

WAYS TO IMPROVE BANK MARKETING USING INNOVATIVE TECHNOLOGIES

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Abstract

Accounting of financial results in banks is very important to show their financial status and activity correctly. Financial accounting in banks involves measuring, recording and reporting financial transactions, assets, liabilities, equity, income and expenses. These reports provide stakeholders, including regulators, investors and management, with important insights into the financial health of the bank.

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Introduction

The financial services industry, particularly banking, has undergone significant changes in recent years due to the rapid advancement of technology. Traditional marketing approaches, once reliant on in-person interactions and mass advertising, are becoming increasingly obsolete in the face of evolving consumer behavior and digital disruption. Today's customers demand more personalized, convenient, and efficient experiences, prompting banks to rethink how they market their products and services. While artificial intelligence (AI) often dominates discussions on technological innovation, there are numerous other technologies that can enhance bank marketing strategies. This article explores various ways in which banks can improve their marketing efforts by leveraging innovative technologies, including mobile apps, social media, blockchain, and geolocation, without relying on AI. By adopting these tools, banks can increase customer engagement, build trust, and remain competitive in an increasingly digital landscape.

Literature review

To enhance bank marketing through innovative technologies, financial institutions can leverage artificial intelligence (AI), digital platforms, and data analytics. These technologies not only improve customer engagement but also optimize marketing strategies.

AI and Data Analytics

- AI technologies, including machine learning and predictive analytics, enable banks to analyze customer data effectively, leading to personalized marketing strategies and tailored product recommendations (Dwivedi et al., 2024).

- Data analytics can enhance credit risk assessment and identify suspicious transactions, thereby improving customer trust and reducing financial losses (Владика et al., 2024).

Digital Marketing Strategies

- The shift to online services necessitates innovative marketing channels, such as mobile applications and digital platforms, which can reach diverse customer segments effectively (Krasnova, 2023).
- Gamification and financial education initiatives can engage younger demographics, making banking services more accessible and appealing (Kozlova et al., 2024).

Innovative Business Models

- Banks can adopt various digital business models, such as closed ecosystems and aggregator models, to streamline services and enhance customer experience (Krasnova, 2023).

While these innovations present significant opportunities, they also require careful consideration of cybersecurity and customer education to mitigate risks associated with digital banking.

The expansion of the functional capabilities of remote banking systems, in turn, will allow to carry out a wide range of operations through remote identification systems. While remote identification simplifies banking services, it requires security measures to monitor banking operations. For clients, it is necessary to perform banking services without providing paper documents, to be able to use one branch of the bank as a client, other branches, and in the future, to use other banking services (Toshtemirovich, M.Z., 2020).

Research methodology

Economic research methods were used to systematically analyze the data using a systematic approach to studying the problem.

The methodological basis of the research is formal logic, statistical and comparative analysis methods, systematization, classification and expert assessment, grouping, comparative method and content analysis, graphic interpretation methods, etc.

Analysis and results

Bank marketing is the sum of activities whose purpose is to provide services that satisfy the financial needs and desires of customers more efficiently and effectively than competitors, in accordance with the goals of the organization. The application of marketing techniques in banking means a coordinated organizational effort to reach the customer to achieve the satisfaction of specific needs of the customer relationship using people, products or services, prices, sales promotion, branch and distribution policies to maximize customer satisfaction. In a competitive market, banks sell their services through salespeople recruited by management through offices across the country.

Banking marketing is no longer centered around printed billboards or expensive TV ads but rather digital marketing strategies more tailored to the reality of 2024.

1. Mobile Banking Apps

One of the most significant innovations in banking over the past decade has been the rise of mobile banking apps. These apps provide customers with easy access to banking services from their smartphones, facilitating everything from checking account balances to making transactions and applying for loans. For banks, mobile apps offer a direct and personalized channel to engage customers.

Mobile banking apps can be used as powerful marketing tools in several ways:

- Push Notifications: Banks can send targeted notifications to users about new products, promotions, or reminders, such as bill payments or overdraft warnings. This helps in maintaining constant

communication with customers without being intrusive.

- **In-app Offers:** Personalized offers based on transaction history or customer preferences can be delivered through the app. For instance, a customer who frequently travels might receive promotions for travel-related financial products like travel insurance or foreign currency exchange.
- **Customer Feedback and Surveys:** Apps offer an immediate platform for gathering customer feedback through in-app surveys or feedback forms. This can help banks refine their services and improve customer satisfaction.

2. Social Media Platforms

Social media has revolutionized how companies engage with customers, and banks are no exception. With billions of active users across platforms like Facebook, Instagram, LinkedIn, and Twitter, social media presents an unparalleled opportunity for banks to connect with customers on a more personal level.

Banks can use social media in the following ways to improve their marketing:

- **Customer Engagement:** Through regular posts, blogs, and interactive content, banks can engage with their audience, keeping them informed about new services, financial advice, and industry trends. Social media also provides a forum for responding to customer queries or complaints in real-time, improving customer service.
- **Influencer Marketing:** Partnering with financial influencers or bloggers to promote banking products can help reach a wider and more engaged audience. Financial influencers, particularly those focused on financial literacy or personal finance, can lend credibility to a bank's offerings.
- **Targeted Advertising:** Social media platforms allow for highly targeted advertising based on user demographics, interests, and behaviors. Banks can use these tools to tailor their advertisements, ensuring they reach the right audience at the right time, maximizing return on investment (ROI).

3. Blockchain Technology

While blockchain technology is often associated with cryptocurrencies like Bitcoin, its potential in marketing is increasingly being recognized, particularly in the banking industry. Blockchain offers a secure, transparent, and decentralized way to handle transactions and store customer data, which can be used to build trust and enhance marketing efforts.

Key applications of blockchain in bank marketing include:

- **Loyalty Programs:** Blockchain can be used to develop secure and transparent loyalty programs that reward customers for their engagement with the bank. Since blockchain ensures a permanent and tamper-proof record of transactions, customers can accumulate and redeem points across multiple platforms with ease.
- **Data Security:** As data privacy becomes more critical, blockchain provides banks with a secure method to protect customer information. By offering a high level of transparency and security, banks can build trust with customers, which can be a significant differentiator in marketing efforts.

4. Omnichannel Marketing

In the modern banking environment, customers interact with banks through multiple channels, including in-branch visits, mobile apps, websites, and social media platforms. Omnichannel marketing ensures that these interactions are integrated and seamless, providing customers with a consistent and unified experience across all touchpoints.

Banks can enhance their marketing through omnichannel strategies in the following ways:

- **Personalized Customer Journeys:** By linking all customer touchpoints, banks can create personalized customer journeys. For instance, a customer who starts researching loan options on the bank's website might receive a follow-up email with more information, followed by a call from a representative to assist with the application.
- **Cross-Channel Promotions:** Banks can launch promotions that are accessible across various channels. For instance, a promotion advertised on social media can lead customers to apply for a loan through the mobile app or website, creating a cohesive marketing experience.
- **Customer Analytics:** Integrating data from multiple channels allows banks to analyze customer behavior more effectively. This data can inform marketing strategies, helping banks tailor their services to meet specific customer needs.

5. Video Marketing

Video content has become one of the most engaging forms of digital communication. According to research, video content is more likely to capture a viewer's attention and be shared across social media platforms than text or images alone (Wyzowl, 2023). Banks can leverage video marketing to enhance their brand and improve customer engagement.

Ways to use video marketing in banking include:

- **Educational Content:** Banks can create educational videos that help customers understand complex financial topics, such as mortgage options, investment strategies, or budgeting tips. This positions the bank as a trusted advisor, enhancing customer loyalty.
- **Customer Testimonials:** Featuring customer testimonials in video form can build trust and credibility. Hearing satisfied customers talk about their positive experiences with the bank's services can influence potential customers.
- **Live Streaming:** Live streaming on platforms like YouTube or Instagram allows banks to engage directly with customers in real-time. Banks can host webinars, Q&A sessions, or product launches, providing an interactive experience that deepens customer relationships.

6. Geolocation and Proximity Marketing

With the widespread use of smartphones, banks can take advantage of geolocation services to offer location-based marketing. Proximity marketing, which uses technologies like Bluetooth beacons or NFC (Near Field Communication), allows banks to send targeted messages to customers based on their physical location.

Applications of geolocation in bank marketing include:

- **Location-based Offers:** Banks can send personalized offers to customers when they are near a branch or an ATM. For instance, a customer passing by a branch might receive a notification offering a special deal on a loan or investment product.
- **ATM and Branch Locators:** Mobile banking apps can use geolocation to help customers easily locate nearby ATMs or branches, improving convenience and customer satisfaction.

7. Augmented Reality (AR) and Virtual Reality (VR)

While still in its early stages in the banking sector, augmented reality (AR) and virtual reality (VR) have significant potential to enhance customer engagement and improve marketing strategies. These technologies can create immersive and interactive experiences that appeal to tech-savvy customers.

Some potential applications of AR and VR in bank marketing include:

- **Virtual Branch Tours:** Banks can offer virtual tours of their branches, allowing customers to explore the facilities and services from the comfort of their homes. This can be particularly useful for

promoting premium banking services.

- **Interactive Financial Planning:** Banks can use AR to create interactive financial planning tools, allowing customers to visualize their financial goals and how different products can help them achieve these goals.



Figure 1. Influencer Marketing

Many young consumers focus their free time on personalities they follow, and tapping into these influencers can make a brand seem more relatable. Banks can build off of these relationships to position themselves in a more authentic and favorable way.

Strategies for Effective Influencer Marketing in Banking:

1. **Choosing the Right Influencers:** Select influencers whose followers align with the bank's target audience.
2. **Content Collaboration:** Work with influencers to create content that naturally integrates the bank's services or products. This could be through informative posts, stories about personal finance management, or experiences using the bank's services.
3. **Long-Term Partnerships:** Instead of one-off promotions, consider establishing long-term partnerships with influencers. This allows for a more authentic and sustained engagement with their audience.
4. **Diverse Influencer Portfolio:** Collaborate with various influencers, from financial institution experts to lifestyle bloggers, to reach different audience segments effectively.
5. **Measuring Impact:** Use analytics to track the performance of influencer campaigns, assessing metrics such as engagement rates, conversion rates, and audience growth.

Influencer marketing is the newest version of celebrity endorsement-based marketing, but with a more modern element that makes it seem less phony.

Benefits of Bank Marketing

In today's fast-paced and highly competitive financial market, banks and other financial institutions must do everything they can to stand out and attract customers. One of the most effective ways to achieve this is through effective marketing and branding. However, creating and implementing a successful marketing strategy is not always easy, especially for banks and financial institutions. This is where the services of a marketing agency can be invaluable.

Here are some reasons why bank marketing and marketing agencies are so important in today's economy:

1. **Marketing and Branding Expertise:** Marketing agencies have a team of experts who are well versed in the latest marketing trends, techniques and technologies. They have a deep understanding of the financial industry and know what it takes to build a strong brand and create an effective marketing campaign. This knowledge can help banks effectively reach their target audience and differentiate themselves from their competitors.

2. Cost-effective solutions: Hiring a marketing agency can be more cost-effective than putting together your own marketing team. Agencies typically offer a variety of services such as market research, branding, advertising, public relations and social media management, all under one roof. This allows banks to use all marketing services at a lower cost than hiring individuals to perform these tasks separately.
3. Access to the latest technologies and tools: Marketing agencies invest in the latest technologies and tools to help them run effective marketing campaigns. Banks that partner with a marketing agency can access these cutting-edge tools to help them stay ahead of their competition.
4. Better visibility and reach: Marketing agencies can help banks reach a larger audience using various marketing channels such as social media, digital advertising and other online platforms. This increased visibility and reach can help banks attract more customers and build their brand.

Conclusion

Bank marketing strategy was stagnant for many years but will not be in 2024. New technologies and consumer behavior give banks more tools to reach their customers. As the older, wealthier population ages, banks must reach the next generation that stands to inherit a tremendous amount of wealth.

Innovative technologies are reshaping the way banks engage with their customers and market their products and services. By adopting tools such as mobile banking apps, social media, blockchain technology, and video marketing, banks can enhance customer engagement, improve personalization, and stay ahead of the competition. Additionally, omnichannel marketing, geolocation services, and emerging technologies like AR and VR offer exciting new opportunities for banks to differentiate themselves in an increasingly competitive landscape.

As customers continue to demand more convenient, secure, and personalized banking experiences, it is crucial for banks to stay at the forefront of technological innovation in their marketing efforts.

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