

A Study to Understand Market Share of HDFC Bank Products and Formulating Strategies to Acquire New Customers: A Case Study of the City Nautanwa of Uttar Pradesh

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ABSTRACT

A Bank always aims for attaining the market position by satisfying the customer and acknowledging the feedback from the customers. The state of satisfaction depends upon the psychological factor as well as the return rates. Thus, it makes the bank mandatory to attain reliable as well as useful feedback. The key challenge in respect of this is building relation with the customer.

Keywords: *Banks, Market Share, Customer Satisfaction.*

1. INTRODUCTION

In the advance competitive market, bank appears to be a backbone of countries economic status. Bank circulate the money from the customer and then back to the customer. A strong economic growth of a country depends upon the strong banking system. In today's scenario, the government of India and The Reserve bank of India has given more focus on banking regulation system which affects the economy. In respect of which every corner of India has accessible banking facilities.

2. LITERATURE REVIEW

Russel S. Winer (2001) in this article the writer has elaborated the framework how a bank can mark its CRM (Customer Relational Management), when it comes to building up a relationship with its customer. The initial thing is to study the process of CRM and its limitation, and then the technology used.

Ganpathy et.al., (2004) the relationship between CRM strategies stage o competitive advantage, an analytical perspective. The purpose of this strategies stage and competitive advantage is widely used to competitive environment.

Qianwang D. and Dejie, Y. (2006) it reflect the mapping knowledge in product development through process modeling.

Samer Alhawari (2008) this research paper explained the combined effect of the process of customer acquisition. It reflects the effect of the customer process (customer relation, customer attraction, customer knowledge capture, and customer data analysis) on customer acquisition. It recognized the hypothesis testing on collected sample of data from respondent in CRM area.

Nehari Talet, A, Alhawari s. and Alryala, H. (2010) “The outcome of knowledge process for customer of Jordanian companies on the achievement of customer knowledge retention”. This paper reflects the customer knowledge the retention based on analysis of various literature review process. The key focus was of the concept of CRM strategies and competitive advantages.

Salime Mehtap Smadi(2010) This research paper remarked those essential factor which a customer keeps in mind while choosing the bank to with their money. Next comes the customer’s mentality to deal with bank service quality. A questionnaire was filled by 20 students of banking and finance department. As a result, it showed that the customers were not satisfied with bank operating hours.

Swati Vashishtha ; Sandhir Sharma(2016) “New customer acquisition challenge by retailer”: a conceptual paper. This conceptual paper demystifies the gap between dimension of retailer’s perception of new customer acquisition and the consumer’s dimension of the store choice.

Uma Shankar Mishra, Bibhuti Bhushan Mishra, Swagat Praharaj (2011) This research paper elaborate the role of CRM to raise the value of customer over their lifetime. CRM has become a topic of increasing importance in marketing while using technology in implementing the relationship marketing strategy.

3. OBJECTIVES OF THE STUDY

The objectives of research are:

1. To standardized the customer preferences.
2. To analyze the customers saving and investment capacity.
3. To gain knowledge about the various factors that can identify the customer’s choices.

4. To identify the gap between the customers and the banking system.

4. RESEARCH METHODOLOGY

Data collection: The data collection method which is used is survey and personal interview.

Data selection: The convenience sampling method is used for data selection

Technique of analysis: To give a convenient understanding of data pie chart is used.

Area of survey: The Area of survey was Nautanwa (Rural Area in Uttar Pradesh).

Sample Size: 140 respondents filed the questionnaire.

5. DATA ANALYSIS AND INTERPRETATION

Market Share Regarding Savings Account

Table 1: Market Share Regarding Savings Account

Name of Bank	Number	Percentage
PNB	48	22%
HDFC	42	19%
SBI	37	17%
ICICI	18	8%
Others	75	34%
Total	220	

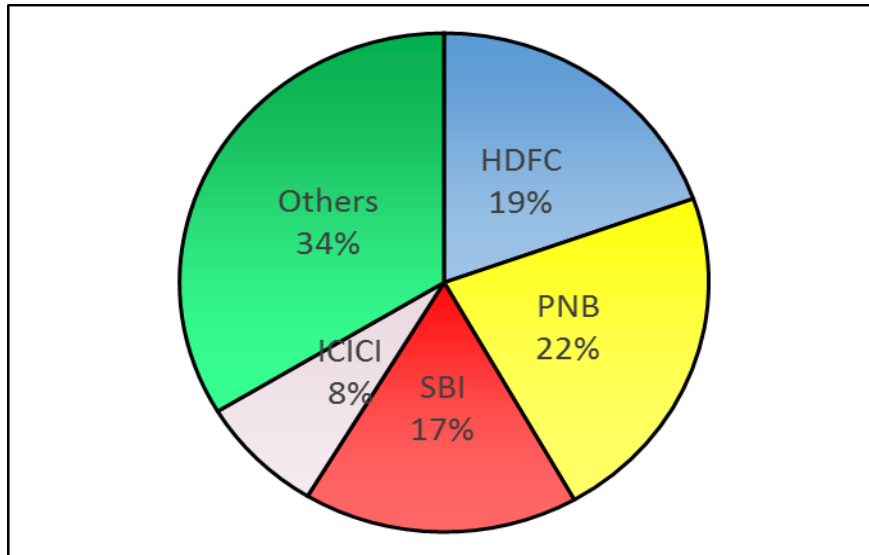


Figure 1: Market Share Regarding Savings Account

Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018

Data generated by Microsoft Excel 2016

Out of the total respondents, 22% of them were banking with PNB Bank as most of them trust the nationalised banks to bank with, Moreover the charges and the cost associated are less in PNB Bank in comparison with HDFC Bank. According to the survey, HDFC Bank is the second leading bank.

Market Share Regarding Fixed Deposits and Recurring Deposits

Table 2: Market Share Regarding Fixed Deposits and Recurring Deposits

Name of the Bank	Number	Percentage
PNB	60	35%
HDFC	37	22%
SBI	31	18%
ICICI	10	6%
Others	49	29%
Total	170	

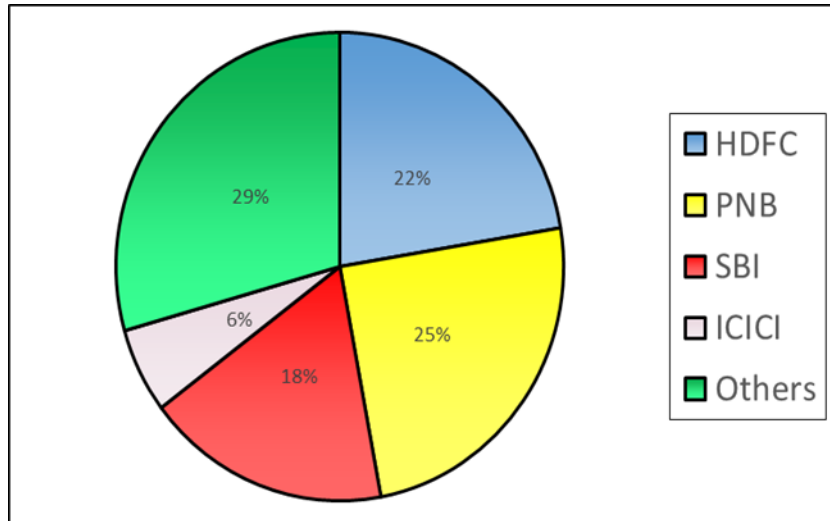


Figure2: Market Share Regarding Fixed Deposits and Recurring Deposits

Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018

Data generated by Microsoft Excel 2016

There were 170 responses collected regarding fixed deposits and recurring deposits. By analysing these responses intern came to know that HDFC Bank has 22% of the market share in these deposits.

Market Share Regarding Investments

Table 3: Market Share Regarding Investments

	Number	Percentage
Invested	48	40%
Not invested	72	60%
Total	120	

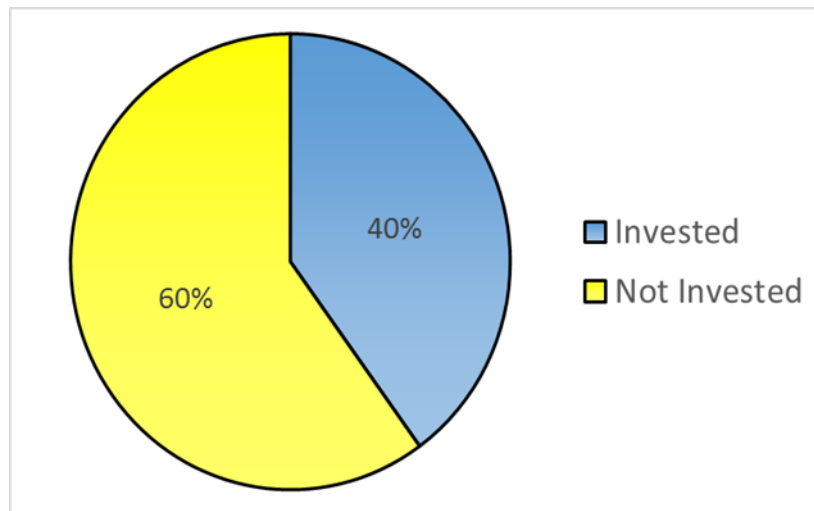


Figure 3: Market Share Regarding Investments

Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018

Data generated by Microsoft Excel 2016

Out of the 120 responses, only 40% of the people have invested in any bank's scheme, LIC, Post office investments, shares of any company and mutual funds.

Investment Done in Which Option

Table 4: Investment Done in Which Option

	Number	Percentage
LIC	30	53%
HDFC	10	18%
Post Office	6	10%
Others	11	19%
Total	57	

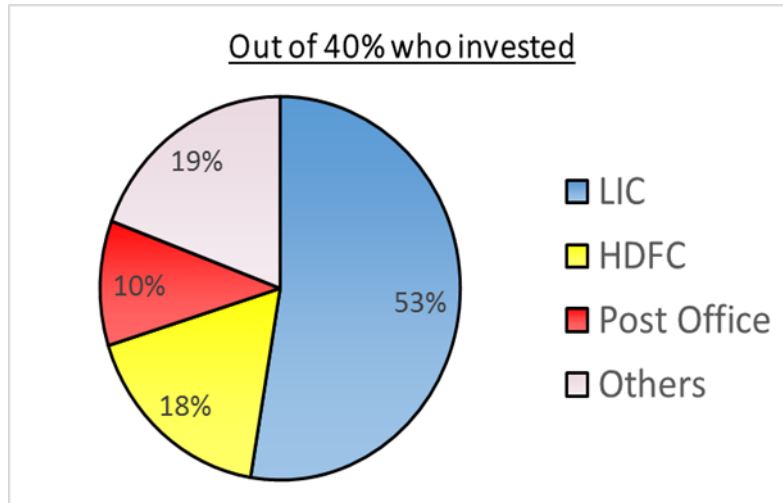


Figure 4: Investment Done in Which Option
 Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018
 Data generated by Microsoft Excel 2016

Out of the 40% investors, the majority 53% of the people invested in LIC as they feel it as a safe investment. Moreover, investment in LIC provides good returns as well as risk cover to an individual and a business and it is a government undertaking.

Credit Card Analysis

Table 5: Credit Card Analysis

	Number	Percentage
Using Credit Card	40	33.33%
Not using credit card	80	66.66%
Total	120	

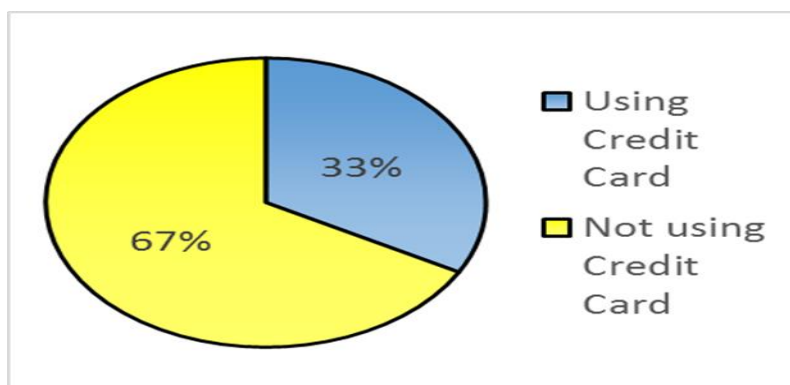


Figure 5: Credit Card Analysis

Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018

Data generated by Microsoft Excel 2016

Out of the 120 responses collected, only 33% of the people were using credit card. Majority people are not using it as some are not aware about its benefits and some feel, taking credit is against their culture.

Market Share Regarding Credit Card

Table 5: Market Share Regarding Credit Card

Name of the Banks	Number	Percentage
HDFC	20	50%
PNB	6	20%
Axis	6	15%
Others	8	15%
Total	40	

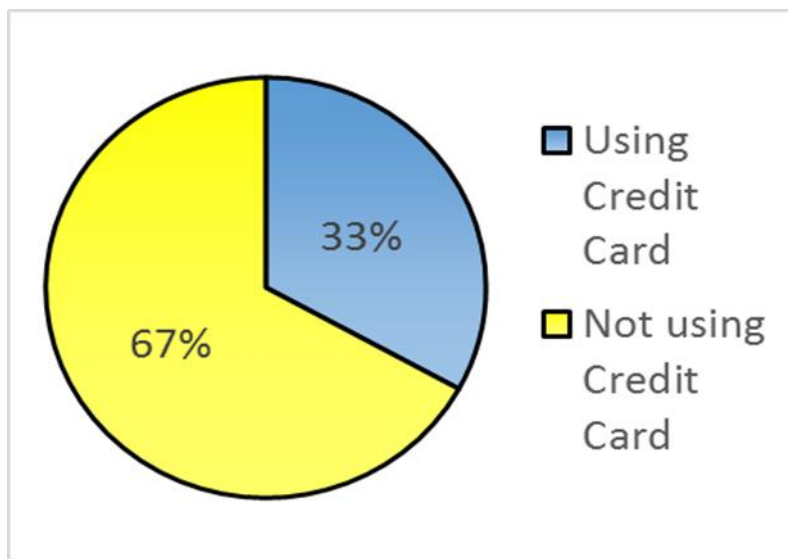


Figure 5: Market Share Regarding Credit Card

Source: Field Survey, Nautanwa (Uttar Pradesh), May 2018

Data generated by Microsoft Excel 2016

Out of 33% people who are using credit cards, majority i.e. 50% of the people solely uses credit card of HDFC Bank. After HDFC Bank, PNB is at number 2.

6. CONCLUSION

To increase the share in market, HDFC Bank can either reduce its charges or it have to make people understand that the higher charges are due to better services and other factors which are not offered by nationalized banks. As most of respondents are concerned about the security of mobile payments, the security system should be strengthening so that people won't scare about their money and transactions.

HDFC Bank can open a branch in the town named sonauli (Uttar Pradesh) as there is no branch of HDFC Bank in the area of 10km. There is only one branch that too of PNB. The HDFC bank companies may also introduce credit facility to the loyal customers looking into their usage.

The usage of Payzapp is still at nascent stage only therefore the companies should promote the same through their marketing and advertising campaign. To increase the market, share in credit card, it can introduce cash back while fuelling with HDFC credit card.

7. REFERENCES

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