

Research on the Status Quo of Commercial Bank Marketing and Its Adjustment Countermeasures

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Abstract: The marketing work of China's commercial banks plays a vital role in the development process. This paper focuses on the problems existing in the marketing of commercial banks in China, and focuses on the countermeasures to solve these problems. Its successful marketing practices have the goal of improving operations, expanding business and improving the economic efficiency of commercial banks.

1. Introduction

After China's accession to the WTO, the financial sector has become more and more open. Foreign banks have noticed the Chinese market. In recent years, China's development has been good [1]. These foreign banks are very experienced in management and have a keen insight into market demand. It is very flexible in terms of marketing methods, which brings great challenges to Chinese commercial banks [2]. The competition between the two is particularly fierce. At the same time, China's commercial banks generally ignore the problem of market orientation, paying less attention to the guiding role of customers, not doing enough in terms of business expansion and competitiveness, and being constantly challenged in the market.

At the same time, in recent years, with the continuous development of the economy, the interest rate market has been continuously reduced, which has made the competition among financial institutions in the domestic market fiercer [3, 4]. Under fierce competition, other financial institutions such as Minsheng Bank, Shanghai Pudong Development Bank, and Huaxia Banks and other banks have settled in, and the original financial market structure has been disrupted. How to ensure the bank's revenue in the new economic situation and fierce market competition has become a problem that banks need to face [5].

In view of this problem, this paper conducts an in-depth study on the problems arising in the marketing of China's commercial banks through data analysis, and proposes an adjustment strategy based on the marketing strategies of developed countries to help Chinese commercial banks promote self-reform, strengthen marketing and improve economic efficiency [6].

2. China's commercial bank marketing status

2.1 Analysis of the overall status quo

Bank marketing is a behavior that benefits from the needs of the financial market, combined with the bank's own advantages, and develops reasonable marketing methods to provide customers with good products and services to meet customer needs [7]. In 1985, scholar Hao Yuanxiao proposed a new definition of bank marketing: that is, based on the needs of customers, using the capital resources and human resources of banks to provide customers with products and services that meet customer needs, at the same time, banks charge among them, the transaction funds are used as income. Chinese scholar Qian Yongdao proposed bank marketing in 2000 [8]. Through the research on the market and customers, through the research and development and design of marketing products, through the price design of products, sales channels of products and quality after-sales service, bank sales were established. Scholar Pan Tianqin believes that the marketing of China's banking industry should be based on market positioning [9] and market segmentation,

distinguishing the nature and specific conditions of various customers, so that developing a reasonable marketing strategy is an important marketing method. Scholar Fang Zhiqin believes that China lacks new marketing talents [10]. The lack of financial professionals will lead to banks not being able to accurately analyze domestic and foreign forms, and fail to formulate a reasonable and comprehensive overall banking marketing strategy.

With China's economic development and financial reform, the development stage of Bank of China marketing can be divided into market segmentation stage, marketing sprout stage, marketing innovation stage and marketing internationalization. The specific stage and content are shown in Figure 1.

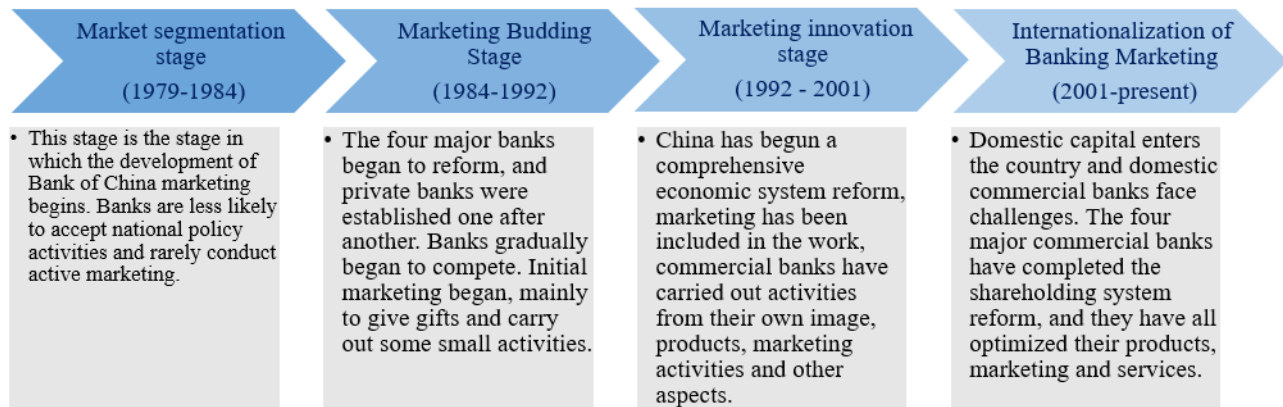


Figure 1. Bank of China Marketing Development Stage

2.2 Taking a regional bank as an example for analysis

Bank A was established in December 2008 and is the national provincial reform pilot unit designated by the China Banking Regulatory Commission. In recent years, Bank A has relied on local policy support at its provincial level to operate the market on a local basis and to operate carefully in the business, thus rapidly radiating the entire urban and rural network. The deposits of banks in recent years are shown in Table 1 and Figure 2.

Table 1. Bank deposits in 2014~2018

Main indicators	2014	2015	2016	2017	2018
Deposit (billions of yuan)	4.97	4.299	4.305	4.551	4.561
Growth rate from the previous year	27.46%	-4.42%	3.16%	5.74%	5.74%
Time deposit ratio	79.01%	72.71%	75.34%	76.26%	78.26%
Margin and remittance(millions of yuan)	403	339	170	130	130

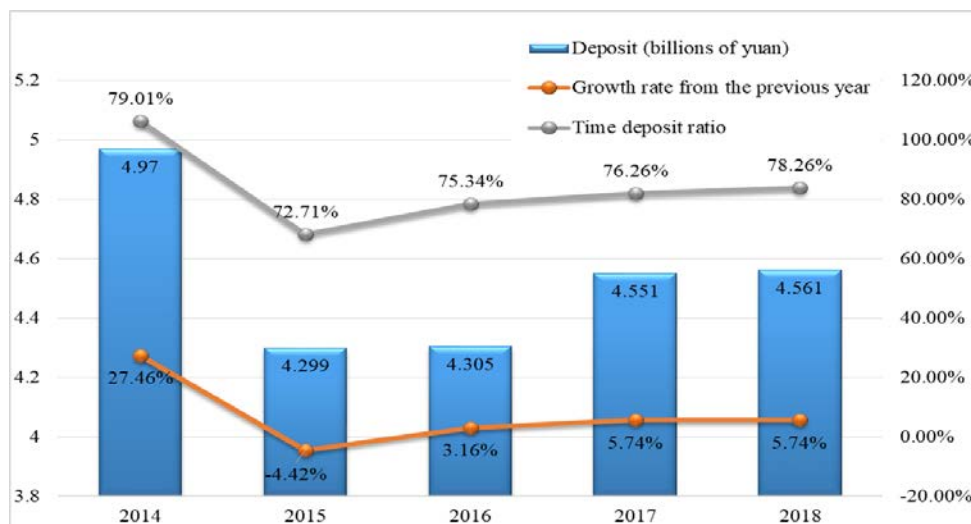


Figure 2. Bank deposits in 2014~2018

It can be seen that the balance of deposits under the jurisdiction of Bank A is 4.556 billion yuan, an increase of 5.05 million yuan from the beginning of the year, and the market share has increased by 0.33% compared with the beginning of the year. Small deposits of less than 500,000 yuan were 3.093 billion yuan, accounting for 67.88%. The number of households increased by 30,968 compared with the beginning of the year, an increase of 17.69%. The balance of deposits achieved a five-year continuous increase.

The loan situation is shown in Table 2 and Figure 3.

Table 2. A bank loan situation from 2014 to 2018

Main indicators	2014	2015	2016	2017	2018
Loan (million yuan)	3080	3667	4304	3346	3655
Income (million yuan)	423	374	324.2	354	361
Expenditure(million yuan)	336	244	154	341	353
Profit(million yuan)	89	40	170	7	8

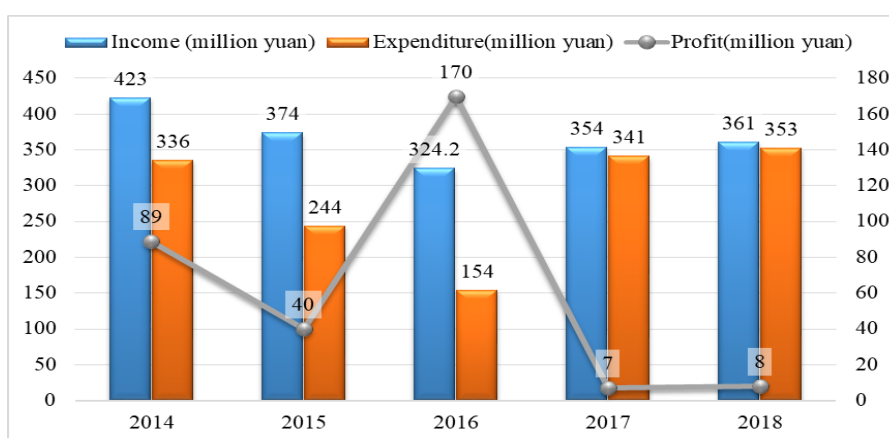


Figure 3. A bank loan situation from 2014 to 2018

Through the individual research on the market as a whole and Bank A, we believe that there are three main problems in the marketing of Chinese commercial banks:

1) The concept of marketing is relatively backward

The concept of marketing was introduced to commercial banks in China at the time of its commercialization reform, when the Chinese banking market was in the seller's market. As the reform of state-owned banks continued to deepen, the shareholding system began to be implemented, and various banks began to conduct market research and customer research. Through these investigations, they grasped the data and formulated competition strategies. However, it is still a form of product marketing, with obvious signs of planned economy in the process of operation, and the concept of marketing is relatively backward.

2) Marketing is lack of planning

Successful commercial banking marketing must be planned and planned. It is built around the bank's business strategy, accurate in market research, analysis and positioning, and good at thorough marketing planning. However, Chinese commercial banks lack the ability to control the market, and their positioning is not precise enough. The thinking on business development is too narrow and the marketing methods are relatively simple.

3) The quality of marketing staff is generally low

To do marketing well, Chinese commercial banks need to be competitive in three aspects: organization, operating system and marketing team. However, the professional level and comprehensive quality of marketers in commercial banks are generally low, and they are not able to adapt to market demand.

3. China's commercial bank marketing improvement strategy

The formulation of marketing strategy needs to follow the principles of economy, feasibility and

orientation. Based on this, after analyzing the marketing strategies of banks in developed countries, we propose the following improvement schemes, as shown in Table 3:

Table 3. Proposed improve proposals

Improvement plan	Requirements implementation	Method
Establish a customer-oriented marketing concept	Foreign banks pay great attention to the needs of quality customers and use high-quality services to meet customer needs and stabilize customer resources. Chinese commercial banks need to learn from the experience of foreign banks, take the customer's needs as the guide, keenly grasp the customer's needs, arrange the internal department structure, product design and service means according to the customer's needs, and use the bank's reputation to stabilize customers. In the Internet era, we draw on the customer visit management room of the customer relationship management, establish a resource library, and more tailor-made financial service solutions for customers, and establish a trust relationship with customers.	Create customer profiles and provide targeted services
Give full play to its own advantages and adapt to the trend of market development.	For commercial banks to develop, they must know where their advantages are, what are the products and services that are characteristic, and invest their own human resources and financial resources in their own characteristic fields, which are often very competitive areas. For example, China's Bank of Communications, the focus of business is large and medium-sized cities, foreign business, and invested a large number of resources to develop sub-branches, for some of the branches with poor external conditions to adopt a restrictive approach, so that the flow of resources is more reasonable, the bank itself It is also more capable of developing a business that is more suitable for you.	Expanding its own advantages and opening up its distinctive business
Focus on the training of marketing personnel.	The competition of China's commercial banks is ultimately the competition of talents. At present, China's commercial banks are faced with the lack of management talents. At the same time, many marketers are engaged in business that is too traditional and concentrated. In order to promote the development of commercial banks, it is necessary to adjust the talent structure. First of all, financial talents with experience in financial market operations can be introduced from overseas. They tend to have more management skills and better overall quality. Secondly, it is possible to strengthen internal training, which means that the existing people of the bank are trained to improve their quality in all aspects, so as to facilitate the bank's management and management.	Conduct organized marketing staff training and introduce talents for studying abroad.

The success of a bank's marketing, in addition to theoretical guidance, is more important than a reasonable team structure. In this regard, we propose a new marketing organization framework, as shown in Figure 4.

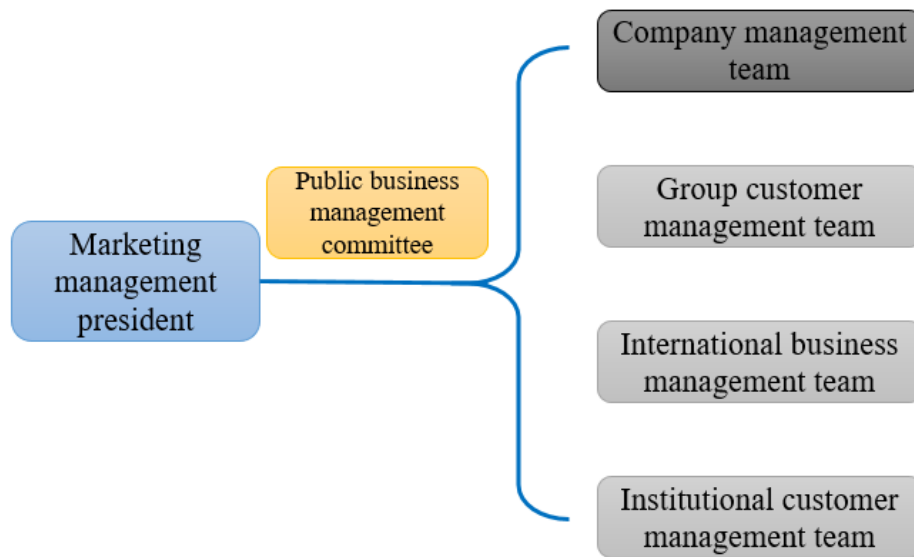


Figure 4. Proposed marketing organization framework

The business committee fulfills its marketing management responsibilities and directly docks the marketing president. There are 4 marketing management teams. The company management team is responsible for market research and analysis, identifying target customers and markets, managing customer information and marketing staff assessment work, and focusing on marketing campaign planning. The three professional teams are responsible for the business processing of three types of customers: group customers, institutional customers and international business customers. Establishing a professional team to carry out division of labor and cooperation can effectively improve work efficiency.

4. Conclusion

To comprehensively promote the development of China's commercial bank marketing, it is necessary to continuously investigate the market demand and be keenly aware of changes in market demand, and carry out adjustments in various aspects such as bank internal department setting, personnel structure and development plan, and constantly adjust. It draws on the advanced management experience and marketing experience of foreign banks for their own use, combines their own characteristics to transform them into a competitive advantage, stands out in the fierce market competition, and achieves a double harvest of economic interests and social interests.

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