QUANTITATIVE STUDY ON THE PROMOTION OF BANKING SERVICES AMONG STUDENTS

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CENTRUL DE CERCETĂRI ȘI STUDII APLICATIVE ÎN MANAGEMENT ȘI MARKETING

CENTRUL DE CERCETĂRI ȘI STUDII ÎN CONTABILITATE ȘI FINANȚE

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INTRODUCTION

Marketing communication brings together all marketing activities aimed at informing the public about the services offered by an organization.[1] In a way, it represents the "voice" of a company and all of its associated brands. Its purpose is to engage and excite, to persuade the target audience to experience, evaluate and, of course, purchase the advertised products. Within the model of the traditional marketing mix (product, price, promotion, placement), communication is carried out using the channels of the promotional mix.[2]

In the case of banks, an effective communication program aims to raise awareness of the benefits of a particular service and to project and protect the desired image in the marketplace. But there are also other reasons why communication is becoming increasingly important in banking, such as: increased competition, trivialization of bank services, increasingly frequent product launches, oversaturated media, and rising advertising costs.

Through winning over a client during their college years, a bank has the potential of converting them into a long-term customer. A satisfied client is likely to stay with the bank for many years, bringing in future wages, taking out loans, saving and investing using their bank's products. Through student checking account packages, banking institutions can provide benefits in the short term, and have a high return-on-investment in the long term.

1. STUDY METHODOLOGY

The purpose of our research based on a quantitative study is to assess the level to which students are aware of the existence of checking account packages designed for them and how they found out about them. Moreover, we seek to identify, among the ones using those offers, which are the most popular bank choices, what criteria was used in selecting said banks, and overall satisfaction with the provided services.

The objectives of the study, along with their *associated hypotheses,* can be broken down as follows:

O1: Assess the level of awareness regarding the existence of checking account packages for students.

H1.1. Most people are aware of the existence of these student packages.

O2: Identify the most effective tool of the communication mix in promoting checking account packages for students.

H2.1. Personal communications is the most effective tool. It can be broken down as: personal selling, customer service, training – answer 2.3.; word-of-mouth – answers 2.2. and 2.4.

O3: Identify most popular bank choices among those using student checking accounts.

H3.1. The top broadly follows general bank classification by size.

H3.2. BRD–SocGen is more popular in big urban centers.

O4: Identify main criteria used in choosing a checking account package for students.

H4.1. Most popular 3 criteria are: number of acquaintances using the bank (answer 4.3.), university / workplace collaboration with the bank (answer 4.4.), and associated costs (answer 4.8.).

O5: Assess satisfaction level in those using checking account packages for students.

H5.1. Most customers feel satisfied to neutral about the packages.

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[1] Olteanu A., Olteanu C. A. (2003). *Marketing Financiar Bancar*. Dareco, București, p. 157.

[2] Kotler P. et al. (2019). *Marketing Management* (4th European ed.). Pearson Education Ltd., United Kingdom, p. 549-550.

The questionnaire is comprised of eight questions: one open-ended question (Q8), five closed-ended ones (Q1, Q3, Q5, Q6, Q7), and two mixed (Q2, Q4). The open-ended question requires a short answer and was used in determining the geographical area where the respondents were located. Both mixed questions are multiple choices. The closed-ended questions have one multiple choice question only (Q3), the rest being single choice ones. Of the latter, one is, more precisely, a semantic differential scale (Q5). Three of the questions are profile questions (Q6, Q7, Q8). .

The questionnaire was *self-administered* and conducted online. The platform used was Google Forms, and the responses were collected between the 23rd and the 25th of June, 2022. The sample was selected through the *volunteering method, a non-random sampling method.*

The *sample was comprised of 53 respondents.* Of those, over three quarters were female (77.4%) – and only 22.6% males. Almost 51% were aged between 18 and 22 years old. A bit over 45% had between 23 and 26 years of age, and only 3.8% belonged to a different age group.

The students belonged to six different universities found in four different cities. From most to least number of responses, we have the capital city, Bucharest (33 respondents amounting to 62.3% of the sample), Târgoviște (15 respondents amounting to 28.3% of the sample), Cluj-Napoca (4 respondents amounting to 7.5% of the sample), and last but not least, Brașov (1 respondent, meaning 1.9% of the sample).

Three of the six represented universities are from Bucharest. From most to least responses, those are: Politehnica University of Bucharest (24 respondents, meaning 45.3% of the entire sample), Ion Mincu University of Architecture and Urban Planning (8 respondents, meaning 15.1% of the entire sample), and the University of Bucharest (1 respondent, meaning 1.9% of the entire sample). The other cities were represented by one university each: Valahia University of Târgoviște (Târgoviște), Babeș-Bolyai University (Cluj-Napoca), and Transilvania University of Brașov (Brașov).

2. STUDENTS' KNOWLEDGE ABOUT SPECIAL ACCOUNT PACKAGES

The overwhelming majority of respondents (88.7%) said that they were aware that banks offer special checking account packages to students. Of those who weren't, we notice that only one belongs to the 23-26 years old age group. 66.7% of those who have not heard about these packages were on the younger side of the age group usually targeted by banks with these products. Of those not qualifying for these offers due to age, half (meaning 1 of the 2 respondents who said they have an age other than 18 to 26) have not heard about these products. Looking at these results, we can deduct that, even if they don't find out about these packages from the beginning, most students hear about them as time goes on.

When talking about the sex distribution, it is notable that half of those who weren't aware of the existence of these products were male. This is significant because the sample's ratio is 1 male for every 3 females. Therefore, the parity between the two could indicate that males aren't reached as much by bank communication efforts. The sample is too small to draw any conclusions, but this could potentially be an interesting research undertaking.

3. STUDENTS' SOURCES OF INFORMATION ABOUT SPECIAL ACCOUNT PACKAGES

In this question, the 88.7% of participants that were aware that checking account packages for students existed were asked about how they found out about them. The 47 qualifying respondents selected their answers as seen in Table 1. and Figure 1.

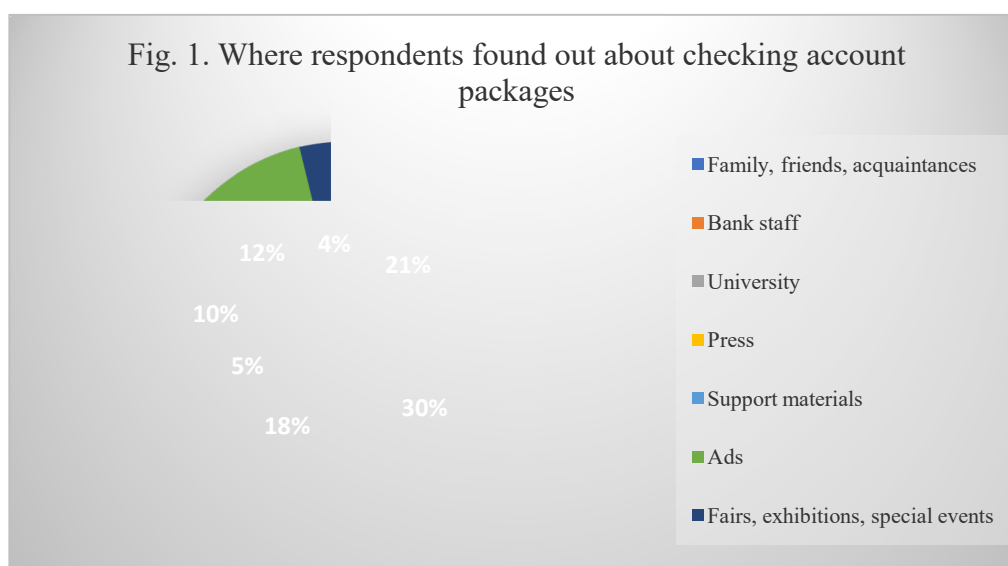**Table 1. How respondents became aware of student checking account packages**

Q2. How did you find out about these packages? (abbrev.)	*no. of responses*	*% from total*
2.2. From family, friends, acquaintances	17	21
2.3. From bank staff	24	29,6
2.4. From my university	15	18,5
2.5. From the press (press articles, press conferences etc.)	4	4,9
2.6. From support materials (brochures, manuals, websites etc.)	8	9,9
2.7. From ads (TV, radio, internet, outdoor displays etc.)	10	12,3
2.8. At fairs, exhibitions, or special events	3	3,7
TOTAL	*81*	*100*

Source: Own data

Question 2 was a mixed question. There were two answers given in the 'Other' category: 'I didn't know' and 'From high school'. As their meaning is in the same vein as that of pre-established answers, I assigned the first to answer 2.1. ("I answered NO to the previous question") and the second to answer 2.4. ("From my university"). The person who gave the former answer did not select another one, so I think it appropriate to group 'high school' under the "educational establishment" umbrella.

The respondents each gave varied combinations of ways in which they discovered checking account packages for students. Most answer combinations were chosen by one person only (12, amounting to 25.5%). Some were repeated twice (4, amounting to 17%), and only one three times (6.4%). There were only three specific combinations repeated by many participants, and in a way, they were not combinations at all, as they consisted of one option only. Those were: "family, friends, acquaintances" (6, amounting to 12.8%), "university" (7, amounting to 14.9%), and finally, "bank staff" (11, amounting to 23.4%).

All of the above points in one clear direction - top 3 most common ways in which respondents found out about student checking account packages are: being told by bank staff, hearing from people in their life (family, friends, acquaintances), and discovering it through their university. Those three options alone amount to nearly 70% of all responses. The options mentioned a moderate amount were ads and support materials. Those combined amount to a little over 20% of all responses. Lastly, there's the press and fairs, exhibitions, and special events. Less than 10% of responses belong to these categories.

Fig. 1. Where respondents found out about checking account packages

Legend:
- Family, friends, acquaintances
- Bank staff
- University
- Press
- Support materials
- Ads
- Fairs, exhibitions, special events

Values shown: 4%, 21%, 12%, 10%, 5%, 18%, 30%

Source: Own data

The two most common sources of information about the existence of these products, namely bank staff and family, friends, acquaintances, clearly belong to personal communications. On their own, those two amount to over half of responses. The university answer could belong to this segment of the communications mix as well, but could also be from PR and support materials. The exact segment of the promotional mix is not as important to the ends of this study. What matters most is that the popularity of this answer shows that partnering with universities in promoting student checking account packages is effective.

The 4th and 5th most popular choices can be clearly fitted into their corresponding communication mix categories: ads in advertising and support materials in the homonymous section. The two least common options, the press and fairs, exhibition, special events, both belong to PR.

4. THE BANK CHOSEN AS THE PROVIDER OF SPECIAL ACCOUNT PACKAGE FOR STUDENTS

Of the original 53 respondents, 35 had at least one student checking account package. Most of those worked with one bank only, but three respondents owned 2 accounts and two owned 3+. Interesting to see is that of the total of five that had more than one bank they worked with, only one was between 18 and 22 years old. The other four had between 23 and 26 years of age.

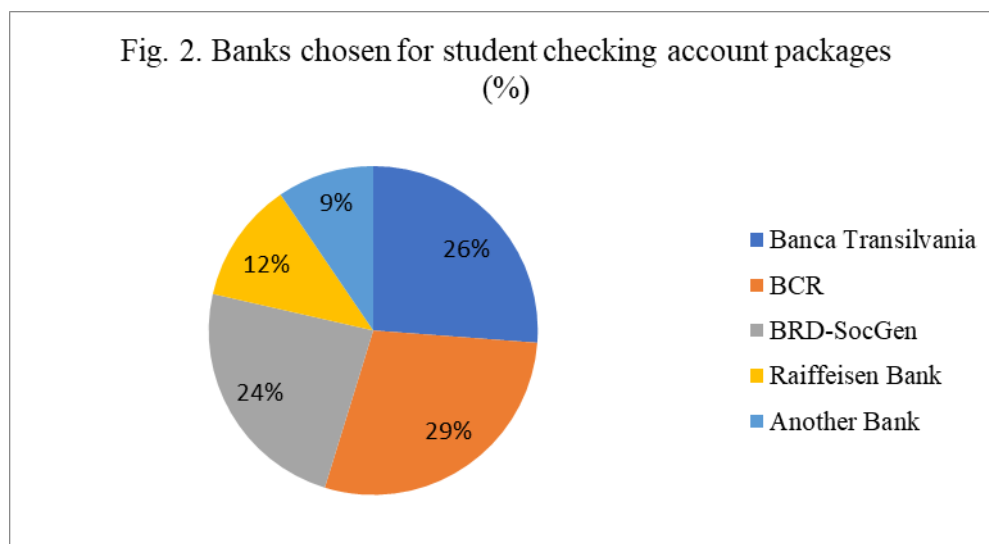**Table 2. Bank choice in those who had student checking account packages**

Q3. Which bank is your product from? (abbrev.)	no. of responses	% from total
3.2. Banca Transilvania	11	26,2
3.3. BCR	12	28,6
3.4. BRD – Groupe Société Générale	10	23,8
3.5. Raiffeisen Bank	5	11,9
3.6. Another bank	4	9,5
TOTAL	*42*	*100*

Source: Own data

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Speaking of age, it is worth noting that the probability that the respondents owned one of those checking account packages went down as they advanced in age. Among those aged 18 to 22, only 22.2% didn't have such a bank account. For 23 to 26 years old, the percentage went up to 41.7%. And finally, of those belonging to a different age group, none had a student checking account package.

This is in keeping with the fact that less and less such offers are available as you advance in age. The general age group targeting is 18 to 26 years old, but some banks state that they allow students only up to the age of 22 or 24 years old.

Source: Own data

The 35 respondents who did have a student checking account package collectively owned 42 separate accounts. Table 2. and Figure 2. depict the choice distribution.
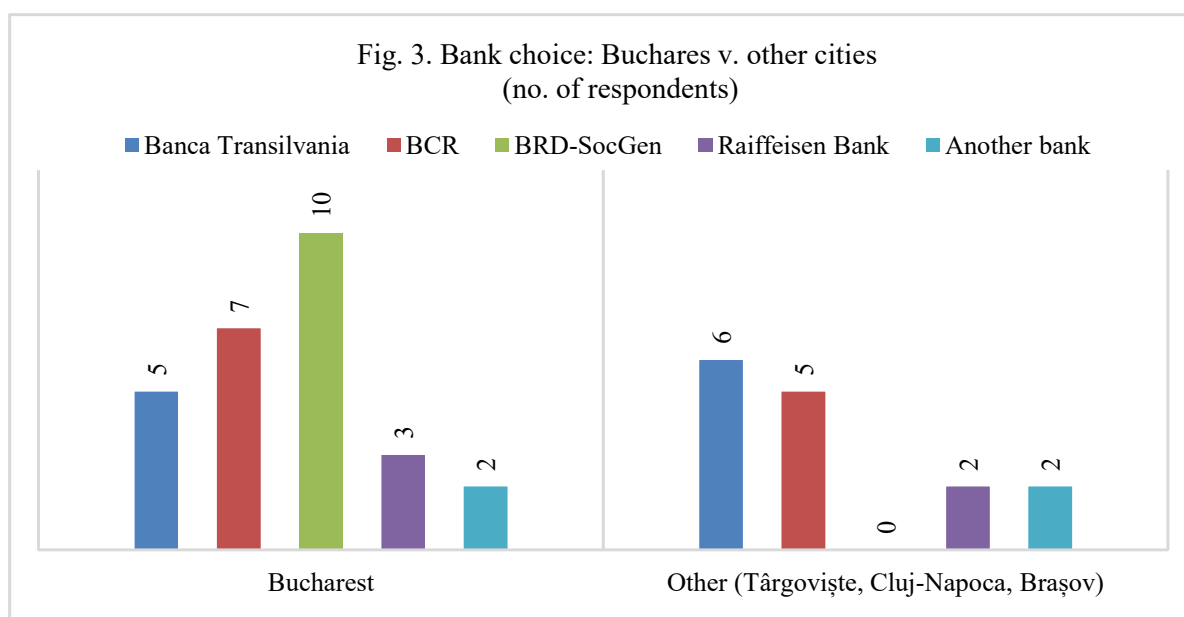
Banca Transilvania, BCR, and BRD – Groupe Société Générale were by far the most popular choices, each accounting for about a quarter of choices. BCR was the most common choice, with almost 30% of all responses. BT and BRD-SocGen closely followed, with 26% and 24% of response choices, respectively.

At 12% of total responses, Raiffeisen Bank made about half of what it's top 3 competitors did. However, this is nothing to scoff at, as it is still more than all other similar bank products available on the market (9%).

Over 90% of responses indicated BCR, Banca Transilvania, BRD-SocGen, or Raiffeisen Bank as the choice of bank. All of those are in top 5 biggest banks in Romania by assets.[3] ING Bank joins them at the top of this classification, but the bank doesn't currently offer a checking account package for students. What is clear is that those four banks are the banks most favored by students.

An interesting observation is that all of those that had a BRD-SocGen student checking account package were studying at universities from Bucharest. Figure 3. displays the distribution of bank choices in the capital city of Bucharest in contrast to that of other Romanian cities. It should be noted that only one respondent from Cluj-Napoca and one from Brașov had student checking account packages, and the bank of choice for both was Banca Transilvania.

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[3] Medrega C. (2022). *Cine conduce topul băncilor mari după active în 2021. Primele cinci bănci mari aveau în 2021 active cumulate de 400 mld. lei, adică 62,6% din total. Activele totale din sistemul bancar au avansat cu 14%, la un record de 639,7 mld. lei*. Ziarul Financiar. URL: https://www.zf.ro/banci-si-asigurari/conduce-topul-bancilor-mari-dupa-active-2021-primele-cinci-banci-20678028

Fig. 3. Bank choice: Buchares v. other cities
(no. of respondents)

Source: Own data

Of the four respondents that said they had an account at another bank, two had only this account. The other two were those aforementioned two respondents that owned packages from (at least) three different banks. We say at least because they each had two accounts with one of the big four banks, and alongside that, they selected the option "Another bank". It is therefore impossible to determine if they had only one other account or more.

5. CRITERIA FOR CHOOSING THE SUPPLIER BANK

The answers submitted to the 4th question were almost all unique. Only two variations were repeated by more than one person, and they were both selections of one option only. Those are "How many of my acquaintances used the bank (family, friends, colleagues etc.)" (with four people choosing this option only) and "My university / workplace works with the bank" (with three people choosing this option only).

Table 3. Criteria for choosing a student checking account package

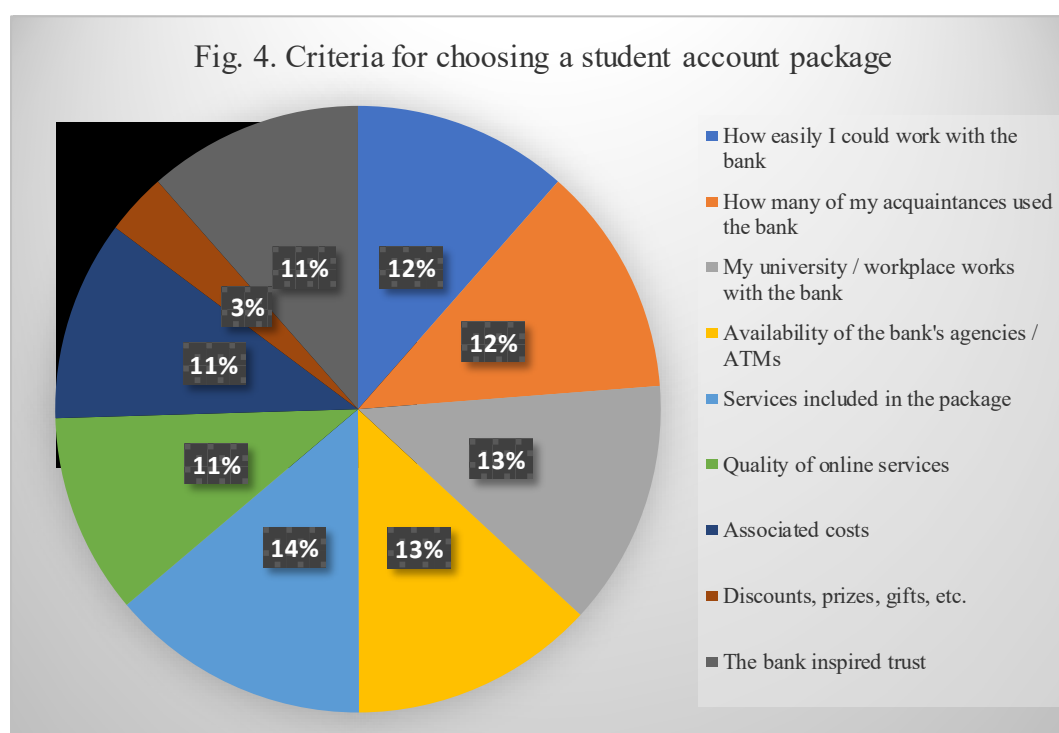| Q4. *What was the criteria in choosing this product?* (abbrev.)	*no. of responses*	*% from total*
4.2. How easily I could work with the bank	14	11,5
4.3. How many of my acquaintances used the bank	15	12,3
4.4. My university / workplace works with the bank	16	13,1
4.5. Availability of the bank's agencies / ATMs	16	13,1
4.6. Services included in the package	17	13,9
4.7. Quality of online services	13	10,7
4.8. Associated costs	13	10,7
4.9. Granted discounts, prizes, gifts etc.	4	3,3
4.10. The bank inspired trust	14	11,5
TOTAL	*122*	*100*

Source: Own data

In total, the possible choices were selected 122 times. No different answers were submitted the option "Other". A complete breakdown of the answers submitted can be found in Table 3. and in Figure 4.

No particular option stood out in terms of being most popular. Most amounted about 11 to 14% of the total given answers. From most to least popular criteria in choosing a student checking account package we have:

- *First place*: the services included in the package
- *Second place*: the university / workplace works with the bank and the availability of the bank's agencies / ATMs
- *Third place*: how many of the respondent's acquaintances used the bank
- *Forth place*: how easy it was to work with the bank and that the bank inspired trust
- *Fifth place*: the quality of online services and the associated costs
- *Sixth place*: granted discounts, prizes, gifts etc.

While there is no clear winner, there is a clear loser: awarding discounts, prizes, gifts and other such things. While most criteria amounted over 10% of responses, this one enjoyed only about a quarter of the popularity.

It seems that all criteria enjoyed roughly the same popularity and different things were of importance to different people. But if there's one trend that most clearly emerges, is that sales promotion techniques were not as persuasive as the rest.

Fig. 4. Criteria for choosing a student account package

Legend:
- How easily I could work with the bank
- How many of my acquaintances used the bank
- My university / workplace works with the bank
- Availability of the bank's agencies / ATMs
- Services included in the package
- Quality of online services
- Associated costs
- Discounts, prizes, gifts, etc.
- The bank inspired trust

Source: Own data

6. THE DEGREE OF SATISFACTION OF THE STUDENTS REGARDING THE BANKING OFFER

The 35 respondents who had a student checking account package responded very positively when asked about their satisfaction level with the product. The overall satisfaction score for all participants was 4.8. This means they were "very satisfied" with the offers they've used. A complete breakdown of the answers can be seen in Table 4.

Table 4. Satisfaction score (calculation breakdown)

(1p) Very Unsatisfied	1
(2p) Unsatisfied	1
(3p) Neutral	9
(4p) Satisfied	14
(5p) Very Satisfied	10
Total Respondents	*35*
SCORE	***4,8***

Source: Own data

7. STUDY OUTCOMES

The level of awareness regarding the existence of checking account packages for students was very high (almost 90%), therefore verifying H1.1. Personal communications indeed has the most effective tools in the communication mix for promoting the studied products, as answers 2.3., 2.2. and 2.4. (in this order) were the most popular responses. Depending on the exact activities connected with answer 2.4., personal communications techniques represented between 50.6% and 69.1% of the total given responses. This means that H2.1. is correct as well.

The most popular bank choices indeed broadly followed their classification by assets. BCR (12 respondents), Banca Transilvania (11 respondents), and BRD – Groupe Société Générale (10 respondents) were the three most popular choices, after which came Raiffeisen Bank (5 respondents), and finally, all other possible banks (4 respondents). Only participants studying in universities from Bucharest had accounts at BRD-SocGen. Because of all these results, both H3.1 and H3.2 are validated.

In terms of most popular criteria for selecting a student checking account package, no clear winner emerged. Most responses were similarly popular (11-14% of total responses), with one distinct exception, that was a much less common choice (discounts, prizes, gifts and such, all tools specific to sales promotion, that amounted only 3.3% of total responses). If we were to select the top 3 most common criteria in spite of there not being a significant gap between them, the three winners would be: the specific services included in the package, the university / workplace collaborating with that specific bank, and the availability of the bank's agencies / ATMs. Of those, only one (university / workplace collaboration with the bank) was included by H4.1. However, the evidence is not strong enough to suggest any clear answer.

H5.1. is not validated, but that's good news: respondents did not feel satisfied to neutral about student checking account packages – they felt very satisfied. With a score of 4.8 out of 5, it is clear that those banking products are well loved by those who've tried them.

That being said, only two thirds of respondents said they had at least one such product. With such a high level of satisfaction among customers, it could be worthwhile assess what's keeping other people from taking advantage of these offers. As most of those who didn't have one of those accounts were over the age of 23, perhaps they simply no longer qualify for them with the bank they use. But if there are some other reasons, identifying them could be an opportunity for growth for banking institutions.

CONCLUSIONS

The survey participants were very aware of the existence of student checking account packages: almost 90% of them knew about their existence. They most commonly found out about these products from bank staff (30% of responses), through family, friends, acquaintances (21% of responses), and from their university (18% of responses). This shows that personal communications tools are the most effective in promoting student checking account packages.

Four banks (BCR, Banca Transilvania, BRD-SocGen and Raiffeisen Bank) amounted to over 90% of choices the respondents expressed. BCR came in first with almost 30% of total responses, Banca Transilvania second with 26%, and BRD-SocGen third with 24%. This shows that the top 3 competitors amount to about a quarter of all bank choices for student checking account packages. Raiffeisen Bank had only about half the popularity of the first three banks, but with 12% of total responses, was still more popular than all other possible bank choices combined (who represented 9% of total responses). BRD-SocGen was indeed most popular in big urban centers, so much so that only those studying in Bucharest had accounts at this bank.

No selection criteria clearly delineated itself from the other: most options had between 11 and 14% of the total responses. There was, however, one that was very clearly much less important than any other (with only 3.3% of total responses); we're talking about any possible discounts, prizes, gifts or other such things that could be tied up in the bundle. It is apparent that sales promotion techniques might not be as effective as other tools of the communication mix in this situation.

If we were to select the top 3 most common criteria in selecting a student checking account package (in spite of not being substantially more popular than the others), those would be: the services included in the package, the respondent's university / workplace collaborates with the bank in question, and how available the bank's agencies / ATM's are. Of those, my hypothesis mentioned only the university / workplace collaboration.

Overall, respondents were very happy with banking products they owned. The satisfaction score was 4.8 out of 5, therefore most declared themselves to be very satisfied with the services they were provided. However, only two thirds of total respondents had a student checking account package. As most belonging to the other third were over the age of 23, it is possible that they simply no longer qualify at their bank of choice. However, if there are other factors holding them back, they could be useful to identify by future research.

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