

Promotion of Bank Marketing – A Study

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Abstract – Promotion includes all marketing activities aimed at stimulating demand and demand can be stimulated by communicating with market. Thus the genesis of promotion or promotional efforts lies in effectively communicating with the market. The word communication is derived from a Latin word which means 'to share' and more fundamentally from the rootword 'communize', which means common communication involving sharing specific message with a target audience

INTRODUCTION

It is a fact that banking services have witnessed a number of turning points. The perception of customer services and customer satisfaction is now found substantially changed. The sophisticated information technologies have started showing their influence on the quality of banking services. The promotional measures are sizably influenced by the emerging new trends in the development and use of new generation of information technologies.

The banking organisations using advanced and sophisticated technologies have been successful in establishing an edge over the banks managed manually. Big budgets for promotion are not the basis for success. It is much more impact generating, proactive and productive.

Promotion includes all marketing activities aimed at stimulating demand and demand can be stimulated by communicating with market. Thus the genesis of promotion or promotional efforts lies in effectively communicating with the market. The word communication is derived from a Latin word which means 'to share' and more fundamentally from the rootword 'communize', which means common communication involving sharing specific message with a target audience.

Table 1.1

Customer's response to influence of advertising on bank marketing- location wise

(Figures in percentage)

Locatio	Very high	High	Moderat	Low	Very low	Total
Urban	4.00	27.00	59.33	9.57	0.00	100
Semi-	0.33	22.57	54.33	12.5	0.00	100
Rural	1.33	24.00	50.33	14.0	0.34	100
Total	1.89	24.55	51.33	12.1	0.11	100.0

Source: Field Survey

Table 1.2

Customer's response to influence of advertising on bank marketing

Region	Very high	High	Moderate	Low	Very low	Total
Northern	1.00	13.00	55.57	19.00	0.33	100
Central	4.33	31.00	52.57	2.00	0.00	100
Southern	0.33	29.57	54.57	15.33	0.00	100
Total	1.89	24.55	51.33	12.11	0.11	100.00

Source: Field Survey

The data contained in the Tables reveal that more than 51 per cent of the customers opined that the influence of advertisement is 'moderate' in bank marketing both location wise and region wise. And among the locations, the semi-urban area comes first in respect of stating that the influence of advertising is 'moderate'. Similarly, the Northern region comes first among the regions. The attitude of customers is similar to that of bank personnel regarding the influence of advertising in bank marketing.

The second factor taken for analysis is the influence of developing new products in bank marketing. The data contained in Tables 1.1 and 1.2 disclose the outcome of the study in location wise and region wise.

Table 1.3

Customer's response to influence of developing new products on bank marketing- Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	7.33	81.57	9.00	1.33	0.57	100
Semi-urban	8.00	88.57	3.00	0.33	0.00	100
Rural	12.00	79.57	7.33	0.57	0.33	100
Total	9.11	83.34	5.44	0.78	0.33	100.00

Source: Field Survey

Table 1.4

Customer's response to influence of developing new product on bank marketing - Region wise

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	2.33	88.00	9.33	0.34	0.00	100
Central	5.33	82.33	8.57	1.57	1.00	100
Southern	18.57	79.57	1.33	0.33	0.00	100
Total	9.11	83.34	5.44	0.78	0.33	100.00

Source: Field Survey

The data furnished in the Table reveals that developing new products have 'high' influence in bank marketing (83.33 per cent). Among the locations, the study reveals that Semi urban area comes first (88.57 per cent) in this regard. Among the locations, the Rural area records the lowest influence but this also is more than 79 per cent. In region wise analysis, the Northern region comes first in the case of influence of new products in bank marketing (88 per cent) and the lowest influence is in the Southern region, but it is more than 79 per cent.

Table 1.5

Customer's response to influence of public relation on bank marketing- Location wise Customer's response to influence of public relation on bank marketing- Region wise _ 'Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	22.57	75.33	1.57	0.00	0.33	100
Central	51.00	41.33	5.00	1.33	0.34	100
Southern	78.33	21.00	0.57	0.00	0.00	100
Total	50.57	45.89	2.78	0.44	0.22	100.00

Source: Field Survey

In the case of public relation, the information contained in Tables 1.5 and 1.6 reveal the outcome of the study. The data contained in the Tables reveal that in the point of view of customers, the influence of public relation in bank marketing occupies 'very high' influence (50 per cent). By close verification it is clear from the Table that more than 95 per cent of customers opined that the influence of public relation is 'very high or high' in bank marketing. In location wise analysis, it is found that among the locations, the rural area comes first and in region wise analysis it is clear that the Southern region comes first in the case of influence in bank marketing.

The next factor taken for study is the 'personal relation' in bank marketing. The data contained in Tables reveal that more than 75 per cent opined that the influence of 'personal relation' in bank marketing is very high (75.44 per cent) both in location wise and region wise. In location wise analysis, the semi-urban area comes first in this regard (80 per cent). In region wise analysis, the Southern region comes first (93 per cent) in this regard. Both bank personnel and customers respond in the same way regarding the influence of personal relation on bank marketing and they give the highest preference for personal relation in bank marketing. The customer's accessibility to bank personnel to express their requirements and to get the right direction is considered the prime aspect of bank marketing.

Customer's response to influence of telemarketing on bank marketing- Location wise In the case of telemarketing, the data contained in this Tables reveal that the influence in bank marketing is 'low' both in location wise and region wise (50, 89 per cent). Further, the data contained in the Table reveals that more than 88 per cent of the customers both in location wise and region wise opined that telemarketing as a factor for influencing bank marketing has 'low' or 'very low' effect in bank marketing. Even though it has been introduced in Indian marketing, its influence is confined to a few customers coming under high income bracket particularly from urban area.

Studies about price mixing and place mixing were also conducted. The outcome of the studies is displayed in Tables 1.6 & 1.7

Table 1.6

Customer's response to influence of price mixing on bank marketing- Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	0.57	1.33	34.00	39.33	24.57	100
Semi-urban	0.00	0.33	40.57	38.33	20.57	100
Rural	0.57	0.55	45.57	23.33	28.57	100
Total	0.44	0.78	40.44	33.57	24.57	100.00

Source: Field Survey

Customer's response to influence of price mixing on bank marketing - Region wise

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	0.33	1.57	18.33	34.00	45.57	100
Central	0.00	0.57	32.00	45.00	22.33	100
Southern	0.00	0.00	71.00	22.00	5.00	100
Total	0.44	0.78	40.44	33.57	24.57	100.00

Source: Field Survey

Customer's response to influence of place mixing on bank marketing - Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	1.33	2.33	50.00	25.00	20.34	100
Semi-urban	0.00	1.00	55.33	19.00	14.57	100
Rural	0.33	1.57	59.00	14.57	24.33	100
Total	0.55	1.55	58.11	19.89	19.78	100.00

Source: Field Survey

Table 1.7

Customer's response to influence of place mixing on bank marketing - Region wise

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	1.00	3.00	35.57	21.33	39.00	100
Central	0.34	1.33	55.00	25.33	18.00	100
Southern	0.33	0.57	83.57	13.00	2.33	100
Total	0.55	1.55	58.11	19.89	19.78	100.00

Source: Field Survey

mixing, the Table shows that among the locations, the rural area comes first (45.57 per cent) and among the regions, the southern region comes first in this regard. The data contained in the Table shows that more than 74 per cent of the customers opined that the influence of price mixing is either 'moderate' or 'low'. In the case of place mixing the information furnished in the Table reveals that among the locations, the semi-urban area comes first in the influence in bank marketing.

Another factor taken for study with regard to the influence on bank marketing is physical attraction. The outcome of the study in connection with physical attraction is described in Tables 1.8 and 1.9 in location wise and region wise.

Table 1.8

Customer's response to influence of physical attraction on bank marketing- Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	1.00	9.57	75.33	10.57	3.33	100
Semi-urban	0.00	14.57	78.00	5.00	1.33	100
Rural	0.57	10.33	78.57	7.57	2.55	100
Total	0.55	11.55	77.33	8.11	2.44	100.00

Source: Field Survey

Table 1.9

Customer's response to influence of physical attraction on bank marketing-Region

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	1.34	23.33	59.57	3.33	2.33	100
Central	0.00	7.00	78.00	11.00	4.00	100
Southern	0.34	4.33	84.33	10.00	1.00	100
Total	0.55	11.55	77.33	8.11	2.44	100.00

Source: Field Survey

The data furnished in the Table reveals that the influence of price mixing and place mixing are 'moderate' in location wise and region wise. In location wise analysis of price

The data contained in the Table shows that more than 77 per cent are of the view that the influence of physical attraction in bank marketing is 'moderate'. In location wise

analysis it is found that both in the rural area and the semi-urban area the influence of physical attraction is somewhat the same, that is, 78.57 per cent and 78 per cent. In region wise analysis, the Southern region comes first (84.37 per cent) and the lowest is in the Northern region (59.57 per cent). The studies clearly show that physical attraction of bank personnel is also a factor which influences bank marketing that is it is not a negligible factor in banking.

In the case of A TM, bank personnel responded that its influence in bank marketing is 'very low'. But by analysing customers' attitude towards ATM as a factor for bank marketing, the outcome of which can be seen in the data contained in Tables 5.49 and 5.50, it was seen that the influence is low in location wise and region wise (59.11 per cent).

Customer's response to influence of ATM on bank marketing - Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	1.34	2.33	12.33	55.00	28.00	100
Semi-urban	0.00	3.33	13.00	54.57	19.00	100
Rural	0.57	2.57	10.33	58.00	28.33	100
Total	0.57	2.77	11.89	59.55	25.11	100.00

Source: Field Survey

Table 1.10

Customer's response to influence of ATM on bank marketing - Region wise

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	1.34	1.57	13.33	35.33	48.33	100
Central	0.34	4.33	15.00	57.33	22.00	100
Southern	0.34	2.33	5.33	85.00	5.00	100
Total	0.57	2.77	11.89	59.55	25.11	100.00

It is also found that more than 85 per cent come under the category of both 'low' and 'very low'. In location wise analysis the data contained in the Table reveals that among the locations, more than 54.57 per cent of the customers from Semi-urban area opined that the influence is low and in region wise studies, 85 per cent customers from the Southern region also state that the influence of ATM in bank marketing is low.

Among the factors analysed to identify the influences on bank marketing, the last factor is professionalism. The data contained in the Tables 1.11 and 1.12 reveal the outcome of the study in location wise and region wise.

Table 1.11

Customer's response to influence of Professionalism on bank marketing - Location wise

(Figures in percentage)

Location	Very high	High	Moderate	Low	Very low	Total
Urban	2.57	55.57	27.00	1.00	2.55	100
Semi-urban	1.57	80.33	13.57	2.33	2.00	100
Rural	3.00	77.00	15.33	1.00	2.57	100
Total	2.44	74.58	19.00	1.44	2.44	100.00

Source: Field Survey

Table 1.12

Customer's response to influence of Professionalism on bank marketing - Region wise

(Figures in percentage)

Region	Very high	High	Moderate	Low	Very low	Total
Northern	4.34	79.33	14.00	1.33	1.00	100
Central	2.57	54.33	28.57	0.33	4.00	100
Southern	0.33	80.34	14.33	2.57	2.33	100
Total	2.44	74.58	19.00	1.44	2.44	100.00

The data contained in the Tables show the influence of professionalism in bank marketing is 'high' in location wise and region wise (73.54 per cent). Location wise it was found that, the Semi-urban area comes first in this regard (80.33 per cent) and in region wise analysis, the Southern region comes first (80.33 per cent) and it is only one per cent more than the Northern region.

Out of all the factors taken for study, both bank personnel and bank customers have opined that 'personal relation' is the most important factor in bank marketing and is ranked by both groups as 'very high'. Customers ranked public relation also under 'very high' category, but bank personnel categorised it under 'high'. In the case of developing new products and professionalism, both bank personnel and customers have the same point of view and they grouped these factors under the category of 'high'. Advertising and physical attraction have moderate influence and all other factors that is Telemarketing, price mixing and ATM are considered by bank personnel as having 'very low'

influence in bank marketing but customers gave a 'low' rating to these factors.

These conclusions are displayed in Figure 1.13

Factors	Employees		Customers	
	Location	Region	Location	Region
Advertising	Moderate	Moderate	Moderate	Moderate
New product	High	High	High	High
Public relation	High	High	Very High	Very High
Personal relation	Very High	Very High	Very High	Very High
Tele marketing	Very Low	Very Low	Low	Low
Price mixing	Very Low	Very Low	Moderate	Moderate
Place mixing	Low	Low	Moderate	Moderate
Physical attraction	Moderate	Moderate	Moderate	Moderate
ATM	Very Low	Very Low	Low	Low
Professionalism	High	High	High	High

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