

**A STUDY OF  
PRODUCT MARKETING STRATEGY  
OF NEWLY ESTABLISHED COMMERCIAL BANKS IN NEPAL**

*(A Special reference of Janata Bank Nepal Ltd. & Sanima Bank Ltd.)*



**Submitted by**

**Reema Maiya Pradhan**

**Thakur Ram Multiple Campus**

**T.U. Registration No: - 7-1-238-0047-97**

**T.U Exam Roll No:-150216**

**Campus Roll No.: 42/065**



**Submitted to:**

**Office of the Dean**

**Faculty of Management**

**Tribhuvan University**

**In partial fulfillment of the requirement for the  
Master's Degree in Business Studies (MBS)**

**Birgunj, Nepal**

**May, 2013**

# **RECOMMENDATION**

This is to certify that the thesis

**Submitted by**

**Reema Maiya Pradhan**

**Entitled**

**A STUDY OF**

**PRODUCT MARKETING STRATEGY**

**OF NEWLY ESTABLISHED COMMERCIAL BANKS IN NEPAL**

*(A Special reference of Janata Bank Nepal Ltd. & Sanima Bank Ltd.)*

has been prepared as approved by this Department in the prescribed format of Faculty of Management. This thesis is forwarded for examination.

-----  
Dr. Deepak Shakya  
(Thesis Supervisor)

-----  
Dr. Deepak Shakya  
(Head of Research Department)

.....  
Lalan Dubedi  
(Campus Chief)  
Thakur Ram Multiple Campus

# **VIVA- VOCE SHEET**

We have conducted the viva- voce examination of the Thesis

**Submitted by**

**Reema Maiya Pradhan**

**Entitled**

**A STUDY OF  
PRODUCT MARKETING STRATEGY  
OF NEWLY ESTABLISHED COMMERCIAL BANKS IN NEPAL**

*(A Special reference of Janata Bank Nepal Ltd. & Sanima Bank Ltd.)*

And found the Thesis to be the original work of the student written in accordance with the prescribed format. We recommend the Thesis to be accepted as partial fulfillment of the requirement for the Master's Degree of Business Studies (MBS)

**Viva - Voce Committee**

Head, Research Department: .....

Member (Thesis Supervisor): .....

Member (External Expert): .....

**Date:**

# DECLARATION

I hereby, declare that the thesis entitled “**A STUDY OF PRODUCT MARKETING STRATEGY OF NEWLY ESTABLISHED COMMERCIAL BANKS IN NEPAL**(*A Special reference of Janata Bank Nepal Ltd. & Sanima Bank Ltd.*)” submitted to Research Department of Thakur Ram Multiple Campus Birgunj, T.U., is my original work done in the form of partial fulfillment of the requirements for the Masters of Business Studies (MBS) under the supervision of Dr. Deepak Shakya, Reader, Thakur Ram Multiple Campus, T.U.

.....  
Reema Maiya Pradhan

## ACKNOWLEDGEMENT

The present thesis on “**A STUDY OF PRODUCT MARKETING STRATEGY OF NEWLY ESTABLISHED COMMERCIAL BANKS IN NEPAL** (*A Special reference of Janata Bank Nepal Ltd. & Sanima Bank Ltd.*)” is an outcome of direct & indirect cooperation from various personalities. With this regard firstly, I would like to extend my heartily thanks to Thakur Ram Multiple Campuss, Birgunj and Tribhuwan University who provided an opportunity to gain in depth theoretical and practical knowledge of the research, which tremendously helps to gain the understanding the practical aspect of the subject.

I am deeply indebted to my supervisor Dr. Deepak Shakya who has supervised throughout the completion of the research by their stimulating suggestions and encouragement that was required for the effective survey & for the overall completion of the work. I sincerely appreciate their cordial support, guidance and patience.

I would also like to extend my heartiest gratitude to all the respondents who extended their time and patience for providing necessary information through discussion and meetings, without their cordial support the completion of this thesis would not have been possible.

Finally, I would like to give my special thanks to my family members, friends and all the teachers who have supported throughout the completion of MBS.

Reema Maiya Pradhan

## TABLE OF CONTENTS

|                             |      |
|-----------------------------|------|
| Recommendation .....        | I    |
| VIVA-VOCE Sheet .....       | II   |
| Declaration .....           | III  |
| Acknowledgement .....       | IV   |
| Table of Contents .....     | V    |
| List of Tables .....        | VII  |
| List of Figures .....       | VIII |
| List of Abbreviations ..... | IX   |

### Chapter – I

|   |          |
|---|----------|
| <b>1. Introduction .....</b>  | <b>1</b> |
| 1.1. Background of the Study .....                                  | 1        |
| 1.1.1 Evolution of Banking Industries .....                         | 2        |
| 1.1.2 Development of Banking Industry in Nepal .....                | 2        |
| 1.1.3 Modern Banking Practices .....                                | 4        |
| 1.1.4 Nepal Financial System .....                                  | 6        |
| 1.1.5 Commercial Banks .....  | 6        |
| 1.1.6 Growth of Commercial Bank in Nepal .....                      | 7        |
| 1.1.7 Introduction to Reference Commercial Banks .....              | 8        |
| 1.1.8 Basic Concept of Banking Products in Sense of Marketing ..... | 10       |
| 1.1.9 Marketing Strategy .....                                      | 11       |
| 1.2. Statement of the Problems .....                                | 11       |
| 1.3. Objective of the Study .....                                   | 12       |
| 1.4. Significance of the Study .....                                | 13       |
| 1.5. Limitation of the Study .....                                  | 13       |
| 1.6. Organization of the Study .....                                | 14       |

### Chapter – II

|                                      |           |
|--------------------------------------|-----------|
| <b>2. Review of Literature .....</b> | <b>16</b> |
|--------------------------------------|-----------|

|      |   |    |
|------|---|----|
| 2.1. | Introduction.....                                 | 16 |
| 2.2. | Conceptual Review .....                           | 16 |
|      | 2.2.1. The Market.....                            | 16 |
|      | 2.2.2. Marketing.....                             | 17 |
|      | 2.2.3. Reason of Embracing Marketing Concept..... | 19 |
| 2.3. | Marketing Mix .....                               | 20 |
|      | 2.3.1. Product .....                              | 22 |
|      | 2.3.2. Place.....                                 | 22 |
|      | 2.3.3 Promotion.....                              | 23 |
|      | 2.3.4. Price .....                                | 25 |
| 2.4. | Bank & Banking Products .....                     | 25 |
| 2.5. | Banking Product Marketing.....                    | 33 |
| 2.6. | Review of Related Studies .....                   | 43 |

### **Chapter - III**

|           |                                   |           |
|-----------|-----------------------------------|-----------|
| <b>3.</b> | <b>Research Methodology .....</b> | <b>47</b> |
| 3.1       | Introduction.....                 | 47        |
| 3.2.      | Research Design.....              | 48        |
| 3.3       | Population and Sample .....       | 49        |
| 3.4       | Source of Data.....               | 49        |
|           | 3.4.1 Types of Data.....          | 49        |
| 3.5       | Area of Study .....               | 50        |

### **Chapter - IV**

|           |  |           |
|-----------|--|-----------|
| <b>4.</b> | <b>Presentation and Analysis of Data .....</b> | <b>51</b> |
| 4.1.      | Customer Survey.....                           | 51        |
| 4.2.      | Banking Survey.....                            | 58        |
| 4.3.      | Major Findings of the Study .....              | 65        |

### **Chapter - V**

|           |   |           |
|-----------|---|-----------|
| <b>5.</b> | <b>Summary, Conclusion &amp; Recommendation .....</b> | <b>66</b> |
| 5.1.      | Summary .....   | 66        |
| 5.2.      | Conclusion .....                                      | 67        |
| 5.3.      | Recommendation .....                                  | 68        |

|  |                    |  |
|--|--------------------|--|
|  | Bibliography ..... |  |
|  | Appendices .....   |  |

## **LIST OF TABLES**

Table No. 1.1: Nepal's Financial System

Table No.: 1.2: List of Commercial Banks in Nepal.

Table No.: 4.1: Banking Product Useful for Customers

Table No. 4.2: Media from Which We Came To Know About the Product

Table No. 4.3: Advertisement Help Bank to Attract Customers

Table No. 4.4: Customers Belief about Advertisement of Bank is enough

Table No. 4.5: Categorization of Marketing Strategy of Banks

Table No. 4.6: T.V. as the Medium for Advertisement

Table No. 4.7: Advertisement Help in Recalling Brand

Table No. 4.8: Media of Preference Given by Bankers

Table No. 4.9: Popular Product in Urban Area

Table No. 4.10: Popular Product in Rural Area

Table No. 4.11: Cause of Customers Being Less from Rural Area

Table No. 4.12: Cause of not Approaching Rural Area

Table No. 4.13: Strategies Adopted by the Banks to Promote its Products



## **LIST OF FIGURES**

Figure No. 2.1: Marketing Mix

Figure No. 4.1: Banking Product Useful for Customers

Figure No. 4.2: Media from Which We Came To Know About the Product

Figure No. 4.3: Advertisement Help Bank to Attract Customers

Figure No. 4.4: Customers Belief about Advertisement of Bank is enough

Figure No. 4.5: Categorization of Marketing Strategy of Banks

Figure No. 4.6: T.V. as the Medium for Advertisement

Figure No. 4.7: Advertisement Help in Recalling Brand

Figure No. 4.8: Media of Preference Given by Bankers

Figure No. 4.9: Popular Product in Urban Area

Figure No. 4.10: Popular Product in Rural Area

Figure No. 4.11: Cause of Customers Being Less from Rural Area

Figure No. 4.12: Cause of not Approaching Rural Area

FigureNo. 4.13: Strategies Adopted by the Banks to Promote its Products

## LIST OF ABBREVIATIONS

|         |   |                       |
|---------|---|-----------------------|
| AD      | : | Anno Domini           |
| B.S.    | : | Bikram Sambat         |
| EPS     | : | Earning Per Share     |
| FY      | : | Fiscal Year           |
| JBNL    | : | Janat Bank Nepal Ltd. |
| NRS     | : | Rupees                |
| SaBL    | : | Sanima Bank Ltd.      |
| Sq. Km. | : | Square Kilometer      |