

Financial Services Marketing

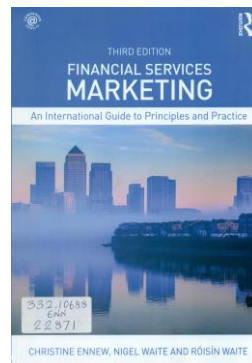
Reviewed by:

Dr. Jonardan Koner¹ & Dr. Avinash Purandare²

¹Professor and Dean, NICMAR, Pune, India.

²Sr. Associate Professor and Head, NICMAR, Pune, India.

Email: jonardankoner@nicmar.ac.in & apurandare@nicmar.ac.in



Authors : Christine Ennew,

Nigel Waite and

Roisin Waite

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The book has 3 parts namely Part 1 – Context and Strategy; Part 2 – Customer Acquisition and Part 3 – Customer management, and the future trajectory for marketing. Part 1 has 8 chapters. *Chapter 1* deals with the context of financial services, role and contribution, *Chapter 2* deals with the financial services marketplace: structures, products, and participants, *Chapter 3* deals with marketing financial services: an overview, *Chapter 4* deals with Strategic development and marketing planning, *Chapter 5* deals with analyzing the marketing environment, *Chapter 6* deals with Understanding the financial services consumer, *Chapter 7* deals with segmentation targeting and positioning and *Chapter 8* deals with internationalization strategies for financial services. Part 2 incorporates 5 chapters. *Chapter 9* deals with customer acquisition and marketing mix, *Chapter 10* deals with product and consumer needs, *Chapter 11* deals with communication and promotion, *Chapter 12* deals with price and cost to the consumer, *Chapter 13* deals with consumer convenience and distribution. The Part 3 of the book has 4 chapters, namely *Chapter 14* deals with customer-relationship management: principles and practice, *Chapter 15* deals with service delivery and service quality, *Chapter 16* deals with satisfaction, value, trust and fairness in customer relationships and *Chapter 17* deals with Marketing: culture, challenges, and social responsibility.

A formal approach to financial services is a new phenomenon. It is applicable to the developed countries of the world. Since, the beginning of the twentieth century, the marketing of packaged goods, such as confectionery, food, soft drinks, and toiletries, has been subject to massive investment in classical marketing skills and capabilities. A large number of investments and consistency of investment in marketing has empowered brands such as Wrigleys, Coca Cola, Campbells, Gillette, and Cadbury to become top brands in their respective sectors from the 1920s and on into the twenty-first century. The cut-throat competition in the marketing of packed goods sectors has played a crucial role in shaping the marketing conditions of products. Understanding the needs of economies of scale and cost proximity has played a pivotal role in the motivation and development of marketing skills.

The financial services industry in developed nations has managed as per the need of benign market environment. To sustain and succeed the financial services sector has not been subject to the same market pressures. The financial service providers have become collegiate than competitive in contrast to the packaged good arena and rivalry. The variety of products on offer consumers has less knowledge of comparison and difference. The issues of transparency of products serve to reduce consumer power to buy the product and robust form of competition in the global market.

The influences of consumers and government attitudes towards financial products have played a part in reducing the need for up-to-date marketing. Governments can play a crucial role in the development of a variety of new products and the promotion of products.

The schemes like personal pensions and tax-advantaged savings schemes and launching of new products presented the industry with major new business opportunities. It is beneficial to note how, in the case of personal pensions in the UK. The government launched product resulted in widespread abuse and everlasting damage to the reputation of the industry. Perhaps, such kind of issues aroused because of the industry was focussing on sales-oriented factors than customer-oriented approach.

As per consumer behavior is concerned, consumers cannot get noticeable enjoyment from their consumption. On the other hand, a lot of financial services products involve a reduction in current consumption. The money is redirected from this kind of consumption as an emergency for future needs. In view of the financial services industry, non-appearance of consumption-associated pleasure and general level of consumer lack of concern have served to minimize the essence of sales and marketing. In Chapter 3, marketing is a philosophical approach to comprehensive organizational behavior.

This book talks about financial services marketing as a comprehensive process. It aims to attain equilibrium between the significant components of the environment. Part I of the book deal with strategy and planning. We should be able to examine the complex interrelationships between the consumers, the stale and the financial services industry. This book is the key to three parties and issues of all should be mutually advantaged through their dialogues. Financial services industries have been engaged in the everlasting struggle for the confidence of government and regulators across the globe and the faith of consumers and we should notice the evidence of financial services industries in this book. The authors argue and giving support to the marketing approach. The industry should be consumer-oriented. It should be based on core values like transparency, security, value for money, faith, originality, and integrity. The adoption of core values is self-evident of a good marketing strategy. In part, we can address rule and how the new approach is expected to impact upon the rules and practices of product providers. It also elucidates the participants and the changing demands of the global market. This book gives a complete understanding of how the global market operates for meeting the needs of customers with a useful context. The role played by mutual and cooperative companies is usually a neglected aspect of financial services. The many companies in the world are playing a crucial role by addressing the need for financial inclusion. In many parts of the world, such companies are playing an important role in addressing the need for financial inclusion. Therefore, we have included a number of vignettes and case studies that reflect good practice amongst such providers on a global basis. The details of product variety are included which comprise the financial services sector and the different organizational types that comprise the industry. We also include material relating to the strategic aspects of marketing and, of course, a discussion of consumers who are central to the marketing process. In the discussion of consumer behaviors, new material has been included concerning behavioral economics and market research and our thanks go to Jim Devlin at Nottingham University School and Alexa Nightingale and Adam Wilson at Opinion respectively for their contributions.

Part II of the book focuses on principles and practices. The customer has to become a financial services provider. A new approach to the marketing mixes and introduces readers to the 2P2C model. This is better suited to the contemporary world of financial services than the traditional 4P or 7P models. Particular emphasis is placed on the idea of managing these marketing tools to deliver a clear strategic position that will drive the process of customer acquisition. Textbooks tend to focus upon the domestic consumer, to the detriment of organizational customers. It is fair to say that business-to-business, or organizational customers, account for the order of 40 to 50% of the profits of major clearing banks. Therefore, it is only right that due regard is given to this aspect of customer acquisition. An important addition to Part II is a major augmentation in the attention devoted to state-of-the-art thinking and practice regarding digital marketing.

Part III of the book is devoted to the purpose of the principles and practices. It is related to the development of customer relationships as per the need of time. This has significance in the context of global trends of financial services. The focus of industry in the past is on short-term organizational goals than the long-term need of the consumer. This book helps address the concern and maintain the balance. In addition, the book provides precise coverage of the growing importance of corporate social responsibility. The role of CSR in business strategy and its role in marketing. This is explicitly aimed at helping the sector to improve its contribution to the wider economy and lo better serve the public interest. The interdependence between the financial services sector and public well-being is a theme that emerges throughout the book. It also means that many aspects of marketing practice - and many marketing challenges - are determined by national context. So while the principles of marketing can be expected to have universal relevance, many examples of marketing practice will be nationally specific - especially when they are impacted by government policy and/or regulation. While it is perhaps inevitable that we will draw heavily on the experience of the UK, we also provide a wealth of examples of both contextual influences and good marketing procedures from different nations worldwide to build the concepts.

This book is useful for students, practitioners, policymakers, and others. It helps to build and develop fundamentals knowledge of customer acquisition, customer development, and financial services strategy. The book draws attention to pertinent conceptual models supported by appropriate practical applications. The book will help its users to become more complete and rounded in their approach to marketing and to develop their capacity to see the big picture and build a material contribution to improve standards of marketing practice as per the need of global economic development, future financial security and financial sector industry across the globe.

About the Authors:

Christine Ennew is Professor of Marketing and Provost at the University of Warwick. She has been actively involved in financial services research for most of her academic career. She has completed a range of funded projects domestically and internationally, most notably in relation to the development of the Trust Index. She has published 100 articles in refereed journals, presented over 60 refereed conference papers and produced four books.

Nigel Waite is a Director of 3 R Insights, an advisory organization that helps boards of directors to deliver good outcomes to customers of financial services companies. He has 20 years' experience in line marketing roles including eight years as marketing director for leading banking and insurance companies. He is also Honorary Professor of Marketing at Nottingham University Business School.

RolsinWaite is Head of Group Digital at Barclays. She has more than ten years working in Financial Services Digital, including insurance, asset management and retail banking. She has substantial experience in digital marketing, strategy and implementation and operational management of banking technology. Rolsin was one of the first to graduate from the UK's first MSc in Digital Marketing Communications.