



B.Com Honours

Semester V

Calicut University

SERVICES MARKETING IN BANKING AND INSURANCE

Course Code: COM5EJ304 • Module 2 Notes

Module II: Bank Marketing Strategies & 7 Ps Marketing Mix

Covers application of marketing principles to banking, banker-customer legal relationships, KYC rules, consumer protection rights, and the expanded 7 Ps marketing mix for banks.

Unit 5: Introduction to Bank Marketing Concepts

Strategic process of identifying customer financial needs, designing suitable deposit/loan products, and delivering them efficiently at a profit.

Unit 6: Indian Perspective & Application of Marketing Principles

Transition from traditional social banking to competitive customer-centric marketing post-1991 reforms. Focus on customer retention (CRM) and digital acquisition.

Unit 7: Banker and Customer Relationship & KYC Guidelines

- 1. Relationships:** Debtor-Creditor (Deposits), Creditor-Debtor (Loans), Trustee-Beneficiary (Safe custody), Agent-Principal (Cheque collection).
- 2. KYC Norms:** Proof of Identity (PoI), Proof of Address (PoA), Customer Risk Categorization (Low, Medium, High).

Unit 8: Obligations of Banker & Consumer Protection Rights

- 1. Statutory Obligations:** Honoring cheques, maintaining secrecy.
- 2. Legal Orders:** Garnishee Order (Court order attaching judgment debtor's bank funds) & Attachment Order (Income Tax dept).
- 3. Consumer Protection Act 2019:** Banking Ombudsman Scheme for grievance redressal.

Unit 9: Users of Banking Services & Buying Behavior

Retail individual customers, MSMEs, Corporate clients, HNWIs. Influencing factors: Interest rates, brand trust, branch/digital convenience, speed of service.

Unit 10: Market Segmentation & 7 Ps Marketing Mix for Banks

Product, Price (Interest rates/fees), Place (Branches/ATMs/Apps), Promotion, People (Staff courtesy), Process (Seamless onboarding), Physical Evidence (Branch decor/website UI).

Practical Case Framework (7 Ps Marketing Mix for Banking Services Matrix): Detail operational tactical elements across all 7 Ps for commercial bank marketing.

7 Ps Marketing Mix Operational Matrix for Commercial Banks:

Marketing Mix P	Banking Operational Tactics & Marketing Application
1. Product	Savings Accounts, Fixed Deposits, Housing Loans, Credit Cards, Demat Accounts
2. Price	Deposit Interest Rates, Loan Lending Rates (RLLR/MCLR), Processing Fees, Minimum Balance Penalties
3. Place	Physical Branches, Off-site ATMs, Mobile Banking Apps, Internet Banking Portals
4. Promotion	Digital Media Ads, Relationship Manager Sales Pitch, Outdoor Billboards, Sponsorships
5. People	Branch Managers, Tellers, Customer Care Executives, Relationship Managers (RMs)
6. Process	Instant Account Opening via Video-KYC, 1-Click Loan Approvals, Automated Clearing
7. Physical Evidence	Modern Branch Ambience, Official Website Interface, Account Passbook, Debit Card Aesthetics

DegreeLive

Acing your exams is just a click away!

Visit www.degreeelive.in to download the next module for free.

DegreeLive