Take the Industrial Bank of China as a Case to Analyze the Problems of Commercial Banks' Social Media Marketing Strategy

Yaxuan Deng*

International School of Jiangxi University of Finance and Economics, Nanchang, China

*Corresponding author: 2202001266@stu.jxufe.edu.cn

Abstract. With the advent of the era of big data, the application of the Internet and Internet of Things technology in various industries promotes the rapid update and iteration of data. With the rise of social media platforms, their influence on lifestyles and business models is increasing. The marketing model of commercial banks also needs to adapt to the development trend of the market and change. They need to pay more attention to the marketing methods of social media platforms. Therefore, it is necessary to study the marketing strategies of commercial banks' social media platforms. This paper mainly studies some marketing strategies of Industrial Bank in subscriptions, Weibo and Channels. It is found that there are some problems in marketing, such as weak innovation ability, insufficient content attraction, and flow conversion that need to be improved. Based on these, the paper gives some concrete suggestions: commercial banks can make use of the fan economy in marketing, so as to attract customers innovatively. Commercial banks should also improve the quality of marketing content and pay attention to the difference in marketing products. In addition, commercial banks should focus on improving the conversion rate of flow, the approach can be increasing the placement of advertising.

Keywords: Commercial bank; bank marketing; social media.

1. Introduction

With the increasing development of Internet technology, society has already entered the era of "Internet of the whole people". With the Internet of people's production and lifestyle, the traditional marketing model of the banking industry is also suffering impact. Traditional finance is facing the transformation to new finance. Some offline businesses are gradually shifting to online, which also conforms to the development trend of Internet finance today. Among them, the commercial banks have been the main providers of financial services in our country [1]. In this context, the marketing mode of commercial banks needs to be changed to keep up with the changeable market development trend and develop towards a more stable and modern direction. At the same time, with the advent of the post-epidemic era, the epidemic has had a huge impact on the financial consumption habits and business management channels of commercial banks, and the epidemic will become a "catalyst" for the in-depth reform of the entire banking industry in the future [2]. In order to cope with the obvious decline in the customer flow of offline business outlets, banks should actively develop online businesses. So it is particularly important to optimize the marketing strategy of social media platforms. Social media marketing will become the focus of commercial banks' marketing and play an irreplaceable role in promoting the stable development of commercial banks.

American Marketing Association once defined marketing as an activity, system and process of creating, disseminating, delivering, and exchanging market supplies that are valuable to customers, partners, and the whole society [3]. Domestic scholars define the marketing of commercial banks as the management process of providing commercial bank products and services to customers to meet their needs and achieve the profit target of commercial banks by taking the needs of customers in the financial market as the guidance, taking advantage of commercial banks' own resources and using marketing mix [3]. On the basis of the development of Internet digital technology, social media platform marketing is to attract customers with various network social media platforms as the carrier. Guided by the needs of customers, it provides bank services and products to customers and guides them to purchase, so as to realize the core goal of bank marketing, namely profit maximization.

This paper will take the Industrial Bank of China as an example to study the problems of Chinese commercial banks in the marketing process of social media platforms and put forward improvement methods. The method of this paper is case study. This paper first expounds on the development status of the Industrial Bank and the marketing status of various social media platforms. Then, through the research of the marketing status of different platforms, we find some problems in the content and form of marketing of this commercial bank. On this basis, this paper finally puts forward some suggestions to optimize the marketing strategies of commercial banks' social media platforms from three aspects in order to achieve the profit-oriented goals of commercial banks more effectively. It is hoped that this paper can provide some reference suggestions for the sustainable and high-quality development of commercial banks.

2. Development status of China's Industrial Bank

Industrial Bank Co., LTD. (" Industrial Bank "for short) was established in August 1988. It is one of the first joint-stock commercial banks approved by The State Council and the People's Bank of China. In 2007, it was officially listed on the Shanghai Stock Exchange (stock code: 601166). The head office is located in Fuzhou City. Industrial Bank is one of the world's top 500 companies. Adhering to the "customer-centric" service philosophy, the bank provides customers with comprehensive and excellent banking services.

The total assets of the bank in the first three quarters of 2022 exceeded 9 trillion Yuan, which is an increase of 5.65% compared with the beginning of the year [4]. Its operating revenue was 170.854 billion Yuan [4]. The year-on-year growth was 4.15% [4].

Today's society has stepped into the era of Internet finance. Traditional finance is also gradually transforming into a new type of finance. Therefore, if a bank wants to maintain stable development, it also needs to adapt to the changing environment. People browse the Internet every day and get a lot of information from the Internet. According to DATAREPORTAL's Digital 2022 October Global Statshot Report, before October 2022, the number of mobile users worldwide reached 5.48 billion [5]. The number of Internet users was 5.07 billion [5]. The number of social media users was 4.74 billion [5]. So the Internet and social media are closely related to people's life. Many banks have begun to use network means for marketing because social media marketing strategy is one of the most important and essential strategies in the bank's marketing strategy. The bank must attach great importance to it.

3. China's Industrial Bank's Marketing Status on Various Social Media Platforms

Currently, Industrial Bank has a presence on a number of social media platforms including subscriptions, channels, Weibo, and TikTok. The bank's marketing status on various social media platforms is as follows.

3.1 Subscriptions

At present, subscriptions develop rapidly, which is reflected in the high page views of the articles published on the platform. Since 2022, all the articles published by Industrial Bank every week have been read about 100,000 times on average, which is quite a high number of clicks. The subscription of Industrial Bank publishes articles about once a week, 7~8 articles each time. That is a relatively high frequency. And the articles published by the subscription have no fixed plate setting. The main content is around financial management, social hot spots, customer-facing activities, and welfare. The content covers a wide range, illustrated. It can be seen that Industrial Bank has done a good job in the marketing promotion of its subscription. In addition to weekly articles, the official account also has three fixed menu bars, which are: inquiry, hot selling and business. When users follow this account, the menu bar information will be displayed at the bottom of the page. Users can click and view according to their interests and needs.

3.2 Weibo

Weibo is a social platform that focuses on interaction and topic discussion. However, Industrial Bank's Weibo comments were light. The Weibo account has many followers, but not much interaction. It can be seen that the enthusiasm of users to participate is not high. Industrial Bank is active on the Weibo platform, posting 5 to 6 times a day on average. The content can be divided into the following aspects: popularization of financial knowledge, publicity of welfare activities, news related to the banking and financial industry, public welfare activities exhibition, etc. On Weibo, Industrial Bank's account now has about 1.36 million followers and 15,030 posts, but the average interaction is low. In the last month, for example, it's rare to see posts with more than five comments. Many posts have less than five retweets, likes, and comments combined. A good situation, such as the interaction volume of some selected can reach hundreds of retweets and likes, but the comment volume is still very low or even zero.

3.3 Channels and TikTok

Both social media platforms are marketed as short videos. However, the TikTok platform only has some accounts of branches of Industrial Bank instead of the official accounts of the head office. Moreover, the interaction amount of fans between branches varies greatly. Therefore, the marketing status of TikTok Platform is not explained too much here. Here mainly introduce the marketing status of channels. In fact, the content shared by the channels has something to do with Weibo. It also shares a lot of knowledge related to financial planning, introduces important economic news and keeps up with current events. The difference is that it is presented in different forms, which are in the form of video. The videos are mostly well-made. Some knowledge videos are accompanied by animated explanations. Most of them get hundreds of likes, and some videos can reach more than 2,000 likes. The number of retweets is also high, with some videos reaching tens of thousands of retweets. This shows that more customers pay attention to the channels of Industrial Bank.

4. Marketing problems

4.1 Innovation Ability is Not Strong

Content posted on social media platforms, especially subscriptions, tends to be homogenized. When people see the official accounts of Industrial Bank at first glance, they may think that the articles are many and rich. But in fact, when people read the official accounts of other commercial banks, they will find that there is no big difference between them in nature. Most of them promote some benefits and welfare activities, tell some financial stories and share some knowledge about financial investment. So this is actually a common problem in the social media operation of the banking industry. If this is the case, one bank cannot easily stand out from the other banks. For a bank, it is very important to pay attention to characteristics and differentiation, so the marketing should also follow this idea. The similarity and substitutability of financial products make marketing and service innovation very important [6]. The bank should be thinking about how they can impress customers the most and make them choose this bank over other banks.

4.2 The Content is Not Engaging for Users

Again, take subscriptions as an example, some content is not set up to catch people's eye quickly. When it comes to the menu bar settings, the subscriptions of Industrial Bank are indeed still to be improved. Compared with other large domestic commercial banks, Industrial Bank set up "inquiry", "hot sale", "business" a little less attractive. In marketing, the bank needs to know that selling is actually about the exchange. The customer is willing to exchange because he thinks he is making a profit. Just showing customers what a bank can do may not be as appealing and may even turn off some customers. Perhaps swapping one menu bar for a benefit will make customers more likely to click through. In addition, although the contents of some articles on Industrial Bank are very practical and impart a lot of knowledge to people, they are somewhat boring. So the bank can change the form. For example, they can add more cartoon illustrations and appropriately expand the line spacing of paragraphs to make the words appear less dense, which may increase the readability of readers. The articles of subscriptions should also pay attention to the layout. Typography that is not well designed is also unattractive.

Moreover, Industrial Bank released some activities on its Weibo to call on people to share books, or issued public welfare activities, such as selecting users who interact positively and presenting gifts to them. Although the intention of the bank is good, they hope to increase the interaction of users on the Weibo platform and attract users in a reciprocal way to increase the popularity of the bank. But the interaction of relevant comments under those contents is very little or even none, which indicates that people are not very interested in these contents. What banks are posting on social media is not engaging customers. Actually, those kinds of content are less relevant to the bank's main business and do not highlight the bank's characteristics well, so that is probably one of the reasons why the content is not as appealing to people.

4.3 Flow is Difficult to Convert into Cash

Part of the content advertised by Industrial banks on social platforms cannot be directly and effectively related to the goal of making profits. The bank should improve this point, so as to make the marketing effect better. Although some video content in the channels is good and the video is beautiful, it cannot be strongly related to the marketing target. In other words, even if these videos can attract some flow to banks, it is hard to make that flow ultimately profitable. Because the video content and the bank business correlation are not strong. Many users may just watch the video and then leave, which does not enable users to open an account in the bank or achieve the goal of allowing users to buy wealth management products in the bank. So the bank's publicists have to think about how that ultimately translates into profits.

5. Suggestions for Marketing Strategy

5.1 Take Advantage of the Fan Economy

In essence, "fan economy" is an economic model from consumers to enterprises (C2B) [7]. In this model, enterprises can carry out precision marketing activities according to the actual needs of fans to build a trust bridge between fans and brands [7]. On the basis of meeting customer needs, they can maintain the brand through fans to improve user loyalty and the reputation of the brand. And then obtain economic and social benefits [7].

Stars can be invited to publicize and use their influence of them to cooperate with them to promote banking products more effectively. It is possible to use star power in marketing to get more results with less effort. For example, the bank can hire stars who fit the image of the bank to be the spokespersons of the bank's financial products, or they can also hire stars to shoot posters and video advertisements for the bank's credit cards. If fans see celebrity endorsements, they are more likely to trust and choose the banks and products endorsed by their favorite stars.

Bank can focus on the youth group represented by college students in marketing. According to statistics, the number of college students in China reached 39.689 million in 2018, with an annual disposable amount of 100 billion Yuan [8]. The consumption level of college students has increased significantly. The campus market has huge potential, and college students are also one of the Internet giants [8]. Understanding the consumption characteristics of college students will help the bank understand the market direction and play a crucial role in the future business development of the bank [8]. College students are active on Internet platforms and use Weibo and TikTok platforms frequently.

There are also a large number of star-worshipers among college students, which is a very potential market.

5.2 Focus on Improving Marketing Content

In marketing, content is key. Banks should create content that makes customers feel excited and satisfied and can really bring benefits to customers. In the "customer first" commercial bank market in the United States, its service aims to bring maximum value to customers [9]. Take Wachovia as an example, Wachovia has set up a professional team of "customer service excellence" to continuously carry out systematic quality service activities [9]. Currently, Wachovia ranks first in the industry in terms of customer satisfaction [9]. Service plays an important role in improving bank brand satisfaction. The good service of banks in offline outlets should also be extended to social media so that this service attitude can be perfectly displayed on social media platforms to serve social media users. For example, banks should respond promptly and provide solutions to the problems expressed by some customers in the comments section of microblogs, instead of ignoring them. Ignoring these problems may lead to a crisis of trust among some customers and indirectly affect the bank’s brand image. In the process of marketing, explain what the bank can do for customers and specify what services it can provide to customers. If the customers are satisfied with the service, they will naturally support the work of the bank and give the corresponding remuneration to the bank, so as to achieve a win-win situation. At the same time, the bank can also reduce the release of content that is not attractive to users and spend less energy on marketing content unrelated to the bank's main business. The key point should be focused on the development of innovative and differentiated financial products. With good content, it will naturally attract customers when promoting and marketing. Banks should make financial products to the extreme so that they can get twice the result with half the effort in marketing.

In short, good products and content are the core of marketing, and quality service is the key to creating a high-quality bank brand.

5.3 Effectively Improve the Capability of Flow Conversion

Industrial banks can increase the placement of advertisements to increase flow and realize cash through advertisements.

In the process of the comprehensive popularity of social network platforms and e-commerce platforms, commercial banks need to seize the opportunity to cooperate with these platforms, implant the bank's financial products for the benefit of the people into social networks, games, e-commerce platforms, etc., and unconsciously guide the behavior of customers, so as to achieve the purpose of marketing "drainage"[10]. When placing advertisements, marketing staff at the bank also need to pay attention to the characteristics of products and match the different characteristics of users on different platforms. The bank cannot blindly use this way to publicize. It is suggested to put more links related to business in the comment section of different videos on the channels. Users just need to click on the link to jump to the entry for business, such as buying wealth management products. At the same time, it is also possible to promote other platforms on one social media platform timely, such as attaching the QR code of another media platform to the bottom of the posted pictures or placing a link in the comment section to attract users to click and transfer to another media platform. The advantage of this approach is that multi-platform linkage can be realized, so as to truly realize cross-platform Omnimedia marketing. The flow of one platform can drive the flow of another platform, which can effectively divert flow and increase the opportunity for flow conversion.

Banks should also speed up digital technology upgrades and promote the development of internet technology. The bank's flow operation must continuously improve its data processing capacity, and truly solve the problem of "what users need" and "what can the bank provide" through the composite processing of user label data and behavioral data, so as to meet the needs of users immediately, which can fully and effectively release the flow operation benefits [11].

6. Conclusion

Through this study, it is found that Industrial Bank has a high reading volume and a relatively rich variety of content in its subscriptions. Meanwhile, its Weibo platform has a high frequency of posting and some videos on the channels are well-produced. But admittedly, there are some drawbacks. This paper mainly finds that the marketing content and form of banks on social media platforms need to be more innovative and pay attention to product differentiation. Moreover, banks should pay attention to the quality of marketing content and increase interest in the published content, so as to improve the appeal to customers. Banks should also improve their ability to monetize flow. Banks need to think about how to more effectively convert the flow into actual profits in order to generate income for banks. In this regard, this paper also puts forward some methods, such as increasing advertising placement, realizing multi-platform and all-media linkage, improving digital technology, and using big data to accurately locate users. The main research object of this paper -- commercial banks are the pillar of the banking industry, the main body of the banking industry, and the most dynamic representative. Therefore, it is very important for commercial banks to develop high quality. This paper hopes that commercial banks can get some inspiration when improving marketing strategies on social media platforms. In this way, the development of the online business of commercial banks can be better promoted. Commercial banks are hoped to successfully complete the transformation and upgrading of marketing models of traditional financial products in the era of new media. Therefore, the high-quality development of commercial banks can be promoted.

References

[1] Tao Yiping, Zhu Yingzi. President of industrial bank: "Four abilities" to improve financial supply capacity and promote high-quality development. 21st Century Business Herald, 2022.

[2] Fan Qiang, Jin Liren, Liu Xiaohu. Channel transformation of commercial banks in post-epidemic era. The Banker, 2020, (10): 88-90.

[3] Ye Jianing. Research on marketing strategy of mobile banking in commercial banks. Shanghai University of Finance and Economics, 2020.

[4] Flush Financing. Industrial Bank Co., LTD. Third quarter 2022 report. October 29, 2022. December 18, 2022. https://m.10jqka.com.cn/sn/20221028/39009147.shtml.

[5] Simon Kemp. Digital 2022: October global statshot report. October 20, 2022. December 18, 2022. https://datareportal.com/reports/digital-2022-october-global-statshot.

[6] Wu Jingyun. Commercial banks to the road of internet financial. China's banking industry, 2015, (3) : 47-50.

[7] Yang Yanlei. An analysis of enterprise marketing strategies based on the perspective of "fan Economy". Shanghai Business, 2022, (07): 39-41.

[8] Shen Siyuan, Sun Yu, Tian Xiaoyu, Zhang Jiajia, Zhou Xuan. Help banks' social media marketing with "New fan economy". Economic Research Guide, 2020, (15): 34-36+45.

[9] Xiong Shiying. Research on brand communication strategy of China's owned banks through social media. Chongqing Technology and Business University, 2014.

[10] Fan Hui. Big data era of our country commercial bank marketing strategy analysis. Circulation of the National Economy, 2022, (25) : 124-127.

[11] Yu Xuesong. How to do well flow management in banks. December 9, 2020. December 20, 2022. https://www.sohu.com/a/437498119_757185.