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An Investigation of Customers' Perception and Attitude towards Krung Thai Bank in Thailand

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***Abstract*—**The purposes of this research were to identify the perception of customers towards Krung Thai Bank's image and to understand the customer attitude towards Krung Thai Bank's image in Bangkok, Thailand. This research utilized quantitative approach and used questionnaire as data collection tool. A sample size of 420 respondents was selected by simple random sampling. The findings revealed that the majority of respondents received information, news, and feeds concerning the bank through televisions the most. This information channel had significantly influenced on the customers and their decisions to utilize the bank's products and services.

From the information concerning the attitudes towards overall image of the bank, it was found that the majority respondents rated the bank's image at the good level. The top three average attitudes included the bank's images in supports government's monetary policies, being renowned and stable, and contributing in economical amendments and developments, with the mean average of 4.01, 3.96 and 3.81 respectively. The attitudes toward the images included a business leader in banking, marketing, and competitions. Offering prompt services, and provided appropriate servicing time were rated moderate with the attitudes of 3.36 and 3.30 respectively.

***Keywords*—**Attitude, Image, Krung Thai bank, Perception.

I. Introduction

ONE of the best banks in Thailand with excellent financial products and services is what we called Krung Thai Bank. Almost half a century, Krung Thai Bank is determined to be the best bank with convenient financial products and services and stability. They are operating a network of over 800 branches nationwide [1]. Krung Thai Bank began its operations on March 14, 1966 following the merger of two government-owned banks, Kaset Bank and Monton Bank, which led to its increased financial stability, full deposit coverage to customers and wider ranges of services. Since then, the bank has played a major role in developing Thailand's economy. Their first branch was located on Yaowarat area which was at that time the city's financial center. Since the incorporation of the bank, its performance has expanded by the size of the Thai economy. On November 26, 1982, the Bank moved its headquarters to the current location on 35 Sukhumvit Road. In March 1987, the Bank was entrusted to take part in '4th April Campaign' of the Bank of Thailand where Krung Thai Bank played a significant role in mending the country's economic crisis. In August of the same year, Krung Thai Bank was assigned with the assets and debts of Siam Bank, making it the bank with the second largest asset in Thailand that instantly increased its roles to become a Lead Bank in the country's monetary and financial. In 1988, Krung Thai Bank expanded its branches to cover very province nationwide. It was the one and only bank at that time with such comprehensive branches for the people. Krung Thai Bank was the first bank in Thailand with such technologies available nationwide. On August 2, 1989, Krung Thai Bank was the first state enterprise that floated shares in the Stock Exchange of Thailand. On March 24, 1994, the bank was transformed to become 'Krung Thai Bank Public Company Limited. In 2003, Krung Thai Bank was the first commercial bank to be able to pay dividends to its shareholders since the financial crisis of 1997. At the same time, when it floated more shares on the market, the bank's firm credit made the offered shared fully subscribed by both local and international investors. All shares were sold out by the first offering day with outstanding oversubscription among international investors. Being the 'Convenience Bank' is the current goal of Krung Thai Bank. With modern technology and comprehensive services, the bank provides everything a customer needs at one stop, for maximum customer convenience. In terms of its organizational structure, Krung Thai Bank has gradually restructured itself for maximum efficiency. It increases people in the growing business sector while adjusting the team in other areas for more flexibility. It also increases new products, develops the existing ones to match the ever-changing demands of customers. Their services allow people with more choices, and the bank never fails to beef up its technology infrastructure to prepare for the future [1]

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II. Literature Review

Boulding (1975) explains that 'image' is an individual's general feeling of everything around, which can be called subjective knowledge including facts and our values [2]. That is, an individual normally collects knowledge from any experience regarded as real. Sometimes an individual may interpret one particular incident without having a complete understanding of it. This subjective knowledge will contribute to an individual's perception of an image. Image consists of four aspects as follows: Perceptual – the personal observation of people, places, incidents and others. Cognitive – includes information about characteristics, types, and differences of things being observed or perceived. Affective includes the individual's feelings towards the surrounding such as satisfied or dissatisfied and positive or negative. Responsive – the intention to react. It is the result of the interaction between the

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perceptual and cognitive aspects. All four aspects above contribute to an image that portrays an individual's experience. Therefore, the financial institution's good image and the response of the target consumers are generally related. That is, before participating in any financial institution, the potential consumers will observe an institution, analyse its image and performance until an impression towards it is generated.

Image Building always comes after the process of perception. In general, an individual will perceive information, interpret it, and then transform it into an impression which later becomes part of an image. Warrakijphokatorn (1998) also talks about image building in his book—"An Importance of Image: Image and Public Relations." Anything an individual perceives cannot be transformed into an image right away unless it is put through some kind of process [3].

Factors that contribute to an image building process are three factors. The first is event and environment. It is undeniable that among daily events—political, social, cultural, and educational—that an individual perceives, only some details of those events will be comprehended and will be given value to. Events' surroundings are indeed the element that influences an individual's assessment before and after perception; an entirety or incompleteness; and a period of memory of each event. The second is communication channels. The primary communication channel of an individual is the five senses: sight, hearing, taste, smell, and touch. The quality of an individual's perception usually depends on both the content of what has been perceived and the communication channel itself. The third is personal elements. Personal Elements consist of communicative skills, attitudes, knowledge, and social and cultural backgrounds. An individual perception can be anything ranging from meaningful to meaningless, or positive to negative, depending on the personal factors.

According to Warrokijpokatorn (1998) [3], image can be divided into 10 categories as follows: Corporate Image is simply the public's perception of an organisation or a business. It can also refer to their products, services, or even the management sector. Institutional Image is the consumers' perception of an organisation only, regardless its products or service. Institutional image is narrower than the term 'corporate image' as it merely focuses on an organisation's responsibility towards society, its stability, and its development in a non-commercial way. Product/Service Image is the consumers' impression of a product or service.

Brand Image is the consumers' impression of a specific product or a brand's total personality. Consumers are likely to purchase products that correspond to a good brand image quality they have in mind. Multiple Images refer to the difference of the consumers' impression towards an organisation, which is influenced by their knowledge, beliefs, social and economic status, and education. Thus, having good and bad image is something everyone has in common.

Current Image is the present, factual image that can be either positive or negative and either genuine or fake. An organisation is supposed to maintain its current image by either emphasising or improving. Mirror Image reflects a performance of an organisation. Consumers may perceive a mirror image of an organisation different from its executives.

Wish Image is simply a goal that both executives and employees set for their organisation. That is, they expect their organisation to be highly developed, to be socially responsible and to provide employees fair remuneration.

Optimum Image comes from the individual's realisation of reality, perception of a receiver, an obstacle of communication, controllable means of communication, unmanageable environment, and others that obstruct a promising image building process. Thus, this kind of image is the image that makes associated people and stimulators not set their favourable image higher than it is supposed to be. Correct and Incorrect Image is a false image that has been transformed into another kind of image. This image is not considered as reality, since it happens naturally. It is also a communication system and/or an audience's perception. The incorrect image has to be modified into correct image. The correct image is similar to the current image, but it needs to be improved.

According to Kotler (2003), image, referring to marketing context, is the way people recognise the company or its products [4]. It can be produced in many ways under the company's control. Considering the possible image that could be one of the aspects of management, marketing organisation image can be identified by: Product or Service Image is the impression an individual has of a company's products or services, regardless a company itself. As one company can have more than one product, it should be noted that product or service image covers all of a company's products.

Brand Image is the individual perspective towards a brand's total personality or trademark [5]. Mostly, a trademark represents a consistent theme of a particular product via advertising campaigns or promotions. However, two products from the same company do not necessarily share the same image since each brand should have its own unique image. Positioning and differentiating an organisation from other brands is the goal of creating a brand image.

Institutional Image is the impression an individual has of an organization or institution. As it does not focus on products or services themselves, this type of image could reflect an organization's management and operation, in terms of human resource management (managers and employees), its responsibility towards society, and benefits it produces to the public. Understanding characteristics of and relationships between each image can benefit an image management.

Accordingly Wongmontha (1999), corporate image includes:

An organisation's performance is an outcome of management characteristics (knowledge and experience) of its owner or executive [6]. For example, a good personality and vision of an entrepreneur—being aware of ethical

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management—will help create a good image of an organisation.

III. Methodology

First, exploratory research was conducted in order to get the information of a research's background. Exploratory research can also be used to determine terms used in a research as well as to explicate research problems and to develop research hypotheses [7]. Ordinarily, exploratory research is applied unstructured. It is also usually undertaken when additional or recent information is required. Examples of exploratory research are an analysis of secondary data, case analysis, experience surveys and focus groups. For the dissertation, exploratory research design is applied when the researcher gathers background information is taken in through the review of the literature which helps provide insights into both the attitude of the consumer and company's image. Furthermore, the design of exploratory research also helps the researcher determine terms related to the study as well as explicate hypotheses and problems of the research through the use of consumer's experience surveys. In the study described in this research, descriptive research was based upon a structured survey method by using interviewer-led questionnaires. The data gathered are considered as longitudinal data as they reflect the attitude of the consumer towards the image of Krung Thai Bank.

IV. Findings and Discussion

According to the data upon the attitude towards the image of Krung Thai Bank, the researcher discovered that the information channel the samples tended to receive news and feeds concerning the bank the most was through televisions. Hence this information channel should significantly have the strongest influence on the customers and their decisions to utilize the bank's products and services. When the brand 'Krung Thai Bank' was mentioned, 37.4 per cent of the research participants would conceive the image that the bank contained their stability and reliability. Next to that figure, 30.7 per cent visualized the bank as an organization with the image of governmental policies supporter. The other 10.7 per cent thought of the bank's image as an institute that administrated like a governmental firm. There were also 8.3 per cent of the responses realizing the image of the bank for having several and statewide branches.

The above conclusions were strongly correlated to the previous survey topic 'The Customers' Satisfactions upon Krung Thai Bank PCL's Image and Services 2004', undertaken by Thailand Development Research Institute intentionally for the Krung Thai Bank which found out that 36.82 per cent of respondents had the image stability and reliability popped up in their minds when the brand 'Krung Thai Bank' was spoken of. There were 22.02 per cent thinking of the institute's image that supported the government's policies. The other 21.72 per cent imagined thought of the bank as the financial institutions that owned several branch offices. Noticeably, the matching research results confirmed that the bank's customers and consumers had the attitudes towards Krung Thai Bank as a stable and reliable finance-related organization. This was an incredibly robust image the bank could have gained from trusts and reputations amongst public. Having the connections with the government through the supports and executions according to the governmental policies feasibly brought the positive reputations to the bank and hence gained their credits amongst the customers for their stability and reliability because Thais believed government-related firms were always backed up by the government and therefore should have less issues concerning instability and unreliability. However, some negative image could have been caused through the correlations with the government as well, as Thai governmental organizations had usually been seen as the firms with the image of a slow management and administration to serve the customers and adopting old-fashioned services. And as the bank was government-associated, it could have been administrated alike. Nevertheless, once Krung Thai Bank announced its new position that the bank would adhere being 'The Convenience Bank', it remarked that the bank would be capable in providing services to customers' demands under the improved conditions in speed, convenience and widely covered every area.

Thus Krung Thai Bank should accelerate their ability in promoting themselves and urge the customers' knowledge and information about the bank that there were plenty of the statewide branch offices so that the customers could conceive the bank's attempt and the concepts to be 'The Convenience Bank' even better. According to the research investigation, the bank had spread their information, news, feeds and other updates concerning numerous branches all over the country and abroad, verified by the number of the respondents who realized this important point. However, this certain number of customers might not be enough to prove that the bank had already made the best out of the promotions and advertisements. There were still some of the respondents who did not even refer to this point and this could only be assumed that this remark had not yet been spread to them. Constant public relations, advertisement and marketing promotions are highly recommended.

As for the survey on Krung Thai Bank's symbol visualization the respondents perceived, 57.4 per cent of the entire responses realized the right symbol being currently used which could be explained as a wind-eating bird with circular, dark blue frame inside of 3D convex rectangle. There were 30 per cent of the respondents imagining wind-eating bird with rectangular, dark blue frame. About 10.7 per cent of them could not recognize the bank's symbol. This showed that the majority of the respondents still could remember the bank's symbol and some of them still confused with the old emblem the bank used to symbolize its trade mark. The critical group was those who could not realize anything about the bank's symbol. The symbol is another important part of the organization that the bank should acknowledge the customers

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to conceive better due to the fact that symbol apparently symbolizes the organization as a whole. Without speaking up words or writing long messages, only seeing the symbol the customers could know and realize the existence of the bank. The more people could recognize the symbol, the more stimulating and attractive the customers would acquire. And eventually this would be another way to promote the bank to attract the users to utilize their products and services.

From the information concerning the attitudes towards overall image of the bank, the researcher found that the majority was in a good condition. The top three average attitudes included the bank's images in supports government's monetary policies, being renowned and stable, and contributing in economical amendments and developments, with the ratings of 4.01, 3.96 and 3.81 respectively. Whereas the attitudes toward the images in standing out as a business leader in banking, marketing and competitions, and offering prompt services and spends appropriate servicing time were rated moderate with the attitudes of 3.36 and 3.30, respectively.

Highly correlated to the previous research concerning Krung Thai Bank's image conducted in 2002 which revealed that Krung Thai Bank PCL was accepted from every group of respondents and was praised as one of the top five commercial banks in their best performance. And in 2003, the annual research discovered that the overall image of Krung Thai Bank was in a 'good' level with the average attitude of 4.03, out of 5 as the best possible alternative. Also the confirmation from this research on the previous researches that the reasons the customers chose to use the bank's services were mainly because of the bank's stability and reliability. When Krung Thai Bank was mentioned, the first image about the bank that popped up to the respondents' mind was concerning its stability and reliability amongst 37.4 per cent of the responses. Approximately 30.7 per cent thought of the bank as a supporter in government policies. The average attitudes towards overall image were in a good level. Whilst the attitude towards the image concerning standing out as a business leader in banking, marketing and competitions was in moderate level, which was relatively inferior compared to the other images. This was possibly because only a few customers realized about the awards Krung Thai Bank and their employees had won from plenty of other firms. Also the image that the bank was governmental-related exaggerated their competitive image due to the fact that most governmental institutes were established for public benefits, not the firms' benefits and hence most of these organizations had no incentives to compete in the market and unfortunately became uncompetitive. Another fairly inferior image was concerning the speed to serve the customers, which was rated moderate. This might be caused by no recognition or acknowledgement in a low level that the bank offered the financial services through home phones, mobile phones and instant internet. Another reason might be that the bank still contained the image of governmental-like administrated firm. To change and improve the attitudes of the customers towards the bank concerning this issue, the firm must be capable to handle and fix these weaknesses. Concerning the questionnaire asking the potentials of the respondents to remain the bank's customers, the majority, 87.6 per cent of the total responses still insisted to continue their businesses with Krung Thai Bank. However, to avoid ruining the bank's image in long-run, the bank should improve its image to attract and retain the group of customers who were uncertain about their decision to remain the bank's customers and those who decided to quit their customer ship with the bank.

Adopting thoughts, theories and previous researches related to the customers' attitudes towards Krung Thai Bank's image, the researcher developed two hypotheses. The first hypothesis, from the previous evidence that the group of samples with older age than 30 would have a more positive attitude towards Krung Thai Bank's image than the group of respondents with their ages lower than 30, this research could confirm its validity. And as for the other hypothesis stating the customers within Bangkok Metro would have their attitudes towards Krung Thai Bank's image in a good level (with the average attitude higher than 3.40) was also evidenced true within this research. Therefore, to conclude, the attitudes towards Krung Thai Bank's overall image was in a good level.

V. Future Study

Firstly, it will be beneficial if similar research could be undertaken in other different cities that are also the markets of Krung Thai Bank. If future research could be carried out to examine different markets, this would enable the company to enhance its quality of products and services as well as to understand the demand of the whole country. Secondly, future research can be undertaken to make a comparison between Krung Thai Bank and any successful Banks. Such research would greatly help Krung Thai Bank learn more about how to be stronger company and has a great image. Lastly, rather than questioning only people who answer in questionnaires, surveys should include in-depth interview between board of directors and consumers which useful knowledge to more understand both sides between board of directors and consumers in company's image.

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