

STUDY REGARDING CREDITING AND SAVING AT TRANSILVANIA BANK

AGĂNENCEI MARIA-ADRIANA¹, MARIAN MIHAELA-MARIA¹,
REITER BETINA-BIANCA¹, ȘIRBULESCU CLAUDIA^{*1},

¹*Banat's University of Agricultural Sciences and Veterinary Medicine "King Michael I of Romania" from Timisoara, Faculty of Management and Rural Tourism, Romania*

*Corresponding author's e-mail: claudiasirbulescu@usab-tm.ro

Abstract: *The article proposes to present the banking services offered by Transilvania Bank. Transilvania Bank is the biggest bank in the Romanian market, offering a grate range of products and services to customers and supporting those who dare to do things differently. For research, the authors consulted relevant literature and used competent knowledge from different webpages. The products offered are continuously developing and a restructuring of the bank has been implemented, making them more capable and emphasising further the relationship with customers and satisfying their needs.*

Key words: *credits, deposits, customers, banks, interest rate*

INTRODUCTION

Banking institutions have an essential role within the financial sector and are crucial for the proper functioning of economic units and economy at large [3, 5]. Offering a varied range of products and services is the core issue for banks, as they have to answer to the ever-changing needs of customers and to create a functional banking system [1, 2, 6].

The aim of this paper is to present and analyse the crediting and economising products offered by Transilvania Bank to their customers.

Transilvania Bank was founded in Cluj-Napoca, in December 1994, by a handful of entrepreneurs. The underlying vision was to create a local bank, a brand and symbol of Cluj. The entrepreneurship qualities of its founders made the bank an important institution at the level of Transylvania and later on nationally. The bank was firstly oriented towards IMMs, but due to market needs, it moved in the retail field as well [7,9].

Transilvania Bank is „The bank of Romanian Entrepreneurs”, according to its motto. The main mission of the bank is to support the development of the business sector by offering innovative products and services in a professional way.

In 2007, the bank opened its first international branch, in Nicosia, Cyprus, and it is currently planning on expand in Moldova [9].

In its development, the bank went through 3 key important stages: its opening in 1994, the first rebranding in 2003 and the second rebranding in 2016 [9].

One of its top priorities was choosing the logo. Its founders wished to portray the birthplace of the bank, the Romanian Transylvania. Finding the right person to design the logo was indeed a challenge.

The first colours of the bank were black and yellow-gold. Black has always represented a nice contrast, but it was also symbolic for the banking sector. Yellow suggested the gold which the small bank back then intended to manage. This branding identity remained with the company for around 9 years [9].

The first rebranding of the bank took place in January 2003: the moment represented a new stage in the history of Transilvania Bank. It also suggested the new national extension strategy and its new vision for the future.

The year 2015 brought a new rebranding moment, signifying the maturing phase of Transilvania Bank, which supports with respect new and passionate ideas of Romanian entrepreneurs [9].

The whole process of rebranding took almost a year, which involved audits, redesigning, changing the brand strategy and communication methods, and the final launch on the 15th of September.



Figure 1. Transylvania Bank logo

Source: <https://www.bancatransilvania.ro> [9]

The new stage of the identity design emphasises the nationality of the bank and the Romanian values, among which is entrepreneurship. The new logo brings more colours- yellow, red and blue- which represent from now on the new vision of Transylvania Bank. BT has kept the elements that brought it visibility, likeability and sympathy: the shield- as a graphic element in yellow. It has also kept the motto as „the Bank of Romanian entrepreneurs”, element which is supported by the fact that 1 in 3 entrepreneurs who start a business choose BT [8,9].

Years later, in 2019, Transylvania Bank celebrated 25 years of existence, since its first branch opened in Cluj.

Transylvania Bank has consolidated its leadership position in 2019, recording the greatest increase in activity among Romanian banks, managing to increase its actives with 18%, the equivalent of 87,7 billion lei, double the average of the banking system [7,8].

MATERIALS AND METHODS

The authors of the paper consulted the specialized literature that includes books, articles and papers, reports and statistical data provided by the National Bank of Romania and Transylvania Bank and specialized web pages.

The methods used by the authors to achieve the objective of the article were researched in order to obtain new knowledge, analysis and synthesis and comparison. The collected data were processed if relevant conclusions were formulated in connection with creditor and savings products offered to customers by Transylvania Bank.

RESEARCH RESULTS

Through its rich offer of banking products, Transylvania Bank offers its customers the product that suits everyone's plans: savings accounts, term deposits, Kidcont, consumer loans, loans for real estate investments, shopping cards.

Savings accounts. Transylvania Bank customers can opt for savings in lei or euro. The minimum amount for a savings account is 1000 lei / euro (Figure 2).

The savings accounts are attractive and have many advantages in Table 1.

Term deposits are some of the most popular banking products. Customers can also save by choosing term deposits from Transylvania Bank. They can opt for different periods and can choose the deposit in lei, euro or dollars (Figure 3).

Open deposits are guaranteed by the Bank Deposit Guarantee Fund, up to a limit of 100,000 euros / depositor for individuals, according to the law.

The deposit period (Figure 3) can be between one month, 3, 6, 12, 24 months and 3 years (deposits for 24 months and 3 years are without capitalization and do not extend automatically). The minimum amount for opening a deposit is 100 lei or 250 euros / dollars.

There are a number of differences between savings accounts and time deposits. The most important are the following:

- the savings account is established for an indefinite period, and a deposit for a fixed period that can be extended;

-the savings account has no maturity, deposits and withdrawals are not restricted by a certain date, ie you can have access to money all the time. In the case of the classic deposit, the maturity must be respected. Withdrawal of money prematurely determines the loss of interest during the incorporation period [4].

Table 1.

The advantages of saving products

Savings accounts	Term deposits
-interest is received monthly, directly in the savings account -permanent access to money from the account (you can replenish and withdraw cash at any time) -possibility of withdrawing cash, without canceling the account, as long as the remaining balance is above the minimum amount of constitution, amounting to 1,000 lei / euro - power supplies are allowed on all channels (cash deposit, cash, BT24 - Internet Banking and Mobile Banking) - no commission is charged for the administration of the savings account	- no commission is paid for opening the warehouse; - no commission is paid for the administration of the deposit account; -for deposits at 24 months and 3 years, the interest is paid every year in the current account, and when the deposit is canceled before maturity, the interest paid for the whole years remains in the depositor's account. the interest is fixed for the entire period of the deposit;

Source: <https://www.bancatransilvania.ro> [9]

Kidcont is a savings account in lei or euro, through which parents can ensure the child's future from the first step. You can opt for savings for a minimum period of 1 year and maximum 18 years, depending on the age of the child. For a KidCONT in lei, the interest rate is 2.50% per year, and for the euro, the interest rate is 0.15% per year.

The account can be replenished monthly / quarterly / half-yearly / annually, with the desired amounts and at no cost. If no amounts are withdrawn during the year and at least 500 lei or 120 euros are deposited, the benefit is a bonus equal to 1/12 of the value of the last net interest paid, without exceeding the limit of 600 lei, in the deposit account, at anniversary date.

Amount (LEI)	Interest rate/ year	Amount (EURO)	Interest rate/ year
1.000 - 9.999	0.80%	1.000 - 24.999	0.01%
10.000 - 99.999	1%	25.000 - 99.999	0.01%
100.000 - 499.999	1.10%	>100.000	0.01%
>500.000	1.20%		

Figure 2. Interest rate on savings accounts in lei and Euro

Source: <https://www.bancatransilvania.ro/pentru-tine/economii-si-investitii/economii/conturi-de-economii/> [10]

The solution for customers who want to buy, whether it is long-term goods, cars or the dream house, or the first house or a new, more spacious home, is the loan offer of Banca Transilvania (consumer loans and investment loans real estate) presented in Table 2.

Period	Interest rate/ year					
	LEI		EURO		USD	
	Due date	Monthly	Due date	Monthly	Due date	Monthly
1 month	0.40%		0.01%		0.15%	
3 month	0.85%	0.75%	0.01%	0.01%	0.25%	0.20%
6 month	1.50%	1.00%	0.01%	0.01%	0.30%	0.25%
12 month	2.50%	1.50%	0.01%	0.01%	0.60%	0.50%
24 month	2.75%		0.05%			
3 years	3.10%		0.05%			

Figure 3. Interest rate on term deposits in lei, Euro and USD

Source: <https://www.bancatransilvania.ro/pentru-tine/economii-si-investitii/economii/depozite-la-termen> [11]

Table 2.

Credit offer

Consumer loans	Loans for real estate investments
On line credit	Mortgage real estate loan
Personal loan	Real estate loan for residential projects
Overdraft	New House Credit
Personal Needs Guaranteed Mortgage Loan	
Current needs loan with real estate destination	
Vehicle loan	
Vehicle leasing for individuals	

Source: <https://www.bancatransilvania.ro> [9]

If the income is collected in a BT account, a **100% online loan** (Table 2) of up to 5,000 euros (equivalent in lei) can be obtained for a crediting period between 1 year and 5 years, being accepted a wide range of income, and the loan will be paid in fixed installments.

Basically BT is a **personal needs loan with fixed or variable interest** (Figure 4). The borrowed amount is between 5,000 lei and 100,000 lei for a maximum period of 5 years.

The refinancing of consumer loans can be done: **with variable interest** - the loan period is up to 10 years for the refinancing of consumer loans granted before 31.10.2011; **with fixed interest** - the loan period is up to 5 years

Credit in Lei	Collect the salary from BT	Do not collect the salary at BT
Fixed interest	8.9%	9.9%
Fixed interest with life and unemployment insurance	7.9%	8.9%
Variable interest	8.17% (IRCC + 6pp)	8.42% (IRCC + 6.25pp)
Credit in Euro		
Variable interest	6.02% (EURIBOR 6M + 6.50pp)	
Variable interest with life and unemployment insurance	5.52% (EURIBOR 6M + 6.00pp)	

Figure 4. Interest rate on personal loans

Source: <https://www.bancatransilvania.ro/pentru-tine/credite/credite-de-consum/nevoi-personale-standard> [13]

The Overdraft is considered a reserve plan through which the bank can make available to the client up to 6 salaries or a maximum of 50,000 lei, with zero monthly analysis and administration commission and fast approval, in 24 hours. The interest on

overdraft is fixed: 17% per year if the income is not collected at BT and 14% per year if the income is collected at BT account. The duration of the contract is 1 year with the possibility of automatic extension.

The credit line can be requested on the current account if the applicant meets the conditions: he is a natural person; is between 18 and 64 years old at the date of granting the loan; has permanent income; is at least 3 months old at the current job; has a current account and a debit card at BT.

Mortgage Guaranteed Personal Needs Loan (Figure 5) is granted for a minimum period of 2 months and a maximum of 5 years (30 years for refinancing consumer loans contracted before 31.10.2011), the minimum amount granted is 5,000 euros (or equivalent lei).

Credit in Lei	Collect the salary from BT	Do not collect the salary at BT
Variable interest	6,92%* (IRCC + 4,75 pp)	7,42%* (IRCC + 5,25 pp)
Credit in Euro		
Variable interest	4,77%* (EURIBOR 6M + 5,25 pp)	5,02%* (EURIBOR 6M + 5,50 pp)

Figure 5. Interest rate on mortgage loan secured by mortgage

Source: <https://www.bancatransilvania.ro/pentru-tine/credite/credite-de-consum/solutia-bt-credit-de-nevoi-personale-garantat-cu-ipoteca/> [12]

The current needs loan with real estate destination can be granted for a period of up to 10 years, the maximum amount granted is up to 20,000 euros (lei equivalent), and the interest for customers with the transfer of income to a BT account is 8.67% (IRCC + 6.50 pp) compared to the standard one is 9.67% (IRCC + 7.5 pp).

Vehicle loan from Transilvania Bank is granted for the purchase of new or used cars, for a period of up to 5 years. The maximum amount granted is up to 20,000 euros (equivalent to lei), and the buyer must contribute an advance of at least 15% of the value of the requested loan that can be paid directly to the seller.

The interest for newly purchased cars is for the loan in lei of 8.66% * (IRCC + 6.25 pp), and for the loan in euro, it is 7.44% * (EURIBOR6M + 7.75 pp).

By **vehicle leasing** you can buy any new or used car, not older than 8 years (upon leaving the lease), with a minimum value of 22,500 lei (equivalent to 5000 Euro). The financing period is of maximum 5 years with a fixed interest rate of 7.9% for the entire crediting period.

The loan offer for real estate investments of Transilvania Bank is presented in Table 3.

The loans for real estate investments granted by Transilvania Bank are the following: Mortgage real estate loan, Real estate loan for residential projects and New House Loan.

The mortgage real estate loan is granted for the acquisition, construction, completion, extension of a building or refinancing of a loan from another bank, contracted for the construction, completion, extension of a building.

The real estate loan for residential projects is intended for the acquisition of housing in residential complexes financed by Transilvania Bank.

The New House loan is guaranteed by the state and is intended for the purchase of the first home.

The period for granting loans for real estate investments is a minimum of 2 months and a maximum of 30 years. After approving the loan, the applicant has 45 days to find the desired property.

Table 3.

Offer of loans for real estate investments

Credit category	Mortgage real estate loan	Real estate loan for residential projects	New House Credit
The amount	-	-	119.000 euro (equivalent to lei)
Benefits	Reduced interest on collection of income in BT account	Zero analysis fee Zero evaluation commission You do not need an evaluation report, and the legal documentation is simplified	State guaranteed loan, with minimum advance and advantageous interest
Destination	Acquisition, construction, completion, extension of a building Refinancing a loan from another bank, contracted for the construction, completion, extension of a building	Acquisition of a home in residential complexes financed by Banca Transilvania.	Acquisition of the first home
Eligibility	Possibility to access the credit regardless of marital status: together with the life partner, even if they are not married.	Possibility to access the credit regardless of marital status: together with the life partner, even if they are not married.	The applicant should no longer own any building with an area of over 50sqm purchased other than through the New House program, and the building should be in one of the energy classes A, B or C.
Accepted income	You realize salary incomes, pensions or other types of incomes that have a permanent character and are certain.	You realize salary incomes, pensions or other types of incomes that have a permanent character and are certain.	You realize salary incomes, pensions or other types of incomes that have a permanent character and are certain.
Minimum length of service	min 3 months - if the client is not with the first employer min 6 months - if the client is with the first employer	min 3 months - if the client is not with the first employer min 6 months - if the client is with the first employer	min 3 months - if the client is not with the first employer min 6 months - if the client is with the first employer
Interest rate	In lei 5.12% Does not collect salary at BT (IRCC + 2.75 pp)) 4.92% Receive salary at BT (IRCC + 2.95 pp)	In lei 5.12% Does not collect salary at BT (IRCC + 2.75 pp)) 4.92% Receive salary at BT (IRCC + 2.95 pp)	4,4%
	In euro 4.52% - Does not collect salary at BT (EURIBOR6M + 5 pp) 4.27% - Receives salary at BT (EURIBOR6M + 4.75pp)	In euro 4.52% - Does not collect salary at BT (EURIBOR6M + 5 pp) 4.27% - Receives salary at BT (EURIBOR6M + 4.75pp)	
Advance	Minimum 15% for a loan in lei. Minimum 35% for credit in Euro	Minimum 15% for a loan in lei. Minimum 35% for credit in Euro	Starting from 5%

Source: <https://www.bancastransilvania.ro/pentru-tine/credite/credite-pentru-investitii-imobiliare> [14]

The shopping cards (table 4) offered by BT to its customers are: BT Flying Blue, Star Forte, Star Gold, Star Platinum and STAR Forte for Doctors (table 4).

The BT Flying Blue card is a card for travel and shopping. BT Flying Blue is an international loyalty program, in which the airlines AIR FRANCE, KLM, TAROM and

other over 35 companies of the SkyTeam group participate, the customers being rewarded in proportion to the length of the distance traveled.

Table 4.

Shopping cards offered by Banca Transilvania

Card types	BT Flying Blue card	STAR cards			Star Forte Card for Doctors
		Star Forte	Star Gold	Star Platinum	
Age	Between 18-60 years, respectively up to 65 years if the income is from retirement	Between 18-60 years, respectively up to 65 years if the income is from retirement	Between 18-60 years, respectively up to 65 years if the income is from retirement	Between 18-60 years, respectively up to 65 years if the income is from retirement	-
Minimum income	minimum 800 lei for the Classic card or minimum 4,000 lei for the Premium version	minimum 800 lei	minimum 4.000 lei	minim 12.000 lei	-
Seniority at work	at least 3 months at the current job	at least 3 months at the current job	at least 3 months at the current job	at least 3 months at the current job	-
Credit limit	up to 5 times the monthly income	25.000 lei	50.000 lei	150.000 lei	at most 5 times the monthly income, up to 5,000 EUR lei equivalent (22,000 lei)
Interest rate	24% per year	24% per year	24% per year	24% per year	24% per years
Period	5 years	5 years	5 years	5 years	5 years and can be extended automatically

Source: <https://www.bancatransilvania.ro/pe-ntru-tine/carduri> [15]

Star credit cards can be used for transactions at merchants in the country and abroad. The amounts granted are between 25,000 lei and 150,000 lei. The loan repayment period is up to 56 days and a maximum of 18 interest-free installments in approximately 17,000 STAR partner stores.

The Star Forte card for doctors is dedicated exclusively to doctors in Romania with built-in chip technology, which offers safety in use. The loan is granted for a period of 5 years and can be extended automatically, the credit limit being at most 5 times the monthly income, up to 22,000 lei.

CONCLUSIONS

Transilvania Bank is a top bank on the Romanian market, occupying the leading position, according to the annual report of the NBR in 2019, with a market share of 17.7%. The bank supports those who want to do things differently, providing them with a complex range of high quality savings and credit products.

Saving in lei or in foreign currency offers the possibility to prepare in advance for important things. Transilvania Bank's offer is the right saving option: savings accounts that give access to money at any time, term deposits for planned events and Kidcont through which parents can ensure the child's future from the first step.

Through the loan offer, the bank has a strong impact in Romania through the financing provided to customers: consumer loans, loans for real estate investments and shopping cards.

Loans for real estate investments are granted for the acquisition, construction, completion, extension of a building or refinancing of a loan from another bank, contracted for the construction, completion, extension of a building, for residential projects is intended for the purchase of housing in residential complexes financed by Transilvania Bank and for the purchase of the first home.

The shopping cards offered by Transilvania Bank to its customers are: BT Flying Blue, Star Forte, Star Gold, Star Platinum and STAR Forte for Doctors. They were created for those who want to travel, for shopping and for doctors in Romania.

In conclusion, Transilvania Bank has a strong impact in Romania through financing, but also through banking, having the mission to offer positive experiences.

REFERENCES

- [1]. **BREZEANU P., FLORESCU D., SIMION A.**, 2012, Tehnici și operațiuni bancare pentru administrarea afacerilor, Editura Cavallioti, București
- [2]. **CĂPRARU B.**, 2014, Activitatea bancară. Sisteme, operațiuni și practice, ed. a IIa, Editura CH Beck, București
- [3]. **COCRIȘ V., CHIRLEȘAN D.**, 2017, Managementul bancar și analiza de risc în activitatea de creditare, Editura Universității Alexandru Ioan Cuza, Iași;
- [4]. **DĂNILĂ N., ANGHEL L.C., SINCA F.E.**, 2012, Retail Banking. Produse și servicii bancare retail, Editura Economică
- [5]. **SÎRBULESCU CLAUDIA**, 2016, Aspects Regarding the Risk in Banking Activity, Scientific Papers: Animal Science and Biotechnologies, 49 (2), 230-236
- [6]. **SÎRBULESCU CLAUDIA, OCNEAN MONICA, TONEA ELENA**, 2015, The loan, main banking product offered by the commercial banks, Scientific Papers: Animal Science and Biotechnologies, 48 (1)
- [7]. *** <https://www.bancherul.ro/>, accessed on 12.10.2020
- [8]. *** <https://www.zf.ro/banci-si-asigurari>, accessed on 15.10.2020
- [9]. *** <https://www.bancatransilvania.ro>, accessed on 15.10.2020
- [10]. *** <https://www.bancatransilvania.ro/pentru-tine/economii-si-investitii/economii/conturi-de-economii/>, accessed on 16.10.2020
- [11]. *** <https://www.bancatransilvania.ro/pentru-tine/economii-si-investitii/economii/depozite-la-termen/>, accessed on 17.10.2020
- [12]. *** <https://www.bancatransilvania.ro/pentru-tine/credite/credite-de-consum/solutia-bt-credit-de-nevoi-personale-garantat-cu-ipoteca/>, accessed on 22.10.2020
- [13]. *** <https://www.bancatransilvania.ro/pentru-tine/credite/credite-de-consum/nevoi-personale-standard>, accessed on 23.10.2020
- [14]. *** <https://www.bancatransilvania.ro/pentru-tine/credite/credite-pentru-investitii-imobiliare>, accessed on 30.10.2020
- [15]. *** <https://www.bancatransilvania.ro/pentru-tine/carduri>, accessed on 02.11.2020