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RESEARCH OF THE COMPETITIVE STRATEGIES OF BANKS IN UKRAINE

Nataliya Evchenko, Ph.D.,

Olena Krukmal, Ph.D.,

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Annotation. In article are considered evaluation methods of depositary policy of banks in terms of its competitiveness during the financial crisis and post-crisis period. The reasons of deposit outflow of resources from the banking system of Ukraine are investigated. Proved scientific and practical recommendations of the formation of the deposit bank's strategy and its basic components that will provide a competitive market position of deposit services to attract the required volume of deposit resources.

Keywords: depositary policy, evaluation of depositary policy, deposit strategy of the bank, management techniques of deposit resources, marketing instruments of deposit strategy, brand of bank, image - advertising of bank.

I. Introduction. Essential precondition for the stable positions of the bank in competition for the depositor and successful realization of the purposes of the deposit policy is to research the spectrum this kind of services offers other appropriate banking institutions within the region or target group of clients and developing relevant strategy in the market. Taking into account escalation of interbank competition in terms of deposit outflow especially important are the issues of formation of such a strategy in the area of deposit services that can be able to turn a simple depositor to a reliable partner of the bank and to provide them with strong and a long lasting business relationships.

The development the deposit policy and its importance in ensuring the stability of the banking institution devoted a lot of scientific papers. The circle of the investigated problems covering the themes of principles of formation the deposit policy [1], the use of financial models for research of deposit banks strategies [2].

The works several scientists, including A. Mamontov [3] A. Zaitsev [4] N. Drebot, O. Galko [5], M. Vitvitsky [6] devoted to the developing measures for stimulating the inflow of money to deposit accounts of banks.

However, it should be mentioned that many scientists focus on developing measures for increase of deposit resources, overlooking in this case research the causes of outflow of money and restore the trust of depositors in banking sector.

II. Problem statement. This article is aimed reasoning the scientific approaches to optimization of bank deposit policy, which will allow keep the deposits and increase the investment during crisis and post-crisis period based on the search of the causes of outflow of money and development marketing strategy of bank's behavior at the appropriate market segment.

III. Results. The factors of internal and external environment are influencing to the process of involving of deposit funds, should be included in developing of bank deposit policy and its implementation. At the same time management of the deposit base of the bank is based on regulation supply and demand for deposit services and the development of deposit strategy of the bank. Under the bank deposit strategy we mean a set techniques and instruments for the formation of the deposit portfolio of the Bank, as well as complex of measures for strengthening its competitive positions on the market of deposit services to provide the required volume of deposit resources.

Effectively organized deposit policy may become determinant of the reliability of the Bank and its financial stability, a precondition for achievement indexes of solvency and liquidity. Evaluating the effectiveness of depositary policy propose to carry out by using of situational analysis, during which are detected the dynamic characteristics of market segments of deposit services and degree of their coverage , and expert method by the following criteria: reliability and image of bank, the volume of bank deposits range of services, technological support of deposit transactions, service conditions, the intensity and quality of the advertising campaign, the level of staff development. Based on the results of the analysis of deposit policy, management of the bank can choose one of the strategies of behavior at each of the allocated market segments.

Thus, in crisis conditions an important factor that influences volume of deposit resources is the public trust. The most effective way to return trust of the customers of the bank is the formation of positive public opinion about its activity. Therefore, the primary task of the deposit strategy is to support its image as a stable and reliable bank. For solving this task first of all responsible service of PR and marketing. Also equally important is to extend the range of deposit products offered to depositors, and the introduction of loyalty programs to retain customers and attract new depositors.

These changes first of all influenced the selection of the term of deposits, currency of deposits, type of products and allocation strategies of clients (fig. 1).

	Period of stability	Period of crisis	Post-crisis period
Terms of deposits	6-12 months	Week, ten-day period	To 3 months
Currency of deposits	Prevalence of hryvnia deposits	Multicurrency	Increasing the share of deposits in foreign currency
Types of products	The maximal interest rates and the possibility of replenishment	Possibility to withdrawal of deposits	Possibility to withdrawal of deposits and level of interest rates
Strategies of clients	Even distribution of clients among banks according to their strategy	Targeting clients on reliable banks	Well-defined distribution of customers on «players» and «investors»

Fig. 1 – Features behavior of consumers of deposit services due to banking crisis

Analysis leads to the following conclusions:

1. Period of stability. Clients reducing terms of investment. An important factor is possibility of choice of expiration of deposit agreement.
2. Period of crisis. There is an active diversification of the portfolio of deposits

by currencies. For clients the preferred is the possibility of withdrawal of deposits and increased rates when increasing the volume of deposits.

3. Post-crisis period. Some clients are «players» that choose banks which offer a very high interest rates, others – the stability and guarantees.

Deposit bank's strategy necessarily have to include such marketing instruments as advertisement, public relations (PR) and informational support.

The first step toward support of reputation of the bank are such a well known marketing instrument as advertising. In a post-crisis period banks will need to focus on the image advertising.

Image advertising is the creation of a favorable image of the bank and its services. It is directed does not only the potential clients, but also a wider audience. Its main task is to create a positive image of the bank for the consumer . The most effective for this kind of advertising are the following advertising instruments: advertising big boards, light box, advertising in newspapers and magazines, participation in various charitable programs, commercials.

In developing the advertising is necessary to focus of public attention on the belonging of bank to the international banking group. The analysis of the 10 most stable banks in Ukraine, which was compiled by opinion research authoritative investment companies, including Dragon Capital, Astrum Investment Management, Bonum Group, Concorde Capital, Pheonix Capital, Foyil, «Art Capital», «Quinto», showed that the almost all of them are banks with foreign capital. For the clients this is evidence of support of the parent company and of the foreign experience in providing financial services. Is also does not less effective use in advertising references to the experience of bank work at the market of Ukraine, ratings of international organizations, bank awards.

Besides the advertising banks need to demonstrate their work. This task can be implemented by active work of PR-service of the bank in order to achieve a loyal relation to bank activity. In contrast to advertising and promotion of products of the bank, PR actions have a long-term effect and directed first of all not on the potential clients, but to the environment and public opinion.

Activity of PR is to organize the charity actions, sponsorship, press conferences, presentations and the continuous updating of web-sites of bank and close cooperation with the media. An important function of the PR also is to explain the social role of the banking business. Relations with the public, depending on the subjects of influence, can be constructed on the following directions:

- organizing relations with the media;
- relationships with target audiences;
- relations with the government and administration.

However, in a competitive environment for each depositor, except the above mentioned actions, no less important are the measures directed to retention of the client who has already come to the bank. For this bank should to diversificate the deposit products, to develop a loyalty programs for both new and regular clients to provide complete customer service.

This way, on the background of growing trust in the banking system, lack of practical alternative to bank deposit and the growing to devaluation moods in society the volume of deposits in foreign currency will continue to grow, however will not exceed the share of deposits in national currency.

IV. Conclusions. Thus, the financial crisis and post-crisis period, the main components of the deposit bank's strategy, which will provide to it a competitive advantage should be the strategy of development and diversification, the strategy of penetration and the innovation strategy.

At the same time the main task of deposit strategy is to return the trust of depositors, which will help preserve and increase deposits resources of the bank. Achieving this aim could be provided by using non-price methods of the deposit resources management using the marketing instruments.

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