

- ii. Discuss how technology supports product and process innovation **4**
- iii. Explain recent trends in retail banking with examples of technological advancements **4**

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**Q.7 Case Study**

**Expanding Retail Banking Services**  
 ABC Bank, a regional retail bank, is experiencing increased competition from digital banks. To stay competitive, the bank's leadership decides to launch new mobile banking services and enhance its loan products, targeting young professionals. The bank plans to implement Customer Interaction Management (CIM) and leverage cross-selling to attract new customers. Despite these strategies, challenges arise in balancing the high costs of technological investment with profitability and managing regulatory compliance across new service areas.

**Case Study Questions:**

- (a) What advantages could ABC Bank achieve by implementing CIM for customer retention? **5**
- (b) Discuss how cross-selling could be utilized in enhancing ABC Bank's product offerings. **5**
- (c) Identify potential regulatory challenges ABC Bank might face with new digital services. **4**
- (d) Suggest a strategy for ABC Bank to manage costs associated with technology investment. **6**

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**Total No. of Questions: 7**

**Total No. of Printed Pages: 4**

**Enrollment No.....**

**Faculty of Management Studies**

**End Sem Examination Dec 2024**

**MS5EF01 Retail Banking**

**Programme: MBA Branch/Specialisation: Management**

**Maximum Marks: 60**

**Duration: 3 Hrs.**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

- |   | <b>Marks</b> | <b>BL</b> | <b>PO</b> | <b>CO</b> | <b>PSO</b> |
|---|--------------|-----------|-----------|-----------|------------|
| Q.1 i. What is a primary distinction between retail and corporate banking?                                  | 1            | 1         | 1         | 1         |            |
| (a) Retail banking targets businesses exclusively   |              |           |           |           |            |
| (b) Corporate banking is exclusively for high-net-worth individuals   |              |           |           |           |            |
| (c) Retail banking deals with individual consumers while corporate banking focuses on businesses            |              |           |           |           |            |
| (d) Corporate banking offers no loans   |              |           |           |           |            |
| ii. In the approval process of loans, which tool is primarily used to assess a customer's creditworthiness? | 1            | 2         | 10        | 2         |            |
| (a) Debit scoring   |              |           |           |           |            |
| (b) Credit scoring  |              |           |           |           |            |
| (c) Loan disbursement   |              |           |           |           |            |
| (d) Collateral evaluation   |              |           |           |           |            |
| iii. Which loan type typically includes a moratorium period?  | 1            | 2         | 9         | 2         |            |
| (a) Personal loan   |              |           |           |           |            |
| (b) Housing loan  |              |           |           |           |            |
| (c) Credit card loan  |              |           |           |           |            |
| (d) Consumer loan   |              |           |           |           |            |
| iv. Which product is usually secured by collateral?   | 1            | 2         | 1         | 1         |            |
| (a) Education loan  |              |           |           |           |            |
| (b) Personal loan   |              |           |           |           |            |
| (c) Gold loan   |              |           |           |           |            |
| (d) Consumer loan   |              |           |           |           |            |



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v.	Which of the following is NOT a technology-based channel in retail banking? (a) Branch banking (b) Internet banking (c) Kiosk banking (d) POS terminals	<b>1</b> 1    10    3	Q.2 i. What is the significance of credit scoring in retail banking? ii. How does retail banking help in risk diversification? iii. Explain the product development process in retail banking. OR iv. Discuss the role of customer requirements in developing retail banking products.
vi.	E-commerce in banking primarily facilitates: (a) Increasing in-branch footfall (b) Selling insurance products exclusively (c) Conducting online banking transactions (d) Reducing internet-based banking	<b>1</b> 2    10    5	Q.3 i. Discuss the key features of housing loans. ii. What are the common issues faced in prepayment of loans? OR iii. Describe the different types of loans available under retail banking.
vii.	What does CRM stand for in banking? (a) Customer Relationship Management (b) Customer Retention Management (c) Corporate Relationship Marketing (d) Core Retail Marketing	<b>1</b> 1    7    4	Q.4 i. List three technology-based channels used in retail banking. ii. What is difference between traditional banking and branch banking technology based channels? OR iii. Describe the importance of e-commerce in retail banking.
viii.	Cross-selling in retail banking aims to: (a) Sell similar products to existing customers (b) Offer new services to non-customers (c) Expand the customer base with unrelated products (d) Focus exclusively on loan products	<b>1</b> 3    9    4	Q.5 i. What is the purpose of CRM in retail banking? Attempt any two: ii. Define cross-selling in banking. iii. Explain how marketing strategies influence retail banking product sales. iv. Describe the significance of customer relationships in marketing retail banking products.
ix.	Which trend focuses on simplifying customer interactions through technology? (a) Branch-based marketing (b) Customer Interaction Management (CIM) (c) Product diversification (d) Collateral-free banking	<b>1</b> 2    10    5	Q.6 i. Attempt any two: i. Describe the regulatory aspects of urban retail products factoring.
x.	Microfinance is targeted primarily towards: (a) Corporate clients (b) Urban high-net-worth individuals (c) Low-income individuals and small businesses (d) Established small enterprises only	<b>1</b> 2    8    2	

**Marking Scheme of  
MS5EF01 (T) Retail Banking (T)**

<b>Q.1</b> <ul style="list-style-type: none"> <li>i) c) Retail banking deals with individual consumers while corporate banking focuses on businesses</li> <li>ii) b) Credit scoring</li> <li>iii) b) Housing loan</li> <li>iv) c) Gold loan</li> <li>v) a) Branch banking</li> <li>vi) c) Conducting online banking transactions</li> <li>vii) a) Customer Relationship Management</li> <li>viii) a) Sell similar products to existing customers</li> <li>ix) b) Customer Interaction Management (CIM)</li> <li>x) c) Low-income individuals and small businesses</li> </ul>		
<b>Q.2</b> <ul style="list-style-type: none"> <li>i. What is the significance of credit scoring in retail banking?</li> <li>ii. How does retail banking help in risk diversification?</li> <li>iii. Explain the product development process in retail banking.</li> </ul>	2 2 4	1 1 1 1 1 1 1 1 1 1
<b>OR</b> <ul style="list-style-type: none"> <li>iv. Discuss the role of customer requirements in developing retail banking products.</li> </ul>	4	
<b>Q.3</b> <ul style="list-style-type: none"> <li>i. Discuss the key features of housing loans.</li> <li>ii. What are the common issues faced in prepayment of loans?</li> </ul>	3 5	1 1 1 1 1
<b>OR</b> <ul style="list-style-type: none"> <li>iii. Describe the different types of loans available under retail banking.</li> </ul>	5	
<b>Q.4</b> <ul style="list-style-type: none"> <li>i. List three technology-based channels used in retail banking.</li> <li>ii. Discuss the retail strategy used by banks for effective distribution.</li> </ul>	3 5	
<b>OR</b> <ul style="list-style-type: none"> <li>iii. Describe the importance of e-commerce in retail banking.</li> </ul>	5	
<b>Attempt any two:</b>		
<b>Q.5</b> <ul style="list-style-type: none"> <li>i. What is the purpose of CRM in retail banking?</li> <li>ii. Define cross-selling in banking.</li> <li>iii. Explain how marketing strategies influence retail banking product sales</li> </ul>	2 3 3	4 4 4
<b>OR</b> <ul style="list-style-type: none"> <li>iv. Describe the significance of customer relationships in marketing retail banking products.</li> </ul>	3	
<b>Q.6</b> <ul style="list-style-type: none"> <li>i</li> <li>ii</li> <li>iii</li> </ul>	<b>Q.7</b>	Attempt any two: Describe the regulatory aspects of urban retail products. Discuss how technology supports product and process innovation Explain recent trends in retail banking with examples of technological advancements
Introduction to the case                                    1 MARK    1		
1. What advantages could ABC Bank achieve by implementing CIM for customer retention?  2. Discuss how cross-selling could be utilized in enhancing ABC Bank's product offerings.  3. Identify potential regulatory challenges ABC Bank might face with new digital services.  4. Suggest a strategy for ABC Bank to manage costs associated with technology investment. <b>2x4 questions</b>		
Conclusion    1 MARK		
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