

## **ANALYSIS OF NATIONAL PRIVATE BANK MARKETING MANAGEMENT STRATEGIES IN AN EFFORTS TO ATTRACT FUNDS FROM THE COMMUNITY**

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### **Abstract**

Marketing strategy is a planned and structured marketing procedure that will be carried out to achieve company goals. As a company develops, company competition cannot be avoided, especially in the banking world. To implement the right and best marketing strategy, one way is for the company to look at the service quality and value of the services provided to consumers. This is important because marketing is carried out in order to fulfill consumers' needs and desires for a product/service. Marketing can also be done in order to face competitors who are increasing over time. Professional marketing management is needed to meet the needs and desires of customers. Banking marketing strategies must be adapted to the bank's external and internal environmental conditions, as well as the bank's resources and capabilities. Therefore, there are several points in the marketing strategy at this bank that can be explained, namely product strategy, price strategy, location and layout strategy, promotion strategy.

**Keywords:** Strategy, Marketing Management, National Private Bank

### **INTRODUCTION**

The rapid changes in the world have forced producers and sellers to think hard in order to continue to exist in their world. This change is caused by various reasons, such as the rapid growth and development of technology, both machine technology and heavy equipment, especially telecommunications technology. The development of machine technology, for example, has been able to change product quality, from packaging to contents, to make it more attractive and competitive.

In this era of globalization, the banking industry is an industry that is experiencing quite rapid development, both in terms of business volume, community mobilization and credit provision. With the increasing number of banks and non-bank financial institutions, competition in attracting people's interest in saving their money in banks is getting tighter. This influences banking management patterns and strategies to be more creative and

innovative in developing and obtaining new sources of funds (Kumar, B. S, 2017).

Financial institutions, every company whose business activities are related to the financial sector, bank financial institution business activities can take the form of collecting funds by offering various schemes, channeling funds at once, where the financial institution's business activities are intended for company investment, consumption activities, and distribution of goods and services (Prabhu , N., & Aithal, P. S, 2023).

A bank is a financial institution which is a place for exchanging money. In its activities, the Bank plays a role as a mobilizer of development funds to drive economic activities (Wright, M., & Howcroft, B, 2010). So the economic system greatly influences banking activities. In the development of banking services in Indonesia, there has been quite rapid progress since the introduction of new technology and deregulation in the banking sector.

Banks as financial institutions that produce financial services also need marketing strategies to market their products. The impact of technological changes also has a positive impact on the development of the banking world. The products offered to customers are faster and more efficient.

In carrying out a banking business, of course it cannot be separated from what is called marketing. Marketing is an important component of business. The success or failure of a company/bank is determined by the marketing strategy and tactics set by the company. Marketing is the most important part of the company. Each company's marketing division is tasked with attracting customers to participate in a series of coordinated activities. The processes in marketing include, namely, design, systematization, implementation and operation. Management's role in marketing initiatives aims to meet consumer needs and preferences (Ananda, S, 2017).

To implement the right and best marketing strategy, one way is for the company to look at the service quality and value of the services provided to consumers. This is important because marketing is carried out in order to fulfill consumers' needs and desires for a product/service. Marketing can also be done in order to face competitors who are increasing over time.

Marketing is an economic science that has been developing for a long time and until now marketing has greatly influenced the success of a company in being able to survive in market share (Icha, O, 2015). Therefore, a marketing strategy is needed that can have an influence on whether or not marketing the product is successful. If the marketing strategy implemented by the

company is able to market its products well, this will affect the company's goals.

Several financial institutions may have the same goals, but the strategies used to achieve these goals are certainly different. In general, all levels of management of a financial institution will always make good and appropriate plans. However, determining whether the plan is successful or not really depends on the implementation of all the strategies that have been made (Sheshadri, T., et al, 2024). So it is clear that strategic issues for a financial institution are very important. Because this strategy determines the achievement of planned goals.

## **RESEARCH METHOD**

The study in this research is qualitative with literature. The literature study research method is a research approach that involves the analysis and synthesis of information from various literature sources that are relevant to a particular research topic. Documents taken from literature research are journals, books and references related to the discussion you want to research (Earley, M.A. 2014; Snyder, H. 2019).

## **RESULT AND DISCUSSION**

### **Understanding Marketing Management**

Marketing is a very important part of the company. The marketing department has the responsibility to influence consumers into a coordinated series of activities. Marketing activities are carried out through a process of planning, organizing, implementing and controlling. This process is a function of management in marketing activities to meet consumer needs and desires (Leonidou, C. N., & Leonidou, L. C, 2011).

According to Webster Jr, F. E (2005) marketing management is the process of planning and implementing the conception, pricing, promotion and distribution of goods and services to produce exchanges that meet individual and organizational goals. Meanwhile, according to Wilson, R. M., & Gilligan, C (2012) marketing management is the process of planning and implementing the conception of pricing, promotion and distribution of goods, services and ideas to create exchanges with target groups that meet customer and organizational goals.

Based on the definition above, Marketing Management is the analysis, planning, implementation and control of programs designed to create, build and maintain profitable exchanges with target markets with the aim of

achieving organizational goals. Marketing is an effort to fulfill customers' needs and desires for products and services. Marketing is a social and managerial process in which individuals and groups obtain what they need and want by creating, offering and exchanging products of value with others.

### **Marketing Management Objectives**

Every action carried out by a company or business entity certainly contains a specific purpose and objective. This goal setting is adjusted to the wishes of the management itself. In determining the goals to be achieved, business entities carry out various careful considerations. Then determine ways to achieve these goals.

In general, bank marketing objectives are: (Lee, J. Y., et al, 2015)

1. Maximize consumption or in other words facilitate and stimulate consumption, so that it can attract customers to buy products offered by the bank repeatedly.
2. Maximize consumer satisfaction through various services that customers want.
3. Maximizing choice (product variety) in the sense that the bank provides various types of bank products so that customers have a variety of choices.
4. Maximize quality of life by providing various conveniences to customers and creating an efficient climate.

### **Basic Concepts of Interest and Product Socialization**

Competition between banking institutions is currently getting tighter to attract people's interest in saving in banks. Banks are implementing various strategies to use so that people who have saved become loyal and to attract people who save in national private banks. One of the strategies carried out is to carry out promotions by offering products and facilities to the public regarding banking through print or electronic media and so on (Tung, T. M., et al, 2023). Apart from information, advertising and promotions will influence people's interest in saving, and people will learn from the media about banking and what the advantages and disadvantages of national private banks are compared to other banks.

Furthermore, one way for companies to socialize their products is through promotions. By definition, promotion is something that is familiar to marketing, promotion is an activity to improve something about the performance of a company or institution. Meanwhile, according to Achmad, A., et al (2022), promotion is a form of communication that has an effect on

conveying something, which will persuade, and will increase the marketing of an institution or company. This promotional activity is carried out so that the products being marketed can be known and well received by consumers, so that they can also play a role in using the product.

National private banking carries out promotional activities and these activities are included in marketing management activities and these activities are of course carried out effectively and efficiently which may attract the will and interest of the public so that the objectives of the bank's establishment are achieved as desired. During promotions, banks will announce all types of products, offers and try to attract new potential customers. Therefore, promotions also aim to remind customers about the product. Promotion also participates in encouraging customers so that customers want to buy and this will improve the bank's image in the eyes of the public and customers (Arwin, A., et al, 2023).

### **Marketing Strategy at National Private Banks**

Developing a strategy is very important in product marketing and target market segmentation, and the market positioning implemented will not be successful if the right strategy is not followed. Strategy is the steps a company must take to achieve its goals. The negotiation steps can be steep and winding, but others are relatively easy. Strategy is the underlying pattern of current and planned goals, use of resources, interactions between an organization and its competitive market, and other environmental factors (Uksumenko, A. A., et al, 2017).

Marketing strategy is management that is built to resolve marketing problems and make strategic decisions. Each management function makes a specific contribution to strategy development at different levels. Marketing is the function most exposed to the external environment, but the business has limited control over the external environment. Therefore, marketing plays an important role in strategy development.

Strategy is determining the fundamental long-term goals of an organization, choosing alternative actions, and allocating the resources needed to achieve these goals (Kumar, B. S, 2017).

According to Philip Kotler, marketing is a social process in which individuals get what they need or want by creating, offering, and exchanging products and services of value with others for free. In other words, marketing is about satisfying people's needs and desires by generating profits (Yusuf, M. S., et al, 2022).

Marketing takes into account marketing concepts that are consumer-oriented, goal-oriented, and require systems, and use ideas, product and service concepts, pricing, promotion, distribution planning and implementation processes. Orientation on operational factors and implementation of marketing activities such as pricing, branding, packaging, distribution channels and advertising (Aliata, V. L., et al, 2012). Once the target market is determined through marketing research, the company needs to develop an appropriate plan to enter the selected market segment, which can be categorized into four strategies. The combination of these four strategies forms the marketing mix. The marketing mix is a tool that determines the marketing success of a company, all with the aim of satisfying selected market segments or consumers (Sharma, A., & Chowhan, S. S, 2013).

Marketing is never free from the element of competition. There is usually no one type of business with which you can freely enjoy sales and profits. At least it doesn't take long to enjoy it. Marketing is a whole system of business activities that aims to plan, set prices, promote and distribute goods and services that meet the needs of existing and potential buyers (Madan, R., et al, 2018).

A banking marketing strategy is a plan or action designed to achieve banking marketing objectives. Banking marketing strategies must be adjusted to the bank's external and internal environmental conditions, as well as the bank's resources and capabilities. In the marketing strategy chapter at banks, there are several points that can be explained, namely product strategy, pricing strategy, location and layout strategy, promotion strategy according to Verma, R., & Sharma, K, 2014) in the article Marketing Management at Banks.

#### A. Product Strategy

It is the action of a strategy to offer goods and services to the market for use or consumption and to meet customer needs and desires. Products consist of two types, namely physical and non-physical.

The non-physical product strategy carried out by banks in developing a product is as follows:

1. Quality and quantity of bankers (employees)
2. Quality of service
3. Technology or equipment used in customer service
4. Services that have been provided
5. Promoted service brand
6. There is a guarantee for the services provided.

On the other hand, the physical product strategy applied by banks in developing a product is as follows:

1. Determine the bank's logo and motto. The logo is the characteristic of a bank, while the motto is a series of sentences that serve as the bank's principles in serving the community. Both the logo and motto must be designed well and correctly
2. Creating a brand. A brand is the main thing for introducing the goods or services offered. The definition of brand is often interpreted as a term, symbol, name or a combination of these
3. Creating packaging. Packaging is the wrapping of a product. Packaging in the world of banking can be interpreted as providing services and services to customers as well as packaging for various types of services such as credit cards, savings books, checks and giro bills issued by banks.
4. Label making. A label is something that is attached to a product being offered and is part of the packaging. The label explains who made the product, where the product was made, when the product was made, how to use the product and other information.

#### B. Pricing Strategy

Considering that price is very important and can determine whether or not banking products and services will sell, it is very important to pay attention to determining prices because if you determine the price incorrectly it can have fatal consequences for the product being offered. For banks based on conventional principles, there are three types of interest-based pricing, namely cost price, selling price and purchase price charged to customers. The purchase price is the interest given to customers who have savings, such as current account services, savings interest and deposit interest. Meanwhile, the selling price is the price charged to the credit recipient. Then the costs are determined based on the various types of services offered.

The objectives of determining prices are:

1. To survive, banks set prices as low as possible so that the products offered can be accepted by the public and sell well in the market
2. To maximize profits, namely so that sales can increase so that profits can be increased. Price determination can usually be done at low or high prices
3. To increase market share, so that the number of customers can increase and competitors' customers can switch to the products offered, such as determining higher deposit interest rates than competitors.

4. The quality of the product, service offered is of good quality and usually the price is set as high as possible and the interest on savings is set as low as possible, the aim is to provide the product.
5. Because of competitors, looking at competitors' prices can determine the prices set. The aim is to ensure that savings interest is above competitors and loan interest is below competitors, meaning that the price offered does not exceed competitors' prices.

#### C. Location and Lay Out Strategy

Determining the office location and supporting facilities and infrastructure is very important, so that customers can reach existing bank locations. The following considerations are taken into account when selecting and determining the location of a bank:

1. Close to industrial areas or factories
2. Close to office locations
3. Close to the market location
4. Close to residential or community locations
5. Consider the number of competitors in a location.

There are two types of layout determination, namely building and room layout. Customer comfort and customer security in dealing with the bank can be fulfilled with these two layouts. Things that need to be considered when laying out the building are as follows:

1. Buildings that give a convincing and attractive impression
2. Large, safe and comfortable location or parking area
3. Security around the bank building location
4. There is a comfortable and clean place of worship
5. There are special customer support facilities that can be used and make customers comfortable.

While laying out the room you need to pay attention to:

1. The layout of the room and the atmosphere seem spacious and spacious
2. Neat table and chair arrangements
3. The decoration in the room is not excessive
4. Entertainment facilities such as classical music to make customers comfortable.

#### D. Promotion Strategy

The most effective means of attracting and retaining customers is through promotion. The aim of bank promotions is to inform the public about the types of products offered and hope to attract potential new customers. There are four promotional tools used by each bank, namely:



1. Advertising (advertising)
2. Sales promotion (sales promotion)
3. Publicity (publicity)
4. Personal selling (Khaki, N., et al, 2016).

## CONCLUSION

Marketing is a very important part of the company. The marketing department has the responsibility to influence consumers into a coordinated series of activities. Marketing activities are carried out through a process of planning, organizing, implementing and controlling. This process is a function of management in marketing activities to meet consumer needs and desires. Marketing activities have become a primary need for the banking industry, which is a profit-oriented business entity. It is not good to anticipate that customers' needs, desires and needs will also be satisfied without marketing activities. Therefore, it is important for the banking world to package their marketing initiatives through continuous market research. Professional marketing management is needed to meet the needs and desires of customers. Banking marketing strategies must be adapted to the bank's external and internal environmental conditions, as well as the bank's resources and capabilities. There are several points in the marketing strategy at this bank that can be explained, namely product strategy, price strategy, location and layout strategy, promotion strategy.

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