly provides three kinds of banking services:

- Personal Banking
- NRI Banking
- Wholesale Banking

If the customer needs to deal in foreign currency and keep tabs on exchange rates, transfer funds to India, make payments etc, HDFC Bank has a range of products and services that a customer can choose from to transact smoothly, efficiently and in a timely manner. HDFC Bank offers quick, economical and convenient options to remit and transfer funds to India.

With HDFC Bank’s payment services, one can bid goodbye to queues and paper work. HDFC’s range of payment options make it easy to pay for a variety of utilities and services. Bank offers Private Banking services to high net worth individuals and institutions.

Corporate Banking reflects HDFC Bank’s strengths in providing corporate clients, a wide array of commercial, transactional and electronic banking products. HDFC Bank acts as an active medium between the government and the customers by means of various services.

HDFC deals with basically three areas which can be segmented as:-

- Wholesale banking services
- Retail banking services
- Treasury

It has entered the banking consortia of over 50 corporate for providing working capital finance, trade services, corporate finance and merchant banking. It is also providing sophisticated product structures in areas of foreign exchange and derivatives, money markets and debt trading and equity research.

1. Wholesale Banking Services

The Bank's target market ranges from large, blue-chip manufacturing companies in the Indian corporate to small & mid-sized corporate and agri-based businesses. For these customers, the Bank provides a wide range of commercial and transactional banking services, including working capital finance, trade services, transactional services, cash management, etc. The bank is also a leading provider of structured solutions, which combine cash management services with vendor and distributor finance for facilitating superior supply chain management for its corporate customers. HDFC Bank has made significant inroads into the banking consortia of a number of leading Indian corporate including multinationals, companies from the domestic business houses and prime public sector companies. It is recognized as a leading provider of cash management and transactional banking solutions to corporate customers, mutual funds, stock exchange members and banks.

2. Retail Banking Services

The objective of the Retail Bank is to provide its target market customers a full range of financial products and banking services, giving the customer a one-stop window for all his/her banking requirements. The products are backed by world-class service and delivered to customers through the growing branch network, as well as through alternative delivery channels like ATMs, Phone Banking, Net Banking and Mobile Banking.

HDFC Bank was the first bank in India to launch an International Debit Card in association with VISA (VISA Electron) and issues the MasterCard Maestro debit card as well. The Bank launched its credit card business in late 2001. The Bank is also

one of the leading players in the “merchant acquiring” business with Point-of-sale (POS) terminals for debit / credit cards acceptance at merchant establishments. The Bank is well positioned as a leader in various net based B2C opportunities including a wide range of internet banking services for Fixed Deposits, Loans, Bill Payments, etc.

3. Treasury

Within this business, the bank has three main product areas - Foreign Exchange and Derivatives, Local Currency Money Market & Debt Securities, and Equities. These services are provided through the bank's Treasury team. The Treasury business is responsible for managing the returns and market risk on this investment portfolio.

Banks various services offered under different product segments is mentioned below

1. PERSONAL BANKING

Savings account	Current account	Fixed deposits	Loans	Investments & Insurance	Cards
Regular Savings Account	Plus current account	Regular fixed deposit	Personal Loans	Mutual Funds- Insurance	Silver Credit Card
Savings Plus Account	Trade current account	5 year Tax savings fixed deposits	Two Wheeler Loans	Bonds	Gold Credit Card
SavingsMax Account	Premium current account	Super saver facility	New Car Loan	Financial Planning	Woman's Gold Credit Card
Senior Citizens Account	Regular current account	Sweep in facility	Used Car Loans	Equities & Derivatives	Platinum plus Credit Card
No Frills Account	RFC- domestic account		Overdraft against Car	Mudra Gold Bar	Titanium Credit Card
Institutional Savings Account	Flexi current account		Express Loans		Value plus Credit Card
Payroll Salary Account	Apex current account		Loan against Securities		Health plus Credit Card
Classic Salary	Max current		Loan against		HDFC Bank Idea

Account	account		Property		Silver Card
Regular Salary Account	Merchant advantage current account		Commercial Vehicle Finance		HDFC Bank Idea Gold Card
Premium Salary Account	Merchant advantage plus current account		Construction Equipment Finance		Debit Cards
Defense Salary Account	Recurring deposits		Working Capital Finance		Easy Shop International Debit Card
Kid's Advantage Account	Demat account				Easy Shop Gold Debit Card
Pension Saving Bank Account	Safe deposits lockers				Easy Shop International Business Debit Card
Family Savings Account					Easy Shop Woman's Advantage Debit Card
Kissan No Frills Savings Account					Prepaid Cards
Kissan Club Savings Account					Forex plus card
					Kissan card

2.

3. WHOLESALE BANKING AND OTHER SERVICES

Corporate banking	Small and medium enterprises	Financial institution trusts and bank	FOREX Services	NRI Services
Funded Services	Funded Services	Clearing Sub-Membership RTGS – sub membership Fund Transfer ATM Tie-ups Corporate Salary a/c Tax Collection	Trade Finance	Accounts & Deposits •Rupee Saving a/c •Rupee Current a/c •Rupee Fixed Deposits •Foreign Currency Deposits •Accounts for Returning Indians
Non Funded Services	Non- funded services	Mutual funds	Travelers' Cheques	Accounts & Deposits Remittances
Value added services	Specialized services	Stock brokers	Foreign Currency Cash	Other services like Private Banking Portfolio Investment Scheme home Loans Loans Against Securities Loans Against Deposits Gold Credit Card Payment Services Access To Bank NetSafe BillPay InstaPay DirectPay

				Visa Money Online Donation Net Banking One View InstaAlert ATM Phone Banking Email Statements Branch Network
Internet banking	Internet banking		Foreign Currency Drafts	
			Foreign Currency Cheque Deposits	
			Foreign Currency Remittances	
			Forex Plus Card	

STRATEGIES OF HDFC BANK

Operational strategy

HDFC bank has been a consistent player in the banking industry and has always been trying to produce the well balanced and right mix of products and services for both of its customers in retail base and corporate base. HDFC bank operates in a highly automated environment in terms of information technology and communication systems. All the bank's branches have online connectivity, which enables the bank to offer speedy funds transfer facilities to its customers. Multi-branch access is also provided to retail customers through the branch network and Automated Teller Machines (ATMs). The Bank has made substantial efforts and investments in acquiring the best technology available internationally, to build the infrastructure for a world class bank. The Bank's business is supported by scalable and robust systems which ensure that the clients always get the finest services bank offer. The Bank has prioritized its engagement in technology and the internet as one of its key goals and has already made significant progress in web-enabling its core

businesses. In each of its businesses, the Bank has succeeded in leveraging its market position, expertise and technology to create a competitive advantage and build market share.

In the era of globalization each and every sector faced the stiff competition from their rivals. And world also converted into the flat from the globe. Private sector banks today used the latest technology for the different transaction of day to day banking life. As we know that Information Technology plays the vital role in the each and every industries and gives the optimum return from the limited resources. Banks are service industries and today IT gives the innovative Technology application to Banking industries. HDFC bank is the leader in the industries and today IT and HDFC bank together combined they reached the sky. New technology changed the mind of the customers and changed the queue concept from the history banking transaction. Today there are different channels which are available for the banking transactions.

HDFC BANK is the very consistent player in the new private sector banks. New private sector banks to withstand the competition from public sector banks came up with innovative products and superior service.

Competitive Strengths

The bank attributes its growth and continuing success to the following competitive strengths:

a) **HDFC bank is a leader among Indian banks in the use of technology**

Since the bank's inception, it has made substantial investments in technology platform and systems. Bank has built multiple distribution channels, including an electronically linked branch network, automated telephone banking, Internet banking and banking by mobile phone, to offer customers convenient access to our products. Technology platform has driven the development of innovative products and reduced operating costs.

b) **HDFC bank delivers high quality service with superior execution**

Bank tries to deliver efficient service with rapid response time. Bank's focus on personalized service tries to draw customers to the products and increase existing customer loyalty.

c) **HDFC offer a wide range of products**

Whether in retail or wholesale banking, the bank tries to be a "one-stop shop" for the Customers' banking needs. The wide range of products creates multiple cross-selling opportunities for bank and improves customer retention rates.

d) **HDFC claims to have an experienced management team**

According to HDFC, many of the members of senior management team who have been with the bank; since inception seem to have substantial experience in multinational banking.

Business strategy:

HDFC BANK mission is to be "a World Class Indian Bank", benchmarking themselves against international standards and best practices in terms of product offerings, technology, service levels, risk management and audit & compliance. The objective is to build sound customer franchises across distinct businesses so as to be a preferred provider of banking services for target retail and wholesale customer segments, and to achieve a healthy growth in profitability, consistent with the Bank's risk appetite. Bank is committed to do this while ensuring the highest levels of ethical standards, professional integrity, corporate governance and regulatory compliance. Continue to develop new product and technology is the main business strategy of the bank. Maintain good relation with the customers is the main and prime objective of the bank.

HDFC BANK business strategy emphasizes the following:

- Increase market share in India's expanding banking and financial services industry by following a disciplined growth strategy focusing on quality and not on quantity and delivering high quality customer service.
- Leverage our technology platform and open scalable systems to deliver more products to more customers and to control operating costs.
- Maintain current high standards for asset quality through disciplined credit risk management.
- Develop innovative products and services that attract the targeted customers and address inefficiencies in the Indian financial sector.
- Continue to develop products and services that reduce bank's cost of funds.
- Focus on high earnings growth with low volatility

SWOT ANALYSIS OF HDFC

<p>STRENGTH</p> <ul style="list-style-type: none"> • Support of various promoters • High level of services • Knowledge of Indian market • Right strategy for the right products. • Superior customer service vs. competitors • Great Brand Image • Products have required accreditations. • High degree of customer satisfaction. • Good place to work • Lower response time with efficient and effective service. • Dedicated workforce aiming at making a long-term career in the field. 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Some gaps in range for certain sectors. • Problems of sales staff. • Processes and systems, etc. • Not been fully able to position it correctly
<p>Opportunities</p> <ul style="list-style-type: none"> • Profit margins will be good. • Could extend to overseas broadly. • New specialist applications. • Could seek better customer deals • Fast-track career development opportunities on an industry-wide basis. • An applied research centre to create opportunities for developing techniques to provide value-added services. • Growing Indian banking sector • People are becoming more service oriented • global market opportunity 	<p>Threats</p> <ul style="list-style-type: none"> • Legislation could impact. • Great risk involved • Very high competition prevailing in the industry. • Vulnerable to reactive attack by major competitors • Lack of infrastructure in rural areas could constrain investment. • High volume/low cost market is intensely competitive.

Marketing strategies

- Distribution
- Choice of channels for services
- Modern technology
- Maintaining public relationship
- Internet services
- Advertising
- Strong marketing position
- Personal banking for the customers
- Focus on Relationship banking
- Bank tries to establish a customer relationship management in almost every branch.
- Customer centric technologies

Marketing campaigns launched by HDFC bank

HDFC Bank has launched neighborhood marketing initiatives in tier-two cities and towns to create awareness about its various products and services. These initiatives are especially targeted at those consumers who are not aware about the bank's various value-added services such as direct banking facilities. These campaigns demonstrated the advantages of net banking and mobile banking, as these concepts are relatively new to people living in smaller towns and cities.

The bank has also launched another initiative called "Business Ki Baten", which is targeted at areas where the bulk of the population comprises small businessmen. The bank would get experts to talk on a number of issues such as value-add tax and sales tax. According to an article in Hindu business line dated November 4, 2008, these campaigns provide bank with information about customer preferences that can be used for mass media communication, making it more effective. HDFC can measure the result of a campaign through the sales that they generate and the customers that are added. There is a clear return on investment, which from a functional point of view gives the team a stronger voice. HDFC has also

been able to reduce ad spends by about 10-15 per cent and has also reduced the cost of acquisition. HDFC wants to create an environment that is required to support customer intelligence that leads to database marketing.

HDFC bank has invested in many cross- selling activities. HDFC strategy has been not only the acquisition of new customers but at creating product awareness, enhancing usage and also providing value-added services to customers to reward them for their faith and loyalty. HDFC also sends personalized mailers about their various products to the data base which they acquire. HDFC tries to sell itself as one-stop financial super market.

Table No: 4.4 showing the HDFC Bank overall performance for various years

HDFC Bank							
Items	YEARS					<i>(Amount in ` million)</i>	
	2007-08	2008-09	2009-10	2010-11	2011-12	Group Aggregate 2011-12	All Banks' Aggregate 2011-12
No. of offices	745	1422	1729	1980	2186	7853	83229
No. of employees	37386	52687	51888	55752	66076	151339	1013390
Business per employee	50.60	44.60	59.00	65.30	65.40	105.39	113.76
Profit per employee	0.50	0.42	0.60	0.74	0.81	1.24	0.81
Capital and Reserves & Surplus	114972	146518	215225	253793	299247	1313989	6085315
Deposits	1007686	1428116	1674044	2085864	2467064	8586960	64536642
Investments	493935	588175	586076	709294	974829	4166489	22305472
Advances	634269	988830	1258306	1599827	1954200	7363235	50745793
Interest income	101150	163323	161727	199282	272864	1013874	6550565
Other income	22831	32906	39831	43352	52437	211156	857402
Interest expended	48871	89111	77863	93851	149896	642787	4305185
Operating expenses	37456	55328	59398	71529	85901	268046	1371033
Cost of Funds (CoF)	5.24	6.92	4.66	4.64	6.06	5.45	5.90
Return on advances adjusted to CoF	7.38	8.04	6.11	5.91	5.50	5.23	4.51
Wages as % to total expenses	15.07	15.50	16.68	17.15	14.42	12.06	13.73
Return on Assets	1.32	1.28	1.53	1.58	1.77	1.63	1.08
CRAR	13.60\$	15.69	17.44	16.22	16.52	16.66	14.25
Net NPA ratio	0.47	0.63	0.31	0.19	0.18	0.42	1.28

Source: RBI Website

In the above table it can be seen that more or less all the banks are following same product strategies by giving different names to their products but when it comes to actual purpose more or less it appears to be same. To know brief information about the marketing strategies an in-depth analysis is conducted. As per that selected respondents from the banking employees opinions was gathered by administering structural questionnaire and its information is presented in the following table no:

TABLE 4.5: Respondents opinion on adoption of marketing strategies in their respective banks

Does your Bank adopt Strategies with regard to business development		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
yes	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

Note: Total respondents selected from different banks by adopting stratified random sampling and their number is 60.

TABLE 4.6: Respondents opinion on adoption of different marketing strategies

If yes, in which of the segments strategies are adopted		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Product	Count	2	1	4	2	9
	% within	22.2%	11.1%	44.4%	22.2%	100.0%
Price	Count	7	0	1	4	12
	% within	58.3%	.0%	8.3%	33.3%	100.0%
Place	Count	3	3	2	1	9
	% within	33.3%	33.3%	22.2%	11.1%	100.0%
Promotion	Count	2	5	5	0	12
	% within	16.7%	41.7%	41.7%	.0%	100.0%
People	Count	2	1	1	0	4
	% within	50.0%	25.0%	25.0%	.0%	100.0%
Process	Count	1	0	4	1	6
	% within	16.7%	.0%	66.7%	16.7%	100.0%
Physical evedience	Count	3	2	1	2	8
	% within	37.5%	25.0%	12.5%	25.0%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

TABLE 4.7: Respondents perception on nature of marketing strategies

different strategies adopted for launching product in the market		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Customization Products	Count	3	2	2	2	9
	% within	33.3%	22.2%	22.2%	22.2%	100.0%
Venture Capital	Count	1	0	1	0	2
	% within	50.0%	.0%	50.0%	.0%	100.0%
Hire Purchasing	Count	1	1	4	3	9
	% within	11.1%	11.1%	44.4%	33.3%	100.0%
Leasing	Count	3	2	3	2	10
	% within	30.0%	20.0%	30.0%	20.0%	100.0%
Factoring	Count	4	3	4	2	13
	% within	30.8%	23.1%	30.8%	15.4%	100.0%
Forfeiting	Count	3	4	3	1	11
	% within	27.3%	36.4%	27.3%	9.1%	100.0%
All the above	Count	5	0	1	0	6
	% within	83.3%	.0%	16.7%	.0%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

In the above table perceptions was gathered from the banking employees positioned in different capacities at their respective banks to correlate this information simultaneously opinions was also collected from the banking customers placed at different corners of the selected area i.e., Visakhapatnam district as per that the following information gathered and presented by adopting statistical technique i.e., factor analysis.

To attract more customers in banks. It adopts different forms of products / services, as per their practice, these products are categorized into two ways:

1. Conventional

2. Innovative

In regard to banking marketing strategy of selected banks, an opinion was gathered from the customers to know their views relating to above products.

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.502
Bartlett's Test of Sphericity	Approx. Chi-Square	86.186
	df	36
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.339	14.876	14.876	1.339	14.876	14.876	1.174	13.047	13.047
2	1.185	13.165	28.041	1.185	13.165	28.041	1.174	13.041	26.088
3	1.147	12.748	40.789	1.147	12.748	40.789	1.173	13.037	39.126
4	1.105	12.275	53.064	1.105	12.275	53.064	1.170	12.996	52.121
5	1.001	11.124	64.188	1.001	11.124	64.188	1.086	12.067	64.188
6	.894	9.931	74.119						
7	.806	8.960	83.079						
8	.787	8.746	91.826						
9	.736	8.174	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component				
	1	2	3	4	5
Monthly Interest Scheme		-.429	-.396		
Annuity & Retirement Scheme	-.488	.400		.431	
Farmer's deposit scheme	.489			.564	
Insurance linked saving bank account	.526		.339	.377	-.403
Automatic extension deposit		.493		.419	.574
Loan Schemes		.559	.509		
Currency exchange Scheme		-.321	.706		
Gold Scheme	.440			-.392	.553
Safe deposit Locker service	.506	.376			

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
Monthly Interest Scheme				.698	
Annuity & Retirement Scheme	-.631				.349
Farmer's deposit scheme		.369	-.647		
Insurance linked saving bank account		.831			
Automatic extension deposit					.871
Loan Schemes			.766		
Currency exchange Scheme		.430		.649	-.376
Gold Scheme	.807	-.447			
Safe deposit Locker service	.335	.355		-.504	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Component Matrix^a

	Component				
	1	2	3	4	5
Monthly Interest Scheme		-.429	-.396		
Annuity & Retirement Scheme	-.488	.400		.431	
Farmer's deposit scheme	.489			.564	
Insurance linked saving bank account	.526		.339	.377	-.403
Automatic extension deposit		.493		.419	.574
Loan Schemes		.559	.509		
Currency exchange Scheme		-.321	.706		
Gold Scheme	.440			-.392	.553
Safe deposit Locker service	.506	.376			

Extraction Method: Principal Component Analysis.

Sl .No	Factor	Value
1	Gold scheme	0.8070
2	Insurance linked saving bank account	0.8310
3	Loan Schemes	0.7660
4	Monthly Interest Scheme	0.6980
5	Automatic extension deposit	0.8710

From the above analysis it can be understood that the banking sectors are following different forms of products to attract various customers. As per the customers opinions gathered by circulating structural questionnaire the following information was revealed, out of the 10 conventional products that is been circulated among the customers only 5 products were rated as a influencing products among the

customers. Hence this information is to be considered while formulating marketing strategies and as per that decisions to be adopted. Among the various conventional products the priorities of products in selected banks are one and the same but in Andhra Bank insurance linked saving bank account are promoted and in ICICI bank loan schemes are mostly promoted this can be assumed as conventional product strategies.

As per the product categorization opinions regarding to innovative products were also gathered from the customers of the selected banks. Its information is analyzed by following factor analysis.

INNOVATIVE PRODUCTS

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.532
Bartlett's Test of Sphericity	Approx. Chi-Square	179.443
	df	91
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.399	9.989	9.989	1.399	9.989	9.989	1.327	9.479	9.479
2	1.346	9.615	19.604	1.346	9.615	19.604	1.228	8.771	18.249
3	1.244	8.885	28.489	1.244	8.885	28.489	1.173	8.380	26.630
4	1.138	8.131	36.620	1.138	8.131	36.620	1.170	8.356	34.986
5	1.131	8.076	44.696	1.131	8.076	44.696	1.166	8.328	43.313
6	1.094	7.811	52.506	1.094	7.811	52.506	1.165	8.320	51.633
7	1.041	7.437	59.943	1.041	7.437	59.943	1.163	8.310	59.943
8	.944	6.740	66.683						
9	.906	6.468	73.152						
10	.826	5.899	79.051						
11	.782	5.587	84.638						
12	.756	5.397	90.035						
13	.726	5.186	95.221						

14	.669	4.779	100.000					
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Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component						
	1	2	3	4	5	6	7
ATMs							.438
Electronic Fund Transfer (EFT)		-.371	-.509	-.330			
Electronic Bill Payment (EBP)	.422		.309		.524	.355	
E-Cheque		.491					-.346
Internet banking	.339	-.494					
Tele-banking			-.358		.555		
Mobile Banking	-.357		-.549				
Debit card				-.496		.407	
Credit card		.379					.656
Demat account	.463			.341			
Digicash	.411	-.537					
Netcash	-.368		.344	.493			
m-cheque				.410	-.398	.372	
e-invest					.442	-.421	.371

Extraction Method: Principal Component Analysis.

a. 7 components extracted.

Rotated Component Matrix^a

	Component						
	1	2	3	4	5	6	7
ATMs							.664
Electronic Fund Transfer (EFT)			-.494	.460	-.581		
Electronic Bill Payment (EBP)		.755					
E-Cheque		.633				-.330	
Internet banking	.693			-.366			
Tele-banking				.726			
Mobile Banking	-.485			.498			
Debit card							.752
Credit card		-.419			.799		
Demat account					.350	-.607	
Digicash							
Netcash			.721				
m-cheque			.749				
e-invest						.745	-.488

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Component Matrix^a

	Component						
	1	2	3	4	5	6	7
ATMs							.438
Electronic Fund Transfer (EFT)		-.371	-.509	-.330			
Electronic Bill Payment (EBP)	.422		.309		.524	.355	
E-Cheque		.491					-.346
Internet banking	.339	-.494					
Tele-banking			-.358		.555		
Mobile Banking	-.357		-.549				
Debit card				-.496		.407	
Credit card		.379					.656
Demat account	.463			.341			
Digicash	.411	-.537					
Netcash	-.368		.344	.493			
m-cheque				.410	-.398	.372	
e-invest					.442	-.421	.371

Extraction Method: Principal Component Analysis.

a. Rotation converged in 8 iterations.

Sno	Factor	Value
1	Internet banking	0.693
2	Electronic Bill Payment	0.755
3	Netcash	0.721
4	Tele-banking	0.726
5	Credit card	0.799
6	e-invest	0.745
7	Debit card	0.752

From the above analysis it can be understood that the banking sectors are following different forms of products to attract various customers. As per that,

customers opinions gathered by circulating structural questionnaire the following information was revealed, out of the 14 innovative products that is been circulated among the customers only 7 products were rated as a influencing products among the customers. Hence this information can be considered as the innovative product marketing strategies in all the selected bank of the study.

5.2 PRICING STRATEGIES

As it has been mentioned before, the price is a very important part of the marketing mix. If a product is not given a correct price, this may affect the sales and may lead to the product's failure. The price and sales of the product are therefore related one to another. There are 6 main strategies to settle the price for a product. These are:

1. Cost plus profit – this is the most sensitive strategy to costs; the institution calculates how much the manufacturing of the product cost it, adds a margin for the profit and requires the clients this price;

2. The settlement of the prices for “taking the cream” – this strategy may be used for products that are very new and of high quality; it means the settlement of the price when the product is freshly introduced on the market to “take the cream” of the demand for that product, maximizing the profit to cover the research and development expenses, after which, later, in time, the price may be reduced to increase the demand;

3. The settlement of the price depending on the competition – this strategy takes into consideration the price the competition practices, thus the price will be similar to the one of the competition, but will allow the covering of the expenses and the profit margin;

4. The settlement of the price on the market – the price of a product is settled depending on the price of a similar product already existing on the market. The difference in comparison to the settlement of the price depending on the competition is that the settlement of the price on the market might not cover the production expenses of the product;

5. The settlement of the price depending on the value – this strategy is based on the evaluation of the clients' perception vis-a-vis the value of the product answering the question “How much a client would pay for this product?”, this strategy is then the most oriented towards marketing.

6. The settlement of the price to penetrate – the bank will settle a low price for a product with the purpose to win fast a big quota of the market and thus to realize a fast and substantial penetration.

Entering more detailed in the mechanisms of the price forming, first, the difference between, on one side, the services for which the prices are settled centralized, either as a small price, either as a price interval and which are (usually) published and, on the other side, the services for which the prices are negotiated individually with the involved clients must be made. For the main banking services, the approach is, usually, the following:

A. Centralized settled:

1. Personal current accounts, including interests
2. Deposit accounts, including interests
3. Payments
4. Cash out/cash in
5. Factoring
6. Leasing
7. Fixed terms credits for natural persons or small trading companies
8. Exchange rates
9. Trade finance operations (letters of credit, guaranties, collection)

B. Individually negotiated

1. Legal person's current accounts, including interests
2. Currency services
3. Credits (fixed or reference rate plus a margin)

4. Individual services.

The following are the procedures used:

The settlement of the price for a basic service

In the case of the prices settled centralized, “the price” perceived for example for personal current accounts has an especially complex aspect. This is why, we may argue that an account may be considered as a service with a reduced profit margin or even losses generator (in comparison with the introductory, familiarly offers from other markets), with the condition that the size of the margin is quantified and controlled in both cases.

The argument that a basic service with a low price will determine the increase of the activity volume and will attract new customers to the respective bank is not valid. There are great differences in using the account between the active users, who profit to the full by the increase of the available services related to the current account, presented below, and the passive users who, often, do not know the range of services they can benefit from. Let us take only the example of the services afferent to the current account:

- Facilities for the cashing of the checks
- The compensation of other checks
- Payment order/direct debits
- Other debit elements
- Credits, overdraft facilities
- Account extract
- Payment card
- Credit card
- The issuance of the account extracts
- Telephonic operations through call center
- Internet operations
- Facilities for keeping in custody
- The keeping of the value objects
- Financial consulting
- Cash in/cash out
- Various other services

Thus, the one that approaches the marketing strategy is “divided” between the wish to have a simple price structure, which is easy to manage and to underline through the advertising and promotion campaigns of the sales and the refuse to subsidize the active users based on the passive users.

In the 70s, when the competition for current accounts has become harsh, one of the British clearing banks of small dimensions decided not to use the “follow the line set by the leader” policy and adopted an independent price policy, but only after a careful analysis of the effects upon the costs.

The first step was to determine the degree of use of the current accounts by the customers of the bank. Consequentially, an accounts pattern from all the branches of the bank was chosen and quantitative data regarding the main variables that affect the cost of the administration of the accounts are collected:

- The number of the automatic entries on credit
- The number of the non-automatic entries on credit
- The number of the automatic entries on debit
- The number of the non-automatic entries on debit
- The medium credit balance
- Minimum balance
- Debt circulation.

Whenever it was possible, the total of key-variables and the relations between them were validated with the help of the available information from the computer regarding the census of the population, in order to make sure that the pattern is not significantly different than the all customers in general. In order to measure the sensitivity of the incomes to the changes on the basis commission collection, a model of the price structure was elaborated under the form of a computer program, which incorporated the data obtained from the pattern. The result was the matrix presented in the table below.

The sensitivity of the incomes to the changes on the basis of expenses

High	Medium	Low
<ul style="list-style-type: none"> ➤ Commissions on non-automatic element ➤ Tolerance estimated to the medium credit balance ➤ The effectively paid interest to any credit balance – minimum or medium 	<ul style="list-style-type: none"> ➤ Commissions on credit element ➤ The level of the medium credit balance from which all the commissions are given up 	<ul style="list-style-type: none"> ➤ Commissions on automatic element ➤ The level of the minimum balance from which all commissions are given up. ➤ The level under which all commissions are given up. ➤ Tolerance estimated to the minimum credit balance.

In time, the effective cost of the price “independent policy” was within the provided limits, being fully justified by the benefit obtained by the bank from the point of view of the number of new clients and favorable advertising.

Setting the price of a complementary service

The main problem at the moment of introducing a new complementary service or a substantially redefined one is represented by the rarity or non-existence of relevant historical data regarding its costs. That’s why, the person elaborating the price strategy can solve the problem through orthodox marketing problems, establishing first the optimum sales price then estimating the “tolerable” production level and the marketing expenses.

- Based on those mentioned above, the first stage consists in, on one hand, the identification of all competitive products (both the personal, and of the competitors) which offers the client more or less the same benefits, and, on the other hand, in their analysis. Except the case in which we are referring to an unusual market or a market in which very little suppliers activate, probably the result will be a series of prices, from the high prices services, that imply certain special or exclusive characteristics, to low price services.
- The second stage is the approximate determination of the place our new product or service will occupy in the price hierarchy, by taking into account

the special features or the advantages that can justify its introduction. At a certain extent, the opinion of the clients is useful in this sense. By discussing with potential customers, chosen on the basis of a representative pattern – that has already been established in the developing process of the product it is possible to be established how important the basic common features of the majority contestant services are.

- The third stage, that regularly carried out simultaneously with the second stage and not subsequently to it, is the estimation of the sales volume that can be obtained at the chosen price level and calculation of the afferent costs. Two cost categories are taken into account: fix costs (more or less) of the service supply and variable costs of the necessary raw materials) in case of the financial services, money) to which it is added the planned commercialization expenses. As it was previously mentioned, the administration costs and others are partially fix from the point of view of the additional work volume for the departments implied in the respective service, generated by the “new” product, partially negotiable, to the extent in which an approach from the perspective of the marginal cost is agreed upon, in case there is an underused capacity existing within the organization. The cost of the monetary resources varies directly proportional to the sales volume of the new product, as well as an answer to the market changes in the demand and supply for the respective type of monetary resources. The level of the sales expenses is the only factor that the marketing planner can control, but only to a certain extent. It has no sense, for example, to establish in an non-realistic manner a low level of the sales and expenses of the sales promotion only for the sake of attempt and equilibration, book-keeping.
- The fourth stage consists in the combination of the interdependent variables of price, volume and sales expenses, so that net profit obtained by the company to be maximized. The calculation must take into account the time limit regarding the materialization of the profit (if it is a long period of time, the discount principles must be applied), as well as the possible income losses for other services, from the range of those offered by the bank, adjacent to the new product. The effective calculation manner (computerized or manually) depends on the importance of the product and the availability for the data on

which the estimations are based. The elaboration of the statistic exercise is not justified in case of small amounts and of some hypotheses that mainly are some correct suppositions based on information.

- In any of these cases, the fifth stage is essential. If the proposition proves to be feasible, a price is established, and the product is launched on a test-market or on a general scale. At this moment, the essential stage is controlling the effective result in comparison to the estimations made and adopting corrective measures, by reducing the price or increasing the sales and the intensification of the sales promotion campaign, in case the results are not those expected. As it very rarely happens, in practice, that things develop according to the plan, or even more rarely that the results are better than the estimations, when there is a hesitation between the two prices, as a rule the higher one is chosen. It is always easier to reduce the price than to raise the price; a higher price allows special discounts or transactions with the important customers; and it is possible that the price to be reduced in a subsequent stage of the life course of the product.

On-the-spot setting of the price (negotiation)

Any attempt of “scientific” approach of the price policy loses its importance in very frequent cases of the banking services marketing, in which a director or a clerk in charge with the development of the company’s business must negotiate an expense or a commission more or less on the spot. Usually, there are rules or precedents for this kind of situations, but the respective person has the freedom to decide upon the appropriate cipher from the existing parameters or to combine two types of arrangements – for example overdraft facility and long-term loan – for obtaining a weighted average.

It is easy to consider that obtaining the correct price in this kind of cases is a matter of “experience-based judgement”. But, without minimizing the importance of experience or value judgement, it can be justified that those that manage to reach a correct result in most of the cases don’t use the computer, but analyze the main aspects that can be solved in a more elaborated manner than a computerized model.

Factors that influence the price calculation.

There are many factors that influence to a smaller or bigger extent the price formation and that a company must take into account. As it was earlier presented, the financial product has distinct features, with a complex structure, being often represented by a packet of services that implies difficulties in the determination of the price. For example, the rate paid by the consumer for the leasing of a car has several compounds: the value of the car, the corresponding interest, the value of the car insurance.

The structure of the costs

The bank will wish to establish a price which will cover all the costs for developing and promoting of the service, obtaining a corresponding profit of the risk it takes, in a last instance, the price must reflect the following elements:

- The fix and variable costs of the provided service;
- The risk that must be covered;
- The future development (investments);
- The corresponding profit of the invested fund.

The risk

As it was mentioned before, the risk is an element of the financial institution costs which it has to take into consideration in determining the price. The risk appears in the moment the price of a service (for example a loan) must be acquitted no matter the performance of the financial institution, in case of the deposit of an amount of money, the depositor is sure that he may withdraw in any moment the full amount. The funds subscribed by the shareholders have the role of provisions which should cover the risks assumed by the bank and as a consequence they receive the dividends. A certain risk is assumed by the bank and with the holders of the credit card, which may delay with the payment over the stipulated term.

The shareholders

For the subscribed capital the shareholders receive compensation in the form of dividends or by the increase of the held shares a compensation that must be found in the final price.

The consumers

The consumers, their perceptions about the products and services and the level of the request are found in the final price of the service. As it was mentioned, the consumers of the financial services perceive harder the value and the quality of what they bought, because of the lack of information, of some aspects less visible of the services and of the consequences in the future which some of them have. As a consequence, their request is less elastic than the one of the material goods, for which the relation quality- price and costs is easier to determine. There are categories of services, for example the insurance, that are sensible to the price variations, probably because of the legal obligations of paying some insurance (for example the car insurance that is paid annually).

The competition

The prices of the competition may influence the price strategies of any bank. The clients will evaluate the price by comparing the products of many organizations. Any company must know the price and quality of the competition products and use the information in establishing their own prices when there are offered similar services, of close quality and value, the price must be comparable to the one practiced by the closest competition, otherwise the organization risks the loss of sales.

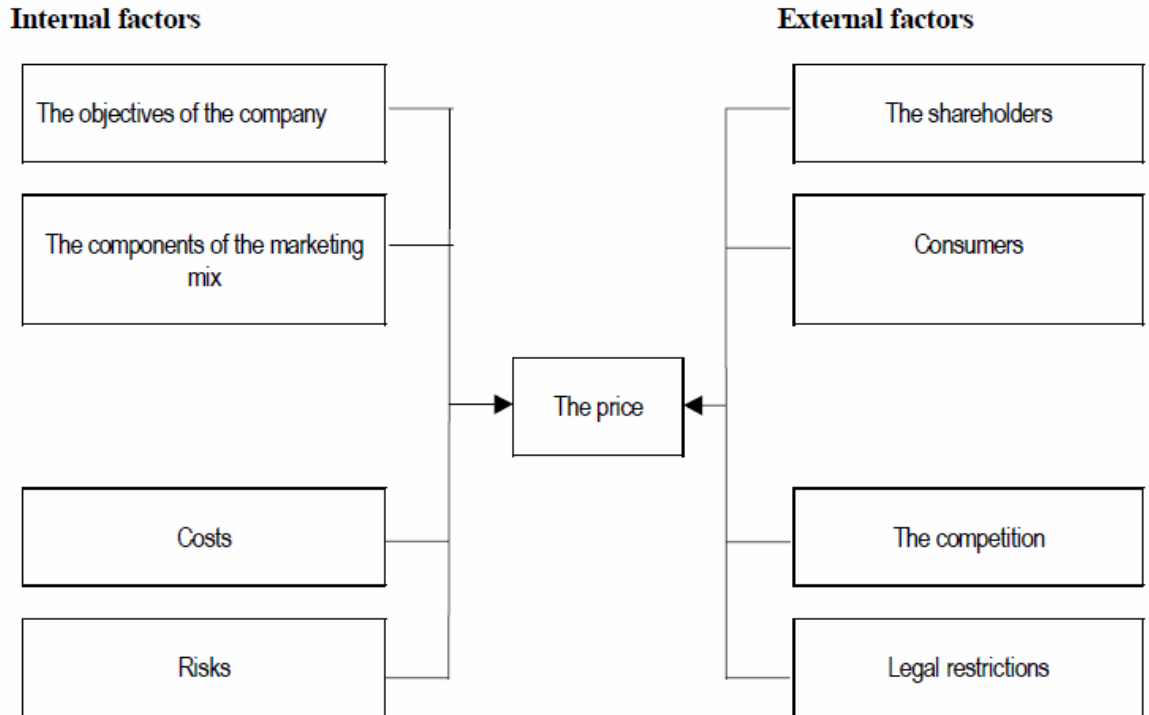


Chart 4.6: The factors that influence the calculation of the banking services price

As we can see in figure, the factors are classified in internal and external factors. The internal factors are the ones inside the institution and which are under its control: the objectives of the company, the other variables of the marketing mix, the structure of the costs and the evaluation of the risk. The external factors are the ones that influence outside the institution. The company has a reduced or inexistent control of them, but it must know the impact they may have over the decision of the price. These ones, on their turn, can be shared in internal factors of the activity sector (competition, shareholders, and intermediaries) and external (consumers and the legislation).

The objectives of the Banking sectors:

The objectives of the price policy must integrate in the general objectives of the banks. If, for example, the objective of the banks is that of being “the biggest provider of financial services”, the objective of the price policy should be the increase of the sales volume. This one supposes the establishment of some prices lower than the ones of the competition in order to increase the request and the sales volume. However, this is not a viable strategy on a long time. Rather than tend to the increase

of the volume, a financial institution should realize a valor increase. This objective implies the increase of the total income by the increase of the profit per each transaction, and not by the increase of the sales.

The other components of the marketing mix

The components of the marketing mix (product, price, distribution, promotion, staff) and the service providing process are tightly correlated; the changes that take place in one will have consequences over all of them.

Legal restrictions

The governmental regulations may have an impact over the price decisions. There are countries that have laws regarding the prices, to which they must adhere. A financial institution must know these laws and assure that the policies of prices are according to them.

The intermediaries

The intermediaries carry out many activities in the marketing channel and receive a compensation for it, which is added to the service price. Traditionally, the providing of the service took place at the office of the financial institution, directly between the provider and consumer. The introduction of an intermediary link permitted the widening of the distribution, the increase of the quality service level and the costs, so, including the sale price.

After the brief information about the pricing policies and practices at various selected banks for the study. It is to know the pricing policies that are followed at various selected banks in mentioned below:

The various rates adopted by SBI on its deposits is furnished in the table no:

TABLE 4.8 : SBI Domestic Term Deposits Interest Rates

	Rates w.e.f.01.04.2013
	(No change)
7 days to 90 days	6.50
91 days to 179 days	6.50
180 days	6.50
181 days to 240 days	6.50
241 days to less than 1 year	6.50
1 year to less than 2 years	8.75
2 years to less than 3 years	8.75
3 years to less than 5 years	8.75
5 years and up to 10 years	8.75

Domestic Term Deposits' of 'Rs One Crore & above' with effect from 1st March 2013 would be as under:

Tenors	Existing w.e.f. 07.03.2013	Revised w.e.f. 01.03.2013
7 days to 180 days	7.50	7.50
181 days to 270 days	7.50	7.50
271 days to less than 1 year	7.50	7.50
1 year to less than 2 years	8.50	8.75
2 years to less than 5 years	8.50	8.75
5 years to 10 years	8.50	8.75

SBI CAR LOAN SCHEME

Tenure	Rate of Interest
For all tenures	For Term Loan and Overdraft: 0.75% above Base Rate, i.e. 10.45% p.a.

NRI Car Loan

Tenure	Rate of Interest
For all tenures	0.75% above Base Rate, i.e. 10.45% p.a

Two - Wheeler Loan

Tenure	Rate of Interest
Up to 3 years	8.25% above Base Rate i.e. 17.95% p.a.

Used Vehicles

Tenure	Rate of Interest
Up to 3 years	7.25% above Base Rate i.e. 16.95% p.a.
Above 3 yrs	7.50% above Base Rate i.e. 17.20% p.a.

Certified Pre-owned Car Loan scheme

Tenure	Rate of Interest
Up to 3 years	6.00% above Base Rate i.e. 15.70% p.a.
Above 3 yrs	6.50% above Base Rate i.e. 16.20% p.a.

SBI COMBO LOAN SCHEME

Tenure	Rate of Interest
For all tenures	For Term Loan 0.75% above Base Rate i.e. 10.45% p.a.

NOTE: ALL INTEREST RATES ARE SUBJECT TO CHANGE, WITHOUT NOTICE

EDUCATION LOAN SCHEME

Base Rate 9.70 % w.e.f. 04.02.2013

EDUCATION LOANS

SBI Student Loan Scheme (w.e.f. 16.11.2012)

Loan Amount	Rate of Interest*
For loans upto Rs.4 lacs	3.50% above Base Rate, currently 13.20% p.a.
Above Rs.4 lacs and upto Rs.7.50 lacs	3.75% above Base Rate, currently 13.45% p.a.
Above Rs.7.50 lacs	1.75% above Base Rate, currently 11.45% p.a.

SBI Career Loan

Type of Security	Rate of Interest
Land/Building	4.50% above Base Rate, currently 14.20% p.a.
Bank's TDRs/STDRs	1.00% above the rate of interest payable on deposits
Govt. Securities/Public Sector Bonds/NSCs/ KVPs/RBI Relief Bonds, LIC Policy	4.25% above Base Rate , currently 13.95% p.a.

After the brief information from the SBI pricing policies, as a part of study it is necessary to know the pricing policy adopted by the other public sector bank that is Andhra Bank, as per its information the following are the information furnished in the table no:

ANDHRA BANK pricing strategies:

Interest Rates on Savings Bank Accounts:

S.No.	Maturity Period	Rates of interest (%) per annum					
		Less than Rs.15.00 Lacs	Rs.15.00 Lacs to < Rs.1.00 crore	Rs.1.00 Crore to Rs.10.00 Crore	Above Rs.10 Crore to Rs.50 Crore *	Above Rs.50 Crore to Rs.100 Crore *	Above Rs.100 Crore *
1	7 days to 14 days #	4.00	4.00	4.00	6.50	6.50	6.50
2	15 days to 45 days	4.50	4.50	4.50	6.50	6.50	6.50
3	46 days to 90 days	6.00	6.00	6.00	7.00	7.00	7.00
4	91 days to 179 days	7.25	7.25	7.25	8.50	8.50	8.50
5	6 months to < 9 months	8.50	8.50	8.50	8.75	8.75	8.75
6	9 months to < 1 year	8.50	8.50	8.75	9.00	9.00	9.00
7	1 year to 2 years	9.00	9.00 (9.20)	9.00 (9.30)	9.00 (9.56)	9.00 (9.66)	9.00 (9.68)
8	Above 2 years to 3 years	9.00	9.00	8.75	8.75	8.75	8.75
9	Above 3 years to 10 years	9.00	9.00	8.75	8.75	8.75	8.75

FCNR(B) Deposits : Interest Rates w.e.f., April 01, 2013

The revised interest rates on FCNR [B] Deposits with effect from April 01, 2013 are as under :

NRE ACCOUNTS With effect from 01.12.2012		
Rates of interest on NRE term deposits have been revised with effect from 01.12.2012 With this revision, the interest rates offered on NRE term deposits for different maturity periods are as under		
Period	Rate of Interest (%) p.a.	
	Less than Rs.1 Crore	Rs.1 Crore to Rs.10 Crore
1year to 2 Years	9.00	8.75
Above 2 Years - up to 3 years	9.00	8.75
Above 3 Years - up to 5 years	8.50	8.50
Above 5 Years- up to 10 years	8.50	8.50
The revised interest rates are applicable to all fresh deposits and renewals of the existing deposits with effect from 01.12.2012		
*For Deposits of above Rs. 10.00 Crore branches should obtain permission from General Manager, Corporate Planning Department, Head Office before accepting the Deposit.		
· Senior Citizen and Staff Rate of interests are not applicable for NRE/NRO Deposits.		

After the brief information from the Andhra Bank pricing policies, as a part of study it is necessary to know the pricing policy adopted by the other selected private sector bank for the study that is ICICI and HDFC, as per that information regarding to ICICI pricing policy are mentioned in the following table no:

TABLE 4.9: ICICI Domestic Term Deposits Interest Rates

Maturity Period	Rates of Interest (% p.a.) w.e.f January 26, 2013	
	For deposit less than Rs. 1 crore	
	General	Senior Citizen **
7 days to 14 days	4.50	5.00
15 days to 29 days	4.75	5.25
30 days to 45 days	5.50	6.00
46 days to 60 days	6.25	6.75
61 days to 289 days	7.00	7.50
290 days to less than 1 year	7.25	7.75
1 year to 389 days	7.50	8.00
390 days to less than 2 years	9.00	9.50
2 years to less than 5 years	8.75	9.50
5 years upto 10 years	8.50	9.25
Tax Saver FD 80C (5 year) – Upto Rs. 1 lac	8.50	9.25

Premature withdrawal of Deposit:

Original Tenure of Deposit	Penal Rates*	
	Less than Rs. 5.0 Crore	Rs. 5.0 Crore & above
Less than 1 year	0.50%	0.50%
1 year & above but less than 5 years	1.00%	1.00%
5 years and above	1.00%	1.50%

Recurring Deposit rates:

Maturity Period	Rates of Interest (% p.a.) w.e.f January 26, 2013	
	General	Senior Citizen**
6 months	7.00	7.50
9 months	7.00	7.50
12 months	7.50	8.00
15 months	9.00	9.50
18 months	9.00	9.50
21 months	9.00	9.50
24 months	8.75	9.50
27 months	8.75	9.50
30 months	8.75	9.50
33 months	8.75	9.50
3 years to less than 5 years	8.75	9.50
5 years upto 10 years	8.50	9.25

Non-Resident Accounts

a. NRO Term Deposits	Rates of Interest (% p.a.) w.e.f January 26, 2013
Tenure	Less than Rs.10.0 Million
7 days to 14 days	4.50
15 days to 29 days	4.75
30 days to 45 days	5.50
46 days to 60 days	6.25
61 days to 289 days	7.00
290 days to less than 1 year	7.25
1 year to 389 days	7.50
390 days to less than 2 years	9.00
2 years to less than 5 years	8.75
5 years upto 10 years	8.50
5 Years (80C FD) - upto INR 1 lakh	8.50

Interest Rates on Domestic Term Deposits w.e.f., 02.04.2013

S. No.	Maturity Period	Rates of interest (%) per annum					
		Less than Rs.15.00 Lacs	Rs.15.00 Lacs to < Rs.1.00 crore	Rs.1.00 Crore to Rs.10.00 Crore	Above Rs.10 Crore to Rs.50 Crore *	Above Rs.50 Crore to Rs.100 Crore *	Above Rs.100 Crore *
1	7 days to 14 days #	4.00	4.00	4.00	6.50	6.50	6.50
2	15 days to 45 days	4.50	4.50	4.50	6.50	6.50	6.50
3	46 days to 90 days	6.00	6.00	6.00	7.00	7.00	7.00
4	91 days to 179 days	7.25	7.25	7.25	8.50	8.50	8.50
5	6 months to < 9 months	8.50	8.50	8.50	8.75	8.75	8.75
6	9 months to < 1 year	8.50	8.50	8.75	9.00	9.00	9.00
7	1 year to 2 years	9.00	9.00 (9.20)	9.00 (9.30)	9.00 (9.56)	9.00 (9.66)	9.00 (9.68)
8	Above 2 years to 3 years	9.00	9.00	8.75	8.75	8.75	8.75
9	Above 3 years to 10 years	9.00	9.00	8.75	8.75	8.75	8.75

NRE ACCOUNTS With effect from 01.12.2012

Period	Rate of Interest (%) p.a.	
	Less than Rs.1 Crore	Rs.1 Crore to Rs.10 Crore
1year to 2 Years	9.00	8.75
Above 2 Years - up to 3 years	9.00	8.75
Above 3 Years - up to 5 years	8.50	8.50
Above 5 Years- up to 10 years	8.50	8.50

Car Loan Interest Rate

Loans & Advances - Indicative lending rates updated on July 26, 2012				
Car Loans				
Tenure of credit facility	Up to 23 months	24-35 months	36-60 months	Processing fee
Type of credit facility	Rate of interest			
New Car Loans	15.75% to 16.50%	13.75% to 15.50%	11.50% to 14.25%	Loan amount less than Rs. 0.25 mn = Rs. 2,500
				Rs. 0.25 to Rs. 0.39 mn = Rs. 3,500
				Rs. 0.40 to Rs. 0.49 mn = Rs. 4,000
				Rs. 0.50 to Rs. 0.99 mn = Rs. 4,200
				Equal to and more than Rs.1.00 mn = Rs. 5,000

Type of credit facility	Rate of interest	Processing fee
Used Car Loans	16.50% to 18.00%	Rs. 4,000 OR 2% of loan amount, which ever is lower

Commercial Loan - Interest Rates

Loans & Advances - Indicative lending rates updated on July 26, 2012		
Commercial Vehicle Loans		
Type of credit facility	Rate of interest	Processing fee
Commercial Vehicle Loans	12.50% to 16.00%	0.50% of gross loan amount

Construction Loan - Interest Rates

Loans & Advances - Indicative lending rates updated on July 26, 2012		
Construction Equipment Loans		
Type of credit facility	Rate of interest	Processing fee
Construction Equipment Loans	11.50% to 14.50%	0.25% of gross loan amount

Applicable Rate of Interest Effective from August 25, 2011		
Type of credit facility	Credit limit (Rs.)	Rate of interest (%) (p.a.)
Loan Against Securities	Upto Rs.10 lacs	14.00
	More than Rs. 10 lacs to Rs. 15 lacs	13.50
	More than Rs. 15 lacs to Rs. 20 Lacs	13.25
Notes:-		
Specific interest rate applicable to a customer would be dependent on segment, asset category and location.		
Stamp duty charges shall be extra as applicable.		
Additional documentation charges of Rs.350/- applicable.		
ICICI Bank reserves the right to revise the rate of interest and processing fee from time to time, at its sole discretion.		

After knowing the brief information about pricing policy adopted by the ICICI bank on their products, it is necessary to know the other competitive bank pricing policy, its information is presented in the table no:

HDFC BANK pricing strategies:

PERSONAL LOANS

Fee	Amount to be Paid
Rack interest rate	Salaried - 15.75% to 22.25% Self-employed businessman - 17.50% to 22.00% Self-employed profession - 14.50 to 15.00%
Loan processing charges	Up to 2.50% of the loan amount subject to a minimum of Rs. 1000
Prepayment	Salaried - No pre-payment permitted until repayment of 12 EMIs Self-employed - No pre-payment permitted until repayment of 6 EMIs
Pre-payment charges	Salaried - 4% of the principal outstanding after repayment of 12 EMIs. For top-up/enhancements - 2% of the principal outstanding Self-employed - 4% of the principal outstanding after repayment of 6 EMIs
No Due Certificate/No Objection Certificate (NOC)	NIL
Duplicate of No Dues Certificate/NOC	Rs. 250/-
Solvency Certificate	Not applicable
Charges for late payment of EMI	24% per annum on amount outstanding from date of default
Charges for changing from fixed to floating rate of interest	Not applicable

Charges for changing from floating to fixed rate of interest	Not applicable
Stamp duty & other statutory charges	As per applicable laws of the state
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Rs. 500/- per event
Loan re-booking charges/re-scheduling charges	Rs. 1000/-
Loan cancellation charges	Rs. 1000/-
Cheque bounce charges	Rs. 450/- per cheque bounce
Legal/incidental charges	At actual
CIBIL Report Copy Charges	Rs.50 per copy

Charges which are in nature of fees are inclusive of service tax.

Business Loan	Features
Rack Interest Rate Range	17.50% to 22.00%
Loan Processing Charges	Up to 2.50% of the loan amount subject to a minimum of Rs. 1,000/-
Prepayment	No pre-payment permitted until repayment of 6 EMIs
Pre-payment charges	4% of the Principal Outstanding after repayment of 6 EMIs
No Due Certificate / No Objection Certificate (NOC)	NIL
Duplicate no due certificate / NOC	Rs 250/-
Solvency Certificate	Not applicable
Charges for late payment of EMI	@ 24 % p.a on amount outstanding from date of default
Charges for changing from fixed to floating rate of interest	Not applicable
Charges for changing from floating to fixed rate of interest	Not applicable
Stamp Duty & other statutory charges	As per applicable laws of the state
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Rs 500/- per event
Loan Re-booking charges / Re-scheduling charges	Rs 1000/-
Loan cancellation charges	Rs. 1000/-
Cheque Bounce Charges	Rs 450/- per cheque bounce
Legal / incidental charges	At actual
CIBIL Report Copy Charges	Rs.50 Per Copy

Charges which are in nature of fees are inclusive of service tax.

Professional Loan	Features
Rack Interest Rate Range	14.50% to 22.00%
Loan Processing Charges	Up to 2.50% of the loan amount subject to a minimum of Rs. 1,000/-
Prepayment	No pre-payment permitted until repayment of 6 EMIs
Pre-payment charges	4% of the Principal Outstanding after repayment of 6 EMIs
No Due Certificate / No Objection Certificate (NOC)	NIL
Duplicate no due certificate / NOC	Rs.250/-
Solvency Certificate	Not applicable
Charges for late payment of EMI	@ 24 % p.a on amount outstanding from date of default
Charges for changing from fixed to floating rate of interest	Not applicable
Charges for changing from floating to fixed rate of interest	Not applicable
Stamp Duty & other statutory charges	As per applicable laws of the state
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Rs.500/- per event
Loan Re-booking charges / Re-scheduling charges	Rs.1000/-
Loan cancellation charges	Rs.1000/-
Cheque Bounce Charges	Rs.450/- per cheque bounce
Legal / incidental charges	At actual
CIBIL Report Copy Charges	Rs.50 Per Copy

Charges which are in nature of fees are inclusive of service tax.

Business Loan - Drop Line Overdraft	Features
Rack Interest Rate Range	18% on utilisation
Loan Processing Charges	Up to 2.00% of the loan amount subject to a minimum of Rs. 1,000/-
Pre-Closure	No pre-closure of facility is permitted until vintage of 6 months
Pre-Closure charges	4% of the limit
No Due Certificate / No Objection Certificate (NOC)	NIL
Duplicate no due certificate / NOC	Rs 250/-
Solvency Certificate	Not applicable
Charges for late payment of non-payment of interest	@ 24 % p.a. on amount outstanding from date of default
Charges for changing from fixed to floating rate of interest	Not applicable
Charges for changing from floating to	Not applicable

fixed rate of interest	
Stamp Duty & other statutory charges	As per applicable laws of the state
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Not applicable
Re-booking charges / Re-scheduling charges	Rs 1000/-
Cancellation charges	Rs 1000/-
Legal / incidental charges	At actual
Maintenance Charges	Rs 1000/- Per Annum
CIBIL Report Copy Charges	Rs.50 Per Copy

Here is an exhaustive list of all the fees and charges to be paid for the education loan:

Description of Charges	Education Loan
Loan Processing Charges	Upto a maximum 2% of the loan amount
Pre-payment charges	Upto 4% of the Principal Outstanding if loan is foreclosed / part prepaid during Moratorium Period. Nil charges if loan is foreclosed / part prepaid any time during Repayment Period.
No Due Certificate / No Objection Certificate (NOC)	Nil
Duplicate of No Dues Certificate/NOC	Rs. 250/-
Solvency Certificate	Not applicable
Charges for late payment of EMI	@ 24 % p.a. on amount outstanding from date of default
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Upto Rs. 500/- per event
Loan Re-Booking / Re-Scheduling Charges	Upto Rs. 1000/-
Bounce Cheque Charges	Upto Rs. 450/- per Bouncing
Legal / incidental charges	At actual
Stamp Duty & other statutory charges	As per applicable laws of the state

*Terms & conditions apply

STUDENT LOAN FOR FOREIGN EDUCATION

Here is an exhaustive list of all the fees and charges to be paid for the education loan:

Description of Charges	Education Loan
Loan Processing Charges	Upto a maximum 2% of the loan amount
Pre-payment charges	Upto 4% of the Principal Outstanding if loan is foreclosed / part prepaid during Moratorium Period. Nil charges if loan is foreclosed / part

	prepaid any time during Repayment Period.
No Due Certificate / No Objection Certificate (NOC)	Nil
Duplicate of No Dues Certificate/NOC	Rs. 250/-
Solvency Certificate	Not applicable
Charges for late payment of EMI	@ 24 % p.a. on amount outstanding from date of default
Credit assessment charges	Not applicable
Non standard repayment charges	Not applicable
Cheque swapping charges	Upto Rs. 500/- per event
Loan Re-Booking / Re-Scheduling Charges	Upto Rs. 1000/-
Bounce Cheque Charges	Upto Rs. 450/- per Bouncing
Legal / incidental charges	At actual
Stamp Duty & other statutory charges	As per applicable laws of the state

*Terms & conditions apply

Car loans:

The different car segments and funding range are as follows:

Segment	Ex-Showroom Value (In lakhs)	Funding %	Examples
A: Mini	<=2.15	80-100	Maruti 800
B: Compact	2.2-4.5	90-100	Alto, Swift, Indica, Santro, Getz, Estillo, A-Star, Palio, i10, Indigo
C: Mid-Size	4.5-10.0	75-100	i20, Accent, Swift ,Dzire, Honda City, Honda Jazz, Verna, SX4, Linea, Ikon, Fusion, Optra, Fabia, Ritz
D: Executive	9.5-16.0	75-95	Toyota Corolla, Civic, Skoda Ocatvia, Hyundai Elantra, Optra Magnum
D+: Premium	16.0-25.0	75-90	Honda Accord, Camry, Hyundai Sonata, Superb, Passat, Jetta, Teana, Fiat 500
D+: Luxury	25.0+	75-85	Mercedes, BMW, Audi, Porsche and all other imported
MUV	2.20+	75-90	Omni, Innova, Xylo, Scorpio, Tavera, Bolero, Victa, Safari
SUV	14.0+	75-85	CR-V, Endeavour, Pajero, Montero, X-Trail, Prado, Tucson, Captiva, Grand Vitara, Mitsubishi Outlander

Charges which are in nature of fees are inclusive of service tax.

From the above particulars it can be understood that all the selected banks of the study are adopting different pricing strategies for all their products. To know further information opinions were gathered from the customers of the above banks and following analysis was made to know its impact on products.

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.514
Bartlett's Test of Sphericity	Approx. Chi-Square	124.594
	df	45
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.354	13.539	13.539	1.354	13.539	13.539	1.251	12.514	12.514
2	1.335	13.354	26.894	1.335	13.354	26.894	1.197	11.970	24.483
3	1.185	11.847	38.741	1.185	11.847	38.741	1.196	11.960	36.443
4	1.071	10.710	49.451	1.071	10.710	49.451	1.191	11.912	48.355
5	1.053	10.525	59.976	1.053	10.525	59.976	1.162	11.622	59.976
6	.910	9.097	69.074						
7	.865	8.649	77.723						
8	.765	7.645	85.368						
9	.738	7.382	92.750						
10	.725	7.250	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component				
	1	2	3	4	5
Credit Reserve Ratio			.474	.434	
Statutory legal ratio			-	-	.365
Interest rates		.319	.417	.412	
Charges of Services		.566		-	.372
Commissions	.615			.399	

Debit/credit/ATM charges	-0.573	-			0.366
Cheque book charges	-0.324	0.352			0.443
Pass book charges		0.462	0.566		
Online banking services charges		0.469	-		0.392
Loans charges	0.632	0.497			-0.362

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
Credit Reserve Ratio					0.699
Statutory legal ratio				0.682	-
Interest rates		-0.516	-		
Charges of Services		0.803	0.543		
Commissions	0.644				
Debit/credit/ATM charges			0.738		
Cheque book charges	-0.336				0.724
Pass book charges				0.733	
Online banking services charges		0.375	0.377	0.400	-
Loans charges	0.787				0.352

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Sno	Factor	Value
1	Loans charges	0.787
2	Charges of Services	0.803
3	Debit/credit/ATM charges	0.738
4	Pass book charges	0.733
5	Cheque book	0.724

Component Matrix^a

	Component				
	1	2	3	4	5
Credit Reserve Ratio			.474	.434	
Statutory legal ratio			-	-	.365
Interest rates	.319	.417		.412	
Charges of Services		.566		-	.372
Commissions	.615			.399	
Debit/credit/ATM charges	-.573		-		.366
Cheque book charges	-.324		.352		
Pass book charges		.462		.566	
Online banking services charges		.469	-		.392
Loans charges	.632		.497		-.362

Extraction Method: Principal Component Analysis.

	charges	
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From the above analysis it can be understood that the banking sectors are following different forms of prices to attract the customers. As per these customers opinions gathered by circulating structural questionnaire the following information was revealed, out of the 12 different pricing mix that is been circulated among the customers only 5 were rated as a influencing factors among the customers. Hence this information is to be considered while formulating marketing strategies and as per that decisions to be adopted. Out of the influencing factors, the customers felt that loan charges in SBI is very reasonable when compared to other selected banks and as per the services is concerned ICICI is rated as the best bank.

5.3 PROMOTION STRATEGY

Marketing depends heavily on an effective communication flow between the company and the customers. Manufacturing a product and making it available in the market is only a part of the Bankers job. It is equally important, or perhaps more desirable, to make it known to the customers that the product is available in the market. In a competitive market, where several firms are striving to win over

customers, it is not enough if the availability of a product or service only is made known to customers. It is also essential to propagate the distinctive features specifications of the product. The process does not end here. The banks should also get feedback on how the customers accept its products through an effective, continuous, and two-way flow of information between the firm and the customers.

The Bankers should attempt to communicate with the customer through quality assurance of the products, colorful packages, written messages, pictures and symbols, attractive ambience and efficient salesmanship. When these various stimuli are received and interpreted by the customer, marketing communication takes place. The communication also involves feedback from the customer to the Bank, on how the total product offering of the company is received by the market. Generally taking into account the nature of service industry, the challenges it brings to the organizations and the need to follow holistic marketing approach to effectively interact with customers highlights the importance and significance of marketing communication activities. In service sector, marketing communication tools are especially important to help create powerful images and a sense of credibility, confidence, and reassurance.

Indian banking sector historically passed through five stages: pre-independence, post-independence, pre-nationalization, nationalization and post-liberalization stages. In all these stages, other than the last stage, marketing was always considered not to be a banker's cup of tea. But today it is considered to be an integral management function in the banking sector. Banking is an industry that is built on trust. Customers deposit their money with a bank only if they trust the bank and the bank gives loans to the customers only when it trusts them. Banks do business with customers' money by accepting deposits from them and by giving loans on interest for any bank to conduct business; initially it is the trust that matters, not the capital it owns.

Creating effective communication with the customers is the important aspect in service marketing and therefore banking sector. One of the P's of marketing mix promotion is also known as marketing communication. Banks have to communicate with their existing customer as well as potential customer about what they are doing and what they are planning to do in near future. Marketing communication is very

important and at the same time challenging in banking sector as the nature of services is characterized by intangibility of service product which is decision to convince customers on the value of the product. Marketing communication provide information that plays important role in adding value to a service product. Customers need information about the features of services, its price, and the ways by which they can access those services, to make a well informed purchase decision. Thus, if the customers are able to get the necessary information about the service product on demand and adequately, they may feel that they are buying quality product or service. This means having good and effective communication adds value to the service of a company or organization as customers have the confidence on their purchase.

In banking sector marketing communication techniques are especially important, they help to create powerful images and a sense of credibility, confidence and assurance. Therefore it is essential to evaluate all the elements of communication mix that are used in banking service sector:-

Advertising: -

Advertising plays a major role in promoting a bank's products and services on a large scale. However developing advertising campaigns for services is a difficult aspect because of the intangible attribute of service. Banks should involve front line employee in designing the advertising campaign as service personnel directly interact with customers during the process of marketing. A bank can improve its brand image and brand equity with the help of advertising. It also helps the bank in differentiating and positioning its services from those of competitors.

Sales Promotion: -

Sales promotion is often used by the companies to improve the sales of a product or service either by encouraging the existing customers to use the service more frequently or by attracting new customers to use their service. Banks also aim to pull customers to use their services by attracting them with free offers, coupons, cash discounts, warranties; prizes etc.

Personal Selling:-

Due to the characteristics of banking services, personal selling is the way that most banks prefer in expanding selling and usage of their services. It occurs in two ways. First occurs in a way that customer and banker perform face to face interaction with each other at branch office. In this process personnel, bank employees, chief and office manager, take part in selling. Second occurs in a way that bank's representative go to customer's places. Bank's representatives are specialist in bank's services and have update knowledge about the banks services to be offered and they shape the relationship between bank and customer.

Publicity and Public Relations (PR):-

Banks use publicity campaigns to bring in awareness about their offers among the existing and potential customers. It involves using the information in a way that induces interest towards a company, event or person. Public Relations in banking helps in:-1) Establishing most effective communication system.2) Creating sympathy about relationship between bank and customer.3) Giving broadest information about activities of bank.

Direct Marketing:-

Direct Marketing involves contacting the existing and potential customers directly through telemarketing, direct mail, and online marketing (e-mail and official websites) without employing any intermediaries in the process. The customers of banking service need some specific information or a customized change in the offering of the bank, so that the bank personnel can best satisfy him while the intermediaries might not be in a position to respond to customer's satisfaction.

Word of mouth promotion:-

Very often communication about the banking services activity takes place by word of mouth information which is also known as word of mouth promotion. In the banking industries we find use of different components of promotion and word of mouth is one of the main source of promotion a satisfied group of customers is considered to be the most successful hidden promoters and if the bank keep on moving the process of satisfying the customers, the circle of word of mouth promotion would keep on moving. This component of promotions is found significant

to the banking organizations and therefore bank professionals are required to seek the cooperation of opinion leaders for the promotion.

Since promotional activities is a back bone for the banking growth, in this regard opinions were gathered from the four selected banks among the public and private sectors as per that, the following are the opinions expressed by the banking officials in the above context its information is presented in the table no 4.10

Table 4.10: Respondents opinions on different promotional strategies adopted by banks

different promotional strategies that you adopt for circulating the product among the various customers		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Demonstrations	Count	4	3	4	1	12
	% within	33.3%	25.0%	33.3%	8.3%	100.0%
Offers	Count	0	4	1	2	7
	% within	.0%	57.1%	14.3%	28.6%	100.0%
Merchandising	Count	6	4	3	2	15
	% within	40.0%	26.7%	20.0%	13.3%	100.0%
Promotion through media	Count	4	0	4	3	11
	% within	36.4%	.0%	36.4%	27.3%	100.0%
All the above	Count	6	1	6	2	15
	% within	40.0%	6.7%	40.0%	13.3%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

impact of promotional strategies on business development		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Increase in Turnover	Count	2	1	2	4	9
	% within	22.2%	11.1%	22.2%	44.4%	100.0%
Retaining and maximizing of customers	Count	6	3	4	0	13
	% within	46.2%	23.1%	30.8%	.0%	100.0%
Increase in market share	Count	4	4	2	0	10
	% within	40.0%	40.0%	20.0%	.0%	100.0%
Increase in profits	Count	4	1	4	3	12
	% within	33.3%	8.3%	33.3%	25.0%	100.0%
All the above	Count	4	3	6	3	16

	% within	25.0%	18.8%	37.5%	18.8%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

strategies that you follow to retain and maximize the customers to your bank		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Competitive rates	Count	3	3	2	2	10
	% within	30.0%	30.0%	20.0%	20.0%	100.0%
Best Hospitality	Count	4	1	7	1	13
	% within	30.8%	7.7%	53.8%	7.7%	100.0%
privileges to customers	Count	8	3	6	3	20
	% within	40.0%	15.0%	30.0%	15.0%	100.0%
all the above	Count	5	5	3	4	17
	% within	29.4%	29.4%	17.6%	23.5%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

From the above analysis it can be known that SBI is having more cutting edge in the aspects of merchandising, retention of customer to the bank and increase in banking profits over the other banks by offering best services to the customers whereas ICICI is promoting bank by giving best hospitality and quick services. Similarly other two banks also following the same trend but when compared to the above two banks they are lagging behind in the selected services to the customers in the study region.

To identify the same feedback was also obtained from the customers belonging to four selected banks by circulating structural questionnaire among them its information was analyzed by following factor analysis.

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.597
Bartlett's Test of Sphericity	Approx. Chi-Square	77.010
	df	36
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.292	14.360	14.360	1.292	14.360	14.360	1.212	13.462	13.462
2	1.193	13.255	27.615	1.193	13.255	27.615	1.171	13.008	26.470
3	1.151	12.794	40.409	1.151	12.794	40.409	1.146	12.736	39.206
4	1.100	12.227	52.636	1.100	12.227	52.636	1.125	12.501	51.707
5	1.000	11.112	63.748	1.000	11.112	63.748	1.084	12.041	63.748
6	.915	10.165	73.913						
7	.799	8.879	82.792						
8	.793	8.809	91.601						
9	.756	8.399	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component				
	1	2	3	4	5
News papers			-.588		.363
TV advertisement	-.498			.514	
Weekly/monthly magazines	.640				
Internet advertises	.392	.483		.357	-.415
Cinema		-.519			
Mobile			.567		.516
Hoardings	-.565	.498			
Pamphlets			-.530	.470	
Poster display		.455		-.397	.560

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
News papers		-.413		.716	
TV advertisement			.683		.395
Weekly/monthly magazines	.418	.588		-.436	
Internet advertises		.811			-.439
Cinema	.699				
Mobile					.848
Hoardings	-.701				
Pamphlets				.730	
Poster display			-.800		

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Sno	Factor	Value
1	Cinema	0.699
2	Internet advertises	0.811
3	TV advertisement	0.683
4	Pamphlets	0.730
5	Mobile	0.848

After the brief analysis it can be concluded that among the selected banks print, media and mobile phone service are creating impact on the customers for promoting their product among the customer.

5.4 PLACE: The decision regarding location is very much concerned with the selection of sites from where the delivery of services takes place. The accessibility and the availability form an important base for location of service premises. Accessibility refers to convenient with which a service can be purchased, used or received. On the other hand availability refers to the extent to which a service is obtained or capable of being purchased, used or received.

As per the banking policy place / location of establishment of bank is more important before setting up of the branch in the concerned area. In this regard opinion

was gathered from the banking personals its information is presented in the following table no 4.11:

Table 4.11: Respondents opinion on importance of place / location

. Do you think there is any importance for the place / Location in establishment of the bank		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
yes	Count	19	9	12	4	44
	% within	43.2%	20.5%	27.3%	9.1%	100.0%
no	Count	1	3	6	6	16
	% within	6.3%	18.8%	37.5%	37.5%	100.0%
Total	Count	20	12	18	10	60
	% within	33.3%	20.0%	30.0%	16.7%	100.0%

If yes what are the advantages you find in establishment of your bank		PUBLIC AND PRIVATE SECTOR BANKS				
		SBI	ANDHRA BANK	ICICI	HDFC	Total
Customer Identification	Count	3	3	3	2	11
	% within	27.3%	27.3%	27.3%	18.2%	100.0%
Business Growth	Count	3	2	2	0	7
	% within	42.9%	28.6%	28.6%	.0%	100.0%
Owning more share	Count	7	1	4	1	13
	% within	53.8%	7.7%	30.8%	7.7%	100.0%
All of the above	Count	6	3	3	1	13
	% within	46.2%	23.1%	23.1%	7.7%	100.0%
Total	Count	19	9	12	4	44
	% within	43.2%	20.5%	27.3%	9.1%	100.0%

From the above analysis it can be perceived that among the selected banks SBI and ICICI is benefited by 53.8% and 30.8% approximately and they opined that locating bank in the prime place is increasing their business and profit share, where as HDFC is benefited in customer identification by locating in central area. By comparing between the public and private sector banks among the public sector bank SBI is having more network and also branches in selected places. Similarly among the private banks ICICI is having more cutting edge than the other private banks in the study area.

To substantiate the above question customer's opinion is also gathered with regard to selected banks as per that following opinions were gathered and presented below:

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.576
Bartlett's Test of Sphericity	Approx. Chi-Square	130.973
	df	66
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.337	11.139	11.139	1.337	11.139	11.139	1.239	10.324	10.324
2	1.261	10.508	21.647	1.261	10.508	21.647	1.179	9.821	20.145
3	1.173	9.773	31.420	1.173	9.773	31.420	1.177	9.811	29.956
4	1.150	9.584	41.005	1.150	9.584	41.005	1.177	9.807	39.763
5	1.126	9.385	50.389	1.126	9.385	50.389	1.173	9.779	49.542
6	1.054	8.781	59.170	1.054	8.781	59.170	1.155	9.628	59.170
7	.942	7.850	67.020						
8	.916	7.636	74.656						
9	.833	6.940	81.596						
10	.787	6.561	88.156						
11	.760	6.336	94.492						
12	.661	5.508	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component
--	-----------

	1	2	3	4	5	6
Nearer to my home/office	-.370		.478			
Convenient in operations	-.505		-.468			
Comfortable bank layout	.396		.463			-.413
Good physical facilities					.704	
Number of ATM"s available		.371	.543	-.349	.387	
Tele/online/mobile banking available			.660			
Number of branches in different area of city	.491					
Convenient banking hours		.706			-.360	
Advertisement	.346	-.403				-.453
Sales Person	-.334					-.427
Sport Games/Awards			.357	.335		
Friends	.398	-.350				.542

Extraction Method: Principal Component Analysis.

a. 6 components extracted.

Rotated Component Matrix^a

	Component					
	1	2	3	4	5	6
Nearer to my home/office					.539	-.340
Convenient in operations				.633	-.364	
Comfortable bank layout						.751
Good physical facilities				.654		
Number of ATM"s available					.806	
Tele/online/mobile banking available		.680				.364
Number of branches in different area of city	.543		.392			
Convenient banking hours	.638			-.374		

Component Matrix^a

	Component					
	1	2	3	4	5	6
Nearer to my home/office	-.370		.478			
Convenient in operations	-.505		-.468			
Comfortable bank layout	.396			.463		-.413
Good physical facilities					.704	
Number of ATM"s available		.371	.543	-.349	.387	
Tele/online/mobile banking available				.660		
Number of branches in different area of city	.491					
Convenient banking hours		.706			-.360	
Advertisement	.346	-.403				-.453
Sales Person	-.334					-.427
Sport Games/Awards			.357	.335		
Friends	.398	-.350				.542

Extraction Method: Principal Component Analysis.

Advertisement		-.734				
Sales Person			-.364	.468		.362
Sport Games/Awards	-.634					
Friends			.813			

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations.

Sno	Factor	Value
1	Convenient banking hours	0.638
2	Tele/online/mobile banking available	0.680

Component Matrix^a

	Component					
	1	2	3	4	5	6
Nearer to my home/office	-.370		.478			
Convenient in operations	-.505		-.468			
Comfortable bank layout	.396			.463		-.413
Good physical facilities					.704	
Number of ATM"s available		.371	.543	-.349	.387	
Tele/online/mobile banking available				.660		
Number of branches in different area of city	.491					
Convenient banking hours		.706			-.360	
Advertisement	.346	-.403				-.453
Sales Person	-.334					-.427
Sport Games/Awards			.357	.335		
Friends	.398	-.350				.542

Extraction Method: Principal Component Analysis.

3	Friends	0.813
4	Good physical facilities	0.654
5	Number of ATM"s available	0.806
6	Comfortable bank layout	0.751

Among the different marketing strategies, location of the bank is an important factor for promoting the business, for this purpose various factors which are connected to the place are identified and out of which 6 factors were considered to be important for locating the bank among the various factors which are identified as important out of which having more ATM's, infrastructure and customer relations is notable factors in attracting more customer for the bank. In these regard SBI from the

public sector banks and ICICI in private sector were considered as the best banking services organization in the study area.

5.6 PEOPLE, PROCESS AND PHYSICAL EVIDENCE:

1. PEOPLE: - In an organization people play an important role by adopting the best practices. In the banking activities every service is linked with the customers hence to promote the products and business it is essential to maintain the proper relations with customers, there fore it can considered that customers and employees are the both interconnected for the banking prospectus.

CUSTOMER CONTACT EMPLOYEES:

They are known as frontline staff as they come in direct contact with the customers in the process of service delivery. The degree of the personnel customer contact varies so we have:-

- a. High contact personnel: They are required when the physical presence and the interaction of the customer with the employees is for longer times.
- b. Low contact personnel: They are required when the physical presence and the interaction of the customer with the employees is for lesser times.
- c. Skilled and Professional: they are skilled or professional in a particular field.
- d. Non Professionals: they are people like courier delivery boy, waiter, etc.
- e. Non contact employees: Those who contribute to the service delivery but do not come in contact with customer. They are actually support personnel.

2. PROCESS : The service process refers to how service is provided or delivered to a customer. Delivery system is a creative process. In order to achieve economies of scale and perform consistently the operation people would prefer to processing a batch while marketing would prefer to cater to individuals so that the customers feel that they are treated as special. Factors such as customer participation, degree of customer contact, location of service delivery and complexity of services are considered in the service process design and implementation.

3. PHYSICAL EVIDENCE : Generally a service transaction involves the interaction of the service provider with the customer in a service environment. Physical evidence is termed as the social environment along with the tangible cues. Physical evidence is any tangible commodities that facilitate performance communication of the service. Physical evidence includes all the efforts taken by the service provider to tangibles their services. They includes,

(a) Physical facilities.

(b) Physical environment

(c) Social settings.

Physical facilities: On the basis of Physical evidence like building, furniture, equipment, stationery, etc are the influencing factors for the potential customers to form an impression about the service organization.

Physical environment: Physical setting or the service environment within which the service takes place influences consumer expectation of service quality and satisfaction.

The important elements of physical settings are:

Ambience: The ambience of physical setting includes temperature, lighting, noise, music, scent and colour.

Space: People need space around them to feel comfort.

Decors and artifacts: Sign, symbol and artifacts are important component of décor.

After knowing the brief information about the physical facilities of the selected banking sectors it is investable to know the physical facilities and manpower status of the various selected banks as per that the following are the details' submitted in the table no:

TABLE 4.12: Bank-Wise population Group-Wise Number Of Branches Of Scheduled Commercial Banks - 2011 And 2012				
Number of branches as on March 31, 2012				
Banks/ Bank Groups	Rural	Semi-Urban	Urban	Total
	(1)	(2)	(3)	(5)
State Bank of India	5250	3956	2442	11648
Andhra Bank	431	444	451	1326
HDFC Bank	177	913	654	1744
ICICI Bank	285	913	721	1919

Note: 1. Data is as per information reported by banks

2. Population group classification based on 2001 census

3. Data on branches exclude administrative offices.

Source: Master Office File (Latest updated version) on banks, Department of Statistics & Information Management, RBI

TABLE 4.13: Commercial Banks And Their Offices In Andhra Pradesh - 2011 And 2012		
BANK NAME	As On 31st MARCH	
	2001	2012
STATE BANK OF INDIA	1245	1316
ANDHRA BANK	1096	1122
HDFC BANK	121	173
ICICI BANK	139	157

Note: 1. Data is as per information reported by banks.

2. Data on number of offices include administrative offices.

Source: Master Office File (Latest updated version) on banks, DSIM, RBI.

TABLE 4.14: Bank-Wise And Category-Wise Employees Of Scheduled								
Commercial Banks - 2011 And 2012								
Bank Name	Officers		Clerks		Sub-staff		Total	
	2011	2012	2011	2012	2011	2012	2011	2012
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
State Bank of India	79728	80404	10270 1	95715	40504	39362	22293 3	21548 1
Andhra Bank	8058	8209	3248	3903	2792	2987	14098	15099
HDFC Bank	55421	66076	166	-	165	-	55752	66076
ICICI Bank	26799	25135	18	12	112	106	26929	25253

Source: Indian Banks' Association.

Interpretation:

After going through analysis, it can be understood that SBI is having more manpower physical facilities in the public sector banks and whereas HDFC is having more manpower than ICICI in the private segment. Hence it can be said that overall SBI is having more cutting edge over the other banks in terms of all facilities.

ATM and Card Statistics-January-2013														
Bank Name	ATMs		POS		Credit Cards					Debit Cards				
	On-site	Off-site	On-line	Off-line	No .of outstanding cards as at the end of the month	No. of Transactions (Actuals)		Amount of transactions (Rs Million)		No .of outstanding cards as at the end of the month	No. of Transactions (Actuals)		Amount of transactions (Rs Million)	
ATMs						POS	ATMs	POS	ATMs		POS	ATMs	POS	
Andhra Bank	568	613	2315	0	124221	8419	143762	35.2	386.1	7795112	8931255	506734	21807.5	765.2
State Bank of India	14203	11472	39745	0	2520140	30753	4949078	150	10960	106997000	177053000	9109000	508098.2	13902.4
HDFC Bank Ltd.	4197	6386	236926	0	6263856	78076	10100812	501.111	33375	15195073	28789331	7411651	125726.17	11383.2
ICICI Bank Ltd.	3284	6756	187728	6689	2840802	8049	5375704	39.2	12880.8	18247453	27970119	7208651	125267.6	12243.2

Source: RBI Website

People, Process and Physical evidence are interlinked services for the development of the bank, in this context with regard to above banking personals were opined that quick services, good ambiance and best infrastructure are the factors responsible for yielding customer satisfaction.

kind of process that you adopt for customer satisfaction	PUBLIC AND PRIVATE SECTOR BANKS				
	SBI	ANDHRA BANK	ICICI	HDFC	Total
speeding delivery of services	Count 4	Count 3	Count 1	Count 3	Count 11
	% within 36.4%	% within 27.3%	% within 9.1%	% within 27.3%	% within 100.0%
System used to assist organization in delivering the services	Count 4	Count 4	Count 4	Count 2	Count 14
	% within 28.6%	% within 28.6%	% within 28.6%	% within 14.3%	% within 100.0%
Aids to promotion of customer satisfaction	Count 7	Count 0	Count 10	Count 1	Count 18
	% within 38.9%	% within .0%	% within 55.6%	% within 5.6%	% within 100.0%
All the above	Count 5	Count 5	Count 3	Count 4	Count 17
	% within 29.4%	% within 29.4%	% within 17.6%	% within 23.5%	% within 100.0%
Total	Count 20	Count 12	Count 18	Count 10	Count 60
	% within 33.3%	% within 20.0%	% within 30.0%	% within 16.7%	% within 100.0%

the aids that you follow for improving customer loyalty	PUBLIC AND PRIVATE SECTOR BANKS				
	SBI	ANDHRA BANK	ICICI	HDFC	Total
Accountability	Count 7	Count 3	Count 2	Count 3	Count 15
	% within 46.7%	% within 20.0%	% within 13.3%	% within 20.0%	% within 100.0%
Audit Reports	Count 5	Count 1	Count 6	Count 4	Count 16
	% within 31.3%	% within 6.3%	% within 37.5%	% within 25.0%	% within 100.0%
Transparency	Count 5	Count 4	Count 7	Count 2	Count 18
	% within 27.8%	% within 22.2%	% within 38.9%	% within 11.1%	% within 100.0%
Best practices	Count 3	Count 4	Count 3	Count 1	Count 11

kind of process that you adopt for customer satisfaction	PUBLIC AND PRIVATE SECTOR BANKS				
	SBI	ANDHRA BANK	ICICI	HDFC	Total
speeding delivery of services	Count 4	Count 3	Count 1	Count 3	Count 11
	% within 36.4%	% within 27.3%	% within 9.1%	% within 27.3%	% within 100.0%
System used to assist organization in delivering the services	Count 4	Count 4	Count 4	Count 2	Count 14
	% within 28.6%	% within 28.6%	% within 28.6%	% within 14.3%	% within 100.0%
Aids to promotion of customer satisfaction	Count 7	Count 0	Count 10	Count 1	Count 18
	% within 38.9%	% within .0%	% within 55.6%	% within 5.6%	% within 100.0%
All the above	Count 5	Count 5	Count 3	Count 4	Count 17
	% within 29.4%	% within 29.4%	% within 17.6%	% within 23.5%	% within 100.0%
	Count 20	Count 12	Count 18	Count 10	Count 60
	% within 27.3%	% within 36.4%	% within 27.3%	% within 9.1%	% within 100.0%
Total	Count 20	Count 12	Count 18	Count 10	Count 60
	% within 33.3%	% within 20.0%	% within 30.0%	% within 16.7%	% within 100.0%

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.511
Bartlett's Test of Sphericity	Approx. Chi-Square	138.890
	df	55
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.357	12.337	12.337	1.357	12.337	12.337	1.324	12.036	12.036
2	1.336	12.150	24.487	1.336	12.150	24.487	1.220	11.095	23.131
3	1.218	11.077	35.564	1.218	11.077	35.564	1.213	11.023	34.154

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.								.511	
Approx. Chi-Square								138.890	
df								55	
4	1.113	10.122	45.686	1.113	10.122	45.686	1.175	10.683	44.837
5	1.064	9.672	55.358	1.064	9.672	55.358	1.157	10.521	55.358
6	.991	9.005	64.363						
7	.905	8.223	72.586						
8	.800	7.268	79.854						
9	.764	6.947	86.801						
10	.732	6.659	93.460						
11	.719	6.540	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component				
	1	2	3	4	5
Speedy delivery			-.394		.530
Reduced paperwork		-.507		.468	
Standardize procedures	.358	.386		.404	-.439
Customization of services		.574		.443	
Simplicity	.585				
Logo			.462	.486	
Financial Reports	-.541		.473		
Punch lines/tag lines			-.425	.402	.380
Pen/writing pads		.470		-.327	.481
Calendar		.466	.403	-.453	
Mobile	.633				

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
Speedy delivery					.683
Reduced paperwork			-.419	.635	
Standardize procedures		.747			

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.511
Approx. Chi-Square					138.890
df					55
Customization of services		.663			
Simplicity	.691				
Logo				.641	-
Financial Reports	-.468			.514	
Punch lines/tag lines					.744
Pen/writing pads		-.420	.697	-.485	
Calendar			.655		
Mobile	.711				

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Sno	Factor	Value
1	Mobile	0.711
2	Customization of services	0.663
3	Pen/writing pads	0.697
4	Logo	0.641
5	Punch lines/tag lines	0.744

The success of any organization depends upon customer loyalty and their satisfaction. As per the information SBI in the public sector is maintaining the leadership in all the aspects of the activities but when only private bank is considered ICICI is maintaining the more reputation in regarding to above concepts. Hence it can be concluded that the development and growth of any organization is totally depends upon the service that we offer to the customers.

Factor Analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.585
Bartlett's Test of Sphericity	Approx. Chi-Square	387.671
	df	231
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.483	6.741	6.741	1.483	6.741	6.741	1.343	6.104	6.104
2	1.451	6.594	13.336	1.451	6.594	13.336	1.332	6.056	12.160
3	1.342	6.100	19.436	1.342	6.100	19.436	1.284	5.835	17.995
4	1.298	5.902	25.338	1.298	5.902	25.338	1.250	5.681	23.676
5	1.292	5.871	31.210	1.292	5.871	31.210	1.246	5.663	29.339
6	1.206	5.483	36.692	1.206	5.483	36.692	1.235	5.612	34.952
7	1.176	5.344	42.036	1.176	5.344	42.036	1.227	5.577	40.529
8	1.130	5.134	47.170	1.130	5.134	47.170	1.217	5.530	46.058
9	1.089	4.950	52.120	1.089	4.950	52.120	1.211	5.504	51.562
10	1.047	4.759	56.880	1.047	4.759	56.880	1.170	5.318	56.880
11	1.002	4.556	61.435						
12	.948	4.311	65.746						
13	.908	4.126	69.872						
14	.859	3.906	73.778						
15	.852	3.873	77.651						
16	.825	3.749	81.400						
17	.767	3.486	84.887						
18	.722	3.281	88.168						
19	.694	3.154	91.322						
20	.680	3.092	94.414						
21	.641	2.916	97.330						
22	.587	2.670	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component									
	1	2	3	4	5	6	7	8	9	10
Employees of your bank are skilled & competent.		- .336		- .375				.349		
The bank has convenient timing.		- .424		.342						.337
The behavior of the employees instills confidence in you.			.392			- .526		- .349		
Each branch has sufficient number of employees.		.522								.356
The bank has clear objectives to satisfy customers.			.555							
The brand (image of the bank) is appealing to you.					.382				.502	.337
Mission and vision statements of the bank rightly define its commitment towards customers.	- .352		- .454							
The location of the ATM"s are convenient to you						- .313		.356		
The number of the branches of the bank is enough.		.446						.464		
The location of the branches of the bank are convenient			.420							
The bank provides ATM"s at several prominent locations	- .440			- .301		.392				
The products and services offered by the bank are satisfactory.	- .357							- .340		
You wish to continue with the bank as you are satisfied with it.	- .429					- .333				
The general ambience and comfort level of the bank is satisfactory							.514		.341	
It takes a long time to resolve your problems.		.339			- .415					
You usually have to stand in a long queue in the bank for any transaction.				.343			.539			
As a Customer, when you have a problem, you get proper response from the concerned employee.	.375						.346			
The interest rate offered by the bank on various deposits it competitive enough.					- .564	- .322		.387		
The rates of interest charged on the loans are satisfactory.	.319			- .421					.490	
The bank has a number of categories to charge its customers or to impose penalties.			.341				.315			
The charges that the bank collects from you are reasonable when compared with other banks						.375			- .316	.354
Parking space available is sufficient.					.395					

Extraction Method: Principal Component Analysis.

a. 10 components extracted.

Rotated Component Matrix^a

	Component									
	1	2	3	4	5	6	7	8	9	10
Employees of your bank are skilled & competent.						.554	-.322			.064
The bank has convenient timing.					-.428				-.338	.441
The behavior of the employees instills confidence in you.				.794						
Each branch has sufficient number of employees.		.334		.482						
The bank has clear objectives to satisfy customers.	.700									
The brand (image of the bank) is appealing to you.										.810
Mission and vision statements of the bank rightly define its commitment towards customers.	-.360			-.442						-.369

The location of the ATM"s are convenient to you					.698				
The number of the branches of the bank is enough.		.425			.565				
The location of the branches of the bank are convenient	.703								
The bank provides ATM"s at several prominent locations			.639						
The products and services offered by the bank are satisfactory.			.356				-.313		
You wish to continue with the bank as you are satisfied with it.		-.585							
The general ambience and comfort level of the bank is satisfactory							.710		
It takes a long time to resolve your problems.		.709							

The charges that the bank collects from you are reasonable when compared with other banks			.695							
Parking space available is sufficient.						.538			-.399	

a. Rotation converged in 21 iterations.

S.NO	Factor name	Factor loading value
1	The location of the branches of the bank are convenient	0.7030
2	It takes a long time to resolve your problems.	0.7090
3	The charges that the bank collects from you are reasonable when compared with other banks	0.6950
4	The behavior of the employees instills confidence in you.	0.7940
5	The location of the ATM"s are convenient to you	0.6980
6	The interest rate offered by the bank on various deposits it competitive enough.	0.7400
7	You usually have to stand in a long queue in the bank for any transaction.	0.4840
8	The general ambience and comfort level of the bank is satisfactory	0.7100
9	The bank has a number of categories to charge its customers or to impose penalties.	0.7410
10	The brand (image of the bank) is appealing to you	0.810

To correlate bank personal opinions with customer's opinion the above factor analysis was conducted and the information was obtained. The success of any organization is totally depends upon customer loyalty and their satisfaction. As per this

SBI in the public sector and ICICI in the private sector banks are mostly influencing banks for the customers.

After identifying the various factors that are influencing the strategies with regard to 7P's, among all the factors only some factors are going to influence to make the strategies in the banking sector. But the influencing factors is depends totally upon demographic and socio economic factors of the customers, to study the same a detailed comparison between the factors correlation with socio economic conditions was made, its information was presented by adopting ANOVA table .

Age in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	Decision
Monthly Interest Scheme	Between Groups	.548	2	.274	.833	.435	Accepted
	Within Groups	163.410	497	.329			
	Total	163.958	499				
Insurance linked saving bank account	Between Groups	1.742	2	.871	1.997	.137	Accepted
	Within Groups	216.776	497	.436			
	Total	218.518	499				
Loan Schemes	Between Groups	.119	2	.059	.572	.565	Accepted
	Within Groups	51.609	497	.104			
	Total	51.728	499				
Gold Scheme	Between Groups	.014	2	.007	.076	.927	Accepted
	Within Groups	46.578	497	.094			
	Total	46.592	499				
Comfortable bank layout	Between Groups	.153	2	.077	.972	.379	Accepted
	Within Groups	39.149	497	.079			
	Total	39.302	499				
Good physical facilities	Between Groups	1.034	2	.517	1.320	.268	Accepted
	Within Groups	194.684	497	.392			
	Total	195.718	499				
The behavior of the employees instills confidence in you.	Between Groups	.276	2	.138	.785	.457	
	Within Groups						

	Within Groups	87.252	497	.176			Accepted
	Total	87.528	499				
The brand (image of the bank) is appealing to you.	Between Groups	.076	2	.038	.401	.670	Accepted
	Within Groups	47.306	497	.095			
	Total	47.382	499				
The location of the ATM?s are convenient to you	Between Groups	.014	2	.007	.076	.927	
	Within Groups	46.578	497	.094			Accepted
	Total	46.592	499				
The location of the branches of the bank are convenient	Between Groups	.502	2	.251	.891	.411	
	Within Groups	139.856	497	.281			Accepted
	Total	140.358	499				
The general ambience and comfort level of the bank is satisfactory	Between Groups	.153	2	.077	.972	.379	
	Within Groups	39.149	497	.079			Accepted
	Total	39.302	499				
You usually have to stand in a long queue in the bank for any transaction.	Between Groups	.050	2	.025	.647	.524	
	Within Groups	19.150	497	.039			Accepted
	Total	19.200	499				
As a Customer, when you have a problem, you get proper response from the concerned employee.	Between Groups	.297	2	.149	1.178	.309	Accepted
	Within Groups	62.751	497	.126			
	Total	63.048	499				
The charges that the bank collects from you are reasonable when compared with other banks	Between Groups	.187	2	.093	1.018	.362	
	Within Groups	45.611	497	.092			Accepted
	Total	45.798	499				
TV advertisement	Between Groups	.492	2	.246	1.728	.179	

	Within Groups	70.716	497	.142			Accepted
	Total	71.208	499				
Internet advertises	Between Groups	1.742	2	.871	1.997	.137	
	Within Groups	216.776	497	.436			Accepted
	Total	218.518	499				
Cinema	Between Groups	.214	2	.107	.647	.524	
	Within Groups	82.154	497	.165			Accepted
	Total	82.368	499				
Electronic Bill Payment (EBP)	Between Groups	.276	2	.138	.785	.457	
	Within Groups	87.252	497	.176			Accepted
	Total	87.528	499				
Internet banking	Between Groups	.214	2	.107	.647	.524	
	Within Groups	82.154	497	.165			Accepted
	Total	82.368	499				
Tele-banking	Between Groups	.076	2	.038	.401	.670	
	Within Groups	47.306	497	.095			Accepted
	Total	47.382	499				
Netcash	Between Groups	.068	2	.034	.460	.632	Accepted
	Within Groups	36.732	497	.074			
	Total	36.800	499				
e-invest	Between Groups	.773	2	.387	1.797	.167	Accepted
	Within Groups	106.929	497	.215			
	Total	107.702	499				

Debit/credit/ATM charges	Between Groups	.119	2	.059	.572	.565	Accepted
	Within Groups	51.609	497	.104			
	Total	51.728	499				
Customization of services	Between Groups	1.742	2	.871	1.997	.137	Accepted
	Within Groups	216.776	497	.436			
	Total	218.518	499				
Logo	Between Groups	.076	2	.038	.401	.670	Accepted
	Within Groups	47.306	497	.095			
	Total	47.382	499				
Mobile	Between Groups	.502	2	.251	.891	.411	Accepted
	Within Groups	139.856	497	.281			
	Total	140.358	499				

The null hypotheses H01 is accepted i.e, there is no significant association between age and marketing mix.

Interpretation:

Maturity of the individuals comes through the advancing of the age, hence age is taken as factor and compared with all the service factor of the banks, in which all the factors were accepted by the customer but still some expecting some more services from the banks in order enhance their satisfaction limit.

In the same process, gender is also compared with other service factors of the banking sector, as per that the following details were mentioned.

Gender in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	decision
Monthly Interest Scheme	Between Groups	.225	1	.225	.686	.408	Accepted
	Within Groups	163.733	498	.329			
	Total	163.958	499				
Insurance linked saving bank account	Between Groups	.047	1	.047	.108	.743	Accepted
	Within Groups	218.471	498	.439			
	Total	218.518	499				
Automatic extension deposit	Between Groups	.207	1	.207	2.185	.140	Accepted
	Within Groups	47.175	498	.095			
	Total	47.382	499				
Loan Schemes	Between Groups	.060	1	.060	.574	.449	Accepted
	Within Groups	51.668	498	.104			
	Total	51.728	499				
Gold Scheme	Between Groups	.001	1	.001	.007	.931	

	Within Groups	46.591	498	.094			Accepted
	Total	46.592	499				
Comfortable bank layout	Between Groups	.009	1	.009	.108	.743	Accepted
	Within Groups	39.293	498	.079			
	Total	39.302	499				
Good physical facilities	Between Groups	.077	1	.077	.195	.659	
	Within Groups	195.641	498	.393			Accepted
	Total	195.718	499				
Number of ATM's available	Between Groups	.122	1	.122	.640	.424	
	Within Groups	95.086	498	.191			
	Total	95.208	499				Accepted
Tele/online/mobile banking available	Between Groups	.070	1	.070	1.811	.179	
	Within Groups	19.130	498	.038			
	Total	19.200	499				Accepted
Convenient banking hours	Between Groups	.146	1	.146	.247	.620	
	Within Groups	295.172	498	.593			Accepted
	Total	295.318	499				

The behavior of the employees instills confidence in you.	Between Groups	.828	1	.828	4.756	.030	
	Within Groups	86.700	498	.174			
	Total	87.528	499				
The brand (image of the bank) is appealing to you.	Between Groups	.207	1	.207	2.185	.140	
	Within Groups	47.175	498	.095			Accepted
	Total	47.382	499				
The general ambience and comfort level of the bank is satisfactory	Between Groups	.009	1	.009	.108	.743	
	Within Groups	39.293	498	.079			Accepted
	Total	39.302	499				
It takes a long time to resolve your problems.	Between Groups	.122	1	.122	.640	.424	
	Within Groups	95.086	498	.191			Accepted
	Total	95.208	499				
You usually have to stand in a long queue in the bank for any transaction.	Between Groups	.070	1	.070	1.811	.179	
	Within Groups	19.130	498	.038			Accepted
	Total	19.200	499				
As a Customer, when you have a problem, you get proper response from the concerned employee.	Between Groups	.100	1	.100	.793	.374	Accepted
	Within Groups	62.948	498	.126			

	Total	63.048	499				
The interest rate offered by the bank on various deposits it competitive enough.	Between Groups	.146	1	.146	.247	.620	
	Within Groups	295.172	498	.593			Accepted
	Total	295.318	499				
TV advertisement	Between Groups	.265	1	.265	1.857	.174	
	Within Groups	70.943	498	.142			Accepted
	Total	71.208	499				
Internet advertises	Between Groups	.047	1	.047	.108	.743	
	Within Groups	218.471	498	.439			Accepted
	Total	218.518	499				
Cinema	Between Groups	.146	1	.146	.886	.347	
	Within Groups	82.222	498	.165			Accepted
	Total	82.368	499				
Mobile	Between Groups	.207	1	.207	2.185	.140	Accepted
	Within Groups	47.175	498	.095			
	Total	47.382	499				
Internet banking	Between Groups	.146	1	.146	.886	.347	

	Within Groups	82.222	498	.165			Accepted
	Total	82.368	499				
Tele-banking	Between Groups	.207	1	.207	2.185	.140	
	Within Groups	47.175	498	.095			Accepted
	Total	47.382	499				
Netcash	Between Groups	.039	1	.039	.530	.467	Accepted
	Within Groups	36.761	498	.074			
	Total	36.800	499				
e-invest	Between Groups	.005	1	.005	.024	.876	
	Within Groups	107.697	498	.216			Accepted
	Total	107.702	499				
Charges of Services	Between Groups	.047	1	.047	.108	.743	
	Within Groups	218.471	498	.439			Accepted
	Total	218.518	499				
Debit/credit/ATM charges	Between Groups	.060	1	.060	.574	.449	
	Within Groups	51.668	498	.104			Accepted
	Total	51.728	499				

Loans charges	Between Groups	.265	1	.265	.940	.333	Accepted
	Within Groups	140.093	498	.281			
	Total	140.358	499				
Customization of services	Between Groups	.047	1	.047	.108	.743	Accepted
	Within Groups	218.471	498	.439			
	Total	218.518	499				
Logo	Between Groups	.207	1	.207	2.185	.140	Accepted
	Within Groups	47.175	498	.095			
	Total	47.382	499				

The null hypotheses H02 is accepted i.e, there is no significant association between gender and marketing mix.

Interpretation: Gender is also influencing factor for the development of the banking business, in this regard opinions gathered and all the services factors offered by the bank is considered as influencing factors.

Location in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	
Tele/online/mobile banking available	Between Groups	.034	2	.017	.435	.647	Accepted
	Within Groups	19.166	497	.039			

	Total	19.200	499				
Convenient banking hours	Between Groups	4.031	2	2.016	3.439	.033	
	Within Groups	291.287	497	.586			
	Total	295.318	499				
The brand (image of the bank) is appealing to you.	Between Groups	.469	2	.234	2.482	.085	
	Within Groups	46.913	497	.094			
	Total	47.382	499				
The location of the ATM?s are convenient to you	Between Groups	.016	2	.008	.084	.920	Accepted
	Within Groups	46.576	497	.094			
	Total	46.592	499				
	Total	140.358	499				
You usually have to stand in a long queue in the bank for any transaction.	Between Groups	.034	2	.017	.435	.647	Accepted
	Within Groups	19.166	497	.039			
	Total	19.200	499				
Internet advertises	Between Groups	.594	2	.297	.677	.509	Accepted
	Within Groups	217.924	497	.438			
	Total	218.518	499				
Loans charges	Between Groups	1.306	2	.653	2.334	.098	
	Within Groups	139.052	497	.280			
	Total	140.358	499				

The null hypotheses H03 is accepted i.e, there is no significant association between location and marketing mix.

Education and availing of banking services are both interconnected to each other hence to know the impact following comparison was made and information was presented below:

Education in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	Decision
Monthly Interest Scheme	Between Groups	1.171	4	.293	.890	.470	Accepted
	Within Groups	162.787	495	.329			
	Total	163.958	499				
Insurance linked saving bank account	Between Groups	2.715	4	.679	1.557	.185	Accepted
	Within Groups	215.803	495	.436			
	Total	218.518	499				
Automatic extension deposit	Between Groups	.097	4	.024	.253	.908	Accepted
	Within Groups	47.285	495	.096			
	Total	47.382	499				
Loan Schemes	Between Groups	.103	4	.026	.246	.912	Accepted
	Within Groups	51.625	495	.104			
	Total	51.728	499				
Gold Scheme	Between Groups	.478	4	.120	1.283	.275	Accepted
	Within Groups	46.114	495	.093			
	Total	46.592	499				
Comfortable bank layout	Between Groups	.370	4	.093	1.176	.320	

	Within Groups	38.932	495	.079			Accepted
	Total	39.302	499				
Good physical facilities	Between Groups	.960	4	.240	.610	.656	
	Within Groups	194.758	495	.393			
	Total	195.718	499				Accepted
Tele/online/mobile banking available	Between Groups	.105	4	.026	.677	.608	
	Within Groups	19.095	495	.039			Accepted
	Total	19.200	499				
Convenient banking hours	Between Groups	4.216	4	1.054	1.792	.129	
	Within Groups	291.102	495	.588			Accepted
	Total	295.318	499				
The brand (image of the bank) is appealing to you.	Between Groups	.097	4	.024	.253	.908	
	Within Groups	47.285	495	.096			Accepted
	Total	47.382	499				
The location of the ATM?s are convenient to you	Between Groups	.478	4	.120	1.283	.275	
	Within Groups	46.114	495	.093			Accepted
	Total	46.592	499				
The general ambience and comfort level of the bank is satisfactory	Between Groups	.370	4	.093	1.176	.320	Accepted
	Within Groups	38.932	495	.079			
	Total	39.302	499				
The interest rate offered by the bank on various deposits it	Between Groups	4.216	4	1.054	1.792	.129	Accepted

	Within Groups	291.102	495	.588			
	Total	295.318	499				
The charges that the bank collects from you are reasonable when compared with other banks	Between Groups	.329	4	.082	.895	.466	Accepted
	Within Groups	45.469	495	.092			
	Total	45.798	499				
TV advertisement	Between Groups	.362	4	.090	.632	.640	Accepted
	Within Groups	70.846	495	.143			
	Total	71.208	499				
Internet advertises	Between Groups	2.715	4	.679	1.557	.185	Accepted
	Within Groups	215.803	495	.436			
	Total	218.518	499				
Cinema	Between Groups	.499	4	.125	.754	.555	Accepted
	Within Groups	81.869	495	.165			
	Total	82.368	499				
Mobile	Between Groups	.097	4	.024	.253	.908	Accepted
	Within Groups	47.285	495	.096			
	Total	47.382	499				
Pamphlets	Between Groups	.909	4	.227	1.163	.326	Accepted
	Within Groups	96.713	495	.195			
	Total	97.622	499				
Internet banking	Between Groups	.499	4	.125	.754	.555	

	Within Groups	81.869	495	.165			Accepted
	Total	82.368	499				
Tele-banking	Between Groups	.097	4	.024	.253	.908	
	Within Groups	47.285	495	.096			Accepted
	Total	47.382	499				
Netcash	Between Groups	.424	4	.106	1.443	.218	
	Within Groups	36.376	495	.073			
	Total	36.800	499				Accepted
e-invest	Between Groups	.523	4	.131	.604	.660	
	Within Groups	107.179	495	.217			Accepted
	Total	107.702	499				
Charges of Services	Between Groups	2.715	4	.679	1.557	.185	
	Within Groups	215.803	495	.436			
	Total	218.518	499				Accepted
Debit/credit/ATM charges	Between Groups	.103	4	.026	.246	.912	
	Within Groups	51.625	495	.104			Accepted
	Total	51.728	499				
Loans charges	Between Groups	2.230	4	.558	1.998	.094	
	Within Groups	138.128	495	.279			
	Total	140.358	499				
Logo	Between Groups	.097	4	.024	.253	.908	Accepted

	Within Groups	47.285	495	.096			
	Total	47.382	499				
Punch lines/tag lines	Between Groups	.909	4	.227	1.163	.326	Accepted
	Within Groups	96.713	495	.195			
	Total	97.622	499				

The null hypotheses H04 is accepted i.e, there is no significant association between education and marketing mix.

Occupation is another important influencing factor for the promotion of the bank, because the customer customer occupation and background plays an important role for the banking business, hence to know its impact following analysis was conducted.

Occupation in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	decision
Insurance linked saving bank account	Between Groups	2.473	5	.495	1.131	.343	Accepted
	Within Groups	216.045	494	.437			
	Total	218.518	499				
Automatic extension deposit	Between Groups	.726	5	.145	1.538	.176	Accepted
	Within Groups	46.656	494	.094			
	Total	47.382	499				
Gold Scheme	Between Groups	.241	5	.048	.514	.766	Accepted
	Within Groups	46.351	494	.094			
	Total	46.592	499				

Comfortable bank layout	Between Groups	.124	5	.025	.314	.905	
	Within Groups	39.178	494	.079			Accepted
	Total	39.302	499				
Good physical facilities	Between Groups	.613	5	.123	.311	.907	
	Within Groups	195.105	494	.395			Accepted
	Total	195.718	499				
Tele/online/mobile banking available	Between Groups	.158	5	.032	.821	.535	
	Within Groups	19.042	494	.039			Accepted
	Total	19.200	499				
Convenient banking hours	Between Groups	1.262	5	.252	.424	.832	Accepted
	Within Groups	294.056	494	.595			
	Total	295.318	499				
The behavior of the employees instills confidence in you.	Between Groups	.778	5	.156	.886	.490	
	Within Groups	86.750	494	.176			Accepted
	Total	87.528	499				
The brand (image of the bank) is appealing to you.	Between Groups	.726	5	.145	1.538	.176	Accepted
	Within Groups	46.656	494	.094			
	Total	47.382	499				
The location of the ATM?s are convenient to you	Between Groups	.241	5	.048	.514	.766	
	Within Groups	46.351	494	.094			Accepted
	Total	46.592	499				
The location of the branches of the bank are convenient	Between Groups	2.237	5	.447	1.600	.158	
	Within Groups	138.121	494	.280			Accepted
	Total						

	Total	140.358	499				
The general ambience and comfort level of the bank is satisfactory	Between Groups	.124	5	.025	.314	.905	Accepted
	Within Groups	39.178	494	.079			
	Total	39.302	499				
You usually have to stand in a long queue in the bank for any transaction.	Between Groups	.158	5	.032	.821	.535	Accepted
	Within Groups	19.042	494	.039			
	Total	19.200	499				
The interest rate offered by the bank on various deposits is competitive enough.	Between Groups	1.262	5	.252	.424	.832	Accepted
	Within Groups	294.056	494	.595			
	Total	295.318	499				
The bank has a number of categories to charge its customers or to impose penalties.	Between Groups	.279	5	.056	.425	.831	Accepted
	Within Groups	64.863	494	.131			
	Total	65.142	499				
TV advertisement	Between Groups	1.105	5	.221	1.557	.171	Accepted
	Within Groups	70.103	494	.142			
	Total	71.208	499				
Internet advertises	Between Groups	2.473	5	.495	1.131	.343	Accepted
	Within Groups	216.045	494	.437			
	Total	218.518	499				
Cinema	Between Groups	.844	5	.169	1.023	.403	Accepted
	Within Groups	81.524	494	.165			
	Total	82.368	499				
Mobile	Between Groups	.726	5	.145	1.538	.176	
	Within Groups						

	Within Groups	46.656	494	.094			Accepted
	Total	47.382	499				
Pamphlets	Between Groups	.665	5	.133	.677	.641	
	Within Groups	96.957	494	.196			Accepted
	Total	97.622	499				
Electronic Bill Payment (EBP)	Between Groups	.778	5	.156	.886	.490	
	Within Groups	86.750	494	.176			Accepted
	Total	87.528	499				
Internet banking	Between Groups	.844	5	.169	1.023	.403	
	Within Groups	81.524	494	.165			Accepted
	Total	82.368	499				
Tele-banking	Between Groups	.726	5	.145	1.538	.176	
	Within Groups	46.656	494	.094			Accepted
	Total	47.382	499				
e-invest	Between Groups	.949	5	.190	.878	.496	
	Within Groups	106.753	494	.216			Accepted
	Total	107.702	499				
Charges of Services	Between Groups	2.473	5	.495	1.131	.343	Accepted
	Within Groups	216.045	494	.437			
	Total	218.518	499				
Cheque book charges	Between Groups	.665	5	.133	.677	.641	
	Within Groups	96.957	494	.196			
	Total	97.622	499				Accepted

Pass book charges	Between Groups	.241	5	.048	.514	.766	
	Within Groups	46.351	494	.094			Accepted
	Total	46.592	499				
Loans charges	Between Groups	2.237	5	.447	1.600	.158	Accepted
	Within Groups	138.121	494	.280			
	Total	140.358	499				
Customization of services	Between Groups	2.473	5	.495	1.131	.343	
	Within Groups	216.045	494	.437			
	Total	218.518	499				Accepted
Logo	Between Groups	.726	5	.145	1.538	.176	Accepted
	Within Groups	46.656	494	.094			
	Total	47.382	499				
Punch lines/tag lines	Between Groups	.665	5	.133	.677	.641	
	Within Groups	96.957	494	.196			Accepted
	Total	97.622	499				

The null hypotheses H05 is accepted i.e, there is no significant association between occupation and marketing mix.

Monthly Income in comparison with all the seven marketing mix

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.	decision
Monthly Interest Scheme	Between Groups	1.290	3	.430	1.311	.270	
	Within Groups	162.668	496	.328			Accepted

	Total	163.958	499				
Insurance linked saving bank account	Between Groups	1.915	3	.638	1.462	.224	Accepted
	Within Groups	216.603	496	.437			
	Total	218.518	499				
Automatic extension deposit	Between Groups	.099	3	.033	.347	.792	
	Within Groups	47.283	496	.095			
	Total	47.382	499				Accepted
Loan Schemes	Between Groups	.266	3	.089	.855	.464	
	Within Groups	51.462	496	.104			Accepted
	Total	51.728	499				
Gold Scheme	Between Groups	.488	3	.163	1.750	.156	
	Within Groups	46.104	496	.093			Accepted
	Total	46.592	499				
Number of ATM?s available	Between Groups	.013	3	.004	.023	.995	Accepted
	Within Groups	95.195	496	.192			
	Total	95.208	499				
Convenient banking hours	Between Groups	1.283	3	.428	.721	.540	
	Within Groups	294.035	496	.593			
	Total	295.318	499				Accepted
The behavior of the employees instills confidence in you.	Between Groups	.543	3	.181	1.032	.378	
	Within Groups	86.985	496	.175			
	Total						

	Total	87.528	499				Accepted
The brand (image of the bank) is appealing to you.	Between Groups	.099	3	.033	.347	.792	Accepted
	Within Groups	47.283	496	.095			
	Total	47.382	499				
The location of the ATM?s are convenient to you	Between Groups	.488	3	.163	1.750	.156	Accepted
	Within Groups	46.104	496	.093			
	Total	46.592	499				
The location of the branches of the bank are convenient	Between Groups	1.022	3	.341	1.213	.304	Accepted
	Within Groups	139.336	496	.281			
	Total	140.358	499				
The general ambience and comfort level of the bank is satisfactory	Between Groups	.205	3	.068	.865	.459	Accepted
	Within Groups	39.097	496	.079			
	Total	39.302	499				
The interest rate offered by the bank on various deposits it competitive enough.	Between Groups	1.283	3	.428	.721	.540	Accepted
	Within Groups	294.035	496	.593			
	Total	295.318	499				
Internet advertises	Between Groups	1.915	3	.638	1.462	.224	Accepted
	Within Groups	216.603	496	.437			
	Total	218.518	499				
Cinema	Between Groups	.536	3	.179	1.083	.356	Accepted
	Within Groups	81.832	496	.165			

	Total	82.368	499				
Mobile	Between Groups	.099	3	.033	.347	.792	
	Within Groups	47.283	496	.095			Accepted
	Total	47.382	499				
Pamphlets	Between Groups	.051	3	.017	.086	.968	
	Within Groups	97.571	496	.197			Accepted
	Total	97.622	499				
Electronic Bill Payment (EBP)	Between Groups	.543	3	.181	1.032	.378	
	Within Groups	86.985	496	.175			Accepted
	Total	87.528	499				
Internet banking	Between Groups	.536	3	.179	1.083	.356	Accepted
	Within Groups	81.832	496	.165			
	Total	82.368	499				
Tele-banking	Between Groups	.099	3	.033	.347	.792	
	Within Groups	47.283	496	.095			Accepted
	Total	47.382	499				
Debit card	Between Groups	.051	3	.017	.086	.968	
	Within Groups	97.571	496	.197			Accepted
	Total	97.622	499				
Credit card	Between Groups	.488	3	.163	1.750	.156	Accepted
	Within Groups	46.104	496	.093			

	Total	46.592	499				
Netcash	Between Groups	.419	3	.140	1.903	.128	
	Within Groups	36.381	496	.073			
	Total	36.800	499				Accepted
e-invest	Between Groups	.104	3	.035	.159	.924	
	Within Groups	107.598	496	.217			Accepted
	Total	107.702	499				

The null hypotheses H06 is accepted i.e, there is no significant association between income and marketing mix.

After the brief analysis, it can be concluded that the success of any business is totally depends upon the strategies that you plan for organization of business, if it is followed in right direction with commitment from the staff of the organization, ultimately every organization would see the success. Hence in regard the SBI in the public sector banks and ICICI bank in the private are ranked as the best practicing bank in the study area. The brief conclusion, summary and suggestion were given in the next chapter basing upon the analysis.