In chapter 4, the analysis of data and findings of the study on consumer behavior towards permission based e-mail marketing by banks and Permission Marketing practices being followed by banks had been presented. This chapter deals with interpretations of findings of the study. The interpretations have been divided into two parts viz. Part-I, which deals with interpretation of data analyzed and collected from consumers of banking services and Part-II, which deals with interpretation of data analyzed and collected from bank officials. The chapter further deals with conclusions drawn, limitations of the study and makes suggestions for future researchers, practitioners, government and regulatory bodies.

5.1 Interpretations of Findings-Part-I: Consumers of Banking Services

This section relates to the interpretation of the findings of the study related to consumers of banking services. The discussions and interpretations have been made taking into consideration the major findings about the two hundred consumers selected from different parts of the national capital region- Delhi as discussed in chapter 3.

- It was found that almost all the respondents had very strongly agreed to the fact that they like using e-mails and generally access the e-mails for communication. They believed that e-mails provide good source of information and updation of knowledge. Almost two-third of the respondents were of the opinion that e-mails are definitely better source of communication as compared to other forms of communication. It is faster in terms of speed and content. Almost all the respondents were of the opinion that access to e-mails is easy.
This clearly shows that the respondents find e-mails, user friendly for communication and believe that e-mail communications has made their life simple. E-mails have become an integral part of one’s life because of easy access from the home or offices or mobile phones on the move. As internet has emerged as a new medium, e-mails are used for various purposes including marketing of various product and services.

- It was statistically established that there is no difference in opinion of the respondents regarding use of e-mails as far as demographic variables like-gender, educational qualification and income level are concerned. This reveals that consumers irrespective of their gender, educational qualification and income level use e-mails in the same way. However, significant difference of opinion was observed regarding use of e-mail by respondents of different age groups, occupations and the type of bank in which they had their account. Respondents of young age were more internet savvy as compared to respondents who were almost three decades older than them and were found to be very much conservative in using e-mail for banking purpose in particular. Similarly, salaried people and students were having preference for using e-mails for their personal work and marketing communications. It was statistically established that there is no significant difference in the opinion of the respondents regarding getting updated information superiority over other forms of communication, speed and ease of access. The respondents were of the view that e-mails are superior to other forms of communication because it can be used as a source of storage of document and retrieval. E-mails can be shared with others easily without much cost. E-mails can take care of long messages, attachments of heavy files including pictures, videos and other formats. E-mails are comparatively
economical as compared to other forms of telephonic communications like voicemail, short messaging services and interactions through phone/mobiles.

- The study revealed that the general awareness of the respondents about Permission Marketing was found to be good. Almost three-fourth of the respondents were aware of Permission Marketing as a concept. This clearly shows that the respondents have fairly good understanding about the concept of giving permission to the marketer for the choice of information they need. Respondents were aware of Permission Marketing as it empowers them and gives choice of voluntarily seeking information of products and services they desire to know about. This supports the findings of Nath and Gupta (2009) who had suggested that Permission Marketing helps in attracting consumers by providing them updated and new information thereby creating a pull factor among the recipients of e-mails. The level of knowledge about Permission Marketing is independent of various demographic variables like age, occupation and income level of respondents. This means that lack of knowledge of Permission Marketing is independent of demographic variables being discussed. This shows that knowledge of Permission Marketing can be imparted to general masses irrespective of their age, occupation and income level. Also awareness level was found to be independent of the type of bank in which respondent was holding his/her account. However the awareness of Permission Marketing is dependent on gender and educational qualification. This is because people with higher qualification are more updated about recent happenings. As far as gender of the respondents is concerned, males were more aware of the concept because of the fact that they generally were involved in
activities that involve terms and conditions including granting permissions, if any

• In the study, it was found that among the respondents who were aware of Permission Marketing, almost two-fifth of the respondents got this awareness from media. Media has become a powerful medium of imparting information as directed by the ministries of government and which is issued in the general public interest. Almost one-third of the respondents got this awareness from the marketers as they were also involved in disseminating the information related to Permission Marketing, which is disclosed in their official documents as well as is publicized in their official websites. However sometimes the information which had been presented is not explicit and is hidden in the various terms and conditions. Books and magazines also played a vital role in creation of awareness. Various books and magazines (like Brunch of Hindustan Times) had published articles and other related contents which had created awareness in almost one-fifth of the respondents.

• It was found that one-fourth of the respondents were not aware of the concept of Permission Marketing. Many people don’t bother to go through the terms and conditions or avoid information being sent to them. Almost two-fifth respondents were of the view that they had not considered this concept important, as lack of explicit details regarding the Permission Marketing had never made them realize the importance of this concept. Even though the unawareness level of Permission Marketing was low, one unique thing that had emerged was that one-fifth of the respondents were of the opinion that there is lack of self efforts in gaining the awareness of Permission Marketing. This
uncovers the fact that these respondents shared that they had laid no emphasis on reading terms and conditions of the banks while availing any service and had signed various terms and conditions even without reading. It was unique as these respondents gave permission to organizations to market various products and services to them, but they were unaware of it. The study also disclosed that almost one-third of respondents felt that organizations along with media should further play a greater role in educating the masses about the concept of Permission Marketing. This will not only educate the masses but also make them more active and informed consumer of various products and services.

- It was found that ‘perceived benefits of e-mails’, ‘trustworthiness of sender of mail’ and ‘ease of differentiation of e-mails’ were considered to be important factors by respondents while accessing e-mails sent by the marketer. At this point of time it is appropriate to highlight that the marketer must differentiate his e-mails from spam which end up as a junk mail or mail unattended/deleted by the receiver. The marketer also must pay attention towards building trust in the mid of customer by sending relevant and useful information with optimum number of e-mails avoiding interruptive marketing. Reward/benefit expectation can further enhance access to such e-mails after trust and differentiation has been successfully secured by the marketer. The above finding is further supported by the study of Krishnamurthy (2000) in which the researcher had emphasized on the difference between Permission Marketing and Spam. Spam works without permission and is difficult to get rid off as compared to Permission Marketing e-mails.
Further, ‘hassle free updation of information’ and ‘trustworthy and useful information’ was considered as important factors by respondents while accessing e-mails sent to them. Organizations (banks in this case) must give consideration towards providing knowledge of various products/services launched, new deals/schemes etc. At the same time the information so sent by the organizations (banks in this case) must be of use to customers so that it can be used for decision making. The permitted e-mails that were personalized had better clicking rate than other unsolicited e-mails. This supports the study of Mailer Mailer (2005) in which it was highlighted that click rates of e-mails improved with more personalization in subject line as well as in the message content.

It was found that there exist various reasons of importance while giving permission to marketer for sending e-mails. The respondents viewed that getting updated information of choice is the most important reason for giving permission to the marketer. Thus respondents were interested in seeking permission through e-mails. This also got confirmed from factor analysis in which one of the factor that emerged for granting permission to the marketer was “perceived benefit” of receiving information from permitted e-mails. Three-fourth of the respondents had shown agreement with the fact that they can avail offers and discounts on one hand by giving permission to the marketer and also expect rewards and benefits on the other hand.

Significant difference was observed in opinion of respondent groups with different educational background for granting permission to the marketer. This means that not everyone may have similar reasons for granting permission to the marketer. Graduates and post graduates
more than 80%) were much particular about getting more updated information of their choice as compared to under graduate respondents.

- Males strongly disagree with the statement “I don’t find any advantage” this clearly shows that they give more emphasis to the fact that the permitted e-mails are advantageous to them. On the contrary females did not find any advantage of the e-mails. This is supported by the study of Minhan and Beverland (2005) in which the researcher had highlighted gender differs in respect of processing of information and cues from the environment. This is also supported by study of Karjaluoto et al. (2006) and Pedersen (2005) in which it was highlighted that females are much active in using mobile phone.

- Significant difference was observed for the statement” I lose my privacy” between the respondent groups having accounts in different banks. The fear of loss of privacy was found to be more among private sector banks as compare to other types of banks which indicates that customers having account in public and foreign banks were having more faith. This clearly reveals that respondents are having more faith in public and foreign organization (banks) as compare to private organizations (banks).

- Further it was statistically established that there is difference in the opinion of respondents having different age, accounts and income regarding “permission based e-mails were having better click than spam”. Spam is a new concept and its awareness is more in generation next consumers. Respondents who were businessman, self employed and students agree to the fact that clicking rate of permitted
e-mails is better than of spam. This means that these respondent groups were able to differentiate permitted e-mails from spam, as they click permission based e-mails quite often. Respondents having educational qualification of graduation and post graduation generally fall in the income bracket of upto Rs. 20,000 and Rs. 20,001-40,000 therefore it becomes evident that there occurs a difference in opinion of respondents across income level for clicking of permission based e-mails as to spam.

- Decision making regarding choice of marketer was found to be more prominent among self- employed and students, who preferred receiving permitted e-mails. These respondents are being choosy about receiving relevant, updated information from marketer of their choice.

- It was found in the study that almost half of the respondents were of the view that they got upto 20% of promotional e-mails by the banks out of the total promotional e-mails. It was surprising to know that almost one-fifth of the respondents got approximately 50% of the promotional e-mails by the bank. This means that banks are active in sending promotional e-mails to their consumers for promotion of various banking product and services. This clearly shows that banks are using e-mail method of marketing to a greater extent. Study by Gupta and Mittal (2008) support the fact that by using e-mail as marketing tool there are more chances of transactions. However respondents were of the view that excessive e-mails by banks were not of much value and often results into negative judgment of the banks. This supports the study of Klang (2001) where the researcher pointed out that e-mail pattern followed by the bank becomes the basis
of judgment of integrity of the bank by the consumers. Further, it was statistically established that overall there was a significant difference in the opinions respondents of different types of banks regarding frequency of permitted e-mails received. Thus the respondent groups of different types of banks were different in their opinion. This clearly shows that promotional e-mail messages that were sent to the banking services consumers differs as far as public, private and foreign banks are concerned. This clearly shows that private banks and foreign banks are more actively engaged in sending promotional e-mails in comparison to public banks. Because of more competition, similar product/services and aim of becoming a brand, private and foreign banks performs e-mail marketing activities.

- The study revealed that almost all the respondents were of the view that by giving permission to banks for sending permission based e-mails, they were able to receive information about various banking products/services. It is worthwhile to mention that banks keep on modifying their existing product/services in terms of rate of interest, rbi regulations and minimum balance in accounts to be kept by the consumers. They also keep on tracking the worthiness of their customers on the basis of average quarterly balance and target their marketing activities on the basis of their observation. This requires strong and effective marketing communications towards customers. Also banks launches new products/services for their customers which includes special features only for their existing customers, since e-mail communication is easily accessible, it finds more acceptability among the banks customers. Further, it was statistically established that overall there was no significant difference in the opinion of respondents about receiving of information about various banking products/services.
across demographic variables and different types of banks. This means that it is unanimous agreement among all the respondents that permission based e-mails by the banks provides them knowledge of new products/services.

- It was found in the study that there exists no difference of opinion among respondents regarding getting better deals/discount/waiver/schemes from the banks, to which permission was made for sending e-mails. Thus, all the respondents were of the similar view and appreciated the fact that by providing permission to banks, they got good chance to get deals discount/waiver/schemes from the banks. For instance axis banks give information by e-mail about the scheme of purchasing gold mohur at a discounted rate exclusively to their existing customers on the occasions of dhanteras and akshyatatriti.

- Since special efforts was made to find out that whether giving permission to banks for sending e-mails helps in banking operations or not. It was found that three-fourth of the respondents had shown their agreement. At this point it becomes necessary to highlight that no significant difference was seen in the opinion of the respondents regarding assistance in banking operations across the various demographics variables. Also respondents of different types of banks viz. public, private and foreign were of the same opinion that they get assistance in banking operations like receiving e-statement, reminders for utility payments and other such details. Thus the communication being sent by the banks by e-mails is well accepted by their customers irrespective of age, occupation, gender etc.
• The study revealed that almost more than two-third of the respondents was of the view that they have trust on bank’s efficiency as far as protection of online details is concerned. Trust emerged as an important factor (as also revealed in factor analysis), which motivates customers to give permission or not. Online transaction with bank involves creation of username, password, sharing of e-mail id, mobile number and sometimes personal details possessed. This requires establishment of mutual trust and an agreement in which the bank doesn’t leak or share or sell information to any other person/organization for commercial use. On the other hand bank creates this trust in its customer by sending mails regarding awareness of online frauds and educates its customers not to share personal identification number or net banking details with anyone. Thus an environment of trust is being created by banks through e-mail communication from time to time. Closer analysis reveals that among all the variables namely age, gender, educational qualification, occupation, income level and the banks in which customer had their account; trust on bank’s efficiency had shown no significant difference. Thus trust on bank about “privacy of details” is very crucial and sometimes is sole decider for the decision of giving permission or not to bank for sending e-mails. Banks are considered to be one of the safest places for assets of people. Trust is the linkage which makes people decides which bank to chose. People also trust the bank in case of permission based e-mails that bank will not harm them in any manner

• It was found that two-third of the respondents found, permission based e-mails relevant in content and useful for decision making regarding use of banking services for making different types of transactions on
daily basis. These transactions may range from booking railway tickets online or making an online purchase of different products. The respondents were using the information received for their financial planning, maintaining their average quarterly balance, availing discounts for buying gold etc. Further it was statistically established that there was difference in opinion of respondents of the two gender groups regarding usefulness of permitted e-mails for decision making. As mentioned earlier this is happening mainly because of the reason that males and females process information in a different manner as highlighted in the study by Minhan and Beverland (2005). People viewed ‘permission giving’ and ‘advantages from it’ together. It was statistically established that there exist a difference of opinion of respondent groups with different educational qualification regarding advantage in providing permission to banks. Respondents with graduation and post graduation as qualification had a strong agreement regarding deriving advantage in providing permission to banks for e-mails.

- It was found that slightly more than half of the respondents were in agreement regarding clicking of permitted e-mails of the various banks. Permitted e-mails were found to have more acceptability as to unsolicited e-mails. This means the clicking rate improves when the e-mail received was being sent by a bank to which permission was already given for doing so. This was unanimously accepted by all respondents across different demographic variables. This seems to be obvious as consumers are more receptive to communication which have their consent and are not interruptive in nature. Consent comes with trust and trust leads to granting permission and more acceptability of permitted e-mails. No significant difference was observed in
behavior of respondents towards acceptability of the fact that personalized e-mails are more attractive. It is noteworthy that e-mails with personalized messages and personalized subject line were able to draw attention of the e-mail recipients and often leads to a transaction. Personalization provides sense of affiliation and customers feels more important.

- Plotting of perceptual mapping on two dimensions namely “Attention to Detailing” and “Attention to Reliability” of the data gathered from the respondents revealed that privacy, content and promptness were closely associated on the positive side of dimension 2 (Attention to Reliability). This means that if banks are taking care of all these three variables namely aptly, privacy, content and promptness, the customers will readily give permission to banks for sending them relevant e-mails and hence it will be one step further in creating better customer relationship between the banks and their customers through information technology as a bridging tool and e-mail as a messenger for carrying information to and fro between the two parties.

5.2 Interpretations of Findings-Part-II: Bank Officials

This section relates to the interpretation of the findings of the study related to different types of banks operating in India. The discussions and interpretations have been made taking into consideration major findings about fifteen banks studied.

- Majority of the selected Indian banks belonging to public, private and foreign sector were having in house marketing department. This was mainly because of the fact that in this era of competition, marketing is a key for survival. In house marketing department enables the banks to perform various marketing activities more diligently and is also economical. Also, banks can target their costumers more precisely by
in house marketing department. Banks through their branches performs the marketing of retail/corporate accounts. Banks also trains their employees from time to time in order to carry out daily marketing activities like selling of insurance, mutual funds, car loan, housing loan etc. This was also highlighted in the study of Zindeldin (2000) where the researcher had emphasized that in order to be successful, banks are required to target right group of customers. In today’s scenario competition has increased banks with the upcoming of foreign and private banks. Banks, no longer are depending on basic business of borrowing and lending money but also diversifies into different business like insurance, mutual funds, investment into ETF, for purchasing gold, foreign exchange, reality business(like HDFC), tax collection (income tax, property tax) all these activities require strong marketing orientation in order to capture business opportunities. Thus marketing function has emerged as an important function in banking sector also outsourcing some of their marketing activities to affiliates and other parties like direct sales associates, telemarketing organizations etc.

- Advertisements in newspapers and magazines, followed by e-mail were the two methods which were considered important by banks for marketing of products and services. Bank’s officials were of the view that although advertisement in newspapers and magazines as a marketing method is although conventional but is of paramount importance in creating awareness and building trust in the mind of consumers. Banks also place advertisements in various newspapers and magazines for compliance of rules and regulations as directed by various regulatory bodies like ministry of small and medium enterprises. Hence, advertisements is the most preferred method used
by banks for marketing their products and services the next important method of marketing that emerged to be important was e-mail marketing. Banks prefer using e-mail marketing because it is economical, provides more space for message and also as per their convenience. This was further confirmed with the fact that there exists no significant difference in the opinion of officials of three types of banks regarding usage of e-mails for marketing of banking products and services. Banks uses e-mail method of marketing because it gives better return on investment as variable cost per customer for sending e-mail is low. It was found that almost half of the respondents among the selected banks in India were involved in sending at least five permission based e-mails to their customers on monthly basis. It is interesting to reveal that only public and foreign sector banks were sending these mails, private sector banks were involved in sending more than five mails on a monthly basis. This is so happening because private sector banks are eyeing for more customers as well as are also focusing on increasing the wallet share of the existing customer. Frequency of e-mails is an important as well as strategic decision among the key players in any organization. However, it is worthy to be pointed out that harmonizing the frequency of promotional messages is important, because in order to capture costumer’s mind share right frequency of e-mails is very crucial. On one hand too many mails annoys the permission giver and may lead to unsubscription and on the other hand too less promotional e-mails makes negligible impact on the consideration set of the consumer. It will be worth to mention the study conducted by synergistic research corporation (2009) in which it was observed that e-mails having financial information as message content were able to derive results for financial institutions like banks. It would be appropriate to discuss the emerging concept of
below the line marketing, which is now emerging as an important marketing concept and is getting accepted across organizations for the reason that is economical and focused as compared to above the line marketing techniques like advertisements.

- In the findings of the study, it was revealed that slightly more than two-third of the respondents takes permission from the consumer for sending promotional messages by e-mail. However it was pointed out, that these permissions were indirectly obtained i.e. consumers were not told about the clauses in detail about sending of promotional messages by banks and their affiliates. It was further found that both private and foreign sector banks seek permission but majority of them indulged in the practice of taking indirect permission. In the case of public sector banks more than half of respondents were of the view that they don't take any permission, still sends various promotional mails. Sending mails without permission creates confusion and anxiety in the consumers mind. Already, there is evidence of this as stated in the study by Wang et al. (2003). According to their study, out bound mails could lower the credibility of bank in the eyes of customer, moreover such mails may not be accessed and may be considered as spam.

- It was statistically established that there is no significant difference in the opinions of respondents of various types of banks about providing personalization while sending pre-permission based e-mails. This means that all the selected banks were of the similar view about personalized permitted e-mails. Further, it was statistically established that there exists a significant difference in the opinion across the different type of banks regarding using of catchy subject lines in e-
mails to attract consumers. Thus some banks were involved in the practice of sending e-mails with catchy subject line in order to attract attention of their consumers who had given the permission to the banks.

- There was no difference of opinion of officials from different banks viz. public, private and foreign as far as targeted customers are concerned. They were of the view that by using Permission Marketing, they will be able to take care of existing customers and potentials who are interested in their banking products and services. Thus, Permission Marketing can open new gateways for marketing managers in the days to come. Some of the e-mails send by the banks can be seen in appendix....It will be apt to highlight some of the organizations who have been practicing this in the last few years. For example rediff.com uses this kind of practice for sending more personalized messages to their existing database of users. Thus, Permission Marketing concept is emerging in Indian organizations (banks in this case).

- One-third bank officials were of the view that permission based e-mail marketing is cost effective but almost half of the respondents were indecisive whether it is cost effective or not. On one hand it is cost effective but on other hand it may or may not give them business. Moreover bank was not sharing this type of information with bank officials. Hence it is difficult to say whether permission based e-mail marketing was viewed as cost effective marketing tool.

- There was difference of opinion of officials from different banks viz. public, private and foreign as far as permission based e-mail marketing gives more choice to the consumers. Respondents of the public banks
were of the opinion that consumers don’t get choice by giving permission. Respondents of private and foreign banks were of the opinion that it gives more choice to the consumers of selecting the information. Majority of bank officials had similar view about ‘conveying of message’, ‘easier in operations’ and need of the day. thus the benefits of permission based e-mail marketing were being understood by them

- There was difference of opinion of officials from different banks viz. public, private and foreign as far as permission based e-mail marketing is customer centric is concerned. officials of public banks were of the view that permission based e-mail is less consumer centric as in comparison to the officials of private and foreign banks who were of the opposite view. Customer centricity prevails in the organizations when both marketers and consumers actively participate in designing and implementation of marketing programmes. This is happening in private and foreign banks because their system is more transparent and customer oriented as compared to public banks. Private and foreign banks are more open to feedback system and also believe in strong customer relationship management.

- It was found that permission based e-mail marketing is response oriented. There was no statistical difference in the opinion of banks officials for Permission Marketing as a response oriented activity. This means that there is common consensus that permission based e-mail marketing results into loyal and interested customers responding back to e-mails received. This supports the study conducted by Epsilon (2009), in which it was highlighted that financial services companies
get reward of using permission based e-mail strategy in the form of enhanced credibility and brand loyalty.

• There is a significant difference among the officials of different types of banks about being ethical in using permission based e-mails. The variation existed because officials of the public bank were neutral about the issue of ethicality involved in permission based e-mail marketing, whereas officials of the private and foreign banks agreed to the fact that permission based e-mails are ethical. Since it is initiated by the consumers and is being requested by them, ethics prevails, however modifying the statement of privacy relates to unethical behaviour.

• The variation in the opinion of banks regarding spamming was also studied. It was statistically established that there did not exist any variation in the opinion of selected banks regarding their permission based e-mails were not spam. This shows that all the fifteen banks were of opinion that permission based e-mails are not spam and have tried to support this by giving a valid agreement that the permission based e-mails requires permission of the customer, which is not the case with the spam. This also supports the findings of the study by Krishnamurthy (2000), in which the researcher had defined the classification of spam with Permission Marketing.

• The researcher found that most popular and widely acceptable usage of permission based e-mail is for giving information of various types of accounts being operated by the banks followed by promotion of schemes and benefits communication regarding loans emerged as third most important information being sent by banks through permitted
e-mails. This is relevant because opening up of new accounts of new costumers, and of existing costumers for other products and services or even upgradation of account are major activities, that banks perform for doing business. Through this practice banks are found to be engaged in cross selling and up selling of various banking products and services.

- It was statistically established that there exists variation in the opinions of fifteen banks regarding maintaining of privacy of consumers detail. Almost half of the respondents had been neutral i.e. had been silent on this issue. Foreign banks shows the opposite opinion where officials of foreign banks did agree on maintaining of privacy in there respective banks. Foreign banks generally hail from countries like America, Europe, Singapore and so on, where privacy laws are very stringent. Foreign banks, in order to maintain global standards, follow similar privacy laws in the country they operate. It is important to mention that concern for privacy is increasing day by day; therefore it becomes necessary as well as important phenomenon to be followed by banks as a differentiation factor. Maintaining of privacy must not only be seen from the legal point of view only, it incorporates an ethical dimension also. If customer receives promotional messages which were permitted by them but not relevant, leads to unethical practice in the domain of Permission Marketing as suggested by Nath and Gupta (2009).

5.3 Conclusions

- E-mail emerged as an important means of communication. This fact was well accepted by the respondents in which they considered it superior to other forms of communication.
• The main source of awareness regarding Permission Marketing was media. Overall, general awareness of Permission Marketing was found to be good. The consumers who were unaware did not consider the concept of Permission Marketing significant.

• There is a relation between demographic variables; gender and educational qualification with awareness of Permission Marketing.

• The respondents viewed that getting updated information of choice is the most important reason for giving permission to the marketer for sending permission based e-mails. This was followed by choice of selecting marketer and expectation of availing discounts and offers from the marketer to whom permission had been granted.

• Loss of privacy was a common concern among respondents of private organizations (banks in this case), while permitting the marketer.

• Perceived benefit, trustworthiness and ease of differentiation were found to be important factors considered by customers while giving permission to marketers for sending permission based e-mails.

• Acceptability of giving permission to banks for sending e-mails has been found to be good. People are ready to give permission because of the advantages associated with these permitted e-mails.

• Consumers of the private banks and foreign banks receive more e-mails as compared to consumers of public banks on weekly basis. This shows that private banks and foreign banks actively practices Permission Marketing.
• Bank customers agreed to the fact that they become more updated and informed by giving permission to banks for sending e-mails.

• Bank customers had shown concern for the information given by banks through permitted e-mails provided they are relevant and useful.

• Personalization of subject lines and/or of message was found to be an important stimulus for clicking permitted e-mails by banks.

• Bank Customers perceived permitted e-mails secure and better than spam.

• Hassle free updations of information, trustworthiness and usefulness information were considered important while permitting banks for sending e-mails.

• The consumers perceived Privacy of details, content enrichment and promptness of e-mails similar with respect to permitted banking e-mails.

• Banks operating in India performs marketing function primarily with in-house marketing department. Some banks were found to be engaged in outsourcing specific marketing activities like e-mail marketing and tele marketing.

• Advertisement in newspapers, magazines and e-mail marketing has emerged as the top ranking method for marketing of banking
products/services. The combination of two got wider acceptance due to better brand visibility and reach when used together.

• The selected banks agreed to the fact that they use e-mails in marketing of product/services because e-mails gives flexibility in accessing information as and when required.

• Majority of the banks studied were of the opinion that they seek permission from the consumer for sending e-mails in an indirect manner.

• Generally banks sends six to eight permitted e-mails to their customers every month; however the frequency increased in case of private banks.

• Personalization of e-mails was considered vital for better accessibility by the selected banks. Catchy subject lines emerged to be the selective practice, being practiced by only few banks.

• Targeting customers emerged to be the most important reason for using e-mail based Permission Marketing by the banks studied.

• Information about bank accounts and various schemes/benefits was generally the content of permitted e-mails sent by selected banks under study.

• Banks agreed to the fact that they can be more customers centric by using permission based e-mails as it is need of the day.
Majority of the bank officials studied were of the opinion that they don’t send spam e-mails but differs in opinion about ethicality in sending permitted e-mails.

On the basis of conclusions derived, the following model can be constructed

5.4 Antecedents of Attitude of Consumers towards Permission Based E-Mail Marketing in Indian Banks

This section now deals with discussion on the proposed model which has been developed in the backdrop of analysis of data, findings, interpretations and conclusions drawn from the study. The findings of the study revealed that were dependent on age and educational qualification of the respondent, thus it influences granting of permission to banks by the customer. Factor analysis revealed the emergence of three important factors that were considered important by the customers of bank for granting permission to the organizations (banks in this case), frequency of e-mail is an important parameter that has an effect on granting permission to banks. Balancing of this frequency is important for the reason because too less communication will not be noticed by the customers and too much communication will make them irritated. This is supported by the study conducted by iContact (2009). The variable of Regulatory framework has been included in the model because in the recent past while the study was been conducted, regulatory body (TRAI) restricted marketers from using bulk sms for marketing their products. A similar regulations emerged in future it can have an effect on Permission Marketing practices of banks through e-mails. Moreover regulations regarding maintaining privacy of details of customers will always influence granting permission to banks by their customers.

The present study revealed the fact that customers were of the view that by granting permission to banks for sending e-mails they loose privacy
and also have a fear of getting their inbox loaded with spams and other types of junk e-mails. Since the customer is dealing with other organizations that also follow e-mail marketing, their practices regarding Permission Marketing will also affect granting of permission to their respective banks. While opening up e-mail account the customer often gives permission to the organizations providing e-mail service and since banks happen to outsource e-mail marketing to such organizations. The customer may land up granting permission to banks in an indirect manner. Hence influence of e-mail practices of other organizations on granting permission by customers to their banks cannot be ignored. Lastly, previous experiences (virus attacks, hacking of e-mail id, loss of data on e-mails) of the customer with internet surfing and use of e-mails will also create a predisposition (favorable or unfavorable) towards granting permission to banks. Once permission has been granted, the attitude towards permitted e-mails will undergo a change depending upon the perceived benefits, they intend to derive by giving permission to banks. A positive attitude will emerge if banks create an environment of trustworthiness by sending only that information that customer intended to receive while he/she gave permission to bank. On the contrary, if the customer fails to get the desired information or gets information which he/she perceives not to be beneficial, will create a negative attitude towards permission based e-mail marketing practices of banks. In the backdrop of above discussion the researcher would like to propose a framework of study of consumer behaviour towards permission based e-mail marketing by banks in Indian context as shown in figure 5.1. This is neither a modification nor updation of any existing model.
Figure 5.1: Antecedents of Attitude of Consumers towards Permission Based E-Mail Marketing in Indian Banks

It will be worthwhile to view the above framework along with the following matrix as shown in table 5.1. The matrix shows concerns which arises from the interaction of banks and consumers. If banks follow Permission Marketing and at the same time consumers also grant permission to banks for obtaining useful information then it will lead to creation of customer centricity and there will be free flow of relevant information. On the other side if both
banks and consumers were unaware of this concept, unethical marketing practices will be encouraged.

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</thead>
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<tr>
<td><strong>Banks Follow</strong></td>
<td>• Free flow of relevant information</td>
<td>• Banks will have to undertake educational drives to inform the benefits of permission marketing to customers</td>
</tr>
<tr>
<td><strong>Permission</strong></td>
<td>• Targeted marketing</td>
<td>• Customers end up loosing vital updations of information</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td>• Optimization of time and resources</td>
<td>• Will be deprived of support of banks that could have been given through this medium</td>
</tr>
<tr>
<td></td>
<td>• Lead to creation of benchmark practices in banking industry</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Safe electronic data interchangeability</td>
<td></td>
</tr>
<tr>
<td><strong>Banks Don’t</strong></td>
<td>• Customers will feel irritated</td>
<td>• Customers will end up having their inbox loaded with spams</td>
</tr>
<tr>
<td><strong>Follow</strong></td>
<td>• Environment of distrust will prevail</td>
<td>• Can encourage online fraud</td>
</tr>
<tr>
<td><strong>Permission</strong></td>
<td>• Can Create negative attitude towards permission marketing</td>
<td>• Will give rise to many unethical practices</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td>• Can be considered an unethical practice by the customers</td>
<td>• Regulatory bodies will be forced to intervene from time to time</td>
</tr>
<tr>
<td></td>
<td>• Discourage customers from granting permission to other ethical organizations</td>
<td></td>
</tr>
</tbody>
</table>

Table 5.1: Banker Consumer Concern Matrix
5.5 Limitations

It will be plausible to note conditions of this study that limit the extent of legitimate generalizations. The shortcomings may be stated as follows:

5.5.1 The study is totally based on practices being followed by banks and has been viewed from marketing view point only

Notwithstanding its comprehensive coverage, the present study has been done from marketing view point and does not do analysis of the type the psychologists or anthropologists have often conducted. The study has not been analyzed by using any psychometric test or econometric test. Permission based e-mails take many aspects of information technology which have not been dealt in this study. The study is totally based on the practices being followed by the banks and has been viewed from marketing point of view only.

5.5.2 Permission Marketing is an Incessant Process

Permission Marketing has been described as a chase without any terminatation point of time. Because definitive answers to questions of permission are not always available and absolute permission led marketing is a difficult realistic goal to achieve, it is best to view Permission Marketing practices as a string of marginal steps on learning curve. This study too is a petite step in this course and should be treated as a modest contribution to the existing body of knowledge.

5.5.3 Accuracy and Dependability of Interpretative Material used as Plausible Reasons

Most of the interpretative material used as plausible reasons for research findings of the present study consisted of opinions of bank officials and general masses from different banks and localities. Explicitly, this study must be viewed with circumspection and appropriate regard for human frailties. Banks officials were hesitant in disclosing their privacy management policy. Banks pretend that they take care of the details of the consumers but fail to tell anything concrete.
5.6 Suggestions

Based on the findings, following suggestions can be made to the banking organizations, government and the future researchers, who have keen interest in this area.

5.6.1 Banking Organizations

1. Banks should encourage the use of e-mails for correspondence with customers and also motivates them to use e-mails in case of feedbacks, query or any suggestions. It will also be taken from the point of view of going green as a need of the day.

2. Banks should undertake a special drive from time to time to educate their customers regarding importance and relevance of e-mail marketing in general and e-mail based Permission Marketing in particular.

3. Banks should emphasize more on sending e-mails which have personalized and attractive subject lines as well as message content.

4. Banks should avoid sending the same message to all customers through bulk e-mail as it does not have better acceptability and is viewed as a junk e-mail.

5. Banks need to give training to their employees in order to make them conversant with latest marketing techniques and practices so that they can serve their customers better.

6. Banks are supposed to be very cautious while outsourcing their marketing activities as these outside parties generally indulges in unethical marketing practices which lead to bad image of bank in the mind of consumers.

7. Banks should also create code of conduct for their affiliates so that Permission Marketing practices are encouraged at their level also.
8. While opening up of new accounts of the customers, separate form seeking permission for marketing of banking product and services should be provided by banks.

9. KYC forms can also be made Permission Marketing enabled.

10. Banks must inform customers from time to time about how banks manage privacy of customer’s details. This will create an environment of trust and will also bring in transparency.

11. Finally, it is suggested that banks should also seek feedback from customers regarding e-mail communication being sent to them on yearly basis again either through permitted e-mails or net banking techniques.

5.6.2 Government and Regulatory Bodies

1. Government and regulatory bodies can think of create a code of conduct for implementing Permission Marketing successfully across banking and non banking institutions involving financial transactions.

2. National Informatics Centre (NIC) can create a portal where people who intend to receive safe and secured e-mail communication can grant permission by submitting an online consent form.

3. Government and regulatory bodies must strive for making privacy laws stringent where in a separate clause for seeking permission can be created.

4. Government and regulatory bodies should encourage Permission Marketing and discourage interruptive marketing by regularizing promotional e-mail messages.

5. Customers having KYC compliance accounts should be approached for seeking permission regarding e-mail communication. This e-mail id should then become a unique e-mail id which can be shared for the purpose of communication to customer regarding their income tax
communication, MTNL for bills, passport office, changes in information to voter’s card, Pan Cards and RTI application etc.

5.6.3 Researchers

1. In the present study the researcher has studied only three types of banks, the future researchers can include cooperative banks, regional rural banks, and non banking financial institutions for the purpose of study and can suggest some more options for better implementation of Permission Marketing.

2. Researchers can take an independent study in the area of Permission Marketing enabled business process reengineering done through information technology for creating better and secure IT enabled environment.

3. Researcher can undertake a study of the proposed model through structural equation modeling.

4. An independent course of study can be undertaken by the researchers to evaluate the effectiveness of promotional content being sent through permitted e-mails by different organizations. Academicians in the field of management, information technology and operations to come together and suggest an integrated model for Permission Marketing that can be applied in Indian context.