

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

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- To foster confidence in the banking system.

APPLICATION OF THE CODE

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

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

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Sr. No.	Group of parameters	Weightage
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.**

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- 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.

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- 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.

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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**.

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- 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”**.

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- 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 Award is issued by the ombudsman against 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.**

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REs ARE COVERED UNDER THE RB-IOS, 2021

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

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

MARKETING INFORMATION SYSTEMS-A



LONGITUDINAL ANALYSIS

CHAPTER 22 MODULE C RBWM

What 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**.

Functions of MKIS

 Function	 Description
Collecting and Assembling Data	Continuous collection from internal & external 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 Information	Delivering insights to decision-makers for solving marketing problems .


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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

 Data generated from **within the organization**, including:


- Sales records
- Customer databases
- Financial reports

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- Inventory data

 **Example:** Sales reports contain valuable insights on **customer 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

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



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

Summary Table

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 MKIS Component	 Purpose
Internal Marketing Information	Collects & organizes internal company data.
Marketing Intelligence System	Analyzes external market trends & competition.
Marketing Research System	Conducts systematic research on consumer behavior & market trends.
Marketing Management & Science System	Uses data analytics & AI for strategic 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
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Internal Accounting	Records & tracks internal company data.
Marketing Intelligence	Collects & analyzes market & competitor insights.
Marketing Research	Conducts research studies & surveys for deeper analysis.

Output Subsystems

 Processes the **collected data** to generate **marketing management insights**.

Helps in decision-making on:

- Pricing
- Product strategies
- Advertising & Promotion
- Distribution & Logistics
- 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. 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**  (Recently gained importance)
- **Place (Distribution)** 
- **Promotion** 

 **MKIS now provides a more balanced approach** to decision-making across the **entire marketing mix**.






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Recommendations for Effective MKIS

- ✓ **Computers are essential** for storing, processing, and retrieving marketing data.
- ✓ **Internal accounting remains the most critical source** of MKIS information.
- ✓ Most companies collect **customer data**, but **competitor & prospective customer data collection is still limited**.
- ✓ **Middle-level managers are the primary users** of MKIS.
- ✓ **Planning & controlling functions** utilize most MKIS support.
- ✓ **Price & product-related decisions** consume the most MKIS resources.
- ✓ **Software used in MKIS includes:**
 - **Modeling & spreadsheets** 
 - **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).
 Marketing Mix Support	Product, Price, Place, Promotion.

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 Management Functions Supported	Planning, Controlling, Organizing, Directing, 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.

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

✓ **Knowledge Management:** Acts as a **total knowledge-management system,** ensuring **seamless knowledge flow & accessibility.**

✓ USAGE OF COMPUTERS IN MKIS

📄 How Computers Enhance MKIS?






📌 Function	📌 Role of Computers
📁 Data Collection & Storage	Enables efficient collection, processing, and storage of large datasets related to customers, products, and sales.
🔍 Market Research	Facilitates quick and accurate research and analysis.
👤 Customer Relationship Management (CRM)	CRM software organizes customer interactions & feedback for better relationship management.
🌐 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 Automation	Automates emails, social media posts, and lead nurturing, boosting efficiency.

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Summary Table

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