BANK MARKETING POLICIES

POLITICI DE MARKETING BANCAR

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Abstract: *The increasing of competition, diversification and growth of requirements, change of tastes and preferences, rapid technological change, shortening product life cycle, political and legislative changes are the main trends that gives a dynamic character to the environment.*
To fulfill its objectives, the bank must consistently meet the opportunities and threats arising from economic and social environment in which they operate. Creating products, pricing, promotion, distribution, are essential marketing activities in this regard..

Key words: *bank products and services, bank marketing, marketing policy*

INTRODUCTION

The product includes all "goods and services" that the bank offers on market. Product strategy is the starting point and basis of all activities. This strategy brings together a number of decisions, the most important refering to quality, wide assortment, guarantees, policy and structure of services, after-sales service, modernization and replacement of old products, introducing new products.

Price refers to the amount of money that consumers pay to obtain the product. There are a variety of strategies and even wider range of tactics in prices domain. There are three main directions in which is oriented the price: cost, demand and competition.

Promotion – also named as "communication", to emphasize that it is a set of techniques aimed at presenting the advantages of the product and convincing consumers to purchase it.

Distribution (placement) includes those activities of the company throughout the product is released on the concerned market

MATERIALS AND METHODS

I realized a documentary study using the following specific methods:

- comparative analysis;
- critical analysis;
- content analysis;
- synthesis.

1. THE BANK PRODUCTS' POLICY

The "raw" nature of banking business is at the origin of a specific concept of product policy.

Overall, the specifics of banking products and services have helped their separate development. On one hand, products are subject to strict supervision by the state, and on the other hand, services have more freedom of maneuver. Therefore, it is hard to imagine a marketing designed for banking products and implemented as such by all the rigors. This disability is even more pronounced by the absence of product differentiation opportunities that are designed by state and distributed by all banks.

1.1. MARKETING PRODUCT AND ITS LIFECYCLE

From the marketing point of view, the product is all the information in both physical form and a number of acorporale components, which start the demand.

Product life cycle can be defined as the time between the launching and the removal of the product from the market. It is built in four phases: introduction on the market, growth (development), maturity and decline. These phases can be distinguished from sales analysis in time.

1.2. CREATION OF NEW BANKING PRODUCTS

To ensure competitiveness in banking, the last two decades has become first in U.S. and then more slowly in Europe, the concept of decisive competitive advantage, ensured by the creation and development of new banking products.

Creating and developing new products includes the completion of several stages:

- gathering information about customer needs, that require solving problems faced in practice and usually exceed the specific cooperation in banking;
- concentration of the information obtained;
- correspondence between the bank needs;
- development of solutions through the activity of specialists in new products, which must combine knowledge of banking and knowledge in costs, taxes, legal regulations.

1.3 PRODUCT STRATEGIES

The bank has a large variety of strategies which can be used on differentiated on ranges of products depending on their position in the lifecycle, on the financial and human potential at its disposal: range strategies[7], product strategies.

2. PRICE POLICY

2.1. PRICE PLACE IN THE MARKETING MIX

Price is one of the four components of the marketing mix, along with the product, distribution and promotion. Importance of price in the marketing mix varies from case to case. Sometimes it can have a decisive role in achieving the goals, but sometimes it has little importance in marketing strategy.

In making decisions on prices or services, a bank must consider several factors:

- Legal restrictions. Government regulations may impact on decisions of price. Some countries have laws on prices.
- Demand. The costs of the most efficient supplier in the market establish the basis for pricing, while market and demand set prices top. Before establishingthe price, a bank should understand the relationship between price and demand product or service.

[7] Foltean F. , Lădar L., Dobre C., Ionescu Gh., Negruț C., Marketing, Brumar Publishing, Timişoara, 2001 pag. 126

- Cost structure. The bank will want to set a price covering all costs of developing and promoting the service, obtaining also a corresponding profit risk they assume. It will assess the costs and additional expenses for a service, before determining the price.

2.3. PRICING STRATEGIES

There are six stages through which a bank goes when pricing products and services[2]: 1. Setting targets on price, 2. Demand graph, 3. Costs, 4. Prices of competitors, 5. Pricing methods, 6. Pricing.

3. COMMUNICATION POLICY

Communication policy implies a constant and complex interaction with the external environment, the market, which requires careful information of both existing customers and also the potential clients, through specific actions to influence buying behavior and to support the sales process.

3.1. COMMUNICATION POLICY OBJECTIVES

Using variouious advertising means that materialize it, this politicy aims as broad dissemination of information about activities, products and services of a banks, but also how they are received and appreciated by customers or potential customers.

3.2. INTERNAL AND EXTERNAL COMMUNICATION

The variable "communication" has, traditionally, two dimensions: external communication, for different audiences of the company and internal communication, fot the staff.

External communication can be declined based on several themes and objectives are pursued: informative, in reference to products and i nstitutional, it pursues objectives of image or reputation. All these messages can stem either from companies or from professional organizations. In publicity lately, these options have been exploited by banks.

[2] Kotler P., Managementul Marketingului, Teora Publishing , Timişoara ,1997, pag 611-623

4. DISTRIBUTION POLICY

4.1 DISTRIBUTION CONCEPT

Distribution is the aggregate means and operations whereby goods and services are made available to end users or consumers. Distribution operations are grouped in two categories: commercial distribution and physical distribution[4].

4.2. DISTRIBUTION CHANNELS

Distribution channel is a series of intermediaries that supports the product shift from producers to consumers.

4.3. CHOOSING THE DISTRIBUTION CHANNEL

With the availability of so many channels available, an organization can think of using multiple channels to provide a service rather than rely on one. Many considerations should be considered when choosing the right distribution channel.

The first consideration should be market related. An organization must take into account the levels of market penetration that wanted to be achieved and decide which channel can meet those requirements.

Distribution strategies are often driven by technology, how does competition or other external factors action.

To achieve a high level of efficiency, a strategy of distribution must be made from a clear established methodology. This strategy must take into account the elements on the market, the competitive variables, and future trends.

4.4 FUNDAMENTALS OF DISTRIBUTION STRATEGY

Substantiation of a distribution strategy goes through the following steps[5]:

- Analysis of internal and external environment of the society;
- Identification of objectives and criteria of choice;

[4] Foltean F. , Lădar, Dobre C., Ionescu Gh., Negruț C., Marketing, Brumar Publishing, Timişoara, 2001 pag. 165-169

[5] Foltean F., Lădar L., Dobre C., Ionescu Gh., Negruț C., Marketing, Brumar Publishing, Timişoara, 2001 pag. 165-169

- Establishing distribution strategy;
- Recruitment and selection of distribution channel members.

RESULTS AND DISCUSSIONS. CONCLUSIONS

Complexity, market demands and pace of change require any bank to continuously enhance the resilience of their supply of products and services to meet best the needs of current and potential customers.

An effective approach to modeling market demand through the use of policy instruments, such as product, price, promotion and distribution, based on physical evidence reveal (the environment in which arises the product / service or its passing through the client), participants (all persons that are involved in the sale / supply of the product / service and customer perceptions influence - bank employees and other customers in that environment) and process (procedures, workflows which sell service are provided) will increase customer satisfaction, quality of products / services sold / provided and to gain long term customers, making this the bank's income multiplier.

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