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**ASSESSING THE EFFECTIVENESS OF MARKETING
PLAN FOR ASB LOAN : A CASE STUDY OF MAYBANK
KUCHING SELATAN**

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1.-1 Introduction

1.1 Background and scope of study

Recently, banks have found themselves facing more aggressive competition, uncertainty and unlimited opportunities. No bank can offer all products or services and be the best and leading bank for all customers. They are forced to find a new basis for competition. A bank must examine its strengths and opportunities and take a competitive position in the competitive marketplace. Discusses some strategic issues related to bank positioning. A number of ways in which distinctive positions can be developed and maintained have been identified. A well-integrated application of technology and staff through operations that respond to customer needs encourage customers to use a whole range of banking products or services rather than just a few. It also helps to build loyalty by creating deeper and fuller customer relationships. As expected, better products, convenience of location, price and advertising had a minor impact on bank selection.

Moreover, excessively high economic growth brings with it potential inflationary pressures to which monetary policy has to be sensitive. In each of the past three years, the economy has been growing at a rate of 5 per cent, which is high compared to our experience of the past 25 years or so. Capacity utilization in the manufacturing sector has also reached record high levels. While we in the Bank are pleased by this strong growth performance, we have to ensure that this growth does not affect inflation adversely.

The existing inflation rate at 3.5% is expected to trend upwards to 6.0%. Rise in the inflationary rate will further heat-up the economy as consumers will face further squeeze in their disposable income while still adjusting to the new energy prices. This has

2.0 Literature review

Niche marketers have a competitive advantage in today's highly segmented financial services market. The consumer marketplace is continuing to fragment into smaller subsets of needs and behaviors, which is affecting the way banks and other financial institutions market products and services (Laurino, 1993). For instance Pictet et Cie, a private Swiss bank, based its strategy on clients' needs and wants rather than using a product-driven marketing strategy (Tan, 1990). This is regarded as a quality service and can be defined as the degree to which a bank meets the expectations of the clients regarding its services. A quality service can also give a bank a competitive edge; studies indicate that customers will pay for personal service if it is good (Ribourdouille et al., 1989).

Strategic marketing planning by commercial banks

In recent years, a flurry of research has been devoted to the area of strategic bank marketing, and banks have used market research to examine their competitive situations. Increased inter- and intra-type competition for retail bank business has caused bankers to be increasingly concerned about satisfying their customers. Customers of marketing-oriented banks were found to be significantly more satisfied with their banks than customers of other banks, suggesting; that marketing-orientation is related to customer satisfaction. Efficiency and courtesy were the most important attributes in determining overall customer satisfaction. Other important attributes were convenience of location, range of services, reputation and availability of innovations. It was suggested that, knowing this, the manager should train his employees to be more courteous and efficient