

The Challenges of Marketing Communications: Opportunities for Energy Efficient Financial Tools

*Ass. Prof. PhD Ilijana Petrovska, Marjan Bojadziev, Nada
Sekulovska and Makedonka Dimitrova*

Overview

- Banks Marketing communications during crisis
- Financing energy efficient building projects
- Discussion of the research results
- Recommendation for banks' marketing communications of EE buildings financing

Introduction

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- Aim: To research the challenges of marketing communications strategy model during the last global financial crises in the financial industry in the World and in Macedonia
- World banks' marketing communications is showing changes in the approach, message strategy and communication channels
- In Macedonia, too
- Are we facing new crisis- how to quickly adopt?!

Objectives

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- To find out the most suitable marketing communications model during financial crises
- To define what to be communicated during crises
- To find out which promotional activities to be used

Marcom during crises

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- Ogilvy (1985) presents the results from the recessions from 1974, better profit for those who didn't cut the Adv. budgets
- Crises in 2008/2009 decreased the ad budgets of top 10 banks (AdAge Data center)

Change of the approach

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- Some banks, changed the communication tactics and did not decrease their voice (Bulik, 2009)
 - Charles Schwab customize towards the customers
 - JPMorgan introduced “The Way Forward” message
 - City Bank started campaign “Never sleeps”
 - Credit Suisse Bank more emotional and human approach
“Delivers what really matters”

Credit Suisse Bank

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50% engineer
50% entrepreneur
100% father
One Credit Suisse
for all you are

People are not made of numbers. They are made of hopes and dreams, passions and partnerships, talent and tenacity. We strive to see beyond the numbers and understand what success means to our clients; to deliver what really matters. Credit Suisse, working to help its clients thrive since 1856.
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matters.** »

Credit-Suisse.com

Source: www.credit-suisse.com

EE financial instruments

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- In the case of EE financial instruments' marketing communications for corporate clients the banks orient only towards present and VIP clients
 - trusted financial portfolio
 - long-term relationship
 - client growth care

EE financial instruments for public

- In the case of EE financial instruments' marketing for public consumption ⁹
 - relative change of approach – only in 2011
 - lack of in depth knowledge of the benefits and the payback
 - minor distinction between other pure consumption oriented loans and EE ones

EE Loans

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What is the best marketing communications approach for EE loans?

- Mass media
- Case studies and Testimonials
- 'Big start' talking about their benefits (social trends)
- Word of mouth
- Information offices with technical support

Employees

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- Eagle (2008) stress the importance of the bank's employees
 - Address same attitudes and customer's concerns
 - Inform customer about their security
 - Persuade the customers about bank's security and reputation

Media spending change

MEDIA	2009 vs 2008 year	4 th quarter 2009 / 2008
TELEVISION	- 9,5	- 2,4
MAGAZINES	- 17,4	- 11,5
NEWSPAPERS	- 19,7	- 8,9
INTERNET	7,3	- 2,1
RADIO	- 20,3	- 12,5
OUTDOOR	- 13,2	- 5,4

Source: Kantar Media

Biggest decrease is for financial services, automotive industry, local services, retail and direct response

Research Results

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- Budget
 - 50% from the banks kept the same budget during the crises
 - 50% decreased the marcom budget for 20-30% in 2009 compared to 2008
 - Total advertising budgets were decreased 23% compared to 2008
 - NO budget for EE buildings

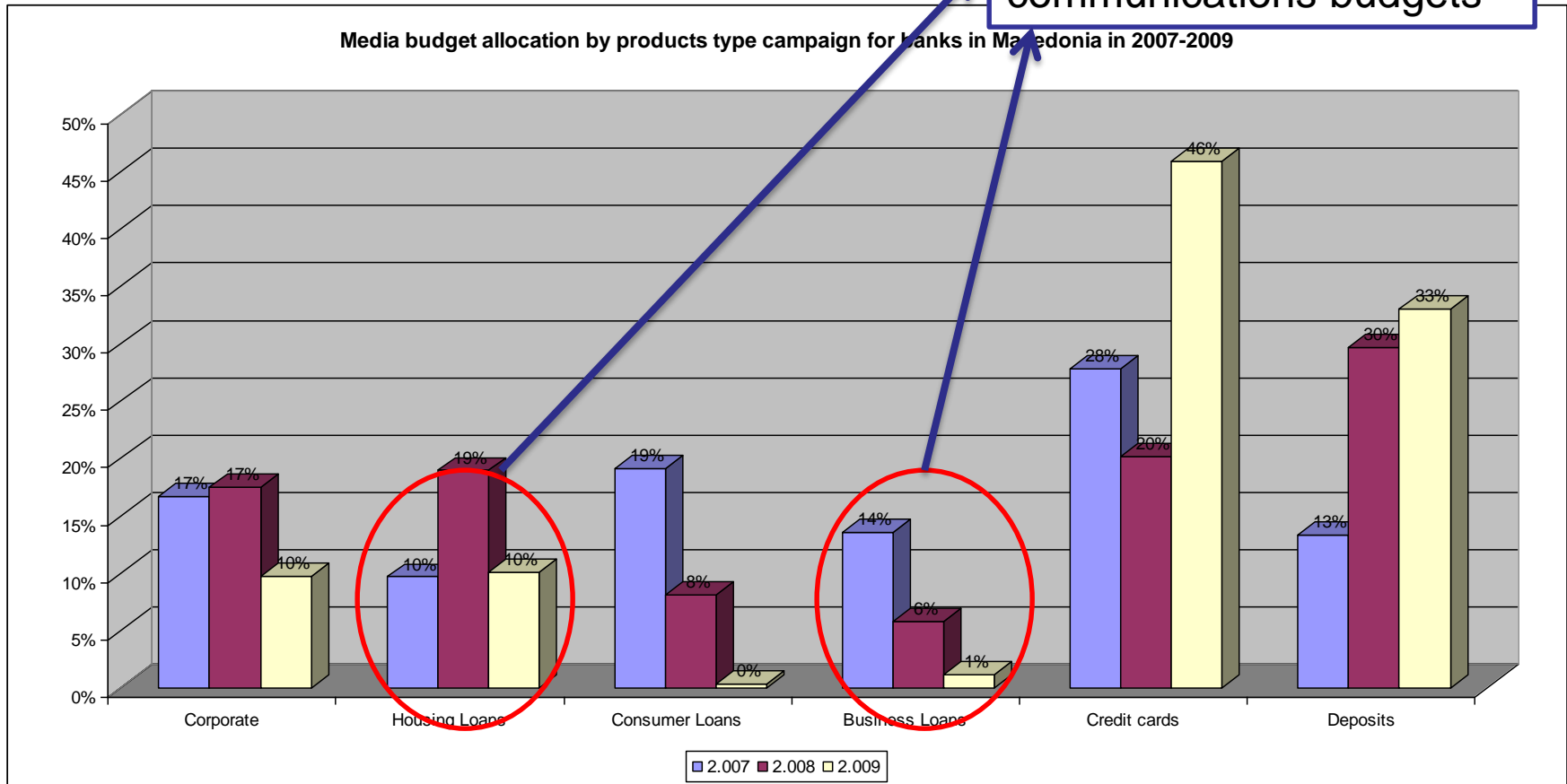
Research Results

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- Media channels allocation
 - Same budget allocation for media
 - TV and newspapers the same allocation
 - Internet and outdoor growing slowly

Media allocation changes

Significant decrease in Loans marketing communications budgets



Source: data provided from Zenith Optimedia group Macedonia as from 15.01.2010

Discussion

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- MARCOM in Macedonia
 - Mainly through Advertising
 - Few banks with IMC approach
 - Some with promotional activities
 - PR is much used
 - Direct marketing rarely used, only 2 banks
 - Lower budgets for sponsorships and donations
 - Internal communication, present
 - Research activities, low level
 - Outsourced advertising agencies are used

Discussion

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- Non-traditional media pioneering usage
 - Guerilla marketing (acrobats)
 - Digital media:
 - online advertising
 - social media
 - E-mail direct mailings
 - Mobile SMS advertising

EE Loans

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- Situation 2009
 - No offer of EE building financing
- Situation after 2 years 2011
 - 5 banks from the EU fund
 - Only one bank from personal funds
- Law offer of EE building financing
- No marketing communications, mainly direct marketing and using EU funds media channels
- Start of mass media communications – modest budget

Conclusion

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- Communication not to be stopped
- Integrated marcom
- Communication focused on:
 - Selling benefits rather than figures on benefits and money savings
 - Advertising campaigns about credibility, reputation and corporate image
 - Promotion of new or improved products
 - Permanent public relations regarding bank's stability and bank's activities towards customers and society
 - Training to employees and their motivation
- New marcom approach – partnership relationship marketing
- Focus on CRM – support of EE building financing

THANK YOU FOR YOUR TIME!

petrovska@uacs.edu.mk

