



## MARKETING GUIDELINES OF LOAN SERVICE OF KRUNG THAI BANK PUBLIC COMPANY LIMITED, THANI ROAD BRANCH, BURIRAM PROVINCE

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### Abstract

The objectives of this independent study are analyzing environmental management, weaknesses, strengths, threats, and opportunity and study demography, behavior, satisfaction, with the different level of satisfaction of the customers toward Market mix in order to the development marketing guideline of loan service of Krung Thai Bank Public Company Limited, Thani Road Brunch, Burirum Province. The study found that organizations adopt to the external environment and internal environment well. Customer behavior found that most of customers choose loan service of the bank. Most of them use the personal credit/multi-purpose credit for government officer/ welfare credit. The reason for using the service was the bank's reliable. Level of satisfaction toward Market Mix of loan service with the overall service quality level in each service was at high level. The study objective could determine strategies to project strategy which consisted of SO strategy that is strategy on maintaining on the number of customer, increasing the number of new customer and WO strategies that is building up the difference. On implementation of the project, the bank was expected to have more customers in loan service which could increase interests, fees, benefits and the bank's potential to benefit the operations of the bank sustainably.

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**Keywords:** Marketing guideline of Loan service, Fees, Interests

## Introduction

Krung Thai Bank Public Company Limited is held to be the biggest bank of state enterprise which first established as at 14th of March, 1966. The bank's overall operation has been growing upon increasing business sections from gross domestic economy of Thailand. The business transaction of Krung Thai Bank is growing with stability and continuity. The regularity of renovation and expansion are enabling to serve customers quickly and thoroughly.

At present Krung Thai Bank Public Company Limited has 1,196 branches [1] covering all entire provinces and nearly all districts over the country. I, a student, have selected a branch of Thani Road to be a study case at this time. Krung Thai Bank Public Company Limited, Thani Road Branch is situated at 3/3 Thani Road, Nai Mueang, Mueang Buriram, Buriram. There are 10 officers which administered by Mr. Sukhum Janesirisak, branch senior manager. This branch was launched as at 1st of November, 1998 which divided 2 service sections that are loan and customer services.

Regarding to the operation report of end of the fourth quarter 2014 [2] found that net profit of comparison commercial bank has a lot more that Krung Thai PCL, the high executive officer foreseeing that an ability to increase net profit. As the condition of economy and social is always change that affect to the way of life of the customer. Rising of cost of living has affected unbalance income and expenses that causing legal loans and shark loans, financial institutes release many loan form for supporting people needed. In order to support this financial institute have to plan an adjustment of the strategy, operation or increasing operation in other systems to respond costumers' requirement to gain maximum satisfaction. To retain current customers and expand new customers for the benefits of business organization to conform with economy environment and competition nowadays.

=Therefore the study of marketing loan of Krung Thai PCL Thani Branch Buriram Province, so it is important development or marketing strategies in a part of credit which already useful to have more efficient or adjust a minor part or inappropriate to persuade customers to access the service loan to the bank permanently.

## Research Objective

To analyze the environmental of management, analyze strengths and weaknesses, opportunities and threats. To study of demographic, behavior, customer satisfaction and the differences in the level of customer satisfaction on mix of service marketing. And to study the ways to develop the market of loan segment of Krung Thai Bank PCL, Thani Branch.

## Methodology

This is study survey, the study method is learning from document information by studying, researching and gathering of documents, journals, books, theses and related research. And studying from fieldwork information by using a questionnaire as a tool to collect data then use such data to applied research as the method of social research descriptive. This research the researcher has interpreted the meanings, analyzes, evaluates the data received and presents



the descriptive and analytical research using descriptive statistics describing data distribution, frequency, average of the variable and the difference from other variables and inferential statistics, explaining the relevance of the information assumptions and inferences to be model rate of the study population [3].

#### Educational Concepts

To study the approach of marketing loan of Krung Thai Bank PCL Thani Branch Buriram Province, the researcher has studied which studying concepts by 2 groups of inputs. The first group is credit executives' team of Krung Thai PCL such as branch manager, secondary branch manager of sale business and senior credit supervisor by the issue topics regarding the external environment, internal corporate environment, analysis of strength and weaknesses, opportunities and threats by using interview method and analysis of environmental management for brainstorming of the management team upon concepts and theories about the brainstorm [4]. The result is analysis of environmental management. The second group is customers who was served the credit services of Krung Thai Bank PCL which classified by gender, age, education, type of customer, business / professional group budget / range of income as the inputs to the study. Using questionnaire by applying to theories of population, theories of consumer behavior [5] theory satisfaction [6] theory of service marketing mix [7] theory about the quality of service [8] theory about customer relationship management [9] the result is a key factor that major customers choose the service credit of Krung Thai Bank PCL Thani Branch and customer satisfaction to quality of credit services then bring both results to define a project and compared to related research for leading to credit marketing solutions of Krung Thai Bank PCL that meet to behavior and customer needs in order to retain customers base and increase new customers to the bank permanently.

#### The hypothesis of the study

The customers who were served the credit services of Krung Thai Bank PCL, Thani Branch Buriram Province, are vary of gender and range of education but have the satisfaction level of credit service marketing mix not much difference. And the customers who are different of age, occupation and income that have the satisfaction level of credit service marketing mix much difference.

#### Scope of Study Population and Sample

This study took a sample of 400 credit customers of Krung Thai Bank PCL, Thani Branch Buriram Province. At this time, the researcher has used a simple random method to answer to a query.

#### Tool and analysis of quality tool

The using tool to study is a questionnaire which applying to the theory of service marketing mix to determine the factors that affect the satisfaction level of credit customers.

The researcher used the tool for analyzing quality by forming a questionnaire that has content validity which reviewed, criticized and amended by the expert of March 2015 as listed and searching quality tool by finding Index of Consistency or IOC which is the IOC's questionnaire is equivalent to 1.0. Then can use as an educational tool.

### Data collection

Data collected from a sample of the customers who use services of bank loans of Krung Thai Bank PCL, Thani Branch Buriram Province, during January 2014 to December 2014 by taking a random of convenience sample. When received all the complete number of questionnaires. The researcher checked the accuracy of the data and took all data to analyze with a microcomputer by using SPSS software program for Windows Version 19.0 to analyze statistical data. The statistics which used in this study such as percentage, mean, Standard Deviation, T-Test and ANOVA.

### The condition of Study Decision Making

Term of decisions on the assumption that need to study in the evaluation in the case of a difference comparison that decide to accept or reject the Null Hypothesis ( $H_0$ ) by comparing the Significant accept the hypothesis Null Hypothesis ( $H_0$ ) when Computed Significant greater or equal to 0.05 and reject the hypothesis when Computed Significant less than 0.05.

## Study result

### Environmental data management

Analysis of environmental management of Krung Thai Bank PCL, Thani Branch Buriram Province found that the matter which has positive impact such as factor of legal and political, economic, social, culture, technology and physical environment while the matter which has negative impact such as factor of legal and political, technology and physical environment. Five Forces Model analysis found that the high level of impact to business operation is the competition between existing competitors in the market, the bargaining power of customers and the threat of new competitors. For the threat of substitute products will affect the business in the medium and bargaining power of the production suppliers is impact to business in low. Analysis of the internal environment, the marketing deem to have moderate market share. In a part of the operations management, the branch has good level of internal management that enabling to impress of the services to customer. In terms of personnel has selection of new employees to be well trained as usual that to be served customers as needed and also give a consult both of financial and credit as well.

### General data

The result of general data that customers who using the services of credit of Krung Thai Bank PCL, Thani Branch Buriram Province, found that most of the customers are women in the age of 30s - 40 with education level of bachelor degree and work as government officer or government employee which have income range of 15,000 – less than 30,000 baht.

### Data of credit customer behavior

The behavior data of customers who using the services of credit of Krung Thai Bank PCL, Thani Branch Buriram Province, found that most of customers choosing a service of personal loans/ Multi-purpose loans for servants/ corporate welfare loans. They selected credit services of the bank for the purpose of personal expenses/ for consumption. The reason that customers selected credit services of the bank that is the bank is reliability and credit products suit their



requirement, friend / acquaintance is the channel to provide the information and received the news of the bank. The convenient time for customers to contact credit services of the bank is between 12.00 -13.00 hours. Most of the customers repay by collecting from saving account. For using the services of credit of Krung Thai Bank PCL, Thani Branch Buriram Province, most of them return to use once.

Customer satisfaction data to marketing mix of credit services

The customer satisfaction data to marketing mix of credit services of credit of Krung Thai Bank PCL, Thani Branch Buriram Province, has overall satisfaction with the level of very satisfied with the distribution of normal data. The satisfaction data to the mix of marketing services in the first four in each classification found that a part of personal has a gross satisfaction of maximum level that from quality services by officers, they have well knowledge and able to give good advices about products. In a part of operation and price, both have a gross satisfaction of high level, by this is from easy to permit loan, fast and interest rate which impressed to customer at maximum level. And in a part of products have a gross of satisfaction level at high as bank stability, famous and reliability. Customers are satisfy as high as maximum level as bank has vary of loan products and also covering for all occupations that affected to customers to have high level of satisfaction.

Different data in the level of customer satisfaction on service marketing mix

The different data in the level of customer satisfaction on service marketing mix of credit of Krung Thai Bank PCL, Thani Branch Buriram Province found that the difference of gender and level of education has the same level of satisfaction to service marketing mix significant of statistic at 0.05. And a part of customers who differ with a range of customers, age, occupation and income have the level of satisfaction with different services marketing mix.

The development of marketing approaches to credit section

The strategy of making the project to be a marketing approach of credit of Krung Thai Bank PCL, Thani Branch Buriram Province, including approach strategies (SO) and adaptation strategies (WO) when the strategy have proceeded expecting that Krung Thai Bank PCL, Thani Branch Buriram Province, will increase a number of our customers to use the credit services which causing to increase income to the bank permanently.

## Summary Discussion and Suggestion

Summary

The study results is to be line in objective found that customers are satisfied with the credit service of Krung Thai Bank PCL, Thani Branch Buriram Province, in each side has a high gross satisfaction level. This is leading to the guidelines of credit marketing development of the bank in accordance with the theories of service marketing mix. Most of customers will focus on the eight sides, if the bank or organization emphasize in all sections. It would be beneficial for customers to come to the bank.

### Discussion

The data obtained from the study to be discussed has results of 8 sides according to theory of marketing mix service as follow:

The personnel section is in accordance with the study of *Peangjai Benjaputtarak (2013)* found that the satisfaction of customers using multi-purpose credit of Krung Thai Bank PCL found that those surveyed were most satisfied in the staff.

The processing section: The study found that a loan which easy to approve, fast and simple to apply is the primary reason to stimulate customer to decide credit services with any institutions.

The product section: Customers satisfy to various of products in high level. That is bank is security, famous and reliable in accordance with the study of *Jaikeaw Thongchai (2009)*.

The physical description: has satisfaction that the bank is in a neighborhood convenient to contact. That is the image to impress to access the services this is in accordance with the study of *Udomsak Wuttiwong (2006)*.

The distribution or contact channels section: For loan payments banks has added more convenience to customers. That is automatically deducted from a savings or current account. This can help customers to save time and avoid a problem with late payments. It is another reason for customers to choose.

The marketing promotion section: To decrease interest rates in some types of loans can attract or persuade customers to use our credit service credit. Nowadays the competition is aggressive, a various marketing promotion will be a factor or major component that make customers more satisfied.

The service quality section: the process during credit permission and after is important and from the study results. The customers are most satisfied from the reliable credit without default. That is the important thing which bank have to keep and beware in each step to be followed with the most corrective and reliable process.

### Suggestion

#### Suggestion to organization

From the study for suggest the approaches of marketing development to meet the opinions and requirements of customers. The suggestions are there should be tracked and to meet loan customer regularly for tracking after loan permission and deem to make good relationships between the bank and the customers.

The minor is launching product category, there should has simple process to permit, less document for increasing the attractiveness to access the credit of the bank.

And finally the bank should emphasize to the customers who are not a civil servant as the image of Krung Thai Bank PCL is the governmental bank. That has served a plenty of civil servants causing some customers might not be convenient as expected.

#### Suggestion for next study

The next study should further study about the expectation of customers who have used credit services with the bank. That is for acknowledge what customers have expectation after received credits services. That is to be adjusted or revised in the part of customers' expectations



that the bank unable to serve or to improve credit services to customers beyond their expectations. There should be monitoring and studying in credit services of a rival, in order to comparing and developing better credit service and should learn more about the reason for customers who do not return to us credit services with of Krung Thai Bank PCL even a small amount, however it is critical to customer satisfaction with the Bank.

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