



MARKETING STRATEGY OF BANK OF QINGDAO



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MARKETING STRATEGY OF BANK OF QINGDAO

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This Independent Study has been Approved as a Partial Fulfillment of the Requirement of International Master of Business Administration

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ABSTRACT

In recent years, with the gradual improvement of the domestic market economic system, the increasing degree of openness and the increasing number of commercial banks, the market competition pattern of the financial industry has undergone significant changes, at the same time, due to the development of internet finance, interest rate marketization and financial disintermediation, the operation and development of commercial banks have been seriously impacted. For local commercial banks whose core business is public business, the innovation of marketing strategy would be the inevitable choice for the commercial banks to face the market challenge and achieve sustainable development.

This paper took Bank of Qingdao (BQD) as the research subject, applied the modern marketing theory, unified its internal and external marketing environment, objectively analyzed the present situation of the bank's business and the existing problems in the marketing strategy. And through STP analysis, BQD customers market segmentation, clear target market selection and market positioning. On the basis of the 4Ps marketing strategy analysis, this paper puts forward the improvement measures of BQD business marketing strategy. The objectives of this study were: 1) To analyze the marketing strategy of Bank of Qingdao by applying the STP theory; 2) To analyze the marketing strategy of Bank of Qingdao by the 4Ps theory; 3) To analyze the marketing strategy of Bank of Qingdao based on SWOT analysis; 4) To propose the recommendations for the Bank of Qingdao marketing strategy.

From the four aspects of product, price, place and promotion, this paper analyzed the marketing mix of BQD's business at present according to the actual situation of BQD's business, put forward the corresponding marketing strategy optimization program. The paper found that: 1) BQD attaches importance to the value of key customers, at the same time, values the diversification of customers, so as to continuously expand its business. 2) BQD develops different financial products for different financial clients, constantly explores new channels, adopts a variety of marketing mix, and determines a reasonable product pricing. 3) BQD has a geographical advantage and a strong technical advantage,

but this geographical advantage is limited to Qingdao. BQD can not expand beyond Qingdao, which becomes a disadvantage. Because of the influence of national policies, BQD attaches importance to the transformation of the business of enterprises in the region and makes full use of social media opportunities, but is still threatened by competition from other banks. 4) On the basis of STP theory, 4Ps theory and SWOT analysis, the paper puts forward the suggestion of BQD, and provides a reasonable design scheme for the marketing and development of BQD. The effective safeguard measures are put forward for the development of BQD. This paper analyzed the causes of marketing problems of BQD commercial banks, with a view to guiding the development of China's local commercial banks.

Keywords: BQD business, 4Ps theory, STP theory, SWOT analysis, marketing strategy

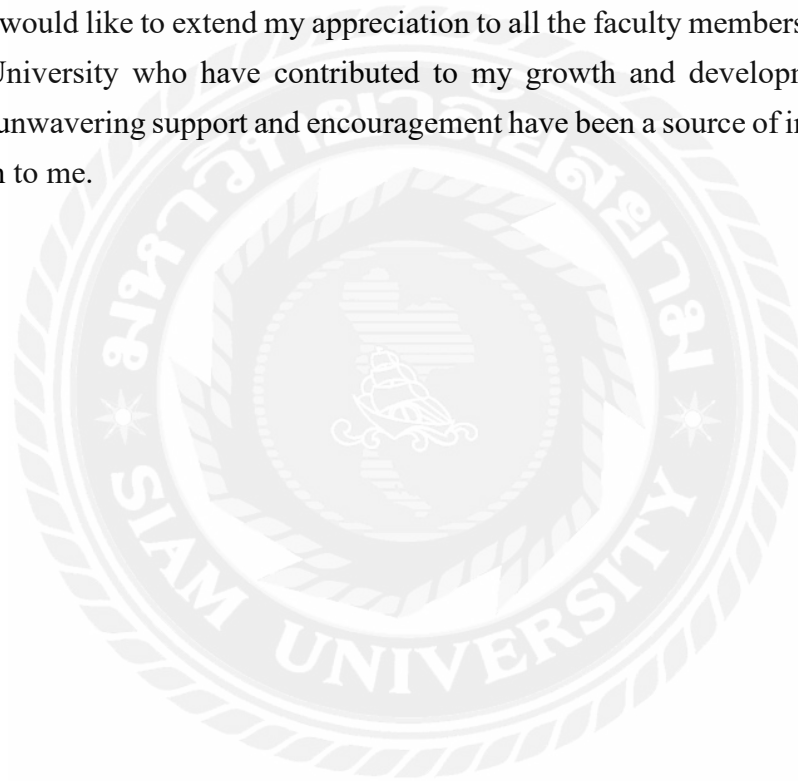


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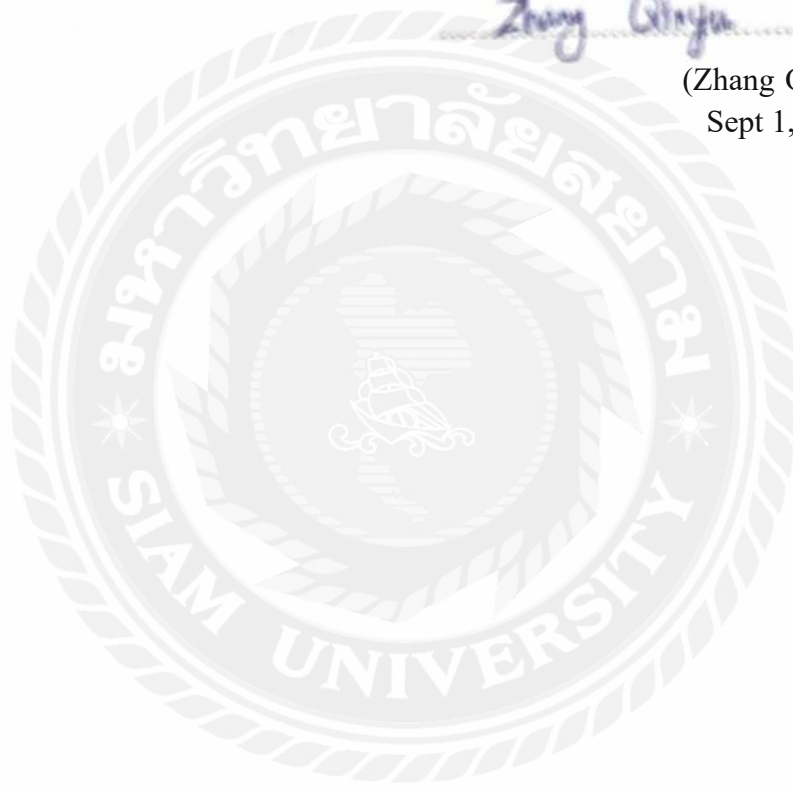


Declaration

I am Zhang Qinyu, hereby certify that the work embodied in this independent study entitled “Study on Bank Business Marketing Strategy: A Case Study of Bank of Qingdao” is result of original research and has not been submitted for a higher degree to any other university or institution.

Zhang Qinyu

(Zhang Qinyu)
Sept 1, 2022



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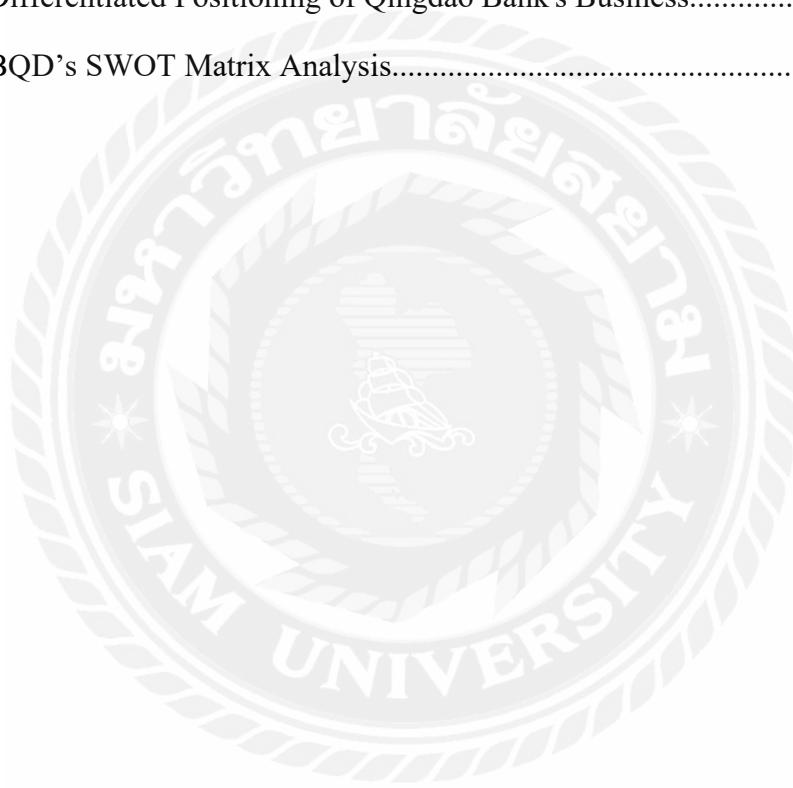


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Chapter 1 Introduction

1.1 Background of the Study

Due to the existence of certain cyclical economic development, to 2019, the world's economic situation into a new round of cyclical decline. And because of events that have emerged in recent years, such as the rise of trade protectionism, Brexit, the possibility of a future recession in the United States, and the intensification of geopolitical conflicts, the result is a slowdown in global economic growth. Moreover, trade frictions, Covid-19 and other global events have hindered the development of global trade activities. Trade volume has declined instead of increased, eventually leading the global economy into a downward trend. In this economic environment, the demand of entity enterprises has been reduced, and their investment activities have become tight, which makes the commercial banks to carry out public business has been severely impacted (Ferrara et al., 2018).

Whether they are large and medium-sized state-owned banks or local commercial banks, they play a central role in public business, involving deposits, loans, and intermediary business, the income to the bank accounts for about 70% of the total business of the bank, and the rest is bank-to-private business for individuals. So, the public business is the key business that each bank pays close attention to, jostling for market share mutually, and seeking more income for oneself. However, with the development of the market economy, there have been some changes in the marketing of the banking business. The current market is no longer the seller's market in the past, but gradually transformed into a buyer's market, this presents banks with new challenges in marketing their business (Elliott & Yan, 2013).

Facing these difficulties, lots of quality customer resources would get lost. With the development of the times and the diversification of customer groups, more capital customers will not only through the bank this way to complete financing, but through the use of stocks, bonds, and other means to finance, this reduces the commercial bank's share of public business. In the past, some of the bank's large customers have changed due to their financing needs, and they are gradually tightening their business scale in the current economic environment, coupled with the emergence of Alipay and WeChat pay, these new payment platforms, these factors all make the bank can get less income, in the current commercial banks, the marketing of public business has become more and more difficult (Hussain et al., 2015).

The competition among the same trades intensifies. With the development of economic globalization and the lowering of the entry standards for domestic banks, a large number of domestic and foreign banks have entered the domestic market in the past two decades, which has intensified the market competition. And because the products launched by banks are essentially similar and homogeneous, competition among banks becomes competition among products, prices, and services. In response to this problem, the bank has carried out measures including Structure, business transformation, improving the quality of financial services and management services, broadening product types, access to the high-end customer market, with the help of the Internet, electronic information and other technologies to launch innovative business, and take it as a competitive advantage.

At the same time, some foreign banks and small commercial banks have joined in the market competition, making the competition heated up. For each bank, if they want to maintain or enhance their market share, consider how to build a competitive advantage (Yin, 2021).

The bank would satisfy the diversification of customer needs. Because of the development of the times, customers have access to more diversified information, and needs are more diversified, and this will significantly increase the difficulty of the bank to carry out public business, because in addition to meeting the basic needs of customers, also to meet the different needs of different customers. In the past financial market, the market was more than demand. When banks carried out similar business, they often took the initiative, especially for local commercial banks, which relied on local government financing platforms, which can be more flexible in attracting deposits, financing, and the corresponding process. Local commercial banks have limited competition in the market, and customer demand is not very strong. As long as a single product is provided in bulk, customer demand can be satisfied, this mode of operation is very simple and can save unnecessary resources, allowing the local commercial banks to obtain more income, many banks have also achieved brilliant results under this mode of operation (Wang, 2022).

But the current financial market is no longer a situation of oversupply, has now become a buyer's market, and banks are no longer active advantage in the business into a passive position. Therefore, banks should implement a proactive, more detailed marketing strategy, through this way to establish their competitive advantage and improve the coverage of the financial products of local banks. The standardized products offered by each bank are relatively homogenous and easy to replicate, so how can the differentiated needs of customers be met, for the bank's public-to-private business marketing, is extremely important. The huge customer group has brought multitudinous different types of demand, causing the bank to the public service marketing pattern choice to be very difficult (Wen, 2021).

After years of development, BQD has achieved the coordinated development of scale, speed, quality, and efficiency. However, with the change in the market environment, the development of BQD's public business has also been seriously impacted and faced with many challenges, which have seriously affected the economic returns and scale expansion of BQD. Therefore, for BQD business research, to find the actual situation of the market and enterprise development, reasonable and feasible marketing strategy, for BQD to enhance competitiveness, the significance of building competitive advantage is extraordinary. At present, because of Internet finance, interest rate marketization, and other factors, the financial environment has changed a lot, and the market competition is more intense, commercial banks in such an environment, how to implement a reasonable marketing strategy is the key to its sustainable development and stable development (McDonald et al., 2000).

1.2 Questions of the Study

China's economic and social development is still in the recovery stage under

exogenous influence, and the overall economic environment is improving to promote steady economic recovery. The economic and social development situation forces China to innovate and develop its digital economy, network economy, artificial intelligence, and other fields. These new demands provide opportunities for the development of new industries. The digital intelligence transformation of the financial sector is accelerating, with data and artificial intelligence being key drivers. The application of artificial intelligence technology in the financial industry will innovate the existing service model of the financial industry. The external environment of BQD is still full of unknowns and challenges, there are opportunities and threats; on the other hand, analyzing the strengths and weaknesses of products such as BQD's own business, given this, this article focuses on the BQD marketing strategy for the external environment and internal environment of the study, constitute a preliminary study of this article. This study can be divided into four aspects as follows:

1. What is the marketing strategy of Bank of Qingdao according to the STP theory?
2. What is the marketing strategy of Bank of Qingdao according to the 4Ps theory?
3. What is the marketing strategy of Bank of Qingdao based on SWOT analysis?
4. What recommendations can be proposed for Bank of Qingdao marketing strength?

1.3 Objectives of the Study

The objectives of the paper were the Bank of Qingdao. According to the questions in this study, the research objectives can be proposed:

1. To analyze the marketing strategy of Bank of Qingdao by applying the STP theory;
2. To analyze the marketing strategy of Bank of Qingdao by applying the 4Ps theory;
3. To analyze the marketing strategy of Bank of Qingdao based on SWOT analysis;
4. To propose recommendations for the Bank of Qingdao marketing strategy.

1.4 Scope of the Study

This study's research targeted object is Qingdao Bank, based on the work status, existing problems, and implemented strategies of the branch in corporate business marketing, conducts research. Organizing and summarizing marketing theories, it can provide reference and apply relevant theories to the case study of Qingdao Bank. A study was conducted on the current status and shortcomings of corporate business marketing conducted by Qingdao Bank, and the reasons for the optimization of marketing strategies and their key role in the development of BQD were explained.

In addition, considering the problems that have arisen in the current corporate business marketing of Qingdao Bank, targeted marketing improvement measures and more effective marketing strategies are proposed to segment the market, focus on the target market for marketing, and reasonably position the company's business. Afterwards, consider optimizing it from different perspectives such as product, price, place, and promotion.

1.5 Significance of the Study

Recently, the government has launched frequent regulatory measures and reform

policies targeting key areas and hot issues, with signs of gradual tightening of monetary policy. At the same time, a series of policies promoting investment, production, and foreign trade have been intensively introduced, and signals of credit tightening have been released. At this stage, monetary policy will pay more attention to the structural reform of the service supply side. The stimulus of loose credit is unsustainable, and it is imperative to optimize and adjust the credit structure and moderately control the total amount. At present, corporate banking accounts for a very important part of commercial banking business and is also the main source of profit for commercial banks. If commercial banks do not change the form of their corporate products and services when the market environment changes, they will ultimately lose customers, leading to a decrease in profits. To utilize core products and businesses, and apply marketing theories to guide the development of effective marketing strategies.

This article takes into account the current situation of Qingdao Bank's work in corporate business marketing and applies mature marketing theories to case studies, providing Qingdao Bank with optimized marketing strategies. The significance of this study includes:

The marketing strategy of commercial banks refers to a series of plans and strategies that financial institutions use as their starting point for marketing and sales of financial products and services. It is the application and extension of the business strategy of financial institutions and an indispensable part of their management. Under the guidance of commercial bank marketing strategies, financial institutions conduct comprehensive and long-term planning of marketing activities, seize market opportunities, vigorously expand business development, and achieve enterprise goals. The research on marketing for corporate business by commercial banks is a process from practice to theory and then guiding practice. Not only does the system analyze the relevant achievements of commercial banks in corporate business marketing theory, but also applies these theoretical achievements to the practice of Qingdao Bank's corporate business marketing strategy formulation, providing practical cases for existing marketing theories.

The research results obtained in this article can help Qingdao Bank improve its corporate business marketing strategy and facilitate its rational marketing work. At the same time, the era of big data has arrived. For banks, fully mining the information contained behind the data can fully demonstrate the differences in customer needs for banks, thereby pointing the direction for bank marketing.

Analyze Qingdao Bank these data and customer lists and conduct one-on-one differentiated marketing to break through development bottlenecks. These studies not only have guiding significance for the branch but also provide reference for other customer-centric banks.

Chapter 2 Literature Review

2.1 Research on Business Customers of Commercial Banks

This type of research generally focuses on the characteristics, preferences, loyalty, and management of customer groups. After analyzing customer information, researchers believe that the development of corporate business needs to be implemented from the following perspectives: credit system, service capabilities, sound service system, and improvement of small and medium-sized enterprises. Optimizing these tasks, aims to establish a good relationship between banks and customers, thereby improving the service level of corporate business.

Most customers prefer to use electronic banking to complete business transactions and to make these customers more loyal to the bank and more satisfied with the services provided by the bank, it is necessary to have good communication with them, which can help achieve the expected goals of the bank. For the management of banks, in the current information age, it is necessary to investigate the characteristics and preferences of electronic banking users, have a clear understanding, establish a reasonable communication system, provide customers with better services, and expand business places to enhance competitiveness (Kirakosyan & Dănăiață, 2014).

Based on the conclusions collected from experts, clients, and other sources, this study investigates the possible management of similarity and traditional banking relationship marketing and proposes new ideas for banking marketing business in the online environment. They conclude that banks must first ensure customer satisfaction before they can ensure smooth business marketing. It believes that in the current banking industry, corporate business is the core link of its various businesses, so for banks, corporate customer marketing must be completed with high quality (Hani et al., 2022).

For financial institutions such as banks, the role played by their customer relationship management (CRM) work is very obvious, especially when providing services to corporate customers, it is necessary to find ways to establish good customer relationships with them, and at the same time, to improve the quality of their services (Peppard, 2000). Considering the services provided by banks and the status of customer relationship management, in-depth discussions were conducted on how to improve service and customer management capabilities. The conclusion indicates that in the current market, banks need to build a comprehensive service management system and pay special attention to the development of customer relationship management, which will play a crucial role in the banking business. Integrate specific challenges related to the digital, physical, and social domains, challenging organizations to create excellent customer experiences in the business-to-business and business-to-consumer markets. (Bolton et al., 2018).

It is recommended that the banking industry continue to prioritize the convenience of customer transactions and develop customer relationships. With the implementation of CRM, banks can survive in the increasingly fierce competition in financial services (Parahiyanti et al., 2023). After studying the business characteristics of banks towards small and medium-sized enterprises, it can be found that in some small enterprises, the

types of loans, pricing, time limits, and organizational structures are not closely and directly related to each other. Small enterprise financing is more dependent on laws and regulations issued by the state, as well as credit systems and other content (Teichmann & Sergi, 2018).

A study was conducted on the role of loyalty to banking company business in marketing, and it was found that it has helped banks obtain considerable income. The article delves into the indispensable factors of Willingness to Recommend (WTR) and Share Wallet (SOW), hoping to improve the loyalty of corporate customers of different sizes to the bank. Its conclusion indicates that in almost all cases, the impact of the number of employees on it can be almost negligible. Compared to large and medium-sized enterprises, the SOW and WTR levels in small and medium-sized enterprises are better (Dashottar & Srivastava, 2021).

2.2 Research on Business Strategy of Commercial Banks

Researchers mainly rely on case analysis, empirical analysis, and other means, and conduct research based on the current status of corporate business in commercial banks. Suggestions were provided for the corporate business of commercial banks, including launching innovative products and services, and building a reasonable marketing model.

The selected research object is the private business of domestic banks in Nairobi, Kenya, and it is compared with the marketing work carried out by foreign banks in Nairobi. It is believed that the work of foreign banks is superior to that of domestic banks in India, and banks need to have "marketing and research and development wisdom", constantly innovate and improve marketing capabilities, so as to improve consumer satisfaction. It is emphasized that in future development, Only banks that can build reasonable marketing models can survive (Nguru et al., 2017).

Banks should incorporate service quality issues into their corporate business strategic planning for consideration. It selected a Japanese bank, considered its service quality using exploratory and confirmatory factors, and constructed a nested model to complete this work. The model involves two higher-order structures, namely technical quality and functional quality, and the specific rules can be divided into four lower order dimensions (Eiichiro, 2020).

Bank marketing strategies can be divided into two categories: (1) growth strategies, which include marketing strategies with overall advantageous characteristics related to specific market growth patterns or goals; (2) Competitive marketing strategy, including a marketing strategy that focuses on the competitive position of the banking market (Madan et al., 2017). Regardless of which strategy a bank decides to adopt, it largely depends on its marketing objectives and target market. Then, the marketing mix must be planned accordingly, and external factors and constraints may be given due attention (See Figure 2.1).



Figure 2.1 Bank Marketing Strategies

2.3 Research on the Business Products in Commercial Banks

The research of Menor & Roth (2008) adopted empirical research methods and selected 166 retail banks to conduct data surveys and discussed the relationship between their development capabilities in new businesses and the performance they create. The study pointed out that unlike traditional types of products developed in the past, the role of formal processes in the development of new services is limited. However, the sensitivity of the market can enable banks to foresee and provide customers with the services they want in a timely manner, which is crucial for service development capabilities. The conclusion is that the ability of banks to develop new businesses can play a good role in performance, especially in developing business (Menor & Roth, 2008).

The head office of a commercial bank should “Decentralize” the marketing authority of the branches and branches it leads, so as to stimulate the marketing drive of the branches and branches and thus be able to, enough to adapt to the design of financial products marketing strategy (Monferrer-Tirado et al., 2016).

The competition in the world financial market will become more intense in the future, and it will also have a great impact on banks as their income levels change and regulatory policies adjust. In recent years, payment functions have been completed in the form of commodities. After considering this premise, banks are finding ways to optimize their services, attract liquid assets, and reduce cost consumption in order to balance the stickiness of cash management business. In the future, it will adopt more centralized operation models to improve consumer satisfaction (Chen, 2020).

The personal financial products of commercial banks have promoted the transformation of people's asset allocation. The personal financing business of China's commercial banks is still in the stage of exploration and expansion. From strengthening personal financial management business innovation, innovation to the money market-based wealth management; liquid bank financial products, improve the level of brand marketing and enhance business innovation. As an important aspect to promote the innovation ability of personal financial products of commercial banks (Jin, 2021).

2.4 4Ps Theory

McCarthy introduced the concept of the "Marketing Mix," commonly known as the "4Ps Theory," as a means to translate marketing planning into practice in 1964. Since its proposal in the 1940s, the 4Ps theory management paradigm has been dominating marketing thought, research, and practice, regarded as a creator of differentiation. The 4Ps has profoundly influenced the development of marketing theory and practice. The

strength of the 4Ps concept lies in its ability to make marketing appear manageable, allowing the separation of marketing from other company activities and delegating marketing tasks to specialists.

Furthermore, the components of the Marketing Mix can alter a company's competitive position. The 4Ps concept also provides two important benefits. Firstly, it serves as a crucial tool to show that the marketing manager's job largely involves balancing the benefits of their competitive strengths in the marketing mix against those of others. Secondly, it helps reveal another dimension of the marketing manager's job. All managers must allocate available resources among various demands, and the marketing manager will further allocate these resources among the various competitive tools of the marketing mix. In doing so, it contributes to instilling the marketing philosophy within the organization (Londhe, 2014).

2.5 STP Theory

The fundamental essence of STP theory lies in selecting and determining target consumers or customers, also known as market positioning theory. The STP theory refers to enterprises determining their target market based on a certain market segmentation, and finally positioning their products or services in a certain position within the target market. This theory is beneficial for banks to provide theoretical support for market segmentation, accurate market positioning, and formulation of marketing strategies. The theory is specifically divided into market segmentation, target market, and market positioning (see Table 2.1).

The idea of segmentation is to group customers based on some criteria, such as customers in one group responding similarly to marketing actions, while customers in another group react differently to marketing actions. Businesses can analyze customers based on geography, demographics, and more. Target positioning means that when designing products or services, a company focuses on meeting the needs of specific market segments so that its supplies have high brand awareness in specific areas. Positioning is an important reference for market strategy. In many cases, market positioning is a product strategy developed after analyzing the target market (Kuang, 2022).

Table 2.1 Three-Step of STP Marketing

Three-Step of STP Marketing	
Segmentation	Market segmentation is the marketing through the analysis of the market environment and market research, according to consumer needs and desires, buying behavior and buying habits and other differences, the overall market planning of a product is divided into, the market classification process for a number of consumer groups.
Targeting	The target market is one or several sub-markets through which the enterprise is prepared to meet its needs with corresponding products and services after market segmentation.
Positioning	Market positioning is to determine the position of its products or services in the target market in the marketing process, that is, to determine the competitive position of their products or services in the target market, also known as "Competitive positioning".

2.6 SWOT Analysis

SWOT analysis is based on the environment of the subject of study, by enumerating its internal conditions-advantages, disadvantages and external competitive environment-opportunities, threats, and arranged in matrix form, thus, the development of its process, the advantages and disadvantages of a comprehensive evaluation of the strategic analysis method. Using this method, make a comprehensive analysis of the research object's situation, and then formulate the corresponding development strategy. The SWOT matrix uses a two-dimensional, four-quadrant matrix and divides into four strategies: the SO strategy, the growth strategy, which can combine its own advantages with external opportunities to quickly capture the market; and the WO strategy, which combines the advantages of the two, with the advantages of the four quadrants, the third is the ST strategy, namely the offensive strategy, which gives full play to the internal advantages, conquers the external obstacles and realizes the positive development The fourth is the WT strategy, namely defensive strategy, internal disadvantages and external adverse factors coexist, in the environment of internal and external troubles, to protect the current conservative way, market share as the goal (See Table 2.2).

Table 2.2 SWOT Matrix Analysis

SWOT		Internal	
		Strengths	Weaknesses
E x t e r n a l	Opportunities	S/O Strategy (Maximize Development)	W/O Strategy (Using Opportunities Avoidance Weakness)
	Threats	S/T Strategy (Take Advantage Reduce Threat)	W/T Strategy (Shrink & Merge)

2.7 Bank of Qingdao Background

Bank of Qingdao (“BQD”), founded in November 1996 and listed in Hong Kong Stock Exchange on December 3, 2015 and in Shenzhen Stock Exchange on January 16, 2019, is the first main-board listed bank in Shandong Province and the second urban commercial bank with A+H dual listing in China.

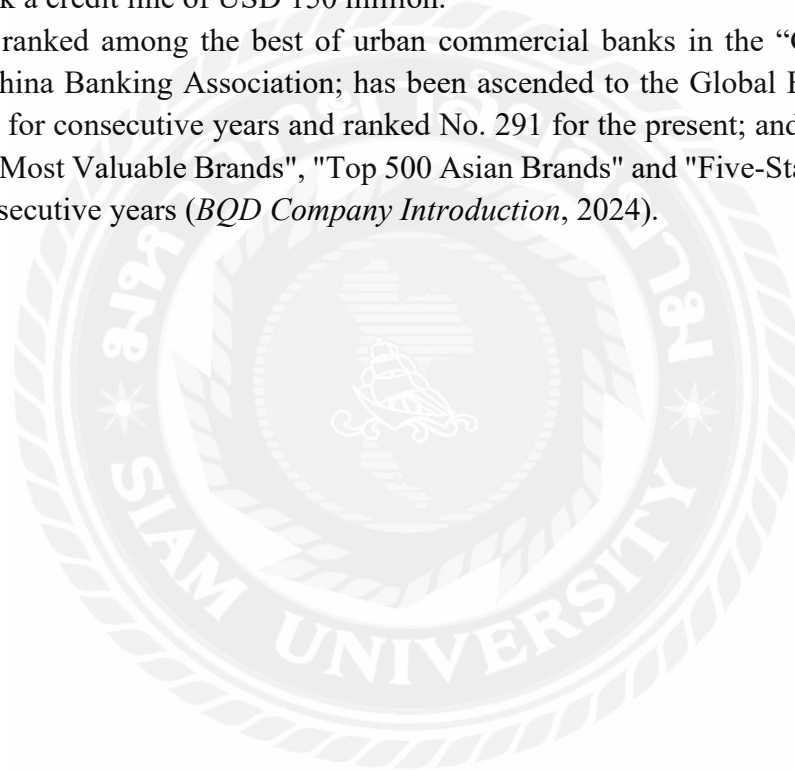
For the recent years, the asset scale of BQD has expanded steadily, making it the largest regional corporate bank in Shandong; its profitability has been continuously enhanced and its asset quality has been steadily improved.

The Bank's diversified ownership structure is one of the typical representatives of mixed ownership of domestic financial institutions in China. The top three shareholders are Haier Group, Intesa Sanpaolo and Qingdao Conson Group.

The Bank has two controlling subsidiaries. In February, 2017, BQD Financial Leasing Co., Ltd. was incorporated and opened the road for group-oriented and diversified development. In September 2020, BQD Wealth Management Co., Ltd. was incorporated. The Bank has 16 branches in Shandong and has successively set up sub-branches featured in specific industries such as the first science & technology sub-branch, culture innovation sub-branch and port sub-branch in Shandong.

The Bank made great efforts to build the first bank with blue financial characteristics in China, and promoted the "Blue Finance" project together with the International Finance Corporation (IFC) affiliated to the World Bank. In November 2020, the Bank was approved by the United Nations Environment Program as a member of the Sustainable Blue Economy Finance Initiative and was the first participating bank in emerging markets. In June 2021, the IFC Executive Board approved the investment project of BQD and granted the Bank a credit line of USD 150 million.

BQD was ranked among the best of urban commercial banks in the "Gyroscope" evaluation of China Banking Association; has been ascended to the Global Bank Brand List of Top 500 for consecutive years and ranked No. 291 for the present; and shortlisted to "China's 500 Most Valuable Brands", "Top 500 Asian Brands" and "Five-Star Diamond Award" for consecutive years (*BQD Company Introduction*, 2024).



Chapter 3 Research Methodology

3.1 Introduction

This paper adopted the method of documentary research. With the help of the library, network resources and other channels, this paper looked up the relevant research and literature on marketing, and also looked for the relevant information on the national policy and supervision in the marketing of banking business. so that the theory applied in this paper can be applied to the banking industry, in the hope of enriching the content of the theoretical research.

3.2 Research Design

This paper summarized the problems existing in the marketing of banks in various countries, and through searching the relevant literature on the marketing strategy of banks in various databases to provide the excellence methods and products of banks for bank marketing business to Chinese commercial banks, especially at prices that can be useful to local commercial banks of BQD, product, place, promotion. This paper pointed out the related problems that bank enterprises should pay attention to in the process of making marketing strategy, and took the BQD background as the cut-in point and the 4Ps and STP theory as the foundation, combined with the literature of bank marketing development. This paper analyzed the problems in bank marketing. In addition, this paper analyzed the marketing strategy operation of BQD with SWOT theory, and put forward some suggestions on how to improve the marketing strategy of bank enterprises.

3.3 Data Analysis

The subject of this paper was Qingdao Bank, focusing on the bank's business marketing, according to the usual method of problem analysis: propose-analyze-solve process. At the beginning, this paper collected and read the relevant research literature, grasp the current research status of banking marketing, and deeply understand some mature ideas for future use. After that, the research chose case study and field investigation to analyze the marketing status of Qingdao Bank and examine the deficiencies in the marketing process, find out the relevant factors of this situation, to optimize and revise it, to give the improvement measures, and finally to put forward some safeguard measures to support the smooth implementation of the improvement and enable Qingdao Bank to better carry out the work.

Chapter 4 Findings and Conclusion

4.1 Introduction

In November 1996, the bank of Qingdao announced its reorganization. It was founded on the basis of the resources of 21 Qingdao City credit cooperatives, with investment from local residents, enterprises and finance, it listed on the Hong Kong Stock Exchange in December 2015 and on the Shenzhen Stock Exchange in January 2019. As of the end of June, the bank had one head office, 155 branches and two subsidiaries (Qingdao silver golden-rent and Qingdao silver financial management), all 2021 in various economic zones of Shandong province, its main business involves retail business, electronic banking business, international business, financial market business. In the 2021, Bank of Qingdao ranked 360th on the list of “China's 500 most valuable brands”, and in September of the same year it officially entered the mid-sized banking category. As a leading local commercial bank, BQD has a well-established main indicator (see Figure 4.1).

Table 4.1 Main Indicators of BQD from 2019 to 2023 (100 million CNY)

Main Indicators	2023	2022	2021	2020	2019
Total Assets	6079.85	5296.14	5222.49	4598.28	3736.22
Operating Income	124.7	116.4	111.4	105.4	96.16
Total Profit	39.33	31.35	32.25	27.28	28.29
Net Profit	34.36	30.02	29.03	23.83	23.36

The net profit of Qingdao Bank in the past five years was 140.6 million CNY, while in 2019 it was 23.36 million CNY. The growth rate of net profit is more obvious, through the subdivision of Qingdao banking business can be specifically divided into 5 categories and 18 segmentations (See Table 4.2).

Table 4.2 Business Classification of BQD

No.	Categories	Segmentations
1	Trade Financing	Trade Financing Lines
2		Packing Loans
3		Export Negotiations
4		Export Collection Loans
5	Foreign Exchange Funds	Foreign Exchange Settlement & Sale
6		Foreign Exchange Trading
7		Forward Foreign Exchange Trading
8		Swap Trading
9		Overseas Financing & Refinancing
10	International Financing	Foreign Government Loans
11		Export Credit Loans
12		International Business Loans
13	Financing Business	Fixed Asset Loan Business
14		Working Capital Loan Business
15		Factoring Business
16	Personal Business	Personal Deposits
17		Personal Finance
18		Guarantee Business

Resource: BQD Annual Report

According to the business operation of Qingdao Bank, we can get the following information: the annual operating income from 2019 is 9.616 billion yuan, which accounts for 75.19 percent of the public business, in 2020, the annual revenue of Qingdao Bank was 10.54 billion yuan, accounting for 77.02 percent of the public business. From 2019 to the 2023, the operating income increased by 11.5 billion yuan, and the proportion to public business was stable at about 75 percent. According to the income situation, we can think that the bank's current business development is very stable, and income is steadily rising, but we can also find that under the general environment, the margins that banks have are being squeezed. Especially in 2021 during the epidemic in 2022, its operating income was only about 500 million yuan, it can be seen that the state's policies and external major events will have a very important impact on the obligations of banks.

4.2 The BQD's Business Marketing Status Based on STP Theory

There are still some gaps in the distribution of key customers, value customers, basic customers and potential customers in Qingdao Bank. The proportion of key customers and value customers of Qingdao Bank is higher than that of basic customers and potential customers, and the proportion of basic customers and potential customers is relatively small (see Table 4.3)

Table 4.3 Customer Market Segmentation of BQD

Type	BQD 's Proportion
Key Customer	43%
Value Customer	31%
Basic Customer	20%
Potential Customer	6%

Resource: BQD's Annual Report

The main target market of Qingdao Bank at present is manufacturing industry, which mostly involves traditional industries, and local major infrastructure, which mostly involves industries, including monopolistic public utilities, real estate, logistics industry and so on. Bank of Qingdao 's targeting market selection of diversity customers (See Table 4.4).

Table 4.4 BQD's Targeting Market Selection Proportion

Industry	Proportion
Public Administration Organizations	3%
Education	3.5%
Agriculture	2.5%
Manufacturing	21.0%
Health care Organizations	7.0%
Monopolistic Public Utilities	4.5%
Local Major Infrastructure	11%
Real Estate	29%
Modern Logistics	4.5%
Information Industry	4.5%

Cultural & Entertainment Industry	4.0%
Others	5.0%

Resource: BQD's Annual Report

Qingdao Bank attaches great importance to the important role of some small and medium-sized enterprises in the current national economy of China through customer positioning. At the same time, it needs to effectively adjust the corporate business structure of the entire bank, and explore potential high-quality small and medium-sized enterprise customers through relevant business processing and continuous expansion of business scope, bringing more benefits to the entire bank (See Table 4.5).

Table 4.5 Differentiated Positioning of Qingdao Bank's Business

Targeting Enterprise	Positioning	Business
Large-Size	Safe, Stable, and High Profit	International business
Medium-Size	High Potential and Low Costs	Chattel financing
Small-Size	Large Demand and More Customers	Other business

4.3 The BQD's Marketing Status Based on 4Ps Theory

4.3.1 The BQD's Product Marketing Status Based on 4Ps Theory

The public business is the pillar business of branch h of Bank of Qingdao, which accounts for a large proportion of the total income, and the public business is the foundation of the banking business, which can help the development of other types of business. For the branch, the main body of the public business is mainly deposit and loan business. The main types are real estate loans, loans for current assets, and so on. Before establishing a business partnership with an enterprise, we must first assess the enterprise's overall strength, solvency, and on the basis of guarantee, by contrast, the proportion of trust business is relatively small, is still the traditional type of financing business occupied one of the major. For foreign currency business, the main business of the sub-branch is international settlement business and the overseas payment or domestic insurance and foreign loans provided for dealing with the risks of accounts receivable, in addition to this will involve structured deposits and other business, because such products, in addition to the value of the asset function, but also has a value-added function, can enable customers to obtain overseas financing and other needs to be met.

At the end of June, the 2023 balance of the bank's wealth management products stood at 48.865 billion yuan, up 317.9 percent year on year. Qingdao Bank adhere to the brand promotion strategy, for different financial customers, and then launched different series of financial products, such as "Wealth rolling" series, "Bright Life" series of financial products. Qingdao Bank Wealth Management, product portfolio strategy, such as one-month Bright Life Struggle Series, investment object for the currency, market instruments 0-95%, fixed income assets 10-100%, other assets 0-20%.

4.3.2 The BQD's Price Marketing Status Based on 4Ps Theory

Commercial banks need to combine the market situation, regional development and the bank's internal strategic guidance, service characteristics, to determine their main business products, in terms of pricing, to take into account the cost, competition,

management and a series of factors, the implementation of a reasonable pricing strategy. Because the state of competition in the industry is increasingly heated, and the products of each bank are more similar, making each bank in the price war among the vicious competition, in order to gain more market share, they often choose to temporarily sacrifice interests in order to seize more markets. However, whether it is physical goods or financial products offered by banks, the role of price alone cannot be considered in market competition, if the lower prices of products to occupy the market and develop business, lower levels of earnings can also cause problems for banks, and overpriced products can drive customers away to other banks for similar but lower-priced products, make the bank's operation suffers, therefore, needs to find a reasonable balance point.

Now is mainly in accordance with the Qingdao Bank in 2018 introduced price management guidelines to determine product prices. Specifically, the guidelines clearly state that pricing includes two aspects, one is service price and the other is agreement price. When Qingdao Bank provides various services to the clients, the fees charged according to the services are the current prices for Qingdao Bank and its marketing of public services. The agreed price refers to the head office to the pricing method and service standards clearly, or to the price range and internal guidance price, etc. . On this basis, according to the clear standards of the head office and the fixed prices, ranges and guidance prices, combined with the income of the branch itself, customer recognition, risk cost of resource input and business characteristics, etc. , determine the price with the customer. Branch loan pricing is currently implemented in the higher prices of the pricing guidelines, in the pricing of corporate deposits in the implementation of the lower prices of the pricing guidelines.

4.3.3 The BQD's Place Marketing Status Based on 4Ps Theory

As far as the current situation is concerned, the public marketing work carried out by Qingdao Bank is mainly carried out by visiting, visiting or receiving customers in the outlets. At present in Qingdao Bank's marketing work, the composition of the responsible personnel is as follows: the department has eight employees to carry out public marketing work, and these employees are not full-time responsible for marketing work, in addition to this part of the work, these employees will also complete the department's business management work. Since 2012,30% of staff have moved from the counter to the marketing role, but after an in-depth analysis of the branch's current state of public marketing and its responsible team, it is believed that both the business development and responsible personnel, the marketing level of the department in the local is not dominant. Since its inception, Qingdao Bank has been using relatively simple marketing methods to carry out its work, often with the help of the head office as a large city bank owned by the brand effect, to carry out marketing work. As far as Qingdao Bank is concerned, its electricity and marketing channels can only realize some simple functions now, such as the inquiry and transfer of information, other functions have not yet been implemented.

Qingdao Bank's business network layout to Qingdao as the core, to Shandong province each, the city scattered. As of the end of June, the bank had set up 1562021 in 15 cities in Shandong province, including Qingdao, Jinan, Weifang, Weihai, Zibo and

Linyi. In the Qingdao area, with a bank in Qingdao, head office, a branch and 88 branches and wholly-owned wealth management company Qing silver wealth management company.

Qingdao Bank has always attached great importance to e-banking business, putting customer experience first, using financial technology to improve mobile banking, internet banking and other E-service channels, dedicated to improving e-channel services, quality and level. Qingdao Bank continues to develop mobile banking business, the Qingdao Bank personal online banking transaction volume subsequently reduced, personal mobile banking transaction volume subsequently increased. The 2019 Blockbuster Qing silver Wealth Management app is the first direct-selling mobile client of a bank wealth management company in China. Since then, it has opened a new sales model for bank of Qingdao, which sells wealth management products on an agency basis, and Qing silver direct-selling wealth management products, it has promoted the development of financial management business of Mobile Phone Bank.

4.3.4 The BQD's Promotion Marketing Status Based on 4Ps Theory

At present, the proportion of public business marketing involved in the marketing promotion work of Qingdao Bank is relatively low, carry out the way including telephone marketing, web publicity and advertising with billboards, electronic display panels and other ways to display marketing content, and marketing is conducted in a radial manner. Qingdao Bank of the past implementation of business marketing work after the analysis and summary, to find out the existence of some deficiencies in marketing. Some young, inexperienced account managers, for example, have trouble finding the key needs of their clients when they communicate with them, and their communication skills can be problematic, making them Customer satisfaction. Therefore, the need for customer managers to carry out marketing skills and communication skills training. For the selling point of the product, the branch of the public customer groups concerned with the content including: the risk of income, income and the degree of ease of operation to carry out. In addition, it also includes the charging method of products and so on. The improvement of product quality and form will bring more customers to the bank, and make the customers' loyalty to the bank's products be improved. In the early stage of its development, Qingdao Bank gained some benefits through the transformation of its individual business, and accumulated some working experience, which can serve the subsequent transformation to the direction of public business, thus better deal with the public business customers, solve their doubts, meet their needs, promote the realization of their interests, is also very beneficial to their own development.

At present, Qingdao Bank does not adopt a single limited promotion strategy for the development of personal financial services, but a combination of various promotion methods, according to the starting point and role of the means, Qingdao Bank to take push-pull, type of promotion, requires wealth management managers not only need to promote wealth management products, but also need to actively tap customers, customers "Pull in.". Secondly, the bank of Qingdao also takes joint promotion with well-known enterprises, such as Jingdong, Tsingtao beer joint invitation new activities,

new users to participate in activities to buy more than the total market value of wealth management products, equivalent to 10,000 yuan to win value 100 (or 50) Yuan JD e-card or 149-yuan worth, a case of beer custom-made luck.

4.4 SWOT Analysis of the BQD's Marketing Strategy

4.4.1 Strengths

(1) Strong Regional Influence

In recent years, although the development of internet finance makes the banking financial industry suffer, but the public still generally believe that the banking financial security. Since its establishment in 1996, Qingdao Bank not only has the background resources of the original 21 credit cooperatives as the foundation, but also combines the financial support of the tripartite forces of the government, enterprises and the people, so it has good social resources, at the same time, as a city commercial bank, Qingdao Bank is more dependent on regional, word-of-mouth, and customer resources are mostly local residents. With the city's development and the influx of talents, Qingdao Bank's young, customer groups are also increasing, Qingdao Bank's brand image, regional reputation and regional influence is its important advantage.

(2) Small Assets Size

Small and medium-sized bank assets are small, in the transformation and upgrading of banking wealth management business, can be "pre-emptive.". By the end of the first half of the 2021 year, the net product value of city commercial bank, joint-stock bank and state-owned bank had exceeded 90% , 80% and below 70% respectively . State-owned banks and City Commercial Bank property management, the reason for the large difference in the progress of net value of commodities lies in the different scale of assets in stock, which is difficult to digest naturally because of the large amount of assets allocated by state-owned banks due to non-standard assets in the past, while the scale of assets in stock of city commercial banks is not large, rectification positive, high, so start early, fast transformation. By the end of 2020, the bank of Qingdao's net worth of wealth management products, the proportion of 90.12%, "Small boat good U-turn" advantages play more obvious, financial transformation in the forefront.

(3) Strong Ability of Information Technology

The bank of Qingdao, guided by cutting-edge technology research, continues to develop applied research in the financial field such as cloud computing, big data, artificial intelligence, 5G technology, etc., and has won the People's Bank of China Science and Technology Development Award, 5G application contest, Big Data Applications, network security, contest and other fields of nine heavyweight awards. In the first half of this 2021, the bank spent 47,425,600 yuan on innovative research and application. Qingdao Bank continues to optimize the internal organizational structure of the science and technology team, increase its efforts to recruit and cultivate digital talents, optimize the allocation of science and technology resources, and explore ways to adapt to the digital transformation, to deepen the integration of technology and business, to enhance the core competence of IT team through personnel empowerment, and to

promote the innovation, transformation and development of the business. As of the end of June, the bank had 1722021 in technology, accounting for 4.07% of the bank's total staff.

4.4.2 Weaknesses

(1) Few Business Branches in Shandong Province

As a city commercial bank district, Qingdao Bank is different from other state-owned banks and joint-stock banks. The most important thing is that all its branches are located in Shandong province, and in other provinces except Shandong province, there are no business outlets and business expansion. Currently, there are 155 branches of Qingdao Bank, while in the Qingdao area only, there are 88 branches. Therefore, its financial management, the customer source region is relatively unitary, only depends on Shandong province's customer resources.

(2) Lack of Financial Professionals

Under the background of the transformation and upgrading of the personal wealth management business in the banking industry and the global financial liberalization, more and more wealth management products will pay more attention to the allocation of equity assets and derivatives in asset allocation, and when the stock market falls and slumps, the net worth of these wealth management products that allocate equity assets fluctuates more, and is more affected by the volatility of equity asset prices. At this time, banks reduce the risk of customer loss control, the ability of the bank to reflect the corresponding investment and research talent professional ability, secondly, the international derivatives practices, the degree of familiarity with the ability of the higher requirements. Compared with state-owned banks and joint-stock banks, the platform of city commercial bank is relatively small and less attractive to talents.

4.4.3 Opportunities

(1) City Pull Development

In 2023, Qingdao achieved a GDP of 1576.034 billion yuan, ranking first in Shandong Province and thirteenth in the country. In recent years, the development of Qingdao has been stable, leading the economic development of Shandong Province multiple times. The development of the city cannot be separated from the support of a sound financial system and banking resources. As a city commercial bank developed locally in Qingdao, Qingdao Bank has its natural responsibility and mission in promoting regional economic development. In addition, the Qingdao area is both a bonded zone and an economic development zone, with a high investment attraction. It has attracted 29 foreign-funded projects established by Fortune Global 500 companies, which has invisibly created employment and income opportunities for residents, and also created opportunities for the development of personal wealth management business of Qingdao Bank.

(2) Good Social Foundation

For thousands of years, there have always been differences in ideological and

cultural values between the North and the South. From career choices, it can be seen that the southern region chooses to do more business, while the northern region, especially Shandong Province, has a deeply rooted conservative ideology that does not prevent property losses. Purchasing bank wealth management products is a relatively safe approach, and this traditional regional thinking has also created a customer foundation for the development of Qingdao Bank's wealth management business. In addition, according to the 2020 census data, the total population of Shandong is 101 million people, ranking second in the total population ranking, only behind Guangdong Province.

Among the 16 prefecture level cities in the province, there are only two cities with a population of over 10 million, and Qingdao is one of them, with a population of 10.072 million people. In addition, the proportion of people aged 15-59 with financial management ability in Qingdao city is 64.31%. Secondly, the population with a college degree or above has increased from 1.2954 million in the last population census to 2.27 million, and the proportion of the total educated population has also increased from 14.73% to 24.8%. Therefore, the increase in the number of potential customers in Qingdao is a worthwhile opportunity for Qingdao Bank to seize.

4.4.4 Threats

(1) Increase in New Financial Products

On the one hand, with the continuous deepening of market-oriented reforms, China's society has gradually shifted from being "rich in the country" to "rich in the people". The continuous decrease in savings income from traditional banks has also made residents more inclined towards high return and diversified forms of assets, and enterprises are more inclined to raise funds through more convenient financing channels such as stocks and bonds. This has given rise to various new financial products, securities companies, wealth management institutions, etc., gradually reducing the main financial intermediary status of traditional banks. On the other hand, due to the development of Internet finance and third-party payment platforms, the Internet financial platform has been born, which enables the effective combination of financial management and consumption. Moreover, many Internet financial institutions have higher financial returns than commercial banks, and the status of commercial banks is threatened.

(2) Regional High Competition Pressure

After the market-oriented reform of interest rates, the interest rates for deposits and loans are determined by market demand. In addition, in the past, banks overly relied on interest income, which further compressed the profit margin of bank deposits and loans. The pricing ability and technical level of bank wealth management products are facing greater tests, which makes interbank competition more intense. In addition, the transformation and upgrading of the banking wealth management industry have led banks to establish their wealth management subsidiaries and issue various wealth management products to compete in the market, further intensifying competition in the banking industry. Although Qing Silver Wealth Management was established earlier, it still faces pressure from the former to surpass the latter. The homogenization problem of

its wealth management products is also very prominent. How to seize the market and attract customers is always a test for Qingdao Bank. Therefore, Qingdao Bank needs to further segment the consumer market to achieve precise marketing.

4.4.5 SWOT Matrix Analysis

According to the above analysis, the internal strengths and weaknesses, external opportunities and threats faced by BQD in business marketing can be summarized as SWOT analysis matrix as follows: through the analysis in this chapter, we can explore the internal strengths and weaknesses of BQD's personal financial service portfolio and external opportunities and threats to draw different decision plans. We should develop strengths and avoid weaknesses, select the essence and discard the dross, and closely combine with China's economic development The development opportunity of awakening national financial awareness, expanding banking business, and achieving leapfrog development of Qingdao Bank's business (See Table 4.6).

Table 4.6 BQD's SWOT Matrix Analysis

<div style="text-align: center;">EXTERNAL</div> <div style="text-align: center;">INTERNAL</div>	Opportunities 1. Increase Customers 2. Trend in Industrial Transfer 3. Emergence of Social Media	Threats 1. Competition Increasingly Fierce. 2. Compared Other Regional Banks. 3. Other Financial Institutions Compete
Strengths 1. Geographical Advantage 2. Strong Technology Capabilities 3. Small Assets & Easy Transformation	SO Strategy 1. Collaborate with Industrial Transfer Enterprises 2. Combine Online and Offline Marketing	ST Strategy 1. Establish Cooperation with Internet Finance 2. Reasonably Control Local Debt Risks 3. Explore WeChat marketing Methods 4. Explore Online Customer Expansion Methods
Weaknesses 1. Few Branches, Only in the Province. 2. Lack of Financial Professionals	WO Strategy 1. Strengthen Product Portfolio 2. Increase Marketing Promotion 3. Increase Other Regional Banks	WT Strategy 1. Collaborate with Enterprises to Promote. 2. Establish a Risk Protection Mechanism 3. Establish Regional Banks across Provinces

Chapter 5 Recommendations

Based on the research background and significance of local commercial banks, this article first elaborates on the relevant concepts and theories of commercial banks, and combines marketing theory to analyze and explore the development and marketing status of Qingdao Bank, in order to accurately identify the problems that exist in the bank. Secondly, based on important theories such as STP theory and 4Ps theory, this article provides a reasonable design for Qingdao Bank to promote marketing and development. Finally, effective safeguard measures are proposed to safeguard the development of Qingdao Bank. The specific suggestions for the paper are as follows:

5.1 Recommendations on the marketing strategy for Qingdao based on STP Theory

5.1.1 Market segmentation

(1) Segmentation by customer size

Dividing the overall size of an enterprise by customer size will have a certain impact on the demand for financial services and related products, and in many development processes, as the entire enterprise size gradually expands, the demand model for financial products becomes more complex. Therefore, the requirements for its marketing model are relatively high, which must be based on the entire enterprise size and potential product demand, conduct effective analysis while also summarizing relevant data.

(2) Segmented by customer lifecycle

Generally, enterprise development can be fundamentally categorized into four stages: entry stage, growth stage, maturity stage, and decline stage. At the same time, specific analysis is also conducted based on the entire development stage, specific development status, specific product needs, and potential development models within that stage, and segment the entire customer's needs and potential needs according to their specific lifecycle.

(3) Segmentation by customer contribution

Commercial banks often categorize customers into potential customers, restricted customers, general customers, and high-quality customers based on their financial contribution. The specific concept of potential customers refers to the fact that although they have a relatively small proportion of contribution in the entire process of bank related business processing, they have always formed a certain close relationship with the bank directly. Restricting customers specifically refers to the gradual decrease in purchasing power towards the bank during specific settlement and related business processes, even lower than the level of some ordinary customers. High quality customers specifically refer to those who contribute a very high proportion of funds to the bank throughout the entire process. At the same time, it can bring higher profits and profits to the bank throughout the entire process of business processing.

5.1.2 Target market

(1) The selection of the target area

The selection of the target area for Bank of Qingdao must pay attention to its surrounding commercial circle and the industrialization development model of its surrounding areas. At the same time, it is necessary to strengthen the setting of related industrial belts in the surrounding commercial circle based on the overall business situation of the region, analyze the advantageous regions and positions in the future development process, and establish a sound information sharing mechanism to drive the common development of related industries in its surrounding areas. Enable the rapid flow of funds within a certain region, and based on this, bring in high-quality customers from other industries to drive the continuous expansion of the target market scope for the entire region's business.

(2) the selection of target industries

In the view of this article, the selection of target industries should closely monitor market trends, keep up with the pace of the times, and strive to open up new markets to avoid leaving the team and being disconnected from the industry. Obviously, the most popular and active young industries are precision equipment research and development, biopharmaceuticals, etc., which can bring rich benefits to enterprises. Not only that, but it is also necessary to establish a close and solid alliance with big data platforms, with the support of information technology, to bring more reliable and detailed intelligence to enterprises, thereby ensuring transparency of information, conceptualizing more scientific and systematic marketing plans, allowing enterprises to move forward on the right track and accept market challenges with the best attitude.

5.1.3 Positioning market

(1) Competitive positioning

It must adhere to the core principle of efficiency and quality throughout the entire development process, while also promoting industrial transformation and upgrading, and striving to become a comprehensive financial service provider in the future development process. This, to a certain extent, continuously optimizes and adjusts the specific mechanism of the entire internal operation, thereby expanding new innovative business models in a short period of time, mobilizing their marketing vitality, and achieving maximum operating profits for enterprises and banks. On the other hand, it can reduce reliance on some key traditional businesses and use its unique strength to promote the continuous optimization and improvement of the ultimate business capabilities of corporate clients.

(2) Customer positioning

Currently, small and medium-sized enterprises play a very important role in the development of the entire enterprise and related banks. At the same time, small and medium-sized enterprises have also played a certain promoting role in the growth of China's national economy. From the perspective of the entire bank, analyzing this type of customer group at present, it has a certain acceptance ability for the relevant financial products launched by the bank, and this group also has a great demand for specific

financial needs of the products. So it also reduces the specific measurement standards for the entire bank in the process of short-term and small loans, allowing small and medium-sized enterprises to have more effective resources in the development process to promote the flow of funds throughout the bank. Fundamentally adjust the customer structure and drive the continuous growth of the entire branch's interests through a multi-dimensional and diversified customer structure.

5.2 Recommendations on the marketing strategy for Qingdao based on 4Ps Theory

5.2.1 Expand business product portfolio

Banks should closely adhere to customer demands, bring them the most desirable products, in order to consolidate customer loyalty and expand the core customer base. H branch should have a forward-looking vision, identify its positioning, and allocate more resources and energy to the research and development process, committed to product innovation and optimization, in order to avoid being disconnected from the market and putting the branch in a passive situation. To provide the sincerest services and products, and gain more market share, it is necessary to conduct a thorough and comprehensive analysis and reflection around the product portfolio, build a mature and systematic indicator framework, start from the customer's perspective, and understand their mentality and demands.

5.2.2 Increase business price competitiveness

Keeping up with the pace of the market and keeping up with the times is essential to avoid falling into a passive situation. Even if compromises and concessions are made in the pricing process, cutting off some benefits, customers should be firmly tied to the bank's chariot to avoid being coveted by peers. To construct the most systematic and flexible pricing plan, comprehensive consideration and consideration should be made from the three dimensions of product, customer, and strategy. One is to accurately calculate the various costs and risks of the product to avoid losses; The second is to fully consider the benefits and ideas of customers, and properly control pricing. The third is to closely adhere to strategic policies and make decisions on prices.

5.2.3 Develop online electronic channels

Under the changing times, the curtain of the Internet era has been completely lifted, and information technology is constantly innovating and active in every corner of society, loved and recognized by people, causing a revolutionary change in the market landscape. BQD also needs to flexibly use information tools and build online platforms in order to shine with a brand-new face, accept the challenges of the times with the best posture, and not worry about being disconnected from the market. Obviously, compared to physical branches, online transfer is more cost-effective, allowing customers to no longer be limited by distance and time constraints, which is simply beyond the reach of offline channels.

5.2.4 Design business promotion mix

Prepare marketing activities and identify high-quality customers. Not only that, but BQD also need to start from performance and other aspects to ensure that outstanding

performers receive the rewards and rewards they deserve, in order to serve as role models and benchmarks, shape a healthy competitive atmosphere, and enable the marketing department to approach work with the most focused and dedicated attitude. Flexible use of different channels is necessary to ensure information transparency. Like the government, the Federation of Banks and Enterprises, etc. BQD shouldn't miss out on the opportunity to interact with customers. If a project negotiation meeting is held, the products presented will be a promotional combination that captivates customers, bringing considerable benefits to the bank. Of course, BQD cannot miss out on group clients to ensure the smooth implementation of strategic planning.

Based on the STP and 4Ps theories, this article has tailored a certain marketing strategy for Qingdao Bank, including market segmentation, target market selection, and precise market positioning. From the perspective of the 4Ps theory, strategies are proposed in terms of products, places, promotions, prices, etc., including increasing innovative products and setting reasonable prices based on the connotation of the products. In terms of marketing, places should also be expanded and the system should be sound. In addition, tangible displays should be improved, service levels and quality should be improved, and employee training should be emphasized to enhance marketing awareness and quality.

In order to ensure the successful implementation of BQD's marketing strategy, it is also necessary to develop a series of safeguard measures, not only to improve the training mechanism of talents and employees, but also to strengthen the application of financial technology and corresponding platforms in combination with information technology, especially to adhere to the concept of compliance marketing, prevent risks, establish and improve relevant systems and strengthen training after strengthening cooperation between the Internet.

Due to the limitations of the author's own work experience and research level, as well as insufficient comprehensive research and collection of information, this article's research on marketing strategies of local commercial banks is relatively shallow. In the future, with sufficient data and mature research conditions, it is hoped that quantitative analysis can be used to analyze the causes of marketing problems in commercial banks, ensuring the relative accuracy of conclusions. At the same time, it can provide an overall analysis of the entire industry, striving to have guiding significance for the development of local commercial banking industry in China.

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