

Research on marketing Strategy of Personal Financial Products of Northeast Securities

Ruize Shi*

School of Economics and Management, Qingdao Institute of Technolog, Qingdao, Shandong, China, 266300

*Corresponding author: Rye091730@126.com

Abstract. With the rapid development of domestic economy and the rise of national wealth, more and more people begin to attach importance to personal finance. Northeast securities as a listed company, and in the northeast has popularity, in today's rapid development of financial market, despite its modest success in other areas, Northeast Securities still has a series of problems in marketing wealth management products, such as the slow progress of product development, the pricing strategies are too basic, and there is no a complete propaganda, etc., to solve these problems, and combined with 4P marketing theory and literature research method, survey method and other research methods, the northeast securities company will adopt a series of effective measures, including speed product research progress, make different pricing strategies, enhance the promotion of relevant staff awareness training, develop a rich publicity channels, to ensure that the northeast securities can have more market competitiveness, and it can attract more high-quality customer, These measures can not only improve the market share of Northeast Securities financial products, but also develop a broader customer market through the financial sector.

Keywords: Financial products; Marketing strategy; Northeast Securities Company.

1. Review on market strategies

Personal finance services have a long history of development in foreign countries, so the marketing system of personal finance products in foreign countries is sound, the marketing strategy is reasonable, and the business development is mature, so many foreign scholars have made in-depth studies on this.

In the development of marketing strategy and marketing theory, Shrihari Sridhar and Eric Fang [1] believed that the focus of marketing strategy is to establish sustainable differential advantage over competitors and reviewed the marketing strategies of the past decade. In the future, the marketing strategy is mainly going to reflected in three aspects: digitization, digital and developing market. Maksud Kurolov [2] argued that the effective marketing strategy should be combined with high technology, the key was to strengthen the marketing strategy innovation, at the same time should also strengthen cooperation within the company members, including senior management and the development of innovative ability, innovative consciousness and innovative thinking, the members of the culture of in order to strengthen their competitiveness in the market. Sheth Jagdish [3] reviewed the marketing theories and practices in the past 50 years, including marketing strategies, consumer behaviors, marketing analysis and other aspects, and believed that marketing theories are developing in a more scientific and rigorous direction, and marketing strategies were more inclined to technical means in the present and future development. Vrtana David and Krizanova Anna [4] evaluated the influence of different marketing strategies in the monopoly market and analyzed the current international environment and marketing strategies, held that brand effect was very important in the current international environment. Moreover, product quality and promotion strategy were the second important factors to stimulate customers' purchasing motivation, and higher product quality could avoid the negative impact in the promotion process.

The development of personal finance in China originated in the late 1990s, so it was not until the 21st century that domestic scholars began to study it: show in concrete in carrying out the business problems, and related marketing strategy and marketing theory research, Qiao [5] used the 4Cs marketing theory, thought the current stock market has been expanding its business, and financial management concepts to enhance people, thus made the securities company began to gradually

increase the intensity of marketing in personal finance, a sales office in China merchants securities at the same time, for example, through product, pricing, marketing, promotion four aspects carries on the analysis, put forward the implement differentiation marketing, strengthening the experiential marketing, a clear market positioning, and customer segmentation strategy, and established a sound internal control system and professional marketing team to ensure the marketing strategy to better implement. Zheng [6] used 4P marketing theory and the STP marketing theory, the healthy development of economy made people intend to increase of wealth value maintained and added, this phenomenon also to promote the development of the securities company financial power of the market, in a securities and financial products as an example, the marketing environment and product, pricing and so on carries on the analysis, the strategy of determining target market and target customers, providing differentiated services, developing product brands and so on was put forward. At the same time, the research and development of long-term products and the construction of professional team could effectively support the implementation of marketing strategy. Guo [7] used the STP marketing theory and 7Ps marketing theory, thought the personal finance market gradually mature, but for personal finance product marketing, more appeared same serious lack of innovation, product in the market, the lack of high-quality comprehensive financial management personnel, service quality was poor phenomenon, which affected their own development bank financial institutions, took Tangshan branch of a commercial bank as a concrete example, this paper put forward some specific measures, such as product differentiation strategy, marketing channel redesign and service personnel evaluation system. Yang [8], used the theory of life cycle, to interpret the development of personal finance marketing and Yangzhou branch of bank of communications, for example, put forward our country commercial bank in the personal finance product marketing, should be through improving the quality of products, to strengthen the construction of marketing channels, strengthening internal professional personnel training, optimize the customer structure and clear target customer strategies. Ruan, Gai, Hu, Liao [9] used of 4P and 4C marketing theory, to analyze the industrial and commercial bank of China as an example, found that although the personal finance products with product diversification, marketing technology had the characteristics of modernization, there were still exist service mode relatively single, product homogeneity phenomenon, the problem such as propaganda weaker, finally thought, through independent innovation and innovation, increasing publicity, changing service methods and correcting service attitudes, the marketing of personal financial products could be effectively improved and the market competitiveness of their products could be improved. Li [10] used the theory of STP marketing theory, the 4P marketing, relationship marketing theory, in Yanbian branch of bank of communications, for example, in the sales channels, product strategy, business environment, etc were analyzed, and put forward to set up their good image, built rich product system, pay attention to the hierarchical pricing and promotional channels to make specific proposals, such as diversity, in this way, financial products can meet customer needs. Yi [11] by studying the present situation and problems of the Huatai securities business and economic development, thought that with the development of the Internet financial accelerated the transformation of wealth management, to realize rapid and sustained development of the securities company, needed accurate positioning strategy of securities companies, strengthened product innovation, provided differentiated services, to build a universal platform, which could better serve the market and economic future. Zhang, Yuan [12] in combination with 4Ps marketing mix theory and the theory of differentiation, put forward to develop innovative products and quality services, with differentiated commission pricing, various sales promotion way, developed diversified marketing channels such as optimization of securities brokerage business marketing strategy plan, optimized the marketing strategy for securities company, to improve the performance, helped the development of China's securities industry.

2. Problem

2.1 Lack of innovation and weak development of products

The most serious problem of financial products developed by Northeast Securities Company is the lack of innovation, that is, the lack of so-called differentiated products. Based on the development of the domestic financial market current situation, the serious product homogeneity is the current bank or securities company, one of the most common problems of the current research and development of northeast securities financial products are set type products, whether from product category or risk level, or more products in the face of the audience, no significant changes, that is, there is no innovative change in product essence structure, only partial change in product yield rate, subscription and redemption rate.

2.2 Product pricing is simple

In terms of pricing, in the sales process of personal finance products, whether they have good market competitiveness is closely related to the price of the products. Reasonable pricing of products is the key point to be invested in the research and development of personal finance products. At present, Northeast Securities still chooses the benchmark interest rate model for the pricing of personal financial products. This method takes the market interest rate of a certain currency as the benchmark interest rate, and then adds or multiplies a coefficient according to the investment risks that must be dealt with. And because of the low default risk of financial instruments such as wealth management products, this rate is often called the risk-free rate. In addition, Northeast Securities Company did not use more models to make more detailed formulation of the price of financial products. Although this pricing model is very simple to implement and can save a lot of manpower, the pricing method using only one model is too rough and cannot take customer demand into better consideration. Cannot with considering the more appear on the market at present, detail factors associated with customers, coupled with the very basic pricing model, many securities companies will use as part of the product price, so it also makes the pricing also appeared on the homogeneity phenomenon, indirectly reduces the product competitiveness, and even lose some customers.

2.3 Unreasonable sales channel construction

In terms of sales channels, Northeast Securities Company is a securities company with a relatively deep foundation in northeast China and enjoys certain popularity. In addition, its status as a listed company will also give many customers who hear its name for the first time a good degree of trust immediately. Northeast securities have three sales department in Shanghai at present, Beijing has one sales department, Changchun has six different business departments and so on, can be seen from these figures, the northeast securities business department number is quite small, with the domestic China merchants Securities, Citic Securities, Guotai Junan Securities compared to household names such as securities firms, while sales in the center of the location is also a position, However, due to the small proportion of business departments, the customer base is relatively shallow, and the distribution of business departments is loose, which will also lead to many customers in the process of understanding and handling business is very inconvenient, resulting in the loss of customers, and will adversely affect the sales of personal financial products of Northeast Securities.

On the other hand, Northeast Securities lacks a high-quality sales team to engage in the sales activities of financial products. Although Northeast Securities has started to develop online sales channels, it has only developed Dongzheng Ronghui to sell its products, and only Tiantian Fund and other cooperative sales platforms to sell on commission. As a result, the financial products developed by Northeast Securities cannot be promoted effectively. Most of the customers who buy the products are the old customer groups retained by Northeast Securities, so they cannot attract more new customers and thus cannot gain a firm foothold in the fiercely competitive market.

2.4 Lack of awareness

In terms of publicity, with the development of online sales, everyone can now skillfully use electronic products, but the traditional sales methods such as phone calls and text messages are no longer accepted by people. Because now work, life, etc. all stress makes people reluctant to pick up telephone sales staff, together with anti-cheat state propaganda popularization, more and more people to marketing calls even has lost credibility, but the northeast securities which did not make too much change, there is no clear propaganda thought, no better propaganda, even more a lack of propaganda consciousness, when selling products at the same time without the customer service of form a complete set, made of northeast securities cannot create their own brands, there is no way to promote their products to the market to attract more customers in the attention, just rely on the traditional marketing way, clients are more dependent on the company's old customer, it is unable to keep pace with the times publicity measures, coupled with the increasingly competitive wealth management market, Northeast Securities will become difficult to survive.

3. Measure

3.1 Increase product innovation and development efforts

Northeast Securities should first strengthen market research to strengthen its product differentiation. Due to the serious homogeneity of financial products in the current market, Northeast Securities needs to have products different from existing products in the market in order to have stronger competitiveness. Since the fundamental purpose of financial products is to meet customers' investment needs and psychological expectations, market research is a very good choice. Because in market research, the northeast securities can in different provinces and cities and regions, in the face of different ages and different income groups and so on carries on the comprehensive survey, the data can be more realistic to reflect the current market investors attitude and the actual demand for financial products, to ensure the northeast securities can be more targeted research and development products, to meet customers with different needs.

3.2 Set reasonable product prices

In order to fit the market development, Northeast Securities should develop differentiated pricing strategies. Firstly, set different prices for financial products with different investment maturities. In accordance with the quarter as the dividing line, the investment horizon is divided into four parts: in view of the investment period for 1-3 month period of wealth management products, can set a lower yield, the yield should not exceed 3%, and relative risk should be the lowest in the wealth management products, the product investment scope should choose to have a lower risk of national debt, government bonds, bank deposits, etc.. For financial products with an investment term of 3-6 months, the yield rate shall not exceed 3.5%, and financial instruments with moderate risks can be appropriately invested, such as convertible bonds. For financial products with an investment term of 6-9 months, the yield should not exceed 4%, and money market instruments can be invested at this time. In view of the investment period for 1 year or more than 1 year of wealth management products, yield of no less than 4%, at the same time, the risk level is relatively high, the investment scope includes futures, options, stocks have a higher risk, and will also include because inflation risk, interest rate risks brought about by the loss, at the same time, from six to nine months period financial product, part of the excess returns a percentage of the appropriate, and the rest are all for customers, such as the customer when buying one-year wealth management products, northeast securities can be in finally extracted from excess return of 30%, the remaining 70% as excess returns all owned by the customer, so also meet the principle of risk, the higher the income, that is, the higher the risk of financial products purchased by customers, the higher the excess return will be. Secondly, there are different pricing strategies for different customer groups. To the young group of low income, can be appropriate reduce explain buy redemptive rate and service charge, and for a one-time purchase

product more number of customers, can have a subscription fee discount strategy appropriately, and can have different solutions for different customers, listed in the plan required fees, and recommend products and their yield, in order to meet the needs of customers of different income or age groups.

3.3 Ensure the diversity of sales channels

For commercial Banks in terms of sales channels, for example, the construction bank has 392 branches in Shanghai, the bank of China has 304 outlets in Shanghai, the industrial and commercial bank of China has 552 outlets in Shanghai and so on, and the distribution network is very dense, not only in busy areas with dense point site, near the residential area also has a corresponding node set, personnel in the network with complete supporting facilities, fast handling of related services. So the northeast securities should be modeled on banking practices, expand the network construction, especially in residential areas should also pay more attention to, so that you can more convenient to provide financial services to customers, and within the network staff should strengthen financial professional knowledge training, or busy area network in the residential area should add more professionals, to provide customers more high-quality consulting services, network in providing services at the same time, It also indirectly promoted its own products, which can expand the target market and is more conducive to the market competitiveness of Northeast Securities.

3.4 Strengthen the awareness of product publicity and the diversity of publicity methods

Northeast Securities should spend more time on improving the awareness and methods of product publicity. First of all, Northeast Securities should enhance the awareness of publicity and strengthen the product learning of financial sales staff. More propaganda lectures should be arranged during and after the entry of personnel to enhance the awareness of publicity in the mind of personnel. Secondly, the way of publicizing only through outlets or occasionally inviting experts to conduct live events is too monotonous and not easy to attract more customers' attention. Therefore, Northeast Securities can also carry out publicity in the following two forms: Firstly, publicize its own products through advertising. Northeast securities can use Shanghai, Beijing and other places of high-quality resources, increase investment in advertising, in newspapers, television, news APP, each big financial platform APP for advertising, and can design the northeast securities own unique emblem or logo, such not only can make their own ads more attractive, more easy to remember by customers. Secondly, carry out regular promotional activities. According to different customers in different promotional content, introduced all kinds of product package for the customer to choose, and in the promotion period can provide such as consulting, the bonus gift, limited member benefits such as free, in order to increase customer interest, and at the end of the sales promotion can arrange regular phone pays a return visit, in this way to get to know whether the customer needs change, It can also improve customer satisfaction and retain more quality customers.

4. Conclusions

At present, although the domestic financial market is in the early stage of development, the increasing demand for financial products by investors makes the financial market increasingly competitive. In this paper, using the life cycle theory and the 4 p marketing strategy, from product development, pricing, sales channels of northeast securities on the existing financial product marketing strategy are analyzed, found that the northeast securities currently insufficient efforts in product research and development, the lack of professional talents, pricing method is not enough careful, single sales channel, inadequate propaganda consciousness and so on. Combined with relevant theories and the actual situation of Northeast Securities Company, the corresponding solutions are proposed: to speed up the rate of product research and development, strengthen research and development and attach importance to and strengthen the professional talent reserves combined with recruitment, financial trends and market yields to different customers take different measures for differentiated pricing strategy, sales channel, vigorously develop electronic platform for sales,

enhance the promotion of staff awareness, promotion of lectures, increase investment in advertising and other measures. For the future northeast securities in the financial market to better foothold to provide ideas.

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