PREFACE

Banks have been providing their services to the customers since their inception. Customers get aware about banks and their services with the help of the advertisement and marketing efforts made by banks. Apart from this other customers who are satisfied with services render by banks will spread positive word of mouth for bank and convince their friends, relatives, peers, family members and other contact person regarding the services of bank. But, the latter one is related with qualitative aspect and can only be measured with the help of asking customer regarding the services of bank while former aspect of marketing is related with the quantitative data. Thus, whatever amount spend by banks on advertisement and marketing has not been measured in past.

Conventionally, marketers concentrated their attention on customer or product-market results, such as awareness, attitude, sales, market share, brand equity, and customer satisfaction. They focused on the short-term effects of marketing variables, rather than long-term effects, and they rarely considered the link to financial outcomes and stock price. However, changes in the business environment have led to an increased emphasis on financial accountability for expenditures. Reflecting this shift, the Marketing Science Institute has designated metrics, or marketing productivity — that is, the measurement of the impact of marketing on financial outcome - a first-tier priority for the past six years.

Banks excessively spends on marking but do they really evaluate return on marketing investment separately. Therefore, it is very essential to measure the marketing performance in financial terms. The present study attempts to focus on one the most important aspect that is the need of day to think over “IMPACT OF MARKETING EXPENSES ON FINANCIAL PERFORMANCE OF SELECTED BANKS IN INDIA”.

Main objectives of this research study is to examine the marketing expenses relate with financial performance of public and private sector banks and to examine the money spend on advertisement and marketing by public sector and private sector banks. The report is divided into six chapters starting from Marketing Expenses and Financial Performance,
Overview of Banks under Study, Literature Review, Research Methodology, Data Analysis and Interpretation and Findings, Recommendations and conclusion.

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