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## Review Article

### A Study on marketing of services by Axis bank

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#### Abstract

##### Keywords

financial intermediary,  
institutionalized system ,  
Banking sector index,  
NBFCs,  
Management Information  
Systems

A bank is a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. Due to their importance in the financial system and influence on national economies, banks are highly regulated in most countries. Most nations have institutionalized system under which banks hold liquid assets equal to only a portion of their current liabilities. The Banking sector in India has always been one of the most preferred destinations for employment. In this decade, this sector has emerged as a sunrise sector in the Indian economy. Banking sector index has grown at a compounded annual rate of over 51 per cent since the year 2001. The Banking Industry is recruiting in a big way. In the next five years , banks will have to recruit almost 7.5 lakh people. Now, banks have diversified their activities and getting into new products and services that include opportunities in credit cards, consumer finance, wealth management, life and general insurance, investment banking, mutual funds, pension fund regulation, stock broking services, custodian services and private equity etc. Further, most of the leading Indian banks are going global, setting up offices in foreign countries themselves or through their subsidiaries. The expansion of the banking sector and its convergence with the other financial sectors such as insurance, NBFCs and Capital markets, retirement of the existing employees and financial inclusion have created more number of opportunities in the banking sector. Infrastructure, Risk Management, Banking and Financial Services, Management Information Systems and Customer Relations Management are a few areas where specialization is expected.

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## Introduction

A bank is a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. Due to their importance in the financial system and influence on national economies, banks are highly regulated in most countries. Most nations have institutionalized system under which banks hold liquid assets equal to only a portion of their current liabilities.

The Banking sector in India has always been one of the most preferred destinations for employment. In this decade, this sector has emerged as a sunrise sector in the Indian economy. Banking sector index has grown at a compounded annual rate of over 51 per cent since the year 2001. The Banking Industry is recruiting in a big way. In the next five years , banks will have to recruit almost 7.5 lakh people .

### Indian Banking System

#### Private-sector banks

The "private-sector banks" are banks where greater parts of stake or equity are held by the private shareholders and not by government.

#### Emergence of Private Banks

Private banking in India was practiced since the beginning of banking system in India. The first Private Bank in India to receive principle approval from the Reserve Bank of India was Housing Development Finance Corporation Limited. It was incorporated in August 1994 as HDFC Bank Limited with registered office in Mumbai and commenced operations as Scheduled Commercial Bank in January 1995.

**Introduction**

Unit Trust of India is a financial organization in India, which was created by the UTI Act passed by the Parliament in 1963(30th Dec 1963) under the direction of Col. Akash Behl. He had fought very hard and intensely to get this organization into reality. For more than two decades it remained the sole vehicle for investment in the capital market by the Indian citizens. In mid- 1980s public sector banks were allowed to open mutual funds. The real vibrancy and competition in the MF industry came with the setting up of the Regulator SEBI and its laying down the MF Regulations in 1993.UTI maintained its pre-eminent place till 2001, when a massive decline in the market indices and negative investor sentiments after the Ketan Parekh scam created doubts about the capacity of UTI to meet its obligations to the investors.

**Journey From UTI to AXIS**

Axis Bank (Formerly known as UTI) was one of the few private banks to have began operations in 1994. The Bank was promoted jointly by the Administrator of the specified undertaking of the Unit Trust of India (UTI). Axis Bank is the third largest private sector bank in India. Axis Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

The Bank has a large footprint of 2402 domestic branches (including extension counters) and 12,922 ATMs spread across the country as on 31st March 2014. The overseas operations of the Bank are spread over its seven international offices with branches at Singapore, Hong Kong, DIFC (Dubai International Financial Centre), Colombo and Shanghai and representative offices at Dubai and Abu Dhabi. During the year, the Bank has upgraded its representative office in Shanghai, China to a branch to become the first Indian private sector bank to set up a branch in China. During the year, the Bank’s overseas subsidiary namely Axis Bank UK Ltd. commenced banking operations.

Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank was promoted in 1993, jointly by Specified Undertaking of Unit Trust of India (SUUTI) (then known as Unit Trust of India), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Ltd., The New India Assurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd. The shareholding of Unit Trust of India was subsequently transferred to SUUTI, an entity established in 2003.

**Stage I ( From 1994 to 1997 )**

Incorporated as UTI Bank, headquartered in Mumbai. First Branch inaugurated at Ahmedabad. Completes first profitable

year in operation in 1995. Deposit crosses Rs.10bn mark in 1996.

**Stage II (From 1998 to 2000 )**

Successfully completes its IPO in 1998 and gets itself listed on NSE and BSE. Cash management services as well as credit card launched. Profit crosses Rs.500m in 2000. Launches Internet banking module, Connect retail loans introduced. Financial advisory services and e-commerce introduced. Second largest ATM network in the country with 200 ATMs.

**Stage III ( From 2001 to 2005 )**

Private placement of 26% stake to CDC Capital Partners. Deposit crosses Rs.100bn mark in 2001, advances crosses Rs.50bn. First commercial bank to open an ATM at a post office. Crosses the 1,000 ATM mark in 2003.

**Stage IV ( From 2006 to 2008 )**

Opens its first international branch in Singapore. Opens Representative Office in Shanghai. Crosses the 2,000 ATM mark in 2006. Opens a Full Licence Bank Branch in Hong Kong. Re-brands itself as Axis Bank.

**Reasons for change their name from UTI TO AXIS Bank**

They had to give up the UTI name after using it for 13 years as we were not prepared to accept terms and conditions (including royalty) from UTI AMC .The decision to rebrand itself was taken by the bank as it was allowed to use the 'UTI' brand name for free till January 31, 2008, beyond which it had to pay royalty for using the name.

The recommendation for name change to Axis Bank has arisen from the existence of several shareholder-unrelated entities using the UTI brand, and the consequent brand confusion that this generates. The name UTI bank was changed to AXIS bank as UTI gave a look of government sector bank. They had to change our name to have our own brand and identity.

**Logo Design**

The logo design of axis bank is based on the letter ‘A’. It is a contemporary, universal and solid design that remains the burgundy colour of the original UTI logo as a link to its heritage. The logo depicts a strong growth path for the bank supported by a strong base, indicating that the bank is moving on from a position of strength.

**The new name AXIS**

The new name was chosen considering the bank’s pan-Indian as well as international presence. The first time that a bank has dropped an established brand for an unknown name. The name

Axis is chosen as it is simple and it conveys a sense of solidity and a sense of maturity. It also has a universal appeal.

### **About AXIS**

#### **Mission**

Customer Service and Product Innovation tuned to diverse needs of individual and corporate clientele.

Continuous technology up gradation while maintaining human values.

Progressive globalization and achieving international standards.

Efficiency and effectiveness built on ethical practices.

The bank's business is divided into four segments: Retail, corporate, treasury and merchant banking.

Apart from this the bank is also into insurance, investment banking, mortgage financing, credit cards, and depository services amongst others.

It is also registered on the following exchanges: OTCEI, BSE, NSE, London stock exchange.

#### **Vision-2015**

To be the preferred financial solutions provider excelling in customer delivery through insight, empowered employees and smart use of technology.

#### **Core Values:**

Customer Centricity,  
Ethics, Transparency, Teamwork, Ownership.

#### **AWARDS - During 2010 to 2013 :**

Bank of the year money today FPCIL awards  
Best bank CNBC-tv18  
Best bond house in INDIA – Financeasia 2010  
Best new private sector bank rank - 2 – FE 2010  
The best of asia – pacific biggest listed companies  
Overall winner and consistent performer 2010  
Fastest growing bank – Bloomberg UTV financial leadership award 2010  
Third strongest bank in Asia – pacific region by Asian banker  
Brand excellence award – 2011 (BFSI – sector) star news  
Best debt home in INDIA - Euro money awards 2013.

#### **In 2014 :**

Fastest Growing Large Bank- BW Business world Magna Awards 2014

Axis Bank wins 'Gold Award for Financial Inclusion' amongst the pvt. sector banks at the Skoch Financial Inclusion & Deepening Award 2014.

Axis Bank wins the Best Financial Advisor (Private Bank) at the UTI MF & CNBC TV 18 Financial Advisor Awards 2013 - 14.

Best Bank for Emerging Market Currencies Trading, Spot/Forward-Euromoney FX Survey 2014

Best Bank for Emerging Market Options, Trading Strategies & Ideas-Euromoney FX Survey 2014

Best Bank for Asian Currencies-Euromoney FX Survey 2014.

#### **Operations :**

##### **Indian Business**

As on 31-Mar-2014, the Bank had a network of 2402 branches and extension counters and 12922 ATMs. Axis Bank has the largest ATM network among private banks in India and it operates an ATM at one of the world's highest sites at Thegu, Sikkim at a height of 4,023 meters (13,200 ft) above sea level.

##### **International Business**

The Bank has seven international offices with branches at Singapore, Hong Kong, Dubai, Shanghai and Colombo and representative offices at Dubai and Abu Dhabi, which focus on corporate lending, trade finance, syndication, investment banking and liability businesses. In addition to the above, the Bank has a presence in UK with its wholly owned subsidiary Axis Bank UK Limited.

##### **Subsidiaries**

###### **The Bank has set up eight wholly-owned subsidiaries:**

- 1) Axis Capital Ltd.
- 2) Axis Private Equity Ltd.
- 3) Axis Trustee Services Ltd.
- 4) Axis Asset Management Company Ltd.
- 5) Axis Mutual Fund Trustee Ltd.
- 6) Axis Bank UK Ltd.
- 7) Axis Securities Ltd.
- 8) Axis Finance Ltd.

##### **Employees**

As on 31 March 2013, Axis Bank had 37,901 employees, out of which 7,117 employees were women (19%). The bank incurred INR 26.7 billion on employee benefits. The average age of an Axis Bank employee is 29 years. Their salary varies on their designation and their targets

##### **Corporate Social Responsibility**

###### **Axis Bank Foundation:**

Axis bank has set up this trust in 2006 and supports supplementary education. Axis Bank contributes up to 1

percent of its net profit annually to various social initiatives undertaken by this foundation. The foundation has partnered with 36 NGOs for educating over a lakh underprivileged and special kids in 13 states.

**Green Banking:**

The recycling initiative under the Green Banking banner has helped the bank productively use around 21572 kilograms of dry waste during the year. The Axis Bank's corporate office in Mumbai is designed and constructed as a Platinum LEED-Certified Green Building.

**SWOT Analysis:**

**Strength:**

Brand Name ,Support of various promoters, High level of services, Knowledge of Indian market.

**Weakness:**

Not having good image,Market capitalization is very low, Not been fully able to position itself correctly .

**Opportunities:**

Growing Indian banking sectors,People are becoming more service oriented, In the global market.

**Threats:**

**Advent** of MNC banks ,Foreign banks ,Govt. banks ,Future market trends.  
Competitive Strategy

**For the private sector banks**

Differentiation on the basis of area coverage.  
Restricted Reach.  
Level of service is the same.  
Axis got advantage because of Product Innovation.

**For the government sector banks:**

High level of service quality and through product innovation.  
AXIS not any where near, but has created a different set of segment.  
People who believe in the higher set of services

**For the International Banks :**

Differentiated itself on the base of the reach and coverage to the people.  
Service level is somewhat same.

**Main Services rendered to its Customers:**

- Personal
  - I) Accounts
  - II) Deposits
  - III) Safe Deposit Locker
  - IV) Loans
  - V) Cards
  - VI) FOREX
  - VII) Investments
  - VIII) Insurance
- I ) Accounts**  
1.Savings Accounts 2.Current Accounts 3.Salary Accounts
- II ) Deposits**  
a. Fixed Deposits b. Recurring Deposits  
a.) Fixed deposits

Axis Bank offers multitudes of fixed deposit schemes for various durations. It offers simple reinvestment Fixed Deposits (at very competitive interest rates), which can be opened with a minimum investment of Rs 10,000. You can make additions to your deposit in multiples of Re 1 thereafter. The tenure of your fixed term deposit must be a minimum of 6 months.

**Fixed Deposit Schemes :**

- Reinvestment Deposits, Automatic Rollover, Rollover only Principal, and Rollover Principal and Interest accrued in Reinvestment Deposit scheme.
- b.) Recurring deposit

**III) Lockers**

Deposit lockers are for keeping safe for our money or moneys worth for which rent is charged by the bank depend on the locker size.Here they assure for the safety and confidential with keeping of our valuables.

**Advantages:**

Wide Availability: As on November 30, 2010 lockers are available at 944 branches and extension counters. Lockers available in various sizes. Direct debits for locker rentals from your account rid you of the hassles in writing out cheques. Extended banking hours to operate lockers.

Here in this branch they provide 3types of locker size they are :-

Small size locker	2400 /- P.A
Medium size locker	3000/- P.A
Large size locker	4000/- P.A

Timings to access locker : 9.30 am to 3.30 pm. An account must be opened . Nomination is must. One locker for one a/c holder.Any number of times it can be accessed in a day.

#### IV ) Loan

In finance, a loan is a debt evidenced by a note which specifies, among other things, the principal amount, interest rate, and date of repayment. A loan entails the reallocation of the subject asset(s) for a period of time, between the lender and the borrower. In a loan, the borrower initially receives or borrows an amount of money, called the principal, from the lender, and is obligated to pay back or repay an equal amount of money to the lender at a later time. Typically, the money is paid back in regular instalments, or partial repayments; in an annuity, each instalment is the same amount.

Axis bank provides different types loans like:

Home loan, Car loan, Education loan, Personal loan, Loan against shares, Loan against property, Loan against gold, Commercial vehicles & construction equipment loan  
This bank helps the customer providing loans on your jewellery as collateral.

Gold loan is of three different schemes : 1) Monthly interest 2) Upfront interest 3) EMI

Only ornaments and NOT raw gold or gold bars. Any kind of gold ornaments except watch , thali , temple jewellery items .22 kt / 21 kt / 20 kt / 19 kt / 18 kt of purity. For 22 kt Hall mark is must . Verified by jewel appraiser's authority appointed by the agency. Minimum loan amount 25,100/- to 20,00,000/- for one individual.

Commercial vehicles & construction equipment loan:

Axis Bank offers loan for purchase of new Commercial Vehicle & Construction Equipment products. The loan is provided on wide range of Commercial Vehicle & Construction Equipment products manufactured by various big and small manufacturers.

#### V ) Cards

I . Credit Cards II. Debit Cards

##### I) Credit card:

A credit card is a payment card issued to users as a system of payment. It allows the cardholder to pay for goods and services based on the holder's promise to pay for them. We can encash with credit card in ATM but charges are very high .

Here they provide a wide range of credit card: Signature credit card , My wings credit card, My choice credit card, My zone credit card, My business credit card

##### II) Debit card:

The debit card is that provides the cardholder electronic access to his or her bank account(s) at a financial institution.

Some cards have a stored value with which a payment is made, while most relay a message to the cardholder's bank to withdraw funds from a payer's designated bank account. The card, where accepted, can be used instead of cash when making purchases. In some cases, the primary account number is assigned exclusively for use on the Internet and there is no physical card.

Here in this bank they provide a wide range debit card like:

Priority platinum debit card, Business titanium rewards debit card, My design – image debit card, Business platinum debit card, Titanium rewards debit card, Ladies first card, Classic debit card, Master card business debit card.

#### VI) FOREX

Multicurrency Forex Card, Travel Currency Card, Foreign Currency Travellers Cheques, Foreign Currency Cash, For NRIs: Send Money to India,

##### Multicurrency Forex Card :

Is designed exclusively for customers who travel extensively across the globe. It is a unique product with multiple currencies loaded on the same card, thus obviating the need to carry multiple cards for different destinations. This **Multicurrency Forex Card** will be available currently on Visa platform with 12 currencies and additional currencies will be added in the due course of time.

Features & Benefits :

Travel across the globe with a single card, Convenience, Exchange Rate Lock-in, 5 Years Validity, Security, Insurance Cover, ATM assault & robbery, SMS Alerts, Encashment Options on Return.

#### VII ) Investments

Online Investing with AxisDirect , Mutual Funds , Demat Account.

#### VIII ) Insurance

1. Life Insurance 2. Health Insurance 3. Home Insurance 4. Travel Insurance 5. Motor Insurance 6. About our Insurance Partnerships .

##### Apart from the above Main Services

11000 ATM 's and 2000 Branches [Largest Private Sector Bank]

Records of transactions

Clearing of cheques

Stop Payment facility

General information

Speed banking

Exchange of coins and notes  
 Complaints and grievances  
 Know your customer  
 Cash deposit machines (CDM)  
 ECS (Electronic Clearing System)

**Know your customer ,What is KYC?**

Know Your Customer -KYC enables banks to know/ understand their customers and their financial dealings to be able to serve them better and have positive identification of its customers.The Reserve Bank of India (RBI) has advised banks to follow a 'KYC guidelines', wherein certain personal information of the account opening prospect or the customer is obtained. The objective of doing so is to enable the Bank to have positive identification of its customers. This is also in the interest of customers to safeguard their hard earned money.

The KYC guidelines of RBI mandate banks to collect three proofs from their customers. They are 1.Photograph, 2.Proof of identity 3.Proof of address .Accordingly, Axis Bank has framed its KYC procedure according to which, a photograph and documentary proof of personal identification and address proof are required to be provided.Our KYC procedure specifies certain commonly available documents as proof of personal identification and address proof, so as to not cause inconvenience to those intending to open bank accounts in our Bank.

**Speed Banking**

**Internet Banking, Toll Free Axis Dial,Phone Banking, Mobile Banking**

**Electronic Clearing Service**

ECS is an electronic clearing system that facilitates paperless credit / debit transaction directly linked to your account and also provides for a faster method of effecting periodic and repetitive payments.

**Benefits of ECS (Debit)**

Through ECS (Debit), you can pay all your Utility bills (electricity/telephone/Mobile bills, credit cards, etc), Mutual Fund (SIP), Insurance Premium, Loan Installments, credit card payments, payments of donations and other bill payments.

**How will you gain from ECS**

Non-issuance of multiple cheques : Timely payment of bills /installments /premium without remembering the due dates.No late payment charges

Security & Safety of your money : To protect your account from excess debits, you can select the top-limit for your

account. If your bill amount exceeds the limit, the payment will be cleared by the Bank, only after obtaining your approval.

**Cash Deposit Machines**

Cash Deposit Machine (CDM) is self-service terminal that enables you to deposit cash without any manual intervention of the branch officer.

**Benefits**

Instant credit in your account; Immediate receipt; No need to fill deposit slips;  
 No need to stand in long queues; No need to sort and arrange your cash denomination wise. ;  
 Currently, these machines are available in 540 branches; and

**Now deposit even on Sunday and get instant credit!**

Currently, in ten branches, these machines are available 24X7, 365 days which means you can deposit cash any time of the day, even on Sundays and holidays and get instant credit in your account. As per RBI guidelines, you may deposit only upto Rs. 49,950 per account per day if your PAN number is not recorded with the Bank. To deposit more then Rs. 49,950 per account per day, please update your PAN detail by contacting any Axis Bank Branch.

**Clearing timings :**

For AXIS Bank Cheques – Clearing Same Day

For Non -AXIS Bank Cheques

Day	Time	Time
Monday to Friday	up to 13.30	up to 15.30
Saturday	up to 10.30	up to 13.30

**Conclusion**

On the whole, this internship was a useful experience. I have gained new knowledge, skills and met many new people. I achieved several of my learning goals. I got insight into professional practice. I learned the different facets of working within a banking organization. I experienced that financing, as in many organizations ,is an important factor for its progress. There is still lot to discover and to improve. The internship was also good to find out what my strengths and weaknesses are. At last this internship has given me new insights and motivation to pursue a career in banking sector .

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