

FEATURES OF THE APPLICATION OF INTERNATIONAL MARKETING MODELS IN THE FINANCIAL AND BANKING SECTOR

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Introduction. The main feature of financial and banking marketing is that along with the number of customers on the way to attract, there must be quality customers. Commercial banks are constantly faced with choices in implementing marketing policies and tools. This is why the role of strategic marketing and marketing researchers in marketing teams is vital. The ultimate goal of each financial institution is to provide maximum profit with minimal costs per 1 customer ¹. Therefore, every marketing model should be based on a sequence of steps that promote loyalty.

One of the successful examples of international banking marketing is the application of the "bank for life" toolkit. It is a unique loyalty-oriented product that involves building and managing customer relationships throughout the customer's lifetime. This service assumes that the bank will be the customer's main financial partner in various life situations: marriage, purchase of a new car, birth of a child, health expenses, starting a business, etc.

Methodology. The purpose of the article is to study the features of international marketing models in the financial and banking sector.

The purpose of the research is:

1. To study the peculiarities of modern international marketing models, trends and the actual possibilities of their application in the financial market.
2. To compare and evaluate the realism of marketing models in terms of overcoming the challenges faced in today's financial market.

Literature review. From the point of view of increasing the marketing strategy in the financial market, it is extremely important to understand the factors that have a key impact on the success of marketing policies in the banking sector in the form of relevant studies and analyses.

¹ Yale University - Financial markets- <https://www.coursera.org/learn/financial-markets-global>

Considering the constant changes in the current market, marketing trends and peculiarities of the banking sector, the approaches offered by Hubspot Academy, which are based on both scientific basis and actual marketing trends, deserve attention.

Scientific novelty. In order to increase the effectiveness of marketing policy in commercial banks, it is desirable that special attention be paid to bank marketing and development strategy at the level of the management board. Meanwhile, very often the main functions of the management board are mostly based on the financial and economic direction. When studying the peculiarities of marketing models in the financial and banking sector, the factor of Buyer barriers is of key importance. This model represents the nuances and obstacles due to which potential customers do not use the services of the given financial structure and prefer to use the services provided by competing financial organizations. Such an approach will allow a more detailed understanding of the target market on the one hand, and possible marketing failures on the other hand.

Analysis. From the point of view of increasing the effectiveness of the marketing policy of financial organizations, it is extremely important to use the RevOps (Revenue Operations) model, which provides an opportunity to simultaneously coordinate and ensure cooperation between service and marketing departments from one center ¹. *Thanks to this approach, it is possible to evaluate not only the effectiveness of the indicators reflected as a result of quantitative and qualitative analysis, but also to get a full understanding of the factors and nuances that have not been analyzed. Undisclosed nuances are not reflected in marketing reports, but by their very nature have a significant impact on the performance of marketing policies. The RevOps model also allows you to identify the realism of the applied marketing models and tactics in the actual market, because very often the marketing strategies developed at a professional level do not provide the desired results due to the lack of alignment with the nuances of the market and business processes.*

Due to the peculiarities of the financial market, it is highly desirable to use the RevOps marketing model in commercial banks, which aims to study the potential of attracting additional new customers and generating income, maximizing the bank's profitability. *In order to get to know the possible internal and external problems in bank marketing in more detail and to respond properly, it is desirable to take into account the views presented by the service and lower level employees.*

- One of the ways to evaluate the actual state of service provision and service level in the financial banking sector, continuous improvement and identification of existing shortcomings is the application of the secret shopper model, which is both a type of internal control and the most used approach of marketing intelligence for the purpose of

¹Hubspot Academy - Revenue Operations Certification - <https://academy.hubspot.com/courses/revenue-operations?library=true&>

performing competitive comparative analysis. This approach makes it possible to identify the strengths and weaknesses of both competitors and own organization, including the level of responsibility and preparedness of employees. To assess the flexibility of employees in various situations, monitoring in the form of a secret client often includes the creation of non-standard situations along with ongoing inspections. This form of control involves not only punishing incompetent employees, but also encouraging the best ones.

• In today's financial marketing, the existence of a competent advertising policy is of strategic importance, where financial and banking organizations mainly pursue the following goals through advertising campaigns.

- Raising awareness of the financial and non-financial products offered by the financial institution in the target market
- Presentation of the value advantage of the target segments
- Regular reminder and increased visibility of the services provided
- Attracting the attention of potential customers and influencing customer behavior in favor of the bank.

Due to the trends in the modern market, the types and forms of advertising are constantly increasing, but one of the problems of every advertising policy is the smooth provision of the return of marketing investments. Despite the fact that there are many approaches and points of view on advertising policy in practice, the involvement of focus groups in the development of advertising campaigns provides the highest utility so far. The focus group's usefulness is significantly influenced by the group members' objectivity, sufficient awareness, and professional experience in the given field. In practice, when focus group participants have different points of view, visible and undisclosed shortcomings, ways to further improve the offered products, etc. are discovered during the discussions. Thanks to digitization, the involvement of focus group members can also be carried out remotely.

• The reputation of a commercial bank has a significant impact on the competitiveness and market position of a financial organization. Based on all that, regardless of the applied PR technologies, the application of "intensive monitoring" or its absence in the information and communication policy is of considerable importance.

In the process of customer relationship management policy, the bank has the following ways to organize communications and disseminating information: own, earned and paid.

Owned and paid ways include the bank's PR policy, information distributed by the bank's employees, the bank's website, SMM, mobile/online banking, advertising campaigns and everything that is owned and controlled by the relevant employees of the bank.

The media, customers, bloggers, opinion leaders, experts who disseminate information and express their opinion about the bank are considered under earned ways. The importance of earned ways is extremely important, because the trust of customers and potential customers in earned ways is higher, given the fact that own and paid ways of information distribution are viewed from the customer's point of view as nothing more than advertising. Those who manage the earned ways can often indirectly have a serious impact on the reputation of the bank, as well as on the behavior of potential and current customers. The bank's communication policy officers should always keep the information disseminated in the bank's earned ways in the center of attention, because these ways are not controlled by the bank, so it is extremely important to maintain friendly relations with the relevant stakeholders.

Regardless of the circumstances, by what methods the communication policy between potential and current customers and the bank will be organized, it is extremely important that the bank pays attention to the factor of user generated content, which represents the bank's reputation in the market and the actual attitude of customers towards banking services and views.

- Based on the activity of financial banking organizations, despite the fact that from the point of view of both legal and economic normative and bank management, clear risk management policies are introduced, but the risks related to marketing are no less important. Based on the variety of marketing risks, it is purposeful to implement risk-management with statistical, expert and scenario methods.

The essence of the statistical method is to provide actual numerically expressed data at a specific point in time. The statistical method gives an opportunity to understand which of the total risks occur most often and which of them show increasing or decreasing trends.

The expert method is the risks that have received the attention of the relevant specialists, as well as the level of their impact in this or that project. This model should provide information about all the possible risks that can affect the success of the projects. When choosing that approach, the level of awareness, preparedness and objectivity of the relevant professionals is very important. The expert method provides an opportunity to develop in detail the solutions of existing and possible problems and to understand the preventive directions.

The scenario method is designed to find out the firm's actions in different possible adverse situations. In order to increase the effectiveness of the risk management policy, statistical, expert and scenario methods can be fully applied.

- In the practice of modern business and banking management, four approaches are distinguished, with the help of which the development policy is implemented. They are:

Preventive. Preventive policy, in which the bank management significantly reduces staff training, marketing, branding costs aimed at the development strategy, and the bank switches to a passive defensive policy. In case of choosing such a policy, the bank is faced with the task of reducing the costs as much as possible at the operative, tactical and strategic levels, trying to implement the development policy with a very limited budget. However, practice has proven that such approaches mainly lead to the weakening of the bank's market position, intensification of personnel outflow, decrease in sales volume, reduction in the number of clients, etc. The transition from protectionist policies to other policies requires additional financial resources from the bank management, as well as tremendous work in order to be sufficiently positioned in the market.

Promotive. In the case of a promotive policy, the bank over-activates the marketing policy, comes up with new banking products, discount packages, advertising campaigns, using all the ways and tools to increase the bank's visibility and create demand for the offered products and increase the existing demand.

Promotive policies are generally justified in the short term, in which case there should be a specific goal to ensure an increase in market position. It is important to note that the main goals of this policy are often not to increase the firm's profitability in the short term, but to strengthen the bank's market position and gain competitive advantages among customers. With a given policy, there is often a need to rebrand and revise the service policy. Promotive policy, despite its positive aspects, also has the following disadvantages: it requires large financial costs, enormous overwork and often partially provides KPI performance, although it is of key importance for each bank to resort to this policy from time to time.

Pragmatic. In the case of pragmatic policies, bank management strives to ensure rationality between the funds spent and the results obtained, and calculated policies require strict budgeting and planning. The pragmatic policy is aimed from the point of view of effective control over the development policy, but this policy does not contribute to a rapid response to changes in the market and in the external environment.

Progressive. In the case of policies that ensure progress, bank management defines policies that promote the sustainable development of the bank, but in this case, unexpected events always appear. Therefore, it is advisable for the bank's management to set specific goals and set clear deadlines for achieving the set goals. It is extremely important that the goals set for the bank are realistic and as manageable as possible. Taking into account the nuances of the financial market, it is desirable that the policy providing progress be implemented on a long-term basis through strategic planning.

Conclusion. In terms of increasing the effectiveness of strategic marketing in the financial and banking sector, it is very necessary to carry out qualitative studies along

with numerical studies in marketing research. This approach is justified by the fact that "Mix" analyzes contribute both to the identification of causal factors and to obtaining factual information about the market situation.

Thus, in the financial and banking sector, it is important to be guided by the principle that it is unrealistic to ensure 100% compliance with the developed marketing policy and the implementation of that policy in the market. However, it is compulsory that the marketing strategy is as applicable as possible to the situation created in the financial market.

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Zaven BAGHRYAN, Roza AVAGYAN, Elna SHAMKHALOVA **Features of the application of international marketing models in the financial and banking sector**

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The main goals and essential features of financial and banking marketing were presented in the article. A detailed reference was made to the introduction of models that are most applicable in international practice and promote banking competitiveness. The need to involve focus groups during the implementation of marketing research was emphasized. Based on the peculiarities of banking marketing, the expediency of making certain changes in the risk management policy was justified. Based on the situation in the financial market and in order to neutralize the existing challenges, four development policy approaches were proposed. Two scientific novelties were presented in the performed work.