

Marketing means of communication of the independent commercial enterprises with consumers (using innovative technologies)

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Abstract

The article presents a critical analysis of the bank's marketing means of communication with consumers in the conditions of economic and classical war. In particular, the tools of interactive marketing, marketing tasks to increase loyalty to the brand and its products, raising audience awareness, the use of innovative Internet acquiring systems are analyzed. The differences between the uses of marketing tools by financial institutions from purely economic ones are given. The challenges of the war for the financial sector of Ukraine as a whole are assessed. The marketing activity of the leading Ukrainian bank of Ukraine – PrivatBank are analyzed. The practical activity of this bank proves the need for continuous improvement of marketing communications with customers. In order to improve communications between a commercial bank and consumers of its services, a PEST analysis and SNW analysis were conducted. Marketing communications, brand, image and development of the researched enterprise need significant improvement. The results of our study will be useful to all who study the problematic issues of effective use of marketing tools and communications of independent commercial enterprises in working with consumers, users and customers in difficult socio-economic conditions. The results of our study will be useful to all who study the problematic issues of effective use of marketing tools and communications of independent commercial enterprises in working with consumers, users and customers in difficult socio-economic conditions.

Keywords: marketing, innovative technologies, independent commercial enterprises, bank, consumers, crisis.

Introduction

In the conditions of full-scale resistance of the Ukrainian army and people to the offensive and deterrence of armed aggression, the potential points of economic growth are clearly identified – innovations in financial and investment, production, marketing, medical, educational activities. Psychological, security and financial satisfaction are becoming the most important needs of Ukrainian society in these difficult times. In general, society is cooperating more actively with the financial sector of the

economy, receiving assistance from the state, which in turn receives continuous emergency funding from the IMF and other world institutions, as the humanitarian catastrophe has put a huge number of people on the brink of survival. Thus, the issues of financial defense of the country, evaluation of banking activities and other important financial issues, which currently occupy a prominent place in the system of interaction between consumers (users, customers) and banks, are becoming relevant.

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The purpose of the study is to analyze the marketing means of communication of retail

banks, which are on the financial defense of Ukraine, with consumers.

Material and methods

In our study, we relied primarily on official statistics from Ukrainian banks, in particular PrivatBank, scientific publications of Ukrainian and European scientists and open sources.

The methodological basis of the study are general scientific methods of scientific knowledge: observation, generalization and abstraction, concrete and abstract comparative characteristics, critical and dialectical analysis and synthesis of socio-economic realities.

Banking marketing is a business strategy and philosophy that requires careful preparation, in-depth and comprehensive analysis, active work of all departments of the bank at all levels of its organizational structure. At the same time, the marketing approach assumes the bank's primary orientation is not to create a product, but to study the real needs of the bank's customers.

Significant differences between the use of marketing tools and production tools are the mandatory implementation of an innovative idea; planning programs to attract and retain customers ahead of competitors; creation of new markets for banking products and services; investing in long-term development programs based on a balance of risk and opportunity; anticipation of clients' ideas about their needs and desires; management on the basis of budgets built on the investment principle, not on the principle of cost control; allocation of resources in accordance with strategic marketing plans; making specifically targeted marketing decisions.

The trend of recent years, market participants call an increase in marketing costs, the share of costs for promotion on the Internet and social networks. The Internet allows you to

purposefully bring customers to the bank's website, collect contacts, design products online and more.

Today, the first challenges for the financial sector are the loss of branches and other assets during hostilities, the physical delivery of cash to dangerous regions, the loss of some employees who evacuated with their families or joined the Armed Forces of Ukraine or Territorial Defense.

Thus, in in-depth and professional study by V. Shapran and I. Britchenko analyzed the groups of sanctions against Russia and the risks created on their basis. Unfortunately, it is not only the Russian banking system that has suffered from the imposition of sanctions as a result of the illegal invasion of Ukraine (Shapran, V., & Britchenko, I., 2022). Therefore, we highlight the risks for Ukraine that arose as a result of the economic war as part of a full-scale:

- Currency risk – due to destruction, human and economic losses from the Russian war in Ukraine;

- Interest rate risk – as an unprecedented vulnerability of our banks to adverse interest rates;

- Credit risk as an existing and potential risk to income and capital due to inability to fulfill its commitments to war;

- The risk of a sharp decline in business activity, etc.

That is why to minimize risks, it is advisable to use one of the elements of the marketing mix – marketing communications (messages, innovative solutions and media aimed at transmitting information about the banking product and service and connecting with the target audience, market).

Results and discussion

On the example of Ukraine and Russia, unfortunately, we see that today the number and strength prevail over pure and practical reason: in Ukraine, with a population of 42 million people, and in Russia, with a population

of 145 million people (the proportions: 1:3.5). The number of military personnel in the regular army of the Russian Federation is 850 thousand, Ukraine – 250 thousand. Again, the ratio of indicators is almost 1:3.5. The ratio of banks as

of March 1, 2022 between countries is 1:4. An empty treasury, frequent revolutions («Revolution on Granite» in 1990, «Orange Revolution» in 2004, «Revolution of Dignity» in 2010, Maidan), as well as corruption, smuggling, foreign loans – all this makes Ukrainians easy prey for a hungry and economically unstable Russia. The struggle is unequal not only in terms of demographics, but also in terms of territorial, military power (in particular, a wide arsenal of weapons of the Russian military forces), an advantage in the information war of Russia, which began long before this one.

According to the general estimates of the Ministry of Economy and KSE, the total losses of the Ukrainian economy as a result of the Russian-Ukrainian war, taking into account both direct and indirect losses – a decrease in GDP, the cessation of investments, an outflow of labor, additional defense and social support spending after 2 months of the conflict amounted to almost \$60 billion. Regarding business, it should be noted its exceptional importance and role in supporting the country during the war and reconstruction. Unfortunately, in the first month of the war alone, Ukrainian business lost more than two years of the COVID-19 pandemic (Rykhlitskiy, V., 2022).

Assessing banking, according to the pessimistic forecast, due to the war, bank assets may decline by 50%. Currently, only 69 banks operate in Ukraine (of these with foreign capital – 31). The dominant share belongs to 4 state-owned banks, including JSC CB PrivatBank, the largest bank in Ukraine, which holds leading positions in all financial indicators in the industry and accounts for about a quarter of the country's banking system and serves a third of the country's deposits. In addition, for several years in a row, this bank has received the FinAwards in the nomination «Best Internet Bank» (Website of the Minfin, 2022).

Banking marketing covers the level of the central bank and commercial banks. The first level – macromarketing – a subsystem of banking market management in society; the

second – micromarketing – a subsystem for managing marketing functions at the bank level.

PrivatBank's most effective channels for promoting services are its own channels of direct communication with customers. Customer segmentation capabilities based on the analysis of their payment history allow them to offer the necessary services. (Website of the Independent Association of Banks of Ukraine, 2022). PrivatBank uses the following main tools of interactive marketing: Website and promotional sites; Electronic bulletin boards; Call center; Internet advertising; E-mail marketing; Online practice in PrivatBank; Official pages in social networks; Online banking; Chat boots; SMS-informing, etc.

PrivatBank's website is developed and maintained at a high level. It is constantly updated. In Ukraine, according to Kantar Ukraine (representative of the world leader in marketing research – Kantar), the TOP 10 most visited sites, as of January 2021, included the website of PrivatBank, which took 7th place, after Google, Youtube, Facebook and other sites (Table 1). This testifies to the leading positions of PrivatBank in terms of site quality, strategic potential, quality of online and offline customer service, perfection of the marketing mix and the level of implementation of interactive marketing.

Table 1. TOP 10 most visited sites in Ukraine in 2021

No	Sites	Coverage, %
1	Google	94,1
2	Youtube.com	71,9
3	Facebook.com	61,7
4	Wikipedia.org	50,3
5	Rozetka (.ua /.com.ua)	46,9
6	Olx.ua	40,8
7	Privatbank.ua	36,8
8	Prom.ua	35,5
9	Ukr.net	34,8
10	Pravda.com.ua	30,3

Source: authors' development based on <https://hi-tech.ua/v-yanvare-2021-goda-v-tope-sajtov-dlya-ukrainczev-poyavilis-rada-gov-ua-i-104-ua/>.

The following tools can be found on the PrivatBank website: online help chat, the client can also choose the method of communication (Viber or Telegram), currency converter, access to the bank's mobile applications. Directly from the site can go to the «hot line» of the bank at the short number, on the official pages of social networks Facebook, Instagram and Twitter. Can read the bank's news, exchange rates and get other necessary information about the bank, services provided and interactive payment methods – QR-code, Apple Pay, Google Pay, Face Pay24. Together with its own promotional sites, PrivatBank uses common platforms – electronic bulletin boards (for example, <http://proactions.com.ua/>). The use of online marketing tools such as promotional sites and electronic bulletin boards allows you to not clutter the bank's website with short-term information, not to complicate the perception of basic information on the website.

The implementation of certain banking operations is often associated with a variety of issues, which often require the help of a bank employee. This function is performed by the call center. The most important task facing the employees of PrivatBank's call center is the most prompt solution of problems and processing of customer requests by phone. The main advantages of the PrivatBank hotline:

- Round-the-clock work;
- No payment for a phone call (callback);
- The opportunity to get answers to questions of any nature related to the services provided by the bank (including those related to problems with terminals and ATMs) (Website of JSC «PrivatBank», 2022).

To promote its products on the Internet, Privatbank uses CPA channels, which are characterized by payment for actual purchases. In 2016, PrivatBank launched an affiliate program in the admitad network (LIGA.net, 2022). The Bank actively uses Internet resources to promote its products and increase sales, including contextual advertising and contextual projects, financial showcases and social networks. Email-mailings to clients are

one of the tools of interactive marketing of PrivatBank.

For big business (large manufacturers, banks and financial institutions, developers, retail chains, network brands in the service sector, etc.) social networks solve long-term marketing problems to increase loyalty to the brand and its products, increase audience awareness, track the mood of its representatives to the company in general and its products in particular. PrivatBank has official pages in the most popular social networks in Ukraine – Instagram, Facebook, LinkedIn, Twitter and Telegram. This allows for informal communication with real and potential customers, to maintain the image of a stable and socially useful financial institution. Considerable attention in social networks is paid to the promotion of bank products and services, the fight against fraud in the banking sector. The level of activity of PrivatBank in different types of networks differs. So in the Instagram network it has 347 publications and 137,000 readers.

In Facebook, in addition to the main account, which has an activity of 134,000 readers, PrivatBank also has a Juniorbank account, which is aimed at working with students. Thus, the bank is working to maintain and expand its customer base not only in the short term but also in the long term. The activity on Twitter is 62,800 tweets and 127,900 readers. Universal employees of PrivatBank, tell about the entire bank's news on the Telegram channel. Youtube channels are also very useful in the banking sector. They provide an opportunity to teach customers to use the online services of banks and give maximum benefit to both banking institutions and their customers. On its Youtube channel, PrivatBank posts videos with information on doing business, bank services, social programs and much more.

Of course, in the conditions of war, failures with communication channels were observed.

Privat24 is an extremely interesting and progressive product for people who know how to value their time and enjoy all the benefits of personal financial management through the Internet. Personal account provides many

opportunities, namely: provides its customers with the widest range of services in a convenient real-time mode. PrivatBank online can be launched from anywhere on Earth, for which you only need to have access to the World Wide Web. JSC «PrivatBank» is one of the largest developers of mobile payment applications in Ukraine (Dronova, T. S. & Pipkina, A., 2021). More than 6.3 million people use Privat24 services. The number of customers is growing every day. Work is constantly underway to improve the service and increase the number of services. Internet bank «Privat24» is a round-the-clock access to accounts: Payment for utilities; Account management; Ease of operations; Buying tickets; Mobile banking, etc. (Website of the JSC «PrivatBank», 2022).

This bank proved to be an innovator in the Ukrainian market, launching a service that has no analogues. It is an opportunity to send SWIFT-transfers via smartphone abroad, using the mobile application Privat24, for iOS and Android, in any of 120 world currencies. You can use a foreign currency account or a hryvnia account to send a SWIFT transfer (GSMinfo, 2022).

In the context of interactive marketing, the point of sale is the Internet resource where the customer was acquainted with the banking product and ordered it. PrivatBank actively attracts intermediaries who promote sales, although in essence they are still agents of the bank. The bank has released an application called PrivatAgent, which simplifies agency work. This handy app for allows you to quickly transfer information about interested customers and receive bonuses. Works at any time of the day and day of the week. You can quickly find out the amount of the reward for each product, view a brief description of the products and see the history of applications.

Direct marketing is carried out by PrivatBank operators, who call customers of the desired segment and inform them about new service offers and their characteristics. PrivatBank is a leader in the use of the Internet in product promotion in Ukraine. However, the

diversification of interactive marketing tools and improving their application, the selection of the most cost-effective tools is relevant at any stage of the life cycle of a banking institution.

The specificity of the banking business lies in the significant specialization of the banking business, its significant differences from other businesses, even in the near field of financial services. In addition, banks have a specific balance, have a relatively large financial leverage, which requires specific communications (banks must maintain liquidity, and therefore – overly dependent on customers). There are practically no banks that carry out mainly «non-banking activities».

Important marketing means of communication in wartime are the support of the Armed Forces of Ukraine and charitable assistance, in particular (Website of the JSC «PrivatBank», 2022):

- Abolition of the commission for transfers (sending / enrollment) related to volunteering during martial law. Commissions for individuals and businesses for sending transfers to special accounts of the NBU for the Armed Forces and assistance to victims were abolished;

- Simplification of transfers of funds in support of the Armed Forces and humanitarian aid of the Ministry of Social Policy. Funds can be transferred from anywhere in the world without commission through the LiqPay system. All money goes to special accounts of the NBU;

- Realization of the possibility of transferring funds from accounts eSupport (єПідтримка) and «Bonus +» to the needs of the Armed Forces;

- Abolition of the commission for business clients for transfers to the accounts of all charitable foundations of Ukraine;

- Realization of the possibility of acquiring military IGLBs through Privat24;

- Abolition of the commission on SWIFT-payments for individuals who transfer currency abroad for the purchase of critical imports for the Armed Forces and for treatment;

- Realization of the possibility to deposit revenue to the accounts of business clients in

other banks free of charge through ATMs, self-service terminals and PrivatBank cash desks:

- Abolition of the commission for crediting cash payments to the account of a legal entity (entrepreneur) as a replenishment of financial assistance;

- Increase the withdrawal limit for the Cash at Service service to UAH 6,000 at a time for the entire network of POS-terminals;

- Abolition of restrictions on replenishment of business cards and cards of individuals;

- Abolition of the commission for settlement and cash services for acquiring for business clients;

- Lending to agro-industrial enterprises under the new state program to support agribusiness: agro.pb.ua in accordance with the explanation of the Ministry of Economy of Ukraine to support industries that directly ensure the livelihood of citizens and strengthen the state's defense capabilities. Thus, first of all, we are talking about agriculture, food production, retail trade, utilities and energy services, production, working on mobilization orders, etc.;

- Announcement before June 1 of credit holidays to individuals and business clients who are not in arrears or its term does not exceed 90 days;

- Available credit limits on the card «Universal» for individuals and the resumption of the «Credit limit on current account», «Overdraft» (blank and mortgage), credit limit «Entrepreneurial» for business customers.

The war highlighted the shortcomings in the service of Ukrainian banks, and made shortcomings in the work more painful for customers.

In order to establish effective means of marketing communications of the bank with customers, the company's management must have a deep understanding of the internal and external environment of the enterprise, its potential and market trends. Also, to reveal the opportunities and threats that the organization must consider when defining strategic goals and ways to achieve them.

To study the macroenvironment of JSC «PrivatBank» PEST-analysis was performed. The degree of influence of factors was assessed by the bank's experts on a 3-point scale (Table 2).

Table 2. PEST-analysis of JSC «PrivatBank»

Group of factors	Positive factors	Degree of influence	Negative factors	Degree of influence
Political and legal	Nationalization of the bank in 2016	2	Variability in legislation - 3-7 months	2
	Presidential Elections in 2019	1	Minimum freedom through NBU control	3
	Extraordinary elections of people's deputies of the Verkhovna Rada of Ukraine in 2019	1	Low level of protection of creditors and borrowers	2
Economic	Annual growth of the average wage	1	Unstable hryvnia exchange rate	2
	Increasing the degree of globalization and openness of the economy	1	Increase in the unemployment rate to 9.9% (+ 17% at the peak of quarantine were in a state of hidden unemployment)	3
	Enormous support from Western partners during the Russian-Ukrainian war	1	GDP at purchasing power parity is 40% below the world average. Under conditions of war, it is declining rapidly	3

Social	High level of urbanization – 69.3%	2	Annual population reduction	1
	Mononational state	1	Internal and external migration due to military conflict	1
	Changes in basic values, the desire for unity during the Russian aggression	1	Risks of information warfare	1
Technological	Increasing the number of Internet users to 30 million	3	The rise of cyber attacks	1
	Automation and technology development	3	Forced reduction in government spending on technological research due to Covid-19 and full-scale war	1

Source: authors' development

According to the results of the analysis, it was concluded that the most influential negative factors of the macroenvironment are the lack of freedom from the NBU, rising unemployment in Ukraine, low GDP at purchasing power parity; positive - increasing the number of Internet users and automation, technology development.

The developed analysis revealed such opportunities for development as: the ability to provide most of their services remotely, reducing collection costs, cashiers, various analysts, eliminating the threat of payment by counterfeit notes, increasing the volume of services provided by the older age group, facilitating peculiarities in the positioning of bank services (although the cultural characteristics of the population of the Far East and West of Ukraine have significant differences).

An SNW analysis was conducted to assess the state of the internal environment of PrivatBank. Positions were evaluated by experts of the enterprise: strong – S, neutral – N, weak – W (Table 3).

Table 3. SNW-analysis

No	Key parameters of JSC «PrivatBank»	S	N	W
1	Market share	+		
2	Competitiveness	+		
3	Product range	+		

4	Marketing communications		+	
5	Sales system	+		
6	Development strategy		+	
7	The organizational structure	+		
8	The level of innovation	+		
9	Brand and image		+	
10	Staff motivation system			+
11	Corporate culture		+	
12	Pricing policy			+
13	Sales volumes	+		
14	Number of staff	+		
15	Salary	+		
16	Level of technical equipment	+		
17	Social package	+		
18	Working conditions	+		

Source: authors' development

The data in Table 3 show that PrivatBank, as the leading bank in Ukraine, has much more strengths. Nevertheless, there are implicit negative aspects of functioning: pricing policy and staff motivation. If the second shortcoming can be eliminated, the first is almost impossible, because the pricing policy of banks is controlled by the NBU. Weaknesses, if not neutralized, then at least minimize their impact. Existing and neutral positions that need to be improved and turned into opportunities for strengths. Segments that are already strong should be used as resources.

Conclusions

A necessary condition for economic development is a stable and reliable banking system, which establishes links between the national economy with the world economy. The article analyzes the marketing means of communication of the bank as a guarantor of financial defense of Ukraine, and consumers, through the use of innovative technologies. The marketing activity of the leading Ukrainian bank of Ukraine with domestic and foreign consumers – JSC «PrivatBank» are analyzed. The practical activity of this bank proves the need for continuous improvement of marketing communications with customers.

Banking marketing is considered both as a philosophy, strategy and tactics of the bank, aimed at effectively meeting the needs, demands and expectations, solving the problems of existing and potential bank customers (including in the current humanitarian crisis that has led to an increase in the number of people in Ukraine which are on

the verge of physical and financial survival) through the successful implementation in the market of banking products that take into account market trends and benefit society.

In order to improve communications between a commercial bank and consumers of its services, a PEST analysis and SNW analysis were conducted. As a result, the following negative factors of influence on the development of relations were identified: lack of freedom on the part of the NBU, rising unemployment, low GDP at purchasing power parity, weak staff motivation, imperfect pricing policy. Among the positive factors are: increasing the number of Internet users and automation, technology development, retail banking occupies the largest market share, has high competitiveness, has high technical equipment, innovative, wide range of services. Marketing communications, brand, image and development of the researched enterprise need significant improvement.

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