

P.G.D.I.F.A. Sem.-2 Examination**Paper-6****Marketing of Financial Services****June-2025****Time : 2.30 Hours]****[Max.Marks : 70**

Q-1 Explain the nature and scope of Marketing Management in the context of financial services. How does understanding consumer behaviour help in identifying market segments? (14)

OR

- (A) Explain the factors influencing the buying process of Financial Services (07)
 (B) Discuss the role of Investment Banks in the financial system. What are the different types of Investment Banking services? (07)

Q-2 Define financial services and explain their importance in the financial system. Differentiate between Lease and Hire Purchase. (14)

OR

- (A) Write a detailed note on CRM in Financial Services (07)
 (B) Write a short note on how to manage service quality of financial services (07)

Q-3 Discuss the role of distribution channels in the marketing of financial services. How do behavioural aspects like motivation and persuasive skills impact distribution? (14)

OR

- (A) Describe the concept of Mutual Funds and their phases of growth in India. (07)
 (B) Explain the importance of pricing strategies in the marketing of financial services. (07)
Q-4 Highlight the importance of effective communication in the financial services industry along with the barriers that foster miscommunication (14)

OR

- (A) Write a short note on types of Insurance in India (07)
 (B) Explain the process of new financial product development. (07)

Q-5 Multiple Choice Questions.

1. Which of the following is NOT a component of the marketing environment?
 a) Political factors b) Consumer behaviour c) Product lifecycle d) Technological advancements
2. Credit Rating is a service provided by:
 a) Depositories b) Custodians c) Credit Rating Agencies d) Investment Banks
3. The process of converting receivables into immediate cash is known as:
 a) Factoring b) Forfeiting c) Leasing d) Hire Purchase
4. Which of the following is a key function of a Merchant Bank?
 a) Accepting deposits b) Underwriting securities c) Providing housing loans d) Issuing credit cards
5. In investment banking, "underwriting" primarily involves:
 a) Assessing credit risk for corporate loans
 b) Guaranteeing the sale of securities at a predetermined price
 c) Managing IPO subscriptions for retail investors
 d) Providing custodial services for institutional clients
6. Effective communication in financial services includes:
 a) Only verbal communication b) Only non-verbal communication
 c) Both verbal and non-verbal communication d) None of the above
7. Which of the following is a pricing strategy for financial services?
 a) Market segmentation b) Product differentiation c) Cost-plus pricing d) Consumer behaviour analysis
8. What is the primary purpose of a Reverse Mortgage Loan?
 a) To provide short-term business funding b) To allow seniors to convert home equity into cash
 c) To finance stock market investments d) To fund education expenses
9. Which of the following best describes "Leasing"?
 a) A long-term loan for purchasing property b) Renting an asset for a specified period
 c) A method of equity financing d) A type of insurance policy
10. The term "Financial Engineering" refers to:
 a) Designing new financial products b) Managing physical infrastructure in banks
 c) Regulating stock exchanges d) Auditing financial statements
11. Which of these is a characteristic of services marketing?
 a) Tangibility b) Perishability c) Standardization d) Mass production
12. Which behavioural bias might lead investors to hold underperforming stocks too long?
 a) Anchoring effect b) Loss aversion c) Recency bias d) Herd mentality
13. SEBI's role in mutual funds includes all EXCEPT:
 a) Approving scheme prospectuses b) Setting expense ratio caps
 c) Directly managing fund portfolios d) Monitoring insider trading risks
14. The buying process of financial services is influenced by:
 a) Only economic factors b) Only psychological factors
 c) Both economic and psychological factors d) Government policies only