Bank's marketing policy formation in a pandemic as ensuring resilience in the Russian economy

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Abstract. The gist of this article boils down to improving the efficiency of the bank's marketing policy in a pandemic. The growing needs of buyers, the growth of non-price competition and the supply of goods and services on the market indicate the relevance of the problem of forming a marketing policy. Factors such as imperfection of market relations, inflation, low population growth rate, high level of income differentiation of the population are characteristic of the Russian market. The article stresses that it is necessary to conduct a marketing policy competently in order to ensure the return on capital and a stable position in the market. The main hypothesis is based on changing consumer preferences. The marketing research was conducted by a survey method in the form of a survey of respondents. The aim of the study was to determine the strengths and weaknesses of the organization providing credit products. A survey of consumers of credit products made it possible to determine vectors and control points when choosing a product by a consumer. This, in turn, made it possible to determine the parameters of the loan products, which need to be changed in order to increase the degree of customer satisfaction. The criteria for choosing a loan, the preferred channels for obtaining a loan and the attitude towards credit institutions that provide loans have also been determined. The article presents the activities that determine the marketing policy for future periods.

1 Introduction

Today in the context of competitive market relations, organizations need to develop a suitable marketing policy that would meet the current situation in the country and the world, the direction of its development, and match the preferences of consumers.

The growing needs of buyers, the growth of non-price competition and the supply of goods and services on the market indicate the relevance of the problem of forming a marketing policy. Factors such as imperfection of market relations, inflation, low population growth rate, high level of income differentiation of the population are characteristic of the Russian market.

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In addition, directly, the Russian sector of credit products is characterized by a high level of competition, high pressure from the regulator - the Central Bank of the Russian Federation. In the structure of the banking sector, a significant share is occupied by banks with state participation - as of Q1 2020, the share of state-owned banks in the total assets of the banking sector is 72%.

In such conditions, to ensure the return on capital and a stable position in the market, it is necessary to competently conduct a marketing policy.

Loan products are the main source of income for a commercial bank. The bank receives the largest part of the income from interest for the use of credit funds and commission payments accompanying the execution of a loan agreement.

At the same time, the consumer lending market is rather homogeneous. Achieving a high market share in this segment requires careful study of consumer behavior and consumer choice criteria.

2 Body of paper

Low demand for credit products in the context of a pandemic led to the fact that credit institutions faced problems with a decrease in sales and, as a result, profits. The main hypothesis is changing consumer preferences.

The marketing research was conducted by a survey method in the form of a survey of respondents [1-18]. The aim of the study was to determine the strengths and weaknesses of the organization providing credit products.

With the help of a survey, it is necessary to determine the criteria for choosing a loan that are most significant for consumers, the preferred channels for obtaining a loan and the attitude towards credit institutions that provide loans.

The sample is built according to the following parameters:

- geography:
- The respondents were selected from the regions where the bank is present because penetration into new geographic markets is not economically feasible based on the bank's available resources.
- age:
- The respondents were selected from 19 to 65 years old. This interval is selected because registration of loan products in PJSC CB UBRD is possible only in this time period (due to regulatory and legal restrictions, as well as considerations to minimize risks).
- income per family member:
- We selected respondents with an income exceeding the minimum wage (12 130 rubles) in order to minimize risks.
- experience of using a loan:

We selected respondents who have experience in using credit over the past 12 months or plan to use credit funds in the near future. The sample excludes respondents who have no experience in using a loan (or intent to use credit funds in the near future), since one of the key objectives of the study is to determine the criteria for choosing a loan product.

Sample size - 150 respondents. The volume is considered representative.

The survey was carried out through the fastuna.ru service.

In the course of the survey, the respondents were asked a number of questions related to the process of choosing a credit institution, the parameters of the selected product, as well as the process of accompanying a loan product. Respondents' answers are grouped and presented in the form of diagrams.

First of all, let us give a brief description of the socio-demographic parameters of the sample.

The survey involved 150 people. Of these women - 61 people, men - 49 people.

The results of the survey in this sample are comparable with the statistical indicators for the Russian Federation as a whole, women - 53.6%, men - 46.4%.

Fig. 1. Structure of respondents by age

The largest weight in the sample is made up of respondents aged 19 to 45. The share of respondents over 45 years old is much lower.

The age structure partially coincides with the structure in Russia as a whole, but the share of respondents over 45 is much lower. This may be due to the limitations set in the selection of the sample by the customer, as well as to the low percentage of Internet resources penetration (in particular Fastuna.ru) among consumers over 45 years old.

Figure 2 characterizes the sample in terms of the respondent's personal income. This is due to the specifics of banking scoring. When applying for a loan, only personal income is taken into account.

Fig. 2. Question: “How important is the company to you when choosing a consumer loan?”

52.8% of respondents can afford to buy ordinary goods, but they have to save up for large purchases (car, real estate).

Thus, the largest share of respondents (85.4%) are potential consumers of loans.

Respondents who only have enough money for groceries prefer credit cards, since this level of income does not imply the possibility of financial planning for a long time. The bank's scoring model will not approve of a large-value limit for such a client.

It should be noted that 3.6% of respondents have sufficient income for any purchases. It is logical that this category is the least in demand in credit funds.

Figure 3 presents data on the experience of using consumer loans. Since the purpose of the study is to obtain data on the criteria for choosing a loan product, it is necessary to limit the sample to respondents who have “fresh” experience in choosing a product or planning to make such a choice in the near future.

Fig. 3. Experience of using consumer credit

Most of the respondents have experience in using a loan. Since the purpose of this study is to determine the criteria for choosing credit products by consumers, an additional question was asked to respondents who had no experience in using credit products. The results are shown in Figure 4.

Fig. 4. The need for consumer loans in the next 6 months

34 respondents answered that they plan to use credit funds in the near future, which means they can be included in the main sample.

Further, it is necessary to exclude from the sample respondents who had experience of using a consumer loan more than 12 months ago, since their answers may be inaccurate due to the remoteness of the events. The results are in Figure 5.

Fig. 5. Duration of use of the last consumer loan

76 respondents fit the selected research criteria. They can be included in the main sample. The total sample size was 110 respondents. The sample is representative.

Let's move on to the main part of the questionnaire. Figure 6 shows the respondents' answers to the question about the type of consumer credit that the respondent took. The division into types was carried out mainly for the purpose of lending - for the purchase of a car, an apartment, for repayment of debt in another bank (refinancing), for any purpose.

The type “Credit in the store” is separately highlighted - this is a credit for a specific product, issued by a bank employee directly at a retail outlet (POS credit). Such loans are characterized by a short term and a small loan amount.

The credit card is also singled out as a separate type due to especially the mechanics of providing a loan. This type of lending is called “revolving”, overdraft, credit line. It is characterized by short life and small amounts, but frequent use.

Fig. 6. The structure of the types of loans recently among the respondents

Segmentation by type of credit is necessary, since the consumer properties, as well as the economic characteristics of products, differ significantly. Most of the respondents (79%) used an inappropriate loan. The structure of use of refinancing and a credit line (credit card) is approximately equal, but small in the overall structure of use of credit products (7% and 6%, respectively). Targeted loans have the smallest share in the overall structure.

This situation could have arisen due to the large number of offers of non-targeted loans on the market. They are characterized by the minimum number of required documents, as well as the absence of collateral in the form of collateral.

Store loans are also not common due to the expansion of credit cards, installment cards and non-targeted loans.

Further, in order to determine the needs that consumers meet with the help of borrowed funds, a question was asked about the purpose of lending. To ensure accurate results, only the last loan was requested. The results are in Figure 7.

Fig. 7. The structure of consumer loans goals

The majority of respondents (40%) used credit funds to carry out repairs to their apartment / house. A slightly smaller share of respondents (28%) used borrowed funds to purchase large household appliances. Linking these indicators with income indicators, one can see a correlation - most of the respondents use a loan for household purposes since they cannot buy goods on their own. Or he cannot save for a long time because the goods are required right now (for example, a refrigerator).

Less often, loans are taken for travel, wedding ceremonies and education. Most likely, this is due to the episodic nature of the needs.

The next block of questions is devoted to the lending process. The respondents were asked questions about the registration of the application, the process of signing an agreement and receiving funds.

This block is necessary for drawing up the target state of the CJM (customer journey map) - the customer's journey. Based on the data obtained, it is possible to draw up a portrait of the client not only in terms of needs, but also the preferred service channels. Figure 8 shows the structure by the channel of primary circulation (applying for a loan).

Fig. 8. Question “Tell me, please, through which channel did you apply for a consumer loan?”

Based on the answers of the respondents, about half of consumers use the bank's website as a channel of appeal. It should be noted that 32% of respondents prefer to submit an application through a digital channel - Internet banking or mobile banking.

The results suggest that electronic channels prevail over offline channels. This may be due to the speed and ease of handling.

The following figure 9 shows similar statistics - by the channel for concluding a loan agreement, i.e. consolidation of obligations.

Fig. 9. Types of information channels for concluding a consumer loan agreement

At this stage, most of the consumers contacted the bank's office (64.6%). It can be seen that some of the customers who visited the site were distributed over two channels - office and courier delivery.

This may be due to a limitation imposed by the law - a number of written consent of the client is required to conclude a loan agreement (for the processing of personal data, for the study of credit history, etc.).

At the same time, the share of those who completed the contract through electronic channels is approximately equal to the share of customers who have submitted an application through these channels. It follows from this that the electronic service channels allow the execution of a loan without migration between channels.

Figure 10 shows the channel for direct receipt of funds.

Fig. 10. Method of receiving funds

The situation with the receipt of funds is approximately equal to the situation with the execution of the contract. There is practically no migration through communication channels between these stages.

Usually, this stage occurs at the same time as the conclusion of the contract. But there may be exceptions in terms of channels - courier delivery, Internet banking, mobile banking. So, you can see that two clients had to go to the bank's office to receive funds after courier delivery.

Figure 11 shows data on the importance for the consumer of the credit institution itself, which provides the product when it is selected.

Fig. 11. The importance of the organization when choosing a consumer loan

Most of the respondents (79.1%) answered that the credit institution in which the loan is issued is extremely important for them. It can be concluded that brand awareness, as well as loyalty metrics, carry weight.

Figure 12 shows the distribution by sources of information on credit organization. This question is extremely important as it allows you to find out the most significant channels of interaction for consumers.

Fig. 12. Promotional means of the organization in which the loan was received

Almost 46% of respondents already had some product in the bank where they received a loan. 48.2% of respondents received information through digital sources of information and only 21.8% through offline channels. This information leads to several conclusions:

- a large proportion of customers prefer to take out a loan from a bank where they are already serviced. This suggests that it is necessary to create a single system in which all products covering the needs of the client will be presented;
- high proportion of digital channels. A large proportion are clients who learned about the credit institution via the Internet. At the same time, a significant proportion is respondents who receive information through TV and radio, i.e. outreach advertising.

3 Conclusion

The analysis of consumers of credit products makes it possible to determine the “growth zones” in the marketing policy of PJSC CB “UBRD”.

1. Significance of digital service channels

Most of the consumers prefer digital services (website, internet bank, mobile bank).

This is confirmed by major studies. For example, the study of the financial behavior of Russians, which is conducted annually by NAFI. According to this study, more than 85% of Russians constantly use Internet banking and mobile banking. Moreover, the importance of the remote service channel is growing in proportion to the level of consumer income.

It is impossible not to note the situation in the banking services market in 2020 - the coronavirus pandemic forced credit institutions to close physical service points.

In such a situation, it is vital for commercial banks to improve the distribution system of credit goods in the direction of digital sales.

2. Transparency of conditions

Studies have shown that consumers pay great attention to the additional services provided.

It should be noted that a significant share of income from loan products in the portfolios of commercial banks is made up of fee and commission income.

Despite the fact that the regulator restricts banks from selling mandatory services, there is a risk for consumers to meet unfair treatment from a commercial bank.

This situation has lasted for a long time on the Russian credit product market. Because of this, many consumers are distrustful of the proposed additional services and seek to thoroughly study the documentation accompanying the loan agreement.

Thus, consumer preference is given to credit organizations, which place information on the terms of credit products as simply and easily as possible. First of all, this concerns the very conditions of the product.

For example, at the moment, banks tend to set a fixed interest rate, as consumers want to do as little as possible when servicing loans.

3. Ecosystem

Financial services market trends are moving towards ecosystem creation. This conclusion can be drawn based on the analysis of new products in the banking markets. In-depth interviews and focus groups showed that the consumer wants to get all the necessary services in one place.

To meet this need, banks need to build a number of technical solutions and a set of communications aimed at creating an ecosystem.

To improve the marketing efficiency of credit products of PJSC CB UBRD, the following marketing policy is proposed:

1. Service in digital channels of interaction

- Creation of a new loan product for existing customers in the Internet Bank / Mobile Bank channels

The purpose of this event is to increase the volume of loans issued.

The resulting effect:

- for client

The possibility of obtaining a loan without a personal visit to the office, as well as with a minimum package of documents.

- for bank

Reduction of administrative costs (AHR) due to savings on the work of office staff.

Additional issue volume by covering the needs of clients who prefer a remote service channel.

- Scaling of delivery by courier to all regions of the bank's presence

At the moment, the list of regions in which this service is implemented is limited in PJSC CB UBRD.

Studies show that a significant proportion of consumers prefer this method of receiving services. Also, it is necessary to take into account that this service is basic, for the bank to obtain the necessary legislative consents and documents from the client.

2. Transparency of conditions

- Modification of related products

In-depth interviews and focus groups conducted by PJSC CB UBRD in order to obtain information about the attitude of consumers to the brand showed that most of the negative impressions are associated with the aggressive policy of selling commission products to loans.

The bank has a commission product "Profitable". It includes a premium debit card.

However, between 2014 and 2018, there was an opportunistic attitude on the part of regional network managers who deceived the product to consumers. This was facilitated by incorrect management actions, setting excessive sales targets.

The price of this product is significantly higher than similar products of competitors (~18.5 thousand rubles). At the same time, the share of customers using this product ranges from 2 to 5%.

In order to improve the reputation of the bank, as well as to increase commission income, it is proposed to create a list of insurance and service products that will replace the "Profitable" product.

It is proposed to replace one “Profitable” product with a number of insurance products provided by partners - insurance companies. The agency fee for these products ranges from 40 to 94%.

In addition, it is proposed to offer loans as an additional service to the existing card product of the bank - the Pora debit card.

- Modification of the principle of distribution of additional services

To ensure transparency of the terms of purchase of additional services, it is recommended to change the distribution method.

It is proposed to establish in the contract a price preference when purchasing additional services at an interest rate. Thus, the incentive for buying is changing - the price preference is a more understandable and closer incentive for the consumer. This conclusion can be drawn from the results of the survey.

For the bank, this will bring additional fee and commission income and reduce the risk of non-repayment of the loan in the event of force majeure situations in the client's life.

Such a system will allow the consumer to easily calculate the benefits and make a purchase decision.

This event is not unique in the market. Major competitors use such a system. On the consumer side, such a system is becoming the norm in the market.

Due to this measure, it is planned to increase the share of commission products penetration, as well as reduce the number of returns of commission products during the cooling period.

3. Ecosystem

Creation of an ecosystem in which the bank is perceived as a provider of any services, both financial and non-financial. In this paradigm, any customer need can be solved through a single entry point - a banking application.

The creation of such a single service is possible only in stages. At the first stage, it is necessary to create a marketplace - a platform provided by the bank, as well as create a single product offer.

“Marketplace is an e-commerce platform, an online e-commerce store that provides information about a product or service of third parties, whose transactions are processed by the operator of the marketplace”.

With the help of this event, it is possible to increase the share of cross-sales, as well as significantly increase the share of the client's spending on banking services at PJSC CB UBRD.

For the first stage, it is proposed to create a platform for selling insurance products, additional non-financial services offered by PJSC CB UBRD (credit history check service, tax refund service, etc.), as well as basic banking products.

At the moment, most large banks do not assess client profitability in terms of one-off commissions or product income. The modern approach to determining the client's profitability is based on long-term cooperation. In this paradigm, the bank's management needs to strive to increase any income in the client's life cycle. So, in the case of considering loan products, it is not the loan itself that becomes the focus of work with the consumer, but is the entry point for a long-term consensus.

This means that a client who has chosen a loan from a bank among competitors should receive optimal conditions for continuing cooperation and increasing the “wallet share” among other bank products.

Let's calculate the economic efficiency of the proposed measures.

First of all, we will evaluate the project from the point of view of increasing the indicators of marketing activity.

29% of consumers indicated in the survey that they received the service through Internet banking or Mobile banking.

The number of clients of PJSC CB UBRD on an ongoing basis using remote services is 350 thousand people. Natural influx of clients using remote services ~ 2 thousand clients per month.

It is worth noting that with the introduction of the regulator of the PDT value (the indicator of debt burden), the scoring models used by the banks of the Russian Federation, incl. PJSC CB UBRD.

Thus, the base of clients who receive approval for a loan application is about 40 thousand clients (while maintaining the current structure of the loan portfolio). Taking into account the penetration value of this channel, we obtain a potential increase in transactions of 12 thousand on the horizon of the year, i.e. about 1000 loans issued per month. Thus, it can be concluded that the proposed activities are in the interests of the company and contribute to the improvement of the marketing of credit products.

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