



## **A STUDY ON CUSTOMER AWARENESS TOWARDS MARKETING STRATEGIES ADOPTED BY BANKS IN KANNIYAKUMARI DISTRICT**

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### **ABSTRACT**

Banks are public service institutions dealing with funds of the public. A bank is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly or through capital markets. A bank connects customers that have capital deficits to customers with capital surpluses. The word ‘Bank’ is derived from the French word ‘Banco’ which means Bench or Money exchange table. In olden days, European money lenders used to display coins of different countries in big heaps on benches or tables for the purpose of lending or exchanging. Some people trace the origin of the word ‘Bank’ from the German word “Bank” means a “joint stock fund”. In simple words Bank is an institution which deals in money and credit. The Indian banking system consists of 12 public sector banks, 22 private sector banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks and 96,000 rural cooperative banks in addition to cooperative credit institutions As of September 2021, the total number of ATMs in India reached 213,145 out of which 47.5 percentage are in rural and semi urban areas. The main objective of the study is to analyze the awareness of customers towards marketing strategies of Indian banks with special reference to Kanniyakumari district. The study is confined with both primary and secondary data. In order to study the customer awareness towards marketing strategies adopted by Indian banks in Kanniyakumari 150 bank customers are selected as samples using convenient sampling method. The collected data were analyzed with the help of various statistical measures such as Percentage and Chi-square test.

**Key Words:** Bank, Banking Sector, Banker and Marketing Mix

### **INTRODUCTION**

Banks are public service institutions dealing with funds of the public. A bank is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly or through capital markets. A bank connects customers that have capital deficits to customers with capital surpluses. The word ‘Bank’ is derived from the French word ‘Banco’ which means Bench or Money exchange table. In olden days, European money lenders used to display coins of different countries in big heaps on benches or tables for the purpose of lending or exchanging. Some people trace the origin of the word ‘Bank’ from the German word “Bank” means a “joint stock fund”. In simple words Bank is an institution which deals in money and credit. According to Herbert L.Hart, “A banker is one who in the ordinary course of his business honours cheques drawn upon him by persons from and for whom he receives money on current accounts”. According to Banking Regulation Act “Banking means the accepting for the purpose of lending or investment of deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise”. The



Indian banking system consists of 12 public sector banks, 22 private sector banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks and 96,000 rural cooperative banks in addition to cooperative credit institutions. As of September 2021, the total number of ATMs in India reached 213,145 out of which 47.5 percentage are in rural and semi urban areas.

## **MARKETING MIX IN BANKING SECTOR**

### **Service**

The Banking services are mainly deals with lending, depositing and transferring procedures of money. These intangible services are shaped in contracts. The structure of banking services affects the success of institution in long term. Besides the basic attributes like speed, security and ease in banking services, the rights like consultancy for services to be compounded are also preferred.

### **Price**

Banks should be very careful in determining their prices and price policies. Because mistakes in pricing cause customers' shift toward the rivals offering likewise services. Traditionally, banks use three methods called "cost-plus", "transaction volume base" and "challenging leader" in pricing of their services.

### **Promotion**

One of the most important elements of marketing mix of services is promotion which is consist of personal selling, advertising, public relations, and selling promotional tools.

### **Personal Selling**

Due to the characteristics of banking services, personal selling is the way that most banks prefer in expanding selling and use of them.

### **Advertising**

Advertising media and channels that banks prefer are newspaper, magazine, radio, direct posting and outdoor ads and TV commercials. In the selection of media, target market should be determined and the media that reach this target easily and cheaply must be preferred.

### **Selling Promotional Tools**

Another element of the promotion mixes of banks is improvement of selling. Mostly used selling improvement tools are layout at selling point, rewarding personnel, seminars, special gifts, premiums, contests.

## **OBJECTIVE OF THE STUDY**

The main objective of the study is to analyze the awareness of customers towards marketing strategies of Indian banks with special reference to Kanniyakumari district.

## **METHODOLOGY**

### **SOURCES OF DATA**

The study is confined with both primary and secondary data. The primary data is collected through a well-structured interview schedule. The secondary data have been mainly collected from the books, journals, magazines, and also from the internet.

### **SAMPLING DESIGN**

In order to study the customer awareness towards marketing strategies adopted by Indian banks in Kanniyakumari 150 bank customers are selected as samples using convenient sampling method.



### STATISTICAL TOOLS USED

The collected data were analyzed with the help of various statistical measures such as *Percentage and Chi-square test*.

The formula for Chi – square is

$$\chi^2 = \sum \frac{(O-E)^2}{E} \text{ with } (r-1) (c-1) \text{ degrees of freedom}$$

### HYPOTHESIS

On the basis of the objective of the study, the following null hypothesis was developed for the purpose of the present study.

Ho There is no relationship between the personal factors and the level of awareness towards marketing strategies adopted by Indian banks.

### ANALYSIS OF DATA

#### AGE OF THE CUSTOMERS

Age is an important factor which helps a person to make important decisions in his/her life. The sample customers were classified on the basis of their age and presented in the below table.

##### AGE OF THE CUSTOMERS

| Sl. No. | Age (in years) | No of respondents | Percentage |
|---------|----------------|-------------------|------------|
| 1       | Less than 25   | 24                | 18         |
| 2       | 25 – 40        | 66                | 44         |
| 3       | 41 – 50        | 42                | 28         |
| 4       | Above 50       | 18                | 12         |
|         | <b>Total</b>   | <b>150</b>        | <b>100</b> |

#### Source: Primary Data

It is revealed from the above table that 24(18 Percentage) of the respondents comes under the age group of Less than 25 years, 66(44 Percentage) of the sample customers belongs to the age group of 25–40 years, 42(28 Percentage) of the respondents comes under the age group of 31–50 years and the remaining 18(12 Percentage) of the sample customers belongs to the age group of Above 50 years.

#### GENDER OF THE CUSTOMERS

Gender is an important factor considered to study about the marketing services of SBI in the study area. The respondents are classified on the above basis and presented in the below table.

##### GENDER OF THE RESPONDENTS

| Sl. No. | Gender       | No of respondents | Percentage |
|---------|--------------|-------------------|------------|
| 1       | Male         | 92                | 61         |
| 2       | Female       | 58                | 39         |
|         | <b>Total</b> | <b>150</b>        | <b>100</b> |

#### Source: Primary Data

From the above table it is clear that out of the 150 total sample customers, 92(61 Percentage) of them are Male and 58(39 Percentage) of the respondents are Female.

#### MARITAL STATUS OF THE CUSTOMERS



The sample customers are also classified on the basis of their marital status and presented in the following table.

#### MARITAL STATUS OF THE CUSTOMERS

| Sl. No. | Marital status | No. of respondents | Percentage |
|---------|----------------|--------------------|------------|
| 1       | Unmarried      | 32                 | 21         |
| 2       | Married        | 118                | 79         |
|         | <b>Total</b>   | <b>150</b>         | <b>100</b> |

#### Source: Primary Data

It is inferred from the above table that out of 150 respondents, 32(21 Percentage) of the respondents were unmarried and the remaining 118(79 Percentage) of them were married.

#### EDUCATIONAL QUALIFICATION OF THE CUSTOMERS

The Educational qualification of the sample customers are also considered for the study since it plays a vital role in occurring knowledge about the banking services. The educational qualification of the sample customers is presented in the following table.

#### EDUCATIONAL QUALIFICATION

| Sl. No. | Educational qualification | No. of respondents | Percentage |
|---------|---------------------------|--------------------|------------|
| 1       | Under Graduation          | 93                 | 62         |
| 2       | Post Graduation           | 36                 | 24         |
| 3       | Others                    | 21                 | 14         |
|         | <b>Total</b>              | <b>150</b>         | <b>100</b> |

#### Source: Primary Data

The above table clearly shows that 93(62 Percentage) of the sample customers are under graduates, 36(24 Percentage) of them are Post Graduates and the remaining 21(14 Percentage) of the sample customers are having other qualifications such as Diploma, school education, professional degree etc.

#### OCCUPATION OF THE CUSTOMERS

Occupation is an important factor which decides the socio-economic status of an individual. The sample customers are also classified on the above basis and presented in the following table.

#### OCCUPATION OF THE CUSTOMERS

| Sl. No. | Occupation          | No. of respondents | Percentage |
|---------|---------------------|--------------------|------------|
| 1       | Government employee | 17                 | 11         |
| 2       | Private employee    | 86                 | 57         |
| 3       | Others              | 47                 | 32         |
|         | <b>Total</b>        | <b>150</b>         | <b>100</b> |

#### Source: Primary Data

The above table clearly indicates that, 17(11 Percentage) of the sample customers are Government employees, 86(57 Percentage) of them are Private employees and the remaining 47(32 percent) of the respondents are engaged under other categories of occupation such as business, Agriculturist, house wives etc.

#### BANK IN WHICH THE CUSTOMERS' HOLDING THEIR ACCOUNT



There are many public sector and private sector banks situated in the study area and the customers maintain their account in any of the banks located near their residence. The following table depicts the bank in which the customers' holding their account.

#### BANK IN WHICH THE CUSTOMERS' HOLDING THEIR ACCOUNT

| Sl. No. | Name of the Bank     | No. of respondents | Percentage |
|---------|----------------------|--------------------|------------|
| 1       | State Bank of India  | 37                 | 25         |
| 2       | Indian Overseas Bank | 61                 | 41         |
| 3       | Axis Bank            | 18                 | 12         |
| 4       | Indian Bank          | 11                 | 07         |
| 5       | Others               | 23                 | 15         |
|         | <b>Total</b>         | <b>150</b>         | <b>100</b> |

#### Source: Primary Data

It is revealed from the above table that, 37(25 Percentage) of the sample customers are account holders in State Bank of India, 61(41 Percentage) of the respondents are Indian Overseas Bank customers, 18(12 Percentage) of them are respondents are account holders in Axis Bank, 11(07 Percentage) of them are Indian Bank customers and the remaining 23(15 Percentage) of the respondents are customers of other banks such as Tamil Nadu Mercantile Bank, Punjab National Bank, Central Bank etc.

#### DURATION OF AVAILING BANKING SERVICES

It is important to know how long the customers were availing banking services. The following table shows classification of the customers on the basis of the duration of using banking services.

#### DURATION OF AVAILING BANKING SERVICES

| Sl. No. | No. of Years      | No. of respondents | Percentage |
|---------|-------------------|--------------------|------------|
| 1       | Less than 5 years | 47                 | 31         |
| 2       | 5to 10 years      | 72                 | 48         |
| 3       | Above 10 years    | 31                 | 21         |
|         | <b>Total</b>      | <b>150</b>         | <b>100</b> |

#### Source: Primary Data

From the above table we came know that, 47(31 Percentage) of the sample customers are availing the banking services for less than 5 years, 72(48 Percentage) of them are availing the services for 5 years to 10 years and the remaining 31(21 Percentage) of the customers are availing banking services for above 10 years.

#### FREQUENCY OF USING BANKING SERVICES

The respondents use the banking services on the basis of their needs and convenience so it is also considered for the study. The sample bank customers are classified on the above basis and presented in the below table.

#### FREQUENCY OF USING BANKING SERVICES

| Sl. No. | Frequency   | No. of respondents | Percentage |
|---------|-------------|--------------------|------------|
| 1       | Daily       | 09                 | 06         |
| 2       | Weekly      | 21                 | 14         |
| 3       | Fortnightly | 44                 | 29         |



|   |              |            |            |
|---|--------------|------------|------------|
| 4 | Monthly      | 76         | 51         |
|   | <b>Total</b> | <b>150</b> | <b>100</b> |

**Source: Primary Data**

It is inferred from the above table that 9(06 Percentage) of the respondents are using bank services daily, 21(14 Percentage) of the respondents are weekly using the banking services, 44(29 Percentage) of the sample customers are fortnightly using the banking services and the remaining 76(51 Percentage) of the respondents are monthly using the banking services.

**LEVEL OF AWARENESS TOWARDS MARKETING STRATEGIES OF BANKS**

The opinion of the sample customers about the awareness towards the marketing strategies adopted by the banks are also analyzed and presented in the following table.

**LEVEL OF AWARENESS TOWARDS MARKETING STRATEGIES OF BANKS**

| Sl. No. | Awareness Level | No. of respondents | Percentage |
|---------|-----------------|--------------------|------------|
| 1       | Highly aware    | 36                 | 24         |
| 2       | Neutrally aware | 82                 | 55         |
| 3       | Not aware       | 32                 | 21         |
|         | <b>Total</b>    | <b>150</b>         | <b>100</b> |

**Source: Primary Data**

From the above table it is found that, out of 150 respondents' 36(24 percentage) of the respondents are highly aware, 82 (55 percentage) of them are neutrally aware and the remaining 32(21 percentage) of the sample customers are not aware about the marketing strategies of Banks.

**ASSOCIATION BETWEEN PERSONAL FACTORS AND LEVEL OF AWARENESS [CHI – SQUARE ANALYSIS]**

An attempt has been made to analyze the personal factors and the Level of awareness towards the marketing strategies of Banks by adopting Chi – square test.

**AGE AND LEVEL OF AWARENESS**

The association between the age of the respondents and their awareness level towards Marketing Strategies adopted by Banks is analyzed using chi-square test and presented in the below table.

**AGE AND LEVEL OF AWARENESS [Chi-Square Test]**

| Chi-square value | Degrees of freedom | Table value | Inference            |
|------------------|--------------------|-------------|----------------------|
| 11.86            | 6                  | 12.59       | <b>Insignificant</b> |

**Source: Computed Value**

From the above analysis it is seen that the calculated value (11.86) of Chi-square is less than the table value (12.59), and hence the null hypothesis is accepted. Thus, the age of the respondent has no significant association with the level of awareness towards the marketing strategies adopted by the banks.

**EDUCATION AND LEVEL OF AWARENESS**

The association between the education and the level of awareness towards the marketing strategies adopted by the banks is analyzed using chi-square test and presented in the below table.

**EDUCATION AND LEVEL OF AWARENESS [Chi-Square Test]**

| Chi-square value | Degrees of freedom | Table value | Inference |
|------------------|--------------------|-------------|-----------|
|------------------|--------------------|-------------|-----------|





|       |   |       |                    |
|-------|---|-------|--------------------|
| 12.82 | 4 | 9.488 | <b>Significant</b> |
|-------|---|-------|--------------------|

**Source: Computed Value**

It is revealed that the calculated value (12.82) of Chi-square is greater than the table value (9.488), and hence the null hypothesis is rejected. Hence it is revealed that the education of the sample customers is dependent to the Level of awareness towards the marketing strategies adopted by the banks.

**OCCUPATION AND LEVEL OF AWARENESS**

An analysis was made to find out the association between the occupation of the respondents and the level of awareness is analyzed using chi-square test and presented in the below table.

**OCCUPATION AND LEVEL OF AWARENESS [Chi-Square Test]**

| Chi-square value | Degrees of freedom | Table value | Inference          |
|------------------|--------------------|-------------|--------------------|
| 10.63            | 4                  | 9.488       | <b>Significant</b> |

**Source: Computed Value**

From the above analysis it is seen that the calculated value (10.63) of Chi-square is greater than the table value (9.488), and hence the null hypothesis is rejected. Hence it is revealed that the occupation of the respondents is dependent to the level of awareness.

**FINDINGS****The major important findings of the study are:**

- Regarding the age of the respondents 66(44 Percentage) of the sample customers belongs to the age group of 25– 40 years.
- The researcher found that Majority 92(61 Percentage) of the sample customers are Male.
- Majority 118(79 Percentage) of the respondents were married.
- From the total 150 respondents 93(62 Percentage) of them are under graduates.
- It is lucid that majority 86(57 Percentage) of the sample respondents are Private employees.
- Most 61(41 Percentage) of the respondents are Indian Overseas Bank customers.
- The researcher found that 72(48 Percentage) of the sample respondents are availing the services for 5 years to 10 years.
- From the total 150 respondents' majority 76(51 Percentage) of the respondents are monthly using the banking services.
- It is found that 82 (55 percentage) of the sample customers are not aware about the marketing strategies adopted by the Banks.
- The personal factors such as educational qualification and occupation are dependent to the level of awareness and the factor age is independent to the awareness level of the customers towards the marketing strategies adopted by the Banks.

**CONCLUSION**

From the above study it is concluded that most of the sample bank customers are neutrally aware about the marketing strategies adopted by the banks. The customers are changing in terms of their wants, needs, desires, expectations and problems and the bank have to understand their customers and educate them about their products and services to retain them. Hence it is suggested that the bank must create awareness about the banking services offered to the customers by adopting better marketing strategies.



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