



## **EVALUTION OF MARKETING CONCEPT IN BANKING INDUSTRY**

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### **ABSTRACT**

The banking industry has undergone significant transformations in recent years, driven by technological advancements, changing customer needs, and increasing competition. In this dynamic landscape, the marketing concept has emerged as a critical strategy for banks to differentiate themselves, build customer loyalty, and drive business growth. The marketing concept, which emphasizes understanding customer needs and creating value for them, has become essential for banks to remain competitive and relevant. This evaluation aims to assess the effectiveness of the marketing concept in the banking industry, exploring its impact on customer satisfaction, loyalty, and business performance. By examining the marketing strategies and practices adopted by banks, this evaluation seeks to identify best practices, challenges, and areas for improvement, ultimately providing insights for banks to enhance their marketing efforts and achieve sustainable growth.

### **INTRODUCTION**

The rise of digital banking and mobile payments has altered the way customers interact with banks, forcing them to rethink their marketing strategies. By adopting a customer-centric approach, banks can develop targeted marketing strategies that address the unique needs and preferences of their customers. This can lead to increased customer satisfaction, loyalty, and retention, ultimately driving business growth and profitability. Banks must navigate complex regulatory environments, manage risk, and maintain security while delivering personalized customer experiences.



Moreover, the increasing use of digital channels has raised concerns about data privacy, cybersecurity, and the potential for disintermediation.

## **OBJECTIVES OF THE STUDY**

- To build strong, lasting relationships with customers by meeting or exceeding their expectations.
- By understanding the unique needs of different groups (e.g., individuals, businesses, high-net-worth individuals), banks can offer personalized services, which enhances customer satisfaction and increases market share.
- To Increase revenue by attracting new customers and cross-selling financial products.

## **SCOPE OF THE STUDY**

The scope of the marketing concept in the banking industry is multifaceted, encompassing the development and implementation of customer-centric strategies to create value, drive business growth, and maintain competitiveness. This includes analysing customer needs, preferences, and behaviours to design tailored products and services, such as deposit accounts, loans, credit cards, and investment products. The scope also covers the leveraging of digital channels, social media, and data analytics to enhance customer engagement, experience, and loyalty, as well as to improve operational efficiency and reduce costs. Furthermore, the scope considers the integration of marketing activities with other business functions, such as risk management, operations, and technology, to ensure a cohesive and customer-focused approach.

## **STATEMENT OF THE PROBLEM**

The Banking Industry is facing significant challenges in effectively implementing the marketing concept, resulting in a substantial gap between customer expectations and the actual delivery of value. The consequences of this mismatch are evident in declining



customer satisfaction, loyalty, and retention rates, ultimately affecting banks' revenue growth and profitability. Furthermore, the rise of fintech and digital banking has disrupted traditional banking models, making it essential for banks to adopt innovative marketing strategies that leverage technology, data analytics, and social media to engage customers and create personalized experiences. However, many banks lack the necessary marketing capabilities, infrastructure, and culture to support this transformation, resulting in missed opportunities for growth, customer loyalty, and revenue generation

## **RESEARCH METHODOLOGY**

### **RESEARCH AIM**

The aim of this study is to explore how banks implement the marketing concept to improve customer satisfaction, increase retention, and gain a competitive edge.

### **RESEARCH OBJECTIVES ARE**

1. To understand how banks apply the marketing concept to customer satisfaction.
2. To evaluate the effectiveness of customer-centric strategies (e.g., personalized services, customer feedback systems).
3. To analyze the impact of the marketing concept on customer loyalty and brand reputation in the banking industry.

### **RESEARCH DESIGN**

Research design is the strategy and plan that guides the process of conducting a research project. Its a blueprint for how to collect, analyze, and interpret data, and its a critical component of the research process

## **METHODS OF DATA COLLECTION**

### **PRIMARY DATA:**



Primary data is defined as the first-time data collected. It is new in nature. This type of data is collected directly from the source of information. The techniques to collect primary data in this study are personal interview through surveys with structured questionnaire

**SAMPLE SIZE:** The sample size will consists of approximately 100 respondents, ensuring sufficient data for analysis.

## REVIEW OF LITERATURE

**“Digital Transformation in Banking: A Marketing Perspective” by Kumar et al. (2022)** This study explores the impact of digital transformation on banking marketing strategies and digital channels enhance customer engagement. Mobile banking apps improve customer satisfaction.

**“Relationship Marketing in Banking: A Systematic Review” by Singh et al. (2022)** This review examines the role of relationship marketing in banks. Quality service and communication drive customer satisfaction. Personalized products and services enhance customer loyalty.

**“The Impact of Artificial Intelligence on Banking Marketing” by Rao et al. (2022)** This study investigates AI’s influence on banking marketing strategies. AI-driven chat bots enhance customer service. Predictive analytics enables targeted marketing.

**“Sustainability in Banking Marketing: A Review” by Sharma et al. (2022)** This review explores sustainability’s role in banking marketing. Sustainable banking practices enhance brand reputation. Environmental concerns influence customer loyalty.

**“Influence of Social Media on Banking Marketing” by Gupta et al. (2022)** This study examines social media’s impact on banking marketing strategies. Social media



enhances customer engagement. Influencer marketing drives brand awareness. Online reviews influence customer loyalty

## ANALYSIS AND INTERPRETATION

TABLE NO 1

### AWARE ABOUT THE BANKING FACILITIES

S.NO	AWARE ABOUT THE BANKING FACILITIES	NO.OF.RESPONDENTS	PERCENTAGE
1	YES	95	95
2	NO	5	5
	<b>TOTAL</b>	<b>100</b>	<b>100</b>

**SOURCE:** Primary Data

#### INTERPRETATION:

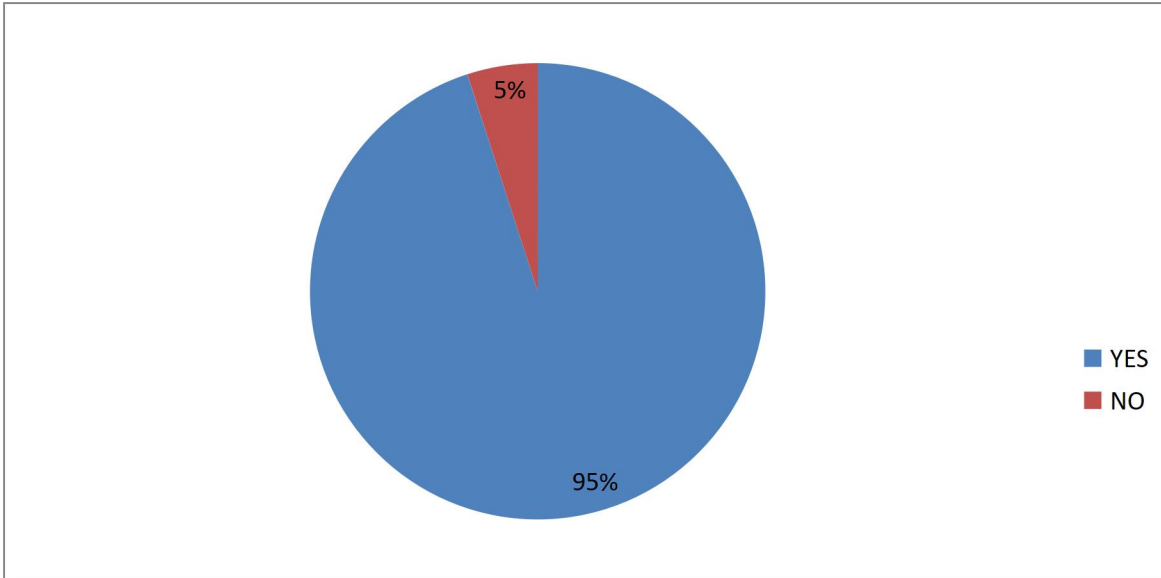
The above table indicates that 95% respondents are aware about the marketing and mobile banking facilities provided in the bank and 5% respondents are not aware about the marketing and mobile banking facilities provided in the bank

INFERENCE: Majority of 95% of the respondent are yes

CHART NO 1



**AWARE ABOUT THE MARKETING FACILITIES**



**TABLE NO 2**

**CUSTOMER SEGMENT BANK PRIMARILY TARGET**

S.NO	CUSTOMER SEGMENTS	NO.OF.RESPONDENTS	PERCENTAGE
1	INDIVIDUALS	39	39
2	SMALL BUSINESS	36	36
3	LARGE BUSINESS	21	21
4	OTHERS	4	4
	<b>TOTAL</b>	<b>100</b>	<b>100</b>

**SOURCE:** Primary Data

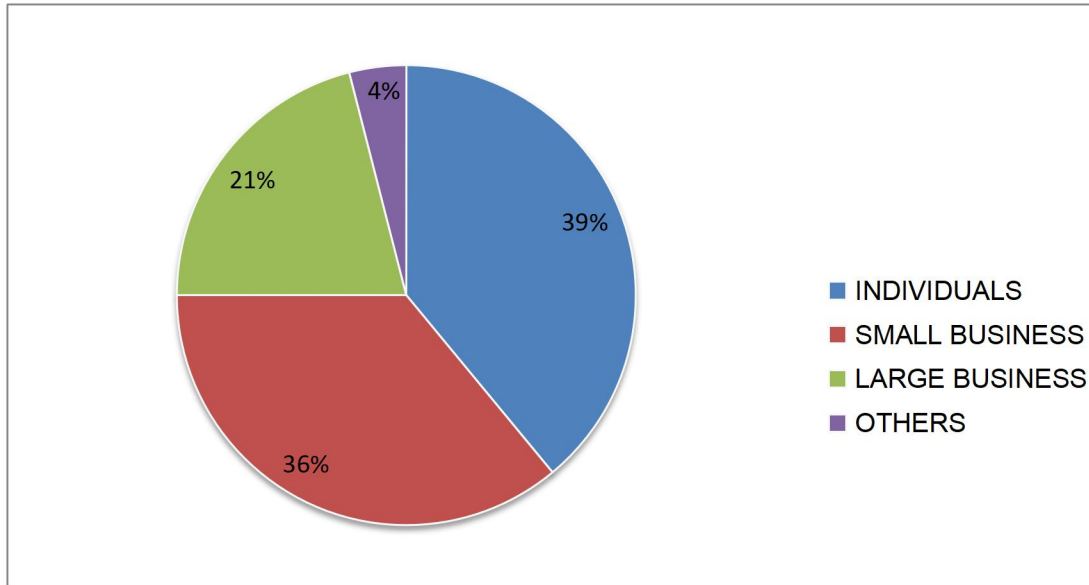
**INTERPRETATION**

The above table indicates that 39% of respondents choose individuals ,36% for small business, 21% for large business and 4% for other customer segments that bank primarily target.

**INFERENCE:**Majority of 39% of the respondent are individuals.



**CHART NO 2  
CUSTOMER SEGMENTS**



**TABLE NO 3  
REASON FOR SELECTING E-BANKING SERVICES**

S.NO	REASON FOR SELECTING E-BANKING	NO OF RESPONDENTS	PERCENTAGE
1	CONVENIENCE	31	31
2	SAFE AND SECURE	43	43
3	E-STATEMENTS	9	9
4	LOW SERVICE CHARGES	15	15
5	OTHERS	2	2
	<b>TOTAL</b>	<b>100</b>	<b>100</b>

**SOURCE:** Primary Data

INTERPRETATION

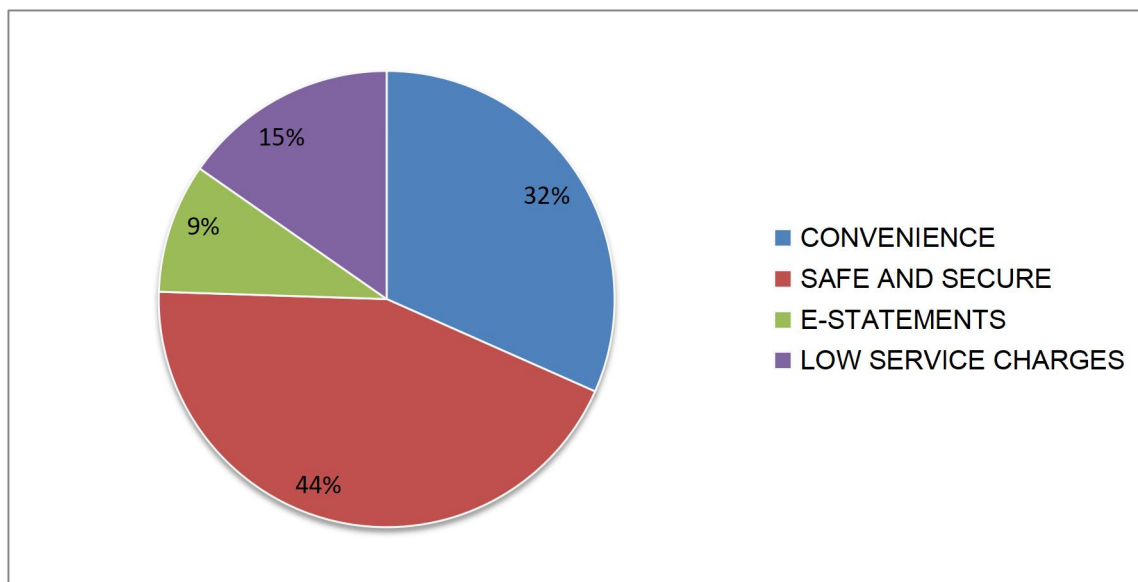


The above table indicates that 31% of respondents choose convenience, 43% choose safe and secure, 9% choose e-statements, 15% choose low service charges and 2% respondents choose other reasons for selecting E-Banking services

INFERENCE: Majority of 43% of the respondent are safe and secure

**CHART NO 3**

**REASON FOR SELECTING E-BANKING SERVICES**



**FINDINGS**

- Majority 95% of respondents are yes
- Majority 39% of respondents are individuals
- Majority 43% of respondents are safe and secure

**SUGGESTIONS**

- To Focus on understanding customers' needs and preferences to create tailored banking solutions and services by customer centric approach.
- Invest in digital banking solutions such as mobile apps and online platforms to offer convenience and enhance customer engagement.





- Use data analytics to deliver personalized offers, messages, and recommendations to customers based on their banking behavior as personalized communications.
- Develop reward and loyalty programs to encourage repeat business and improve customer retention.

## CONCLUSION

In conclusion, the evaluation of marketing concepts within the banking industry highlights the critical role of customer-centric strategies in driving growth and enhancing brand loyalty. As financial services continue to evolve with technological advancements and changing consumer expectations, banks must embrace innovative marketing practices, such as personalized digital offerings, data-driven insights, and seamless customer experiences. Moreover, adapting to societal trends, regulatory shifts, and increased competition requires a balanced approach that integrates traditional and modern marketing tactics. Ultimately, banks that successfully align their marketing strategies with customer needs, technological advancements, and market dynamics are poised for sustained success and long-term customer relationships.

## BIBLIOGRAPH

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