

**“IMPACT OF BANK ADVERTISEMENT ON
CUSTOMER’S AWARENESS LEVEL AND LOYALTY; A
STUDY OF NEPAL BANK LIMITED”**

A Thesis

SUBMITTED

By

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RECOMMENDATION

This is to certify that the Thesis

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Entitled

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I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another people nor material which is a substantial extent has been accepted for the award of any degree of university or other institutions of higher learning, except where due acknowledgement is made in the acknowledgements.

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EXECUTIVE SUMMARY

Promotion is the persuasive communication with the customers. It includes all the activities the company undertakes to communicate and promote its products to the target markets. Promotion is that elements of the organization's marketing mix that serves to inform, persuade and remind the market of a product and the organization selling it. Advertising, generally speaking, is the promotion of goods, services, companies and ideas, usually performed by an identified sponsor. Marketers see advertising as part of an overall promotional strategy. From the local business to multinational firm and all need to advertise their motto, national airlines, auto manufactures, food and consumer goods manufactures have to reach the consumers.

In this competitive world almost every banks or financial institutions take the help of advertising to promote its product or service offerings. Banks operate in a significantly more competitive environment than they did some decade ago in Nepal. Moreover the Banks are facing competition from the organizations like financial institutions, cooperatives etc. Thus, the role of advertising is important, to retain existing market share and attract new customers under banks' operations. It is clear from this that the role of advertising has been increasing rapidly day as the banking industry is becoming more and more competitive. Thus, for this reason a study is required to measure the impact of advertising on banks to know the role of advertising in modern days banking industry, its impact on the customer's loyalty and awareness level.

This research work aims at understanding the impact of the advertisements and other promotional tools on the level of customer's loyalty and their awareness of the advertisements. The attractiveness of the banks advertisements, the budget allocated to the marketing and advertising, role of advertising etc. are also explored in the research work.

This research work found that the customers are aware of the advertisements in various alternative media; however the awareness level of the customers regarding the broadcasts media was low. And the bank spends about 50-80% of its marketing budgets on advertising only. This research works also finds that 84.4% of the customers like the advertisements of NBL. Similarly, 70 out of the total 90 respondents said that their loyalty level has been increased after they had seen the advertisements of the bank. Most of the customers have seen the banks' advertisements on the hoarding boards and the newspapers. However, most of the students, business people and the unemployed people said that they are more affected by the broadcast media i.e. Radio and television.

The message of the advertisement was as most liked aspect of the advertisements. 37% of the respondents like the message, while 27% like the creativity and the 25% of the respondents like the presentations of the advertisements. However, the bank considers the creativity as the most important aspect of the advertisements. Advertising was considered as the most effective promotional tools, followed by the public relationship. From the data presentations and analysis, it was found that old age respondents find hard to remember the advertisements heard or seen once in any of the advertising medias.

At last, this report concludes with recommendations to the bank and the future researchers. It was recommended to the bank that newspaper and television media should be used to advertise the banks' products and services. The bank should also increase the frequency of the advertisements, as it was found that seeing the advertisements increases the loyalty level. Similarly, it was recommended to use other promotional tools like public relations, interest marketing etc. to achieve the promotion objective successfully. Finally, based on the findings, suggestions regarding the best print and broadcast media vehicles were given to advertise the bank products and services. Future researchers were recommended to increase the scope of the study relating to the impact of the advertisements.

Thus, in my views, after going through this research report, anyone can understand about the impacts of the banks advertisements on its customer. One can also understand how the advertising affects the customers' loyalty level and what promotional tools, advertising mess Age and aspect, actually influence them the most.

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LIST OF ABBREVIATIONS

Ad	=Advertisements
AIDA	=Attention, Interest, Desire and Action
ANOVA	=Analysis of variance
BS	=Bikram sambat
e.g.	=For example
FM	=Frequency Module
FY	=Fiscal year
i.e.	=That is
IMC	=Integrated marketing communications
Ltd.	=Limited
MS	=Micro soft
NB bank	=Nepal Bangladesh Bank
NBL	=Nepal Bank Limited
NRB	=Nepal Rastra Bank
R &D	=Research and development
Rs.	=Rupees
TV	=Television
TVC	=Television Commercial