

Focus on financial service providers – Report on the 2nd Services Marketing Conference*

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The 2nd Services Marketing Conference on financial service providers and services was organised by the Institute of Marketing and Media and held on 19 May 2016 at the Corvinus University of Budapest. As regards to its structure, it is important to note that each topic featured both an academic and a practical speaker. OTP Mobil, LP Solutions, OTP Bank, ERSTE Bank, CIB Bank and SOS Children’s Villages also attended the conference. The editor of the essays underlying the presentations was Zsófia Kenesei.

The event was opened by *Zoltán Szántó*, Vice Rector for Education. The opening presentation was delivered by *Tina Harrison*, Professor of the University of Edinburgh Business School. The title of her presentation was *The Grand Challenges for Financial Services and Consumers; Implications for Research*. She emphasised the special nature of financial services and that they form a distinct part of consumers’ everyday life; as a result, research and expert analysis of the topic continuously face challenges. This situation escalated after the global economic crisis. Tina Harrison called the attention of the audience to four major challenges: rebuilding and maintaining confidence; enhancing user experience by relying on digital technology; improving consumers’ capabilities, self-confidence and knowledge; and providing access to core financial services. She labelled financial socialisation, the trust in financial service providers, financial literacy and the determinants thereof as priority research areas. Her presentation provided a broad framework for the conceptual span of the subsequent six topics.

The presentation of *Ildikó Kemény* was most closely related to the opening presentation in respect of the digital theme. In her presentation, she demonstrated the *link between service quality, satisfaction and the word of mouth*, using the example of online banking services. She emphasised the challenges posed by the continuously changing environment, and the responses to these challenges by consumers and providers. Satisfaction surveys are essential for understanding the

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behaviour of Hungarian consumers, which she demonstrated using primary research and practical experiences. The four key quality dimensions that can be measured in the case of purchasing online banking services are as follows: quality of creating a user account, usability of system management, security and customer service. In the sample examined, consumers' experience with regard to security and customer services is poor, and thus further research in these areas certainly makes sense.

In their presentation *Krisztina Kolos, Zsófia Kenesei and Zolt Szilvai* focused on *service companies' complaint management practices*. They examined how the companies' complaint management practices influence consumers' satisfaction and their future behaviour. Distributive justice is a less researched area. They particularly highlighted the question as to what kind of considerations should govern the degree and type of financial compensation. In addition to satisfaction, the analysis of emotions may also play a key role, which may mediate between the perception of justice and satisfaction. It may be assumed that certain compensation types trigger stronger emotional reactions of consumers, thereby determining their satisfaction and behaviour.

The presentation of *Boglárka Zsótér and András Bauer* was built on the topic of *institutional trust*. In their research they examined the degree of institutional trust related to financial service providers among university students and their parents, and whether any distinct influencing factor can be observed in respect of the parental intergeneration impact. A low level of institutional trust is typical in both groups. Banks and insurers were ranked the worst by parents in respect of contractual performance. Parents often do not talk about financial matters with their children; there is a high ratio of *laissez-faire* communication. Based on their research results, they emphasised that the transfer of confidence-related attitude is the strongest in the family in father-son relations, and the influence of parents decreases in direct relation to the increase in financial independence. The absence of communication and higher independence make way for the financial institutions' services and/or education activity.

The presentation of *József Hubert* once again steered the audience to digital media, as he explained how web 2.0 reforms *the practice of impulsive donation*. Charity organisations have access to a number of tools through the internet that open up an unprecedented wealth of opportunities to approach people or handle fundraising campaigns. People donate through social media differently and driven by different motivations than through the traditional channels. The results of his empirical research highlight the fact that groups which are more susceptible to social causes perform better in the recollection of already seen social media posts and can identify the content seen before. Another interesting research topic is that how identification with the cause influences the efficiency of the organisations' marketing campaign.

The topic of the presentation by *Irma Agárdi, Péter Bacsek and Tamás Gyulavári* returned to the service providers as they focused on CRM¹ trends in the banking and insurance sector. They examined the CRM systems of financial service providers in terms of the strategic development process, sales process, channel management and performance assessment, as well as information management spanning through all these. An additional aspect of the analysis was the strengthening of the CRM function within the company, where they differentiated between four phases: available CRM competences; commitment to CRM developments; process integration along the CRM; and the existence of a dedicated CRM officer in the company. The positive impact of CRM on the company's competitiveness can be observed in a number of cases, but there are also examples of complete failure. It is important to note that the successful implementation of the CRM strategy – due to its integrating nature – goes beyond the tasks of the marketing functions, and also poses a great deal of organisational challenges for the top management, such as corporate culture, organisational structure and process management spanning through the company, etc.

The closing presentation of the conference was delivered by *Zsófia Kenesei* on the *new challenges of service design* particularly emphasising service experience design, i.e. customer experience. Businesses that focus on the customer experience may achieve generally higher perceived customer values and thereby more profitable operation. Customer experience is a holistic term, which puts the emphasis on the synergic design of impacts. In order for a service company to provide a high quality customer experience, it must be able to see the customer journey and define each element of the service process, as well as each contact point where it gives signals to the customer. Financial services processes may include several significant moments and each of these has a bearing on ultimate satisfaction.

The academic presentations were always assisted by a corporate speaker, who added practical considerations to the presented results. With this, the conference contributed to the demonstration of the academic and corporate considerations on a single platform, which helped immensely in understanding the most important aspects of financial services.

¹ CRM: Customer Relationship Management