

Marketing of Financial Services by Banks

Amandeep^{1*} Dr. Amit Kumar Chakarborty²

¹ Research Scholar, Sunrise University, Alwar, Rajasthan

² Associate Professor, Sunrise University, Alwar, Rajasthan

Abstract – Co-Operative Bank is a main rural bank in Kerala. In closing six years the Bank is stepped forward in the manner of deposits, borrowings, and so forth. In this junction, the researcher interest to understand what is the branding strategy and strategies used by the COSMOS BANK. This studies enables to different rural banks are getting right guidelines for his or her future steps. The COSMOS BANK is achieved unique popularity award in DCCB Category- Banking Frontiers 2016 and in 2018, the Bank got award from KSCB for Issue of most RuPay ATM Cards – Banking Frontiers. This achievements are primarily based its branding ideas and unique advertising strategic techniques. In this have a look at like to conclude, the COSMOS BANK financial institution is a role version for different rural bank and its want to develop the agricultural clients in the manner of credit money usages, getting better enterprise ideas and so. In particular, the premise for decision making on the purchase of a bank product depends at the specifics of the work accomplished by using the patron's responsibilities. The industrial banks of our united states of america must keep in mind the reasons for the decision making and the approaches to the acquisition of financial institution products with the aid of customers at some stage in the improvement of advertising strategies for banking merchandise.

Keywords – Marketing, Financial, Services, Banks

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INTRODUCTION

What is a cooperative?

“A cooperative is an self sufficient association of humans united voluntarily to Fulfill their common monetary, social and cultural wishes and aspirations through a collectively-owned and democratically managed company” They are business entities where human beings work collectively to remedy common issues, capture interesting possibilities and offer themselves with goods and offerings. A cooperative is managed on the idea that the clients of a enterprise are also the proprietors of the business. Each consumer is entitled to become a member of the cooperative society, thereby receiving the gain of fulfillment through a dividend payout. The starting of this exceptional motion is dated lower back to 1844, when a group of men referred to as the ‘Rochdale Pioneers’ started out trade in grocery produces in England, based totally on a ‘new’ standards of fair costs for dependable high-quality items. These companies are better diagnosed global wide, for their non-income man or woman and root degree social performing on voluntary basis. Voluntary and open club, democratic member manipulate, member monetary participation, autonomy and independence, education, training and records, cooperation among cooperatives and

concern for community are the ideas of cooperatives. Self assist, self responsibility, democracy, equality, equity and harmony are the values of cooperative businesses. In the way of life of its founders, the motion additionally follows such moral values as honesty, openness, social obligation and caring for others. Needless to mention, it's miles a social motion and its increase will unanimously bring about the healthful boom of the society.

Cooperatives in India

Cooperative movement in India has celebrated its centenary yr of service recently. Indian cooperatives are specific as they were initiated and supported via the government. Elsewhere it had always been organized handiest by volunteer members with least or no authorities intervention. In India it turned into brought in 1904, as the planners of the united states firmly believed that it is able to serve for countrywide improvement and also may want to function a shield in shielding the inclined segment of populace, specifically the farmers from sure social evils like agricultural backwardness, poverty and rural indebtedness. Though they have been to begin with prepared only as the credit score institutions, Indian cooperatives nowadays, tirelessly serve in countless areas of

services. They serve in credit score and non credit areas. They deliver credits for agriculture as well as non agriculture functions. They function their corporations in several non-credit levels too. They work for milk manufacturers, agricultural manufacturers, weavers, customers, fishermen, coir makers, employees, students of universities and schools, and for plenty others.

Marketing and selling

To absolutely appreciate the concept of advertising it's far higher to differentiate advertising and selling levitt" has determined that the difference among promoting and advertising is extra than semantic. "promoting specializes in the desires of the seller and marketing on the desires of the client. Selling is preoccupied invite the dealers want to transform his products or services in to, cash. Marketing however aims at fulfilling the wishes of the clients by using the services or products and with the aid of the complete cluster of things related to growing, handing over and in the end consuming it. Drucker has given a special approach stating that "promoting and advertising are Antithetical in place of synonymous or maybe complimentary." There will usually you will expect, the want for some selling. But the goal of advertising is to make selling superfluous. The motive of marketing is to recognise and apprehend the purchaser so well that the product or offerings fits him and sells itself. Ideally marketing have to result in a patron who is ready to buy. All that should be wanted then is to make the service or product available, ie, logistics as opposed to salesmanship, and statistical Distribution as opposed to promoting.

Service Marketing

Conceptually product advertising and service advertising are essentially the same. In other words the basic venture of advertising stays the same regardless of the products or offerings involved inside the deal. But the nature and scope of provider marketing, specifically that of monetary series advertising is quite extraordinary from that in the location of exact merchandise.

Marketing of financial services by banks

Marketing of monetary carrier differs from marketing in other industries within the involvement of advertising and marketing not handiest inside the provision of services to customers however inside the procurement of uncooked material on which most of the services are based. In other phrases financial institution advertising and marketing must carry out undoubtedly basically special features, i.E., attracting deposits and attracting barrowers or users of funds. This double-sided nature of banking business adds a fascinating complexity to the simply fascinating enterprise of economic offerings.

OBJECTIVES OF THE STUDY

1. To study on cooperatives in India
2. To study on marketing of financial services by banks.

RESEARCH METHODOLOGY

Methodology of the study

A descriptive take a look at aimed at empirical examination and analysis of the stated trouble. It will use specifically techniques viz. The face to face interview method (information collected from Bank officers) and Content analysis.

Source Of Data

Secondary records had been specially gathered from the yearly reports and audit file of Lucknow District Co-operative bank, and discussion with General Manager, Public Relation Officer and IT Department Head. And additionally statistics collect from COSMOS BANK financial institution internet site, Facebook page, brochures, their Supplement and other related published substances.

Research Design

Research design is the arrangements of activities for the gathering and analysis of the facts in a selected manner that pursuits to mix relevance to the motive with economic system in procedure. For this observe the layout is used as a descriptive. Descriptive design because the name itself implies is conducted to the describe something. This have a look at describes the most important strategic decisions of the Lucknow District Co-operative Bank of Kerala State and its remaining six years effects for improving the logo COSMOS BANK.

Profile Of The Bank

Lucknow District Co-operative Bank previously called MCC financial institution became began its function in 1917. 2017 is banks' treasured and superb centenary year. Now financial institution is having 63 branches for the duration of Lucknow District and having well prepared personnel energy of extra than 500 with a complete commercial enterprise of above Rs.6300Crore. Running in CBS, technologically driven Bank is now completely able to imparting almost all the tech banking merchandise which include RTGS/NEFT, DBT, CTS, ATM, POS, NRE transactions and many others. This financial institution has also received Mobile banking license from Reserve Bank of India, and having sound capital adequacy. As a Central Co-operative Bank, we are striving our degree pleasant to serve humans and society and in the leading edge to put into effect all State and Central Government tasks. Result of your help and

financial institution difficult paintings, financial institution has been ranked the primary among the district cooperative banks in the nation. Banks' esteemed member societies specially PACS are the returned bone of the financial institution. Bank is lots obliged to them. COSMOS BANK Bank plays a vital function inside the typical development of the district and now able to compete with any nationalized or industrial bank.

DATA ANALYSIS

Major Strategic Decisions of COSMOS BANK

SN	Strategic Decisions	Year of Launch	Cost
1	Regulatory compliance : (Share Capital increased to Rs.100Crores through Primary Co-Operative banks and societies for completion of RBI License Criteria)	2012	nil
2	CBS (Core Banking System) installation (Finacle Software Developed by Infosys and installed and maintained by Wipro services with the help of NABARD)	2013	1 Cr
3	CTS (Cheque Truncation System)	2013	5 Lk
4	ATM with National Network	2014	25 Lk
5	BuPay Debit Card	2014	Inclus. other
6	Mobile ATM cum Demonstration vehicle	2015	10 Lk
7	Office Automation (Document Management System)	2016	10 Lk
8	Direct RTGS/NEFT	2017	nil
9	Mobile banking	2017	10 Lk
10	E-Commerce (Online Shopping)	2017	Inclus. other
11	MPOS	2017	Chargeable
12	Digital marketing	2017	nil
13	Tab Banking (For aadhar linking by figure touch instead of KYC Documentation)	2018	1 Cr
14	IMPS	2018	Inclus. other

Implementation Steps/procedures of Major Strategic Decisions of COSMOS BANK

There are some steps taken via the administration stage to implementation of Strategic Decisions of COSMOS BANK. That are given below:-

Collecting Ideas from the employers/customers/administrative level Analysing get right of entry to criteria or Application criteria for Department and RBI Checking Procedural manual line through the priority department or RBI Submitting the request to the board and getting permission to proceed Conducting Departmental Meetings to gather guidelines Administrative decision making for implementation process

Apply the request to the involved authority Tender note publishing if it's far mandatory Setup a Mock Up for the better installation

Set up a group for lead and manipulate this new services or products to get the better end result Conduct education and awareness to the board, top stage, employees and the public.

Conduct campaigns for extra smooth get entry to the customers and to the public as a part of advertising

- Conduct assessment assembly and gather feedbacks to assure best end result about the involved product or services

- If all the above steps are carried out by way of correctly and fantastic result oriented, then the bank and the proposed group will sell it most thru all of the feasible channels and try to increase sale or enterprise by using this result

Performance Highlights of COSMOS BANK

In this examine, we are looking for the assessment of primary strategic selection implementation and its effects of the closing six years. So right here we are discussing the last six years most important highlights of COSMOS BANK and it is stepped forward or not via the impact of the principal strategic decisions.

PARTICULARS	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Number of Staff	366	393	435	435	427	444
Number of Customers	230000	295000	380000	465000	580000	650000
Number of Societies (Credit and others)	595	642	689	728	689	697
Number of Branches	47	50	54	60	63	63
Paid Up Share Capital	4370.43	8478.33	8538.32	11155.89	11174.96	11204.14
Reserve Fund	12868.11	16796.69	17377.75	20415.8	21300.46	24491.95
Total Deposit	193224.71	299554.90	297355.68	376340.40	419827.55	408315.86
Total Loans	189280.07	192511.35	211742.00	254639.81	311028.88	352425.41
Borrowings	43897.29	43027.94	30782.74	35255.66	79676.70	94634.67
Investment	46721.96	130759.55	146969.57	184881.38	219070.41	186940.67
Net worth	8363.49	13211.56	14656.27	18374.95	19472.55	21256.27
Working Capital	240404.47	309401.18	335690.85	416726.64	507722.96	509792.18
NET Profit	1062.85	1385.01	2169.84	2402.08	2083.52	3531.07
Total Income & Revenue	26123.01	30442.11	35848.12	49421.40	43174.29	49166.39
Total Expenses	23234.33	29564.03	33678.28	38019.75	41090.78	45635.11
Advertisement Expenses	30.00	90.00	105.00	136.00	170.00	170.00
NPA %	7.1	7.94	6.54	6.55	8.16	7.16
Total Business	382504.78	452066.24	509997.68	624980.21	731656.43	766741.26
Audit Classification	A	A	A	A	A	A

ANALYSIS OF THE STRATEGIC DECISIONS

In this "Performance adjustments of the COSMOS BANK for the duration of the period of study" table suggests a exceptional changes in all factors of the bank throughout the period of have a look at. All the important adjustments are comes through the results of the principal strategic selections in the remaining six year.

- The quantity of customers are improved from 2.30 lakh to six.50 lakh. It shows an increase of four.20 lakh numbers. This is an first rate increase best within the 6 years length.
- They can open sixteen new branches at some point of the period of the have a look at. They are maintaining a colour code, particular design, department indoors design, call board, different particular paintings pattern, etc. It creates brand photo inside the clients mind.
- The Share capital, Reserve, Deposits, Loans & Advances, Borrowings are accelerated Rs.6833.71lakh, Rs.12423.84 lakh, Rs.215091.15 lakh, Rs.163145.34 lakh, Rs.527378.38 lakh respectively. The financial institution should obtain this plenty

benefits from only the results of all the primary strategic selections.

- ▶ The financial institution can satisfy shareholders due to the liquidity passion of the financial institution via the sufficient Investments scheme. Here, the Investment is extended Rs.120226.71 lakh at some point of the length of the observe.
- ▶ The sufficient running capital enables the bank for a stress loose work atmosphere and day after day trustworthy transactions. Here, it is improved Rs.269387. Seventy one lakh all through the duration of the have a look at.
- ▶ The major choices encouraged inside the advertisement value of the financial institution. Because they want to tell all the new adjustments of the bank to the clients in a established and general way. And it should create a brand identity for COSMOS BANK. So they increase a systematic advertisement and publicity coverage. Then they changed all of the contemporary commercial device and allot good enough fund for it. Then the emblem COSMOS BANK system started. After that they conduct many new thoughts for improving Brand COSMOS BANK. It is mechanically increase overall business of the bank. As part of this works, they accelerated commercial fee finances from Rs.30 lakh in 2012-thirteen to Rs. Three hundred lakh. The financial institution extended price for commercial Rs.30lakh from 2012-13 to Rs.170 lakh. It indicates an increase of Rs. One hundred forty lakh for the duration of the duration of look at. This increase is the main components for developing logo "COSMOS BANK" idea.
- ▶ Total enterprise of the COSMOS BANK is elevated two hundred%. This is the actual effect of our have a look at. Because it's far happened only on all the main strategic selection affect. So it suggests the end result of our study. This is telling the story of a hit strategic choice implementation. The overall business is improved Rs.378236. Forty eight lakh throughout the duration of look at.
- ▶ Net Profit of the financial institution indicates a 332% boom. It is also the impact of most important strategic selections for the duration of the length of the look at. The Net Profit after the tax is extended Rs.246822 lakh.

CONCLUSION

In this studies paintings behavior theoretical critiques of the Banking operations in COSMOS BANK. The above accrued records suggests the COSMOS BANK take more steps for improve their Banking

Brand the various clients. In 2017, the customers are expanded 2.Eighty three% evaluate from 2012.The Fixed deposits are also extended 2.Eleven%. The clients may want to become aware of the COSMOS BANK each times which they want a banking carrier. And they've a unique love and care to the bank. Now, this COSMOS BANK is the Number One District Co-Operative financial institution in Kerala district. The bank finished many nation and country wide awards. The financial institution is competing with new era banks and nationalized banks. The bank have its own unique working lifestyle and nicely defines machine for handling paintings, staffs, customers, shareholders and all other associated events of the COSMOS BANK.

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Corresponding Author

Amandeep*

Research Scholar, Sunrise University, Alwar, Rajasthan