1.1 INTRODUCTION

The greater challenges before the public sector banks in India are to increase efficiency, productivity and profits. They have to check the commercial viability, cost effectiveness, marketing strategy and technological advancement. Commercial viability of our banks is under strain due to the reasons like low productivity, lack of technology, huge portfolio of non-performing assets, non-remunerative, branch expansion and so on. Prudential norms as regards to income recognition, asset classification, provisioning have further worsened the viability of the banks. Banks have come out of this lacunae and started to earn profits by innovative product development and proper marketing approach.

The banking sector plays an important role in the development of Indian economy. Before the dawn of independence, the development of the banking sector was not satisfactory. In those days the aim of the bank was to earn profit rather than render services to the public at large. Initially, the East India company established the banks, namely Bank of Calcutta in 1806, Bank of Bombay in 1840, and Bank of Madras in 1843. Later in 1921, these banks were amalgamated and Imperial bank of India was formed. Soon after independence, the phases of the banking sector changed remarkably. According to the All India Rural Credit Survey Committee’s recommendation, the IBI was converted into State Bank of India in 1955. The Government was unable to control
the commercial banks and divert the funds in accordance with the expectation of the Government. Hence these banks were brought under the control of Government during 1969. Then 14 major commercial banks were nationalized. It was a state-sponsored commercial banking institution, entrusted with the specific task of providing bank finance to weaker sections and enlarging the branch network. It has also been entrusted with the responsibility of branch expansion in rural and semi-urban areas and provision of credit to agricultural and small scale industries.

The present banking scenario is such that private sector, public sector and co-operative sector exist side by side. Apart from commercial banks, there are industrial banks and development banks. Though the SBI is at liberty to do business, it must do so, as per the guidelines and directions given by the Reserve Bank of India then and there. While appraising the services of commercial banks, it is found that different banks follow different strategies to develop and render new services. In fact, the SBI competes with each through initiation, development and introduction of different services at different time intervals. There is no other way to compete except employing different strategies in the matter of new services depending upon the prevailing conditions of the society.

On account of provision of wider range of services, the SBI now faces severe competition, which can be overcome by changing the concept of banking as ‘innovative banking from deposit banking. It implies that the Indian Banking system is more akin to ‘customer–orientation rather than profit–orientation. This change over from selling–orientation to marketing–orientation necessitates the application of
marketing techniques. This has enabled the SBI service to touch millions of people and it has started fulfilling social purposes, to subserve national priorities and national objectives such as rapid growth of agriculture and small industries, export, generation of employment, encouragement of new entrepreneurs and the development of rural and semi-urban backward areas.

The SBI plays a vital role in the Indian economy. It is an indispensable institution in the modern society. It is the largest bank in the country. The SBI group comprises SBI and its seven subsidiaries. The SBI grants both direct and indirect advances for all agricultural and allied operations and industrial activities. It offers different innovative schemes to the customers. It adopts different marketing techniques to market its products and services.

1.2 STATEMENT OF THE PROBLEM

India’s financial services industry is spearheaded by the banking sector. This industry is generating tremendous employment opportunities for a large section of the populace in India. The backbone of any economy can be evaluated by the strength and flexibility of its banking structure. Banking is the cornerstone of the overall economic growth of the country. Before liberalisation the Indian banking structure was largely controlled by the RBI and parameters like branch size and location were given paramount importance.

The Indian banking industry has come a long way from being a sluggish business institution to a highly productive and dynamic entity. This transformation has been
largely brought about by the large impact of liberalisation and economic reforms that allowed banks to explore new business opportunities rather than generating revenue from conventional streams. The Indian banking industry can be classified into nationalized banks, private banks and specialized banking institutions. The SBI and its group are specially established nationalized banks. They offer a wider range of facilities and services. The range varies from the simple rural banking to the sophisticated international banking. It mobilizes savings in the form of deposits and channelises them into productive sectors of the economy in the form of credit. It faces an aggressive competition from banking and non-banking institutions. The non-banking institutions offer alternative deposit schemes bearing a maximum rate of interest along with loan facilities. The LIC of India offers a variety of savings schemes. The joint stock companies accept public deposits from the general public with an assurance to deposit holders that they could take away all the deposit money at any time before the expiry period.

Money being the raw material for the banks, the banks have to persuade the public to provide deposits in an atmosphere wherein all these constraints are confronted. Besides, the banker should put in efforts to maintain proper composition as between various deposit accounts. The amount from some deposits like current account cannot be used by bankers for lending.

Banks are the nerve centres of any economy. As such Indian banking industry is poised for a tremendous growth after the Liberalisation, Privatization and Globalisation (LPG). Due to LPG, remarkable changes have taken place in the day
today business activities of the SBI. The foreign commercial banks came forward to offer liberal financial assistance at competitive rates of interest. The SBI follows different marketing strategies while developing and introducing new services. The question of survival necessitated the bankers to innovate new business services. Apart from developing new services, the SBI motivates employees to change their attitude towards their customers and fulfil their needs. This bank has introduced a separate department namely, ‘Personal Banking Division’ in each branch. This department keenly observes the needs and necessities of the customers at regular intervals and develops innovative services. Since, 1991 various schemes have been introduced by the SBI.

There are numerous schemes for providing loans to agriculturists, doctors, engineers, artisans and the like. The bank managers are given liberty to enhance the deposit holders and sanction the loans and advances by exercising their discretionary powers. The SBI creates awareness among the people about the various services rendered. Moreover, the department housing the research wing of SBI is constantly conducting research for the rendering of efficient and quality services. This bank is not merely the agency of the Government to implement the social and economic policies, but also running the business with a profit motive. This is a 200 year old bank. It adopts bank asuras, core banking, re-engineering and reverse engineering schemes effectively which shed light on the efficiency of this bank. This study has been made to ascertain the services available in this bank, marketing strategy adopted, various
economic factors which forced it to cut down the existing services and to introduce new services.

1.3 REVIEW OF LITERATURE

There are number of studies which have been undertaken previously on study the functioning of banks. Such studies are highly useful to identify the areas already investigated and formulate insight into the present study. A review of few important studies is given below:

K. Alagesan and S. Rajamohan\(^1\) pointed out in their article that agrigold loan, crop loan, dairy plus, tractors plus, kisan credit card, kisan gold card, land purchase scheme and produce marketing loan are the loans usually granted.

K. Alagesan and S. Rajamohan\(^2\) presented a paper at the national level seminar entitled “Marketing of Bank Products in SBI.” They dealt with how SBI markets its products by using seven marketing mix.

K. Alagesan and S. Rajamohan\(^3\) have highlighted in their article how ATM, Telebanking, E-rail, SBI life, DEMAT service, E-pay, drop-box facility, smart gold, STEPS and online services are employed by SBI. They called them as innovative scheme of SBI.

Anthony R. Krachenberg,\(^4\) has focused his attention on identifying variables which distinguish goods from services and developing overall marketing concepts which are important in the marketing of banking services.

Archana Mathur,\(^5\) in her article, “Customer Service in Public Sector Banks – A Comparative Study” emphasised the sole intention of raising banks in the standard of
quality of customer service. The study reveals that the consciousness towards customer service is increasing at all levels.

An article “Customer service in Banks” by P.V. Anantha Bhasker discussed the standard of quality of satisfaction through the implementation of new technology such as computerization, electronic banking through e-mail, tele-banking, mobile phone banking and wide net of ATMs through channel migration process. All these factors would help to increase customer service.

G. Anatha Krishnan in his article, “Customer Service in Banks” has dealt with some factors namely customer service such as proper orientation, greeting customers with smile, knowledge about the products of the banks, helping tendency, listening to the customers, keeping the branch premises clean and so on.

K.B. Akilesh and S. Pandey pointed out in their article that “The Nationalised Banks are Affiliation-oriented” whereas the private sector banks are achievement-oriented.

 Abrar Ahmed, Former Union Minister For Finance (state) introduced a scheme namely, “Omdusman Scheme 1995”. It is a popular term of Swedish origin for person who investigated any administrative action on a complaint made. The scheme is helpful to a number of bank customers who nurse a grievance about the services they get from banks. This kind of scheme is yet to become popular.
G.S. Batra,\textsuperscript{10} discussed in his article the changing dimensions of Marketing of Banking Services Public Sector Banks and Private Sector Banks in India after liberalization in 1990s.

R.M. Chidambaram\textsuperscript{11} in his article states that the marketing mix of a banker has six different components namely, place, product, price, promotion, people and procedure.

Chetan, D. Kadam,\textsuperscript{12} remarked that all the banks should follow uniformity in procedures. The banker who is the seller of money and the customer who is the buyer should work together in the direction of overall growth of economy, especially when banks are the primary source of working capital finance. Banks continue to provide the customer provisions in the form of new services which are highly useful to them. Here, he stressed the need for introducing new services.

The article entitled, “Marketing Approach a Must for Bankers” written by R.M. Chidambaram\textsuperscript{13} elucidated that the Indian banking system covered more area, served more people and offered more schemes with more personnel and strings-out regulatory measures. The prevailing banking scenario made the bankers to recognize marketing approach for good banking. Marketing approach had become an inevitable tool to a modern banker on many grounds.

B. Dey,\textsuperscript{14} in his article, “Relationship Marketing by Banks,” stated that bank marketing was, in other words customer service, that is “planned creation of services
for the satisfaction of the needs of customers and in the process to improve their life styles and economic well being.”

K.A. Epzysanthi,\textsuperscript{15} analysed “the customer services rendered by the private and public sector commercial banks and the attitude of the customer towards their services.”

R. Elango,\textsuperscript{16} stated that the amount spent on information technology in public sector banks at the end of March 1996, amounted to Rs.600 crores.

A.K. Gupta,\textsuperscript{17} highlighted “the role of nationalized commercial banks in the developmental activities in areas such as deposit mobilisation, deployment of credit, branch expansion and profitability of nationalized commercial banks.”

S. Hasanbanu,\textsuperscript{18} analysed the attitude level of different types of customers towards banking services in rural branches.

R.S. Hungar,\textsuperscript{19} rightly pointed out that “Customer satisfaction is the key to success of any organization. Tomorrow’s customers will not be satisfied with today’s service and all of our personnel in the banks are striving hard to give the customers more than what they expect.” It shows the need for marketing of new services.

The study entitled, Customer understanding of Banks and Banking Services done by James William Crews,\textsuperscript{20} analysed the nature and the extent of the customer’s understanding of commercial banks and the role of the bank management in developing and improving programmes concerning public relations.
Johnnie Odis king,\textsuperscript{21} made an attempt to identify the marketing activities of commercial banks. The study projected to point out strengths, differences and similarities between the marketing programmes of the two types of financial intermediaries.

Jim Dale Reed,\textsuperscript{22} conducted a study to identify the marketing implications of consumer behaviour in selecting a commercial bank. No single variable was responsible for a particular selection decision. It was the combination of several factors that persuaded the consumers to their final selection.

A. Jeyarani,\textsuperscript{23} studied the banking sector’s reforms since 1991, the effectiveness of the various deposit schemes of the State Bank of India and the impact of banking sector’s reforms on deposit mobilisation.

P.N. Joshi,\textsuperscript{24} stressed the importance of customer service in banks. He emphasized that banks should have their basic terms courtesy, accuracy and speed.

P. Koteswara Rao,\textsuperscript{25} traced the phases of bank development. A Discount and Finance House of India has been set-up. New instruments like zero coupon bonds, tap stock system have been introduced. To eliminate the counter-part risk, delivery and payment system has been introduced.

The article, “Strategic Marketing of Banking Services”, by L.N. Kumar,\textsuperscript{26} stated that the product development, branding and tailoring of product contribute significantly to the growth of banking business.
Mangazi,\textsuperscript{27} examined the growth and development of rural branches and suggested the need for new services that suited the local people.

S. Manojsharma,\textsuperscript{28} in his article, “Today and Tomorrow”, stressed the need for computerization in banks. Private and foreign banks are well equipped with computer facilities. The report of Narashimam committee stated that, there was an urgent need for a greater use of computerized system in banks, for improvement of customer service and betterment of the work environment for employees. In fact computerization itself is deemed as new service offered by the banks to the customers and public.

J.D. Mohile,\textsuperscript{29} emphasised that home banking, tele-banking, ATMs, self service terminals, video telephone kiosks, leasing a satellite transponder available for 24 hours of the day, 7 days in a week and 365 days in a year are the new services introduced by the State Bank of India.

S. Muthiah,\textsuperscript{30} pointed out that customers are confronted with many problems in transacting their business with the bankers. He also emphasised that, the banker should remain customer-oriented and should, as regards certain needs of the customers, render effective service.

B. Ramachandra Rao,\textsuperscript{31} conducted a study, “Current Trends in Indian Banking.” According to him, the Reserve Bank of India and Ministry of Finance are least inclined to operate decision-makers whether it related to intense management or to portfolio
management and lending. It is learnt from the study that the decision makers are to undertake the responsibility of developing new services.

K.R. Ramamoorthy,\textsuperscript{32} suggested that sustained profitable growth must become the focus of business for public sector banks. He further states that today, we have competitive environments, the banks need to setting and drafting organization strategies at the grass-root level for ensuring effective implementation. He focused his attention on organizational reforms.

Y.V. Reddy,\textsuperscript{33} stated the need for modern technology in banks. We should have to inculcate the technique of rendering good customer service. Modern technology is a powerful tool in the functioning of commercial banks. Banks should progress towards globalisation and liberalisation and augmenting foreign exchange business. They should further look into capital market, integrated issues and attitudinal issues in financial institutions.

T.S. Ramakrishnan,\textsuperscript{34} in his report, “Bank Marketing-some Strategies,” reveals that bank marketing is not the activity of one department. It is the total disposition of the bank as a whole, it is a new philosophy and it is a collective strategy of all the departments for survival and countering the challenges.

N. Rajan Nair,\textsuperscript{35} stated that marketing was a philosophy, a way of life and its importance should be understood by each and every employee down the line. Financial service is not a single act. It is either the beginning of or an episode in the development of what should be long term relationship. The marketing strategy in
banks should ultimately lead to shifts in the focus from expansion to consolidation, largeness of the system to the soundness of the system and from extensive coverage to efficacious coverage.

S. Rajagopal,\textsuperscript{36} stated that the success of marketing of banking services in rural areas depends on how the organization properly blends the marketing concepts with the right approach required to penetrate into rural households.

The study undertaken by Mr. Robert Lee Fitts,\textsuperscript{37} “Predictors of Usage Rates for Selected Commercial Bank Services: A Cross Sectional Approach Utilizing Socio-economic, Demographic and Attitudinal Variables”. was made to identify the variables that could be used to segment the market for commercial bank services.

The article on “Evaluation of Bank Marketing in India” by K.K. Saxena,\textsuperscript{38} stated that the bank marketing profession changed dramatically in 1970s. Marketing positions in banks were created and marketing was accepted as an organizational imperative.

Suresh Mehta,\textsuperscript{39} in his study, “Personal Selling – A Strategy for Promoting Bank Marketing” reveals the importance and effectiveness of personal selling in the marketing of bank product and services, and examines various ingredients of personal selling.

Shanker Shetty,\textsuperscript{40} has revealed that the future marketing strategy for banks should imbibe creating an efficient cost effective, courteous, product along with an
effective delivery system, which should take care of the buyer’s choices as the deciding factor of the fortunes of banks in the future.

B. Subba Rao,\textsuperscript{41} analysed the areas such as pattern of utilisation of commercial bank credit, adequacy of scale of finance, credit needs of the farmers and the like.

Sultan Sigh,\textsuperscript{42} examined the level of customer service and satisfaction which is determined by branch location and design, variety of services, rates and changes, systems and procedures, delegation and decentralization, mechanization and computerization, competitive efficiency, complaint, redressal and responses.

P.B. Sreenivasan,\textsuperscript{43} made an attempt to trace the present role of the banking industry in rendering banking services to customers and examined the customer needs and banking facility in unbanked areas. He has given the following suggestions to improve the banking services:

i. The bank should turn towards customer – orientation

ii. The bank should realize that each customer has a different need.

iii. The bank should establish rapport with the customers and

iv. The personal service to meet customer needs should be spontaneously forthcoming.

W.S. Saraf,\textsuperscript{44} pointed out a new system called electronic funds transfer. This system facilitates quick movement of deposit of money from the bank account of one
customer to the bank account of another customer. The Reserve Bank of India introduced this system in 1994.

C. Subramanian,\textsuperscript{45} conducted a study, “Commercial Banks Thriving in Competition.” According to him, the following are the competitors of commercial banks.

1. Financial Companies
2. Corporate Banks
3. Post Offices
4. Unit Trust of India
5. Mutual Funds
6. Capital Market
7. Foreign and Private Banks.

U.S. Sohani,\textsuperscript{46} revealed the need for industrial restructuring and the role of merchant bankers. The impact of the process of economic liberalisation, deregulation and globalization is being felt widely in the Indian banking and industrial sector. The package of radical reforms was initiated and spelt out to restore the banking industry back to health as a part of economic liberalisation. His study attempted to explore the need for reforms.

K.C. Shekhar,\textsuperscript{47} discussed the Banking Practices in early stage of the vedic period. The books of manu contain references regarding deposits, pledge, policy of loans and rate of interest.

Usha Ananthasubramanian,\textsuperscript{48} revealed that the marketing activity commenced much before production, as it involved identification of customer, recognition of his
needs and development of customer specific products or services to suit his needs. Selling on the other hand was a post production function as its overall objective was to sell the products or services. The need to provide banking or financial services to individual customer to meet his personal and domestic needs and that on the price will increase substantially in near future.

A. Venkatachalam,\textsuperscript{49} mentioned the technology of electronic fund transfer, internet banking, mobile banking, credit card system, debit card system, ATM facilities and so on.

R.D. Velankar,\textsuperscript{50} in his report, “Customer Service – A Perspective” discussed the importance of direct marketing and image building of banks. He stressed that public relation had a vital role to play in improving customer service.

Vijaya Ban,\textsuperscript{51} presented a paper, “Banking for Better Profitability,” and suggested the following:

a. Banking policy and credit policy should not be isolated.

b. Frequent changes in government policy on industry, agricultural, trade and corporate sectors, should be minimised.

c. Research department in banks should be strengthened.

M.S. Verma,\textsuperscript{52} called the State Bank of India as the largest commercial bank in India. It undertook several community services, which include financial assistance to weaker sections, physically handicapped persons, slum dwellers, ex-prisoners, victims of natural calamities, destitutes and orphans.
A Study undertaken by R.K. Talwargroup on customer services in banks, stated that “the services presently rendered by banks need vast improvement”. This group placed 176 recommendations on record which were accepted by the government.

Though many attempts have been made to study the various aspects of banking, no attempt has so far been made to study in detail covering the whole area and marketing services of SBI in Madurai region. Hence, the present study.

1.4 OBJECTIVES OF THE STUDY

The following are the objectives of the study:

1. To trace the historical background of SBI.

2. To highlight the marketing of service and strategies of SBI.

3. To analyse the perception of customers on the services of SBI.

4. To study the opinion of the bank employees on the services of SBI. and

5. To offer suggestions based on the findings of the study.

1.5 SCOPE OF THE STUDY

This study is made to examine the marketing services of State Bank of India. The SBI is one of the important banks in Madurai Region. It renders useful services to the customers. This study includes the evolution of the SBI, marketing of its services and strategy, perception of the customers on the services rendered by this bank and opinion of the employees of this bank on the services rendered by them.
1.6 DELIMITATIONS OF THE SCOPE OF THE STUDY

1. This study does not cover the aspects of financial and human resources.

2. This study relates to only marketing services offered, marketing strategy adopted, perception of the customer on the services offered.

3. This study covers services, physical facilities and opinion on the bank services.

4. This study does not cover the services relating to insurance.

5. This study does not discuss the services associated with any particular loan or advance offered by bank.

1.7 LIMITATIONS OF THE STUDY

The study has the following limitations:

The researcher has collected data from only a few customers. The segments like non-resident customers, potential customers and the non-account holders using banks for specific purposes have been excluded from the purview of the study. The researcher has collected data only from two employees in each branch.

1.8 OPERATIONAL DEFINITION OF CONCEPTS

18.1 Customer

Persons who have savings accounts and have regular dealings are considered to be customers for the purpose of this study. Companies, corporations, governments and other organizations have been excluded.

18.2 Bank Employees
The employees of the SBI include managers, officers and clerks who deal directly with the customers and render the banking services but the sub-staffs are not included.

1.8.3 Bank Products

This refers to deposits, advances and services of the bank.

1.8.4 Bank Marketing

It is the aggregate of functions directed, providing service to satisfy customers financial needs and wants effectively.

1.8.5 Evolution

This is the process by which the SBI has developed from earlier forms till date.

1.8.6 Perception

This refers to the knowledge of physical facilities of the banks, deposit schemes, general utility services, agency services, innovative services, credit schemes, and so on.

1.8.7 Innovative Services

This refers to introduction of new banks’ products and services, which consist of tele-banking, e-rail, smart gold, ATM, credit cards and so on.
1.8.8 Madurai Region

Madurai Region is located in the Southern area of Tamil Nadu State covering nine districts namely, Madurai, Theni, Dindigul, Virudhunagar, Sivaganga, Ramanathapuram, Tuticorin, Tirunelvli and Kanyakumari.

1.8.9 Marketing Strategy

Marketing strategy is a technique of marketing of bank products by using seven Ps namely product, promotion, people, price, physical distribution, process and physical evidence.

1.8.10 Rural Branch

Branch located in the rural area with a population less than 10,000. The branch normally lends money to agricultural and allied activities.

1.8.11 Semi-Urban Branch

Branch located in a place with a population of 1,00,000. This branch has STEPS (State Bank Electronic Payment System) and inter-bank transaction facilities.

1.8.12 Urban Branch

Urban Branch located in a place with a population of more than one lakh. It has both inter-bank transaction facilities and STEPS.

1.9 METHODOLOGY

This study is an empirical research based on the survey method. It is a blend of both the descriptive and the analytical methods of study. An interview schedule was
prepared for finding out the perception of customers on the services rendered by the SBI. For analysing the opinion of the bankers on the services offered by them, another interview schedule was prepared. The secondary data were collected from books, journals, newspapers and unpublished M.Phil. and Ph.D. theses on the subject. An unstructured interview schedule was prepared to study the opinion of the marketing executives who are in regional office of SBI, Madurai and officers and managers of the branches. This has helped to know the marketing strategy of this bank.

1.10 CONSTRUCTION OF TOOLS

A pilot study was made by the researcher in order to identify the research problems and tools. Based on this, the researcher has used two structured interview schedules and one unstructured interview schedule.

In order to identify the variables for construction of the interview schedules, the researcher has made an in-depth review of previous studies. Moreover, discussions were held with two marketing executives in the regional office Madurai and with one each from the branches in rural, semi-urban and urban areas. In the light of the information gathered, two interview schedules were constructed for this study to collect data from the customers and a few employees of the banks on their services.

This was done to assess and test the validity in the context of the SBI in Madurai Region. In this way, the interview schedule was pre-tested. The comments and
suggestions offered by the customers and the bank employees were duly incorporated in the interview schedule.

1.11 SAMPLING DESIGN

As per the instructions given by the Reserve Bank of India, the SBI has opened branches in rural, semi-rural and urban areas. The SBI of Madurai Region are located in nine districts. There are about 135 branches in this region of which 48 are in rural, 59 in semi-urban and 28 in urban areas.

The researcher has selected all these branches under census method for this study. There are about 270 employees selected at random in order to obtain their opinion towards the services offered. That is, 2 employees from each branch were selected. These two employees are one branch manager and one officer or clerk of the concerned branch.

According to section 13 of the Banking Companies (Acquisition and Transfer of undertakings) Act 1970, the public sectors banks should not reveal any matter concerning their customers. This recognized practice is also accepted by the SBI. In this crucial situation, it was not possible to get the list of the customers and the details about them directly from the banks. Hence the researcher collected data from 540 customers by using convenience sampling method that is, four customers from each branch, selected in order to assess their perception on the services rendered.

1.12 FIELD WORK
The field survey, for this study, was conducted by the researcher himself. As each interview schedule required nearly an hour for securing information, prior appointment was fixed with the branch managers. Most of the banks in Madurai region have their banking business hours between 10. a.m and 4 p.m. So the researcher contacted them after banking hours, at 5 p.m., on the dates fixed. In the first instance, the branch managers were interviewed and then on the request of the bank managers another officer or clerk of the same branch was also interviewed.

For collecting data from the customers of this bank, the researcher was permitted by the branch managers to interview them on the branch floor. As there were 135 branches in the sampling area it took 135 days, for the researcher to complete the survey of the customers of the bank as well as the bank employees, from July 2005 to December 2005.

1.13 DATA PROCESSING

After completing the data collection, a thorough check was made. The whole questionnaire was processed for coding the data in a computer. Then, the cross tables were prepared by using SPSS package. Moreover, after consulting the research experts, appropriate tools were framed to get good results.

1.14 HYPOTHESES OF THE STUDY

To give specific focus to the objectives, a few hypotheses have been drawn up and tested by using appropriate statistical tools.
1. There is no significant relationship between the area of the respondents and the level of awareness of the deposits.

2. There is no significant difference between the area of the respondents and their level of awareness of general utility services.

3. There is no significant difference between the area of the respondents and their level of awareness of agency services.

4. There is no significant difference between the area of the respondents and the level of awareness of innovative services.

5. There is no significant relation between the deposit product knowledge of the rural branches’ staff members and the total experience.

6. There is no significant relation between the deposit product knowledge of the semi-urban branches’ staff members and the total experience.

7. There is no significant relation between the deposit product knowledge of the urban branches’ staff members and the total experience.

8. There is no significant difference between the responses of the rural respondents and the credit schemes.

9. There is no significant difference between the responses of the semi-urban respondents and the credit schemes.

10. There is no significant difference between the responses of the urban respondents and the credit schemes.
1.15 FRAMEWORK OF ANALYSIS

In order to analyse the perception of customers of this bank, the data were analysed by using appropriate statistical techniques namely Percentages, Garrets Ranking, Discriminant Function Analysis, Kendall’s Co-efficient of Concordance, Kruskal Wallis Test, Wilcoxon Signed Rank Test, Friedman Test and Factor Analysis.

The percentage analysis was used throughout the thesis, whenever required. The Garret Ranking was used to find out the factors influencing the people to become customers of this bank. The discriminant function analysis was used to study the measurement of customers’ attitude towards the services of SBI. Kendall’s co-efficient of concordance, Kruskal Wallis, Wilcoxon Signed Rank and Friedman Test were used to assess the opinion on the awareness of the customers of SBI services comprising deposit schemes, general utility services, agency services and innovative services respectively. Factor analysis was used to test the customers’ opinion on the availability of physical facilities of SBI.

The opinion on the bank employees was analysed by using appropriate statistical tools like Percentage Analysis, Garrets Ranking, Anova, Sign Test, and Likerts Scaling Technique.

The percentage analysis was used for assessing the opinion of the bankers on their services. The Garret Ranking was used to find out opinion on the introduction of computerization in banks. Anova, Sign Test and Likert’s Scaling Technique were used
to analyse the opinion of bankers regarding deposits, credit scheme and innovative schemes of the SBI respectively.

1.16 SCHEME OF REPORT

The thesis has been divided into six chapters. The first chapter presents the design of the study. It consists of introduction, statement of the problem, review of literature, objectives of the study, scope of the study, delimitations of the study, limitations of the study, operational definition of concepts, methodology, sampling design, construction of tools, field work, data processing, hypotheses, framework of analysis and arrangement of chapters.

The second chapter traces the evolution of the State Bank of India, the objectives of the SBI, organizational structure of the SBI, profile of SBI in Madurai Region, banking services available in Madurai Region, innovative services in general and innovative services for agriculture.

The third chapter discusses the evolution of bank marketing, the marketing strategy of banks, the elements of marketing mix, kinds of promotional activities of the SBI, internal customers and external customers, customer service strategies, customer relationship, marketing and tangibilisation strategies and approaches of physical evidence.

The fourth chapter presents the customers having accounts other than savings bank account, types of account kept in SBI, the SBI customer having accounts, types of bank accounts held in other banks, types of account in other banks the duration of
holding of accounts by the customers in SBI, frequency of bank visits of the customers, opinion on the availability of physical facilities, purpose of opening accounts in the SBI, factors influencing individuals to become customers of the SBI, customers' awareness of SBI's schemes, customers' awareness of deposit, general utilities services, agency services and innovative schemes, measurement of customers’ attitudes towards services of the SBI, opinion on the entries made in the pass book, service charges, ATM card and credit card. Availing of loan from this bank, types of loans availed by the customers, time taken for sanctioning the loan, difficulty in getting the loan, basis of sanctioning loan, opinion on the rate of interest, problems in availing the services of this bank and opinion on the services of the bank are also discussed.

The fifth chapter elucidates the age, gender, educational qualification, special qualification, position held initially in the bank, present cadre, and the number of years of service of the personnel of the bank.. The responses relating to the opening of new account, opinion on deposits, credit and innovative services are also analysed. Opinion on the deposit schemes offered by the bank, level of customers services, opinion on the location of the bank, present accommodation, the working hours, the number of working days, the strength of staff, required staff at different levels, the allotment of work by rotation, and its effects relationship between customers and employees, staff members training, introduction of computerisation, requirement of specialized staff for marketing the products, staff meetings, environment review and operational system are also scrutinized. Period of conducting meetings, passing of
resolutions, adopting marketing strategies to promote products, level of customer service and reasons for good customer service are also evaluated.

The findings of the study are presented and suggestions are made in the last and final chapter.
REFERENCES


