

Name of the Scholar: Mustafa Raza Rabbani

Supervisor: Dr. Mohammed kamalun Nabi

Department: Department of Commerce and Business Studies

Title of the Thesis: MARKETING OF FINANCIAL SERVICES BY PUBLIC SECTOR AND PRIVATE SECTOR BANKS: A COMPARATIVE STUDY OF SBI AND ICICI BANKS

ABSTRACT

The last decade witnessed sea changes in the economic and financial services environment all over the world. With the liberalisation sweeping all over in general and financial sector in particular, the financial services sector is set for a spectacular transformation. The financial sector has become more customer-friendly, offering a wide range of products through multiple delivery channels. The new and versatile financial instruments have given an impetus to the growth of financial innovations. The boom in financial services companies is no doubt a welcome developments. But at the same time, they require special skills to run financial services efficiently.

The present study examines the growth, viability, and reliability of major financial services being marketed by the public sector and private sector banks more specifically by SBI and ICICI Bank. In the process an attempt has also been made to study the prevailing marketing practices followed by the Public Sector and Private Sector Banks. Empirically various innovative financial services provided by the SBI and ICICI bank has been compared and various ways has been suggested by which Commercial Banks can make the Marketing of Services more effective for customers

The study is based on primary data collected through a pre-tested structured questionnaire from 568 respondents, customers of SBI and ICICI Bank located in the National Capital Region of Delhi. The data collected for the study was analyzed with the help of SPSS 19.0 version. The descriptive statistics used for the study includes the mean analysis, variance analysis, and trend analysis. The inferential statistics used for the study includes ANOVA with post hoc multiple comparisons (Scheffe and LSD test), multidimensional scaling, factor analysis, principal component analysis, and the chi square goodness of fit test.

Major findings of the study include:

- The study has identified four major factors that goad customers in choosing a bank. These factors in order of importance are, Work culture and timeliness, basic amenities and accessibility factor, location of the bank and cost of the transaction. These factors are most important according to the customer's perception. Thus a marketer has to focus on these factors to satisfy the customers.
- The largest competitor of ICICI bank appears to be the HDFC Bank followed by SBI in terms of Quality of Services and Customer Satisfaction
- It was found that there is a significant difference between different types of innovative banking provided by the SBI and ICICI bank. It is also observed that for the customers of SBI and ICICI bank phone banking provided by both the banks is different. On the other hand, as far as customers with account in both these banks are concerned, they opined that phone banking is all the same in both the banks.
- There is a significant difference between satisfaction level of SBI and ICICI bank. Customers of ICICI bank and SBI feel that there is significant difference among satisfaction level of ICICI bank and SBI. Further it is also observed that customers having account in both the banks are more satisfied than the single account customers.
- It is also found that, the respondents who are satisfied with their bank are keen to recommend their bank to others.

This research study will help the banking industry, both the public and private sector, for the improvement or change in the business model and financial performance specially the State bank of India and ICICI Bank. The study will also help the customer for the choice of bank for availing services.