SERVICE STANDARDS FOR RETAIL BANKING

CODE OF BANK'S COMMITMENT TO MICRO AND SMALL ENTERPRISES

The code was brought by out by BCSBI in 2008. It provides protection to MSEs and explains how banks are expected to deal with them for their day-to-day operations and in times of financial difficulty.

OBJECTIVES OF THE CODE

- To promote **good and fair banking practices** by <u>setting</u> <u>minimum standards in dealing with MSE customers</u>.
- To increase transparency so that MSE can have a better understanding of what they can reasonably expect of the services.
- To **encourage market forces**, <u>through competition</u>, <u>to</u> <u>achieve higher operating standards</u>.
- To promote a fair and cordial relationship between MSE and member banks and also ensure timely and quick response to their banking needs.

• To **foster confidence** in the banking system.

APPLICATION OF THE CODE

Category	Services Included
	Current accounts, term deposits, recurring
Deposit	deposits, and all other types of deposit
Accounts	accounts.
	Payment orders, remittances (Demand
Payment	Drafts and wire transfers), electronic
Services	transactions (RTGS, EFT, NEFT, etc.)
Government	Banking services related to Government
Transactions	transactions.
Investment	
Services	Demat accounts, equity, government bonds.
Currency	
Exchange	Indian currency notes exchange facility.
Transaction &	
Custody	Collection of cheques/instruments, safe
Services	custody services.
Credit	
Facilities	Loans and other credit facilities.
Foreign	Foreign Exchange services as permitted

Exchange	under FEMA and RBI guidelines, including
Services	money changing.
Insurance	
and	Third-party insurance and investment
Investment	products marketed through branches or
Products	authorized representatives/agents.
Card	ATM/Debit/Credit cards and related
Products	services.
Factoring	
Services	Factoring services.
Merchant	
Services	Merchant services.

CODE COMPLIANCE RATING

The methodology adopted by **BCSBI for rating the member banks** was to **convert the data obtained** during branch visits and customer responses **into numerical score** assigning different weightage out of 100 to the parameters.

The parameters for rating along with the weightage for each parameter are as under:

Sr.	Group of parameters	Weightage
No.		
1	Information dissemination	20
2	Transparency	22
3	Customer Centricity	30
4	Grievance redressal	15
5	Customer feedback	13
		100

Scoring Scale - Out of 100	Rating category
85 and above	High
70 to less than 85	Above average
60 to less than 70	Average
Below 60	Below Average

CUSTOMER GRIEVANCES HANDLING MECHANISM

Customer Complaint Registration

• The bank assists the customer in **understanding the** process of making a complaint.

 Customers are informed about the various channels through which they can submit their complaints, such as in-person at a branch, through phone or email, or via the bank's website.

Designated Complaint Points

- Banks provide information to customers about where they can make their complaints.
- This includes specifying the locations or channels, such as physical branches, customer service centers, or dedicated complaint portals.

Appropriate Complaint Recipients

- Customers are informed about to whom their complaints should be addressed within the bank.
- This ensures that complaints reach the relevant department or personnel responsible for handling grievances.

Escalation of Unresolved Complaints

 Banks display the name and contact information of the Grievance Officer at each branch.

 Customers are encouraged to approach this officer if they have a grievance that remains unresolved at the branch level.

Final Response Commitment

- The bank commits to providing a final response to the customer's complaint within 30 days of its receipt.
- If a customer is not satisfied with the bank's response or does not receive a satisfactory resolution within 30 days, they have the right to approach the Banking Ombudsman appointed by the RBI.

GENERAL INFORMATION

With the adoption of "Code of Bank's Commitment to Customers' by member banks, who were members of BCSBI, the following voluntary **Codes of IBA would not be applicable to them**:

- Bankers' Fair Practice Code w.e.f. June 2004.
- Fair Practice Code for Credit Card Operations.
- Model Code for Collection of Dues and Repossession of Security.

CONSUMER EDUCATION AND PROTECTION DEPARTMENT

- The Consumer Education and Protection Department (CEPD), set up in 2006 as Customer Service Department (CSD).
- It frames policy guidelines for consumer protection and oversees the functioning of the 22 Offices of RBI
 Ombudsman (ORBIOs) and 30 Consumer Education and Protection Cells (CEPCs).

Major function of CPED: The major functions of CEPD include administering the Banking Ombudsman Scheme; and acting as a nodal department for erstwhile BCSBI.

INTEGRATED OMBUDSMAN SCHEME 2021

 The Scheme simplifies the grievance redress process at RBI by enabling the customers of Regulated Entities (REs) to register their complaints at one centralised reference point.

- The objective of the Scheme is to resolve the customer grievances involving 'deficiency in service' on part of REs in a speedy, cost-effective and satisfactory manner.
- The "Integrated Ombudsman Scheme 2021" consolidates three existing ombudsman schemes - Banking Ombudsman Scheme (2006), Ombudsman Scheme for
 NBFCs (2018), and Ombudsman Scheme for Digital Transactions (2019) - into a single comprehensive scheme.

FEATURES OF THE SCHEME ARE

- It will no longer be necessary for a complainant to identify under which scheme he/she should file complaint with the Ombudsman.
- The Scheme **defines 'deficiency in service'** as the ground for filing a complaint, with a **specified list of exclusions**.
- Therefore, the complaints would no longer be rejected simply on account of "not covered under the grounds listed in the scheme".

- A centralised Receipt and Processing Centre has been set up at RBI, Chandigarh for receipt and initial processing of physical and email complaints in any language.
- The responsibility of representing the Regulated Entity and furnishing information in respect of complaints filed by customers against the Entity would be that of the Principal Nodal Officer in the rank of a General Manager in a Public Sector Bank or equivalent.
- The Regulated Entity will not have the right to appeal in case where an <u>Award is issued by the ombudsman against</u> it for not furnishing satisfactory and timely information/documents.
- The Executive Director -in charge of Consumer Education and Protection Department of RBI would be Appellate Authority under the Scheme.

RES ARE COVERED UNDER THE RB-IOS, 2021

Category	Entities Covered
	All commercial banks, including Public
	Sector Banks, Private Sector Banks,
Commercial	Foreign Banks, Local Area Banks, Small
	Finance Banks, Payment Banks, Regional
Banks	Rural Banks, Scheduled Primary (Urban)
	Co-operative Banks, and Non-scheduled
	Prim <mark>ary (Ur</mark> ban) Co-ope <mark>rative</mark> Banks.
	All Non-Banking Financial Companies
	(NBF <mark>Cs</mark>) (excluding Housing Finance
NBFCs regis <mark>tered</mark>	Companies) that are authorized to
with RBI	accept deposits or have customer
	interface, with an asset size of ₹100
	crore and above.
System	All Payment System Participants - banks
Participants	as well as non-banks regulated by RBI.
	These entities issue Prepaid Payment
	Instruments (PPIs) and facilitate
	transactions over various payment

	systems like NEFT, RTGS, IMPS, UPI,
	BBPS, Bharat QR Code, *99# mobile
	transaction service using USSD, AePS,
	etc.
	All Credit Information Companies as
	defined in the Companies Act, 2013 (18
Credit	of 2013) and granted a Certificate of
Information	Registration under sub-section (2) of
Companies	secti <mark>on 5 o</mark> f the Credit Information
	Com <mark>pa</mark> nies (Regulation) Act, 2005 (30 of
	2005).

MARKETING INFORMATION SYSTEMS-A

LONGITUDINAL ANALYSIS

CHAPTER 22 MODULE C RBWM

Horat is MKIS?

A system for gathering, storing, analyzing, and distributing marketing data to help marketers make better decisions. The primary purpose is to support decision-making in the marketing department by providing accurate and timely information.

X Functions of MKIS

Function	Description
Collecting and	Continuous collection from internal & external
Assembling Data	sources.
Processing of Data	Classifying, tabulating, & summarizing data for
	analysis.
Analyzing the Data	Evaluating accuracy, reliability, and using
	statistical tools for decision-making.
Storage of Data	Ensuring preservation and ready availability for
	future reference.
Dissemination of	Delivering insights to decision-makers for solving
Information	marketing problems.

Objectives of MKIS

Data Collection & Integration: Centralized database from **internal & external sources**.

Timely & Accurate Information: Up-to-date and precise data for decision-making.

Customer Behavior Insights: Understanding consumer actions & preferences.

Market & Competitor Monitoring: Tracking trends & competitor activities.

Strategic Planning Support: Developing data-driven marketing strategies.

Optimizing Marketing Mix: Adjusting product, price, promotion, and distribution.

Enhancing CRM: Strengthening customer relationships through **personalized marketing**.

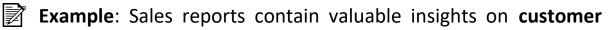
🗱 Components of MKIS

Internal Marketing Information

 \bigcirc Data generated from within the organization, including:

- Sales records
- Customer databases
- Financial reports

Inventory data



behavior, preferences, and competitor strategies.

Marketing Intelligence System

Focused on gathering & analyzing external data, such as:

- Market trends
- Competitor activities
- Industry reports
- Trade journals, news, TV reports

🔀 Marketing Research System

Systematic collection & analysis of data for solving specific

marketing problems:

- Understanding consumer behavior, product demand, and competition.
- Research studies using surveys, focus groups, and experiments.

Marketing Management & Science System

袋 Uses advanced analytics, models, and AI-driven insights to:

- Optimize marketing strategies.
- Make data-driven decisions.
- Enhance overall marketing performance.

📕 Summary Table

🛷 MKIS Component	Purpose
Internal Marketing	Collects & organizes internal company data.
Information	
Marketing Intelligence	Analyzes external market trends &
System	competition.
Marketing Research System	Conducts systematic research on consumer
	behavior & market trends.
Marketing Management &	Uses data analytics & AI for strategic
Science System	marketing decisions.

📈 THE MKIS MODEL

Introduction

- Proposed by Douglas McLeod and Everett Rogers.
- A conceptual framework outlining the key components & processes of a Marketing Information System (MKIS).

🗱 Components of the MKIS Model

The McLeod and Rogers MKIS Model consists of two main subsystems:

Input Subsystems

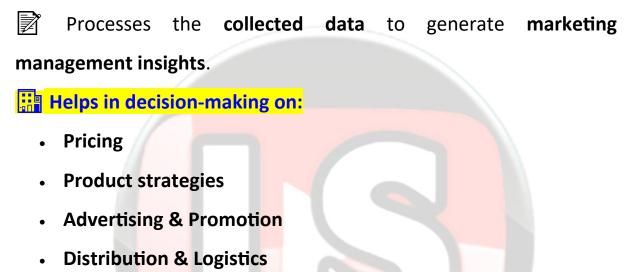
Responsible for **gathering** data from various sources **into** the MKIS.

🛷 Subsystem

Function

Internal Accounting	Records & tracks internal company data.
Marketing	Collects & analyzes market & competitor insights.
Intelligence	
Marketing Research	Conducts research studies & surveys for deeper
	analysis.

📈 Output Subsystems



Packaging

% Constraints Considered:

- Economic factors
- Government regulations
- Competitor actions
- Customer needs

🗱 Support for Marketing Management

Key Management Functions Supported by MKIS:

- Planning
- Controlling
- Directing
- Organizing
- Staffing

Observation: Planning & controlling receive the most support from MKIS. X However, excess focus on planning might lead to neglect of implementation & control.

Support for Marketing Mix Decisions

MKIS assists in marketing mix decisions related to:

- Product ╬ (Earlier, the most supported area)
- Price (s) (Recently gained importance)
- Place (Distribution)
- Promotion 📢

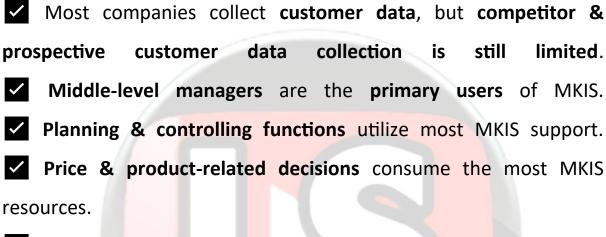
MKIS now provides a more balanced approach to decisionmaking across the **entire marketing mix**.



Recommendations for Effective MKIS

Computers are essential for storing, processing, and retrieving marketing data.

Internal accounting remains the most critical source of MKIS information.



Software used in MKIS includes:

- Modeling & spreadsheets III
- Programming languages
- Database management systems (DBMS)
 □

Summary Table

Aspect	Details
MKIS Model	Framework by McLeod & Rogers for
	marketing data processing.
🗱 Key Subsystems	Input (Accounting, Intelligence, Research) &
	Output (Marketing Decisions).
B Marketing Mix Support	Product, Price, Place, Promotion.

Management Functions	Planning, Controlling, Organizing, Directing,
Supported	Staffing.
🗱 Key Recommendations	Computerization, Data Collection, Use by
	Mid-level Managers.

ADVANTAGES OF MKIS

Key Benefits of MKIS:

Systematic Data Management: Provides structured procedures for regular, planned, and purpose-driven data collection, analysis, storage, and retrieval.

Improved Data Accuracy: Enhances data capture, checks reliability, consistency, and quality.

Efficient Information Flow: Streamlines the process of collecting, processing, and transmitting data.

Customized Information Delivery: Tailor-made insights based on specific business needs.

Multiple Data Uses: Allows repetitive use of the same data for different marketing activities.

Conflict Resolution: Helps in sorting out **conflicting information**, avoiding confusion in decision-making.



Integrated Insights: Combines information from multiple sources

to provide a **comprehensive market view**.

Customer Intelligence: Generates customer insights from transactional data, enabling better customer relations & personalized marketing.

Knowledge Management: Acts as a total knowledgemanagement system, ensuring seamless knowledge flow & accessibility.

USAGE OF COMPUTERS IN MKIS

How Computers Enhance MKIS?

Function	Role of Computers
Data Collection &	Enables efficient collection, processing, and
Storage	sto <mark>rag</mark> e of large datasets related to customers,
	products, and sales.
💊 Market Research	Facilitates quick and accurate research and
	analysis.
😤 Customer	CRM software organizes customer interactions
Relationship	& feedback for better relationship management.
Management (CRM)	
Digital Marketing	Central to online ads, social media, email
	marketing, SEO, and content creation.
Marketing Analytics	Powers advanced analytics tools, KPI tracking,
	and data-driven decision-making.
🗱 Marketing	Automates emails, social media posts, and lead
Automation	nurturing, boosting efficiency.

Summary Table

🛷 Aspect	Details
🛠 Key Benefits of	Systematic data collection, improved accuracy,
MKIS	customized insights.
🖌 Multiple Uses	Data reuse, conflict resolution, customer intelligence,
	integration of insights.
合 Computer	CRM, digital marketing, analytics, automation, and
Usage	research.

