Development of Digital Bank Marketing in Modern Conditions: Status and Prospects

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Abstract. This study explores the development of digital bank marketing in Kazakhstan, examining its current state and future prospects. The research aims to identify key trends in digital banking strategies and their role in enhancing customer engagement. The findings indicate that the adoption of artificial intelligence, open banking, and social media marketing has significantly transformed banking services, improving personalization and customer loyalty. An analysis of second-tier banks' social media performance reveals disparities in engagement levels, emphasizing the need for optimized digital communication strategies. A major gap identified is the lack of a standardized approach to integrating digital marketing tools, limiting the efficiency of customer outreach. The study underscores the necessity for banks to develop comprehensive digital strategies that align with evolving consumer behavior and regulatory frameworks. Comparative analysis with global digital banking trends suggests that Kazakhstan's financial sector can benefit from increased investment in AI-driven analytics and data security measures. The implications of this research highlight the importance of strategic digital transformation in maintaining competitiveness. Future research should focus on refining digital marketing frameworks and assessing the long-term effects of digital banking innovations on customer satisfaction and financial performance.

Keywords: bank marketing, digital-marketing, second-tier bank, globalization, Open banking.

1 Introduction

In the modern world, the market of banking services occupies one of the key positions of development of the socio-economic sector of the country. The peculiarities of the functioning of the financial services market in Kazakhstan are the growth of competition between banking institutions and other financial organizations, the development of information technologies, as well as the growth of consumer services. To improve the competitiveness of second-tier banks in the practice of banking activities resort to strategic planning and implementation of bank marketing [1]. In the era of digitalization, there is an urgent need to create such mechanisms of bank marketing, which will contribute to the growth of efficiency and customer focus of banking activities, as well as increase the level of consumer confidence in the image of the bank.

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Time is the most valuable resource for modern people: comparative analysis of goods and services is done in minutes with the help of social networks and applications. Online customers understand the value of information and determine which ads they will accept and which they will consider irrelevant. In a digital marketplace, it is the consumer who controls the flow of information. The online format also erases geographical boundaries and allows marketers to promote a product or service not only in their region, but also to enter global markets. And while until recently online services were viewed with caution and wariness, today people's opinions have changed dramatically. Interactive marketing allows customers to develop brand loyalty more quickly, because of the instantaneous exchange of information.

Today, the banking system actively uses digital technologies for effective interaction with potential and real customers, as well as for collecting and analyzing information to improve the quality of services and customer satisfaction [2]. Digital marketing is the most common way to promote banking services and products, as it provides a number of advantages, such as: attracting more new customers due to geographical inclusiveness, improving brand recognition in the market of banking services, which in turn increases the degree of loyalty and trust of consumers; maintaining a stable position among the target audience. All of this ultimately leads to maximization of the bank's profit.

The purpose of the work is to deepen theoretical and methodological ideas about bank marketing and to identify trends in its development based on the analysis of scientific research.

2 Materials and methods

The theoretical and methodological basis of this article was provided by the research of several academic economists, theoretical and analytical works of domestic and foreign authors, revealing the basics of bank marketing, digital technologies and their impact on the customer focus of banks.

During the research, the work was carried out using the methods of economic analysis, generalization and comparison, expert assessments, rating analysis, methods of historical and logical analysis of theoretical and practical material.

The following were used as the information base for the research: the developments of domestic supervisory authorities, instructional documents concerning the development of Open banking, materials of scientific conferences, publications in rating journals.

3 Research results

Theoretical analysis of scientific research on the direction of digital bank marketing has shown that most of the scientific works were conducted in the last five years, which emphasizes the relevance of the research topic. However, a more in-depth study of the issue is required to determine the prospects for further development of bank marketing. The analysis of studies and publications of domestic and foreign authors-economists allowed to determine the factors affecting the customer focus of second-tier banks by means of digital marketing, as well as to identify the concepts of bank marketing development.

The rating analysis of SMM-efficiency of second-tier banks allowed to identify leaders among banks in terms of content quality on popular social platforms at the beginning of 2024.

4 Discussion

The sphere of banking activity has changed significantly with the emergence of Internet banking.

A.A. Musina in her work "Digitization of banking activities - the way to create the "bank of the future" notes that one of the modern trends of informatization is the use of digital technologies that allow to transform the interaction of participants of various processes and traditional business processes, contributing to their transition to a new level. Thus, digitalization carried out with the help of information technologies can be successfully applied to improve the efficiency of the economy and develop the competitiveness of banks in the country and abroad [3]. In order to achieve the goals set by banks, it is extremely important to properly build a marketing strategy and identify trendy methods of promotion and popularization of banking products.

Nowadays it is difficult to imagine a bank that does not use information technologies. Experts share the following stages of development of digital technologies in the banking sector:

Table 1. Stages of Internet banking development in CIS countries

Period	Stages of development
2009-2010	Transition from SMS newsletters to simple, with minimal functionality, applications that allow you to track the receipt of funds on your personal account.
2010-2012	Banking applications for the most part fulfill an informative function. Transfers between own accounts, currency conversion and payment to counterparties appear.
2012-2014	Expansion of banking product management capabilities. Active transition from physical channels to digital services. It becomes possible to open accounts, block a card, generate statements and make external transfers using account details.
2014-2018	Improves security by adding personalized authorization technologies such as Touch-ID and PIN. Interface design is improving. There are opportunities for chat consultations with the banking assistant and contactless payment via Apple Pay and Samsung Pay.
Period	**Stages of development**
2018-2022	Opening accounts for new customers via an app. Improving security by introducing anti-fraud systems and collecting depositors' biometric data. Expansion of banking products beyond the banking system, through collaborations and development of own ecosystems. Marketplace development.
2022-2024	Collaboration with e-government platform. Possibility to obtain documents, certificates, licenses through the bank's application. Implementation of artificial intelligence. Mobile banking as the main channel of communication with clients.
Note: compiled by the authors based on the source [2]	

The dynamics of Internet banking development shows the proportional growth of depositors' trust in banking services in general. Almost all digital innovations in the field of banking services have been positively accepted and mastered both by the users of the services and by the banks themselves, because they simplify and speed up the process of database processing. Today, we are witnessing a rapid increase in the importance of online banking services and a decrease in the need for physical branches.

Digital technology as a tool for delivering banking services has incredible potential as the popularity of technology continues to grow. This, in turn, leads the bank's top management to develop new ideas for attracting new customers and retaining old ones. The specificity of bank marketing is due to the nature of the banking product and consists in the orientation of

the entire management system in the banking organization to the processes that occur in the credit and financial sphere [4].

Digital marketing for banks has undergone significant changes in recent years, largely due to the introduction of innovative technologies such as artificial intelligence (AI), open banking, and social media. These changes have become particularly noticeable in the 2022-2024 timeframe, as banks have begun to adapt their strategies more aggressively to improve customer experience and create personalized solutions for customers. In their strategies, banks define their vision for development. According to the works of Morozevich O.A. [5], there are the following concepts of bank marketing development, which correspond to different levels of market relations depending on the set goals:

1. The concept of production improvement.

According to this concept, banks try to improve operations by increasing the distribution of products. However, this approach has a downside that can lead to a decrease in the quality of banking products and services provided.

2. The product improvement concept.

This concept consists in constant improvement of provided goods and services, which in turn will lead to rise in price.

3. The concept of intensification of commercial efforts.

The policy of active promotion can lead to the increase of consumers, but it alone requires a large budget. If the target segment of the customer base is not properly defined, banks run the risk of overspending the marketing budget, which may not achieve the expected results.

4. Consumer concept.

It is based on detailed study of consumer needs and creation of offers for them. This concept can subordinate banking activities to the requirements of the market, while satisfying the needs of certain groups and contradicting the interests of others.

5. The concept of strategic marketing

Focusing on potential and actual customers, this concept allows to pursue a double goal: satisfying the needs of customers and achieving superiority over competitors.

6. Social-ethical (public) marketing concept

It is considered as ideal concept, because it takes into account the interests of the whole society when studying the needs of the consumer.

7. Integrated marketing.

Today, this concept is most often used in banks, as it pursues several goals at once: not only to attract money from customers, but also to improve the quality of their service. By developing relationships with depositors, the bank attracts funds, which in turn lends to those entrepreneurs who will be able to effectively use the loan and fulfill their obligations to the bank in a timely manner.

Key factors influencing banks' customer orientation through digital marketing:

1. Artificial intelligence in bank marketing

Information technology in bank marketing is finding its application and driving business performance improvement through artificial intelligence [6]. Today, AI is central to the transformation of banking services, enabling the automation and personalization of customer interactions. By leveraging AI, banks can offer hyper-personalized products and services to customers to better meet their needs. For example, AI technologies are helping banks create predictive credit cards that adapt to customer behavior and detect fraudulent activity by analyzing transactions in real time. Deep market insights help reinforce the most important requirement banks need when implementing new AI capabilities: trust. The implementation of AI systems makes it possible to simplify workflows and use large amounts of memory and information in their activities, which is relevant to the financial sector [7].

2. Bank Marketing on Social Media

Social media plays an important role in a bank's digital marketing strategy. Not only do they allow banks to promote their products and services, but they also improve customer loyalty by increasing customer engagement. An active social media presence is an essential tool for banks to maintain their image. The content presented on these platforms reflects the bank's position, short-term vision, and scale [2]. In addition, social networks can be used as a accessory tool for building long-term relationships between the bank and customers not only of Generation Z, but also of Generation Alpha. It is a convenient channel for gathering information about the target audience and banks actively use it, which helps to develop targeted marketing campaigns and improve existing products.

On the example of second-tier banks in Kazakhstan, the assessment of SMM efficiency of the following platforms was conducted: Instagram, VK, Facebook, Odnoklassniki, YouTube, Telegram. Data was collected for the period from November 1, 2023 to January 31, 2024 using LiveDune, which evaluated the following parameters:

- Extent of presence;
- Leadership activity;
- Tool usage;
- Audience Engagement (ER);
- Commentary performance;
- Bilingualism.

The evaluation was made on a 3-point scale, where 3 points is the maximum and 1 point is the minimum, except for the parameter "bilingualism", where 1 point was given. The maximum score was 16 points [8].

Table 2. Rating table with points

Place	Bank	Expanse	Activity of conducting	Tools	ER	Community management	Bilingualism	Total
1	JSC «Home Credit Bank»	3	3	3	1	3	1	14
2	JSC «Eurasian Bank»	3	2	2,5	3	2	1	13,5
3	JSC «Kaspi Bank»	3	2	2	2	3	1	13
3	JSC «Bereke Bank»	2	2	2	3	3	1	13
4	JSC «Bank Centercredit»	2	2	3	1	3	1	12
5	JSC «Otbasy bank»	3	2	2	1	2	1	11
5	JSC «ForteBank»	3	1	2	2	2	1	11
6	JSC «Halyk Bank»	2	1,5	2	1	2	1	9,5
6	JSC «Bank RBK»	2	1,5	2	2	1	1	9,5
7	JSC «First Heartland Jýsan Bank»	1	2	2	1	2	1	9
Note: compiled by the authors based on the source [8]								

Based on the presented results, we can draw a general conclusion: the first place in the rating table is occupied by JSC «Home Credit Bank», the second line with a small gap is occupied by JSC «Eurasian Bank», the third place is shared by JSC «Kaspi Bank» and JSC «Bereke Bank».

Marketers of banks successfully use direct communication channels to interact with customers, which contributes to the creation of a customer-oriented service model.

3. Open banking services

The National Bank of the Republic of Kazakhstan with the Agency for Regulation and Development of the Financial Market with the participation of the Agency for Protection and Development of Competition developed and approved the Concept of Open API and Open Banking Development in the Republic of Kazakhstan for 2023-2025. Kazakhstan continues the systematic and gradual development of digital transformation of the financial sector, focusing on ensuring technological efficiency and protection of consumer rights [9].

Open Banking is a system that allows banks to give third parties access to their customers' data only with the customer's consent, thereby increasing the convenience and speed of service. In 2024, this approach is expected to be reinforced by new standards for personal data protection. Most banks will focus their digital investments on preparing for open banking by developing open APIs (application programming interfaces) to enable secure data exchange between institutions, beginning to identify value propositions and customer segments to target, and continuing to think about privacy and security processes to protect customer data [10].

4. Globalization

In the arena of international market, globalization is the main direction of economic development. Globalization has made a significant impact on the functioning of national banking systems [11]. Today, Kazakhstan is passing through the third wave of globalization - "digital economy". Completely new business models and ways of interaction between business and second-tier banks are being created. The convergence of technologies leads us to faster and more flexible production processes. The key segments of the digital economy include: the information and communication technology sector; digital manufacturing and e-business; and e-commerce [12]. The e-commerce sector enables dynamic business growth by stimulating online retail sales. Increasing globalization contributes to the expansion of the customer base and revenue growth, which is particularly evident in the banking sector, which is the most sensitive to external factors. At the same time, competition is intensifying, which stimulates second-tier banks to create new non-standard solutions, expand product lines and improve customer service for further successful development. Thus, digital marketing of banks is aimed at enhancing personalization, increasing security, improving customer interaction, and increasing competitiveness among banks and other financial institutions.

5 Conclusion

The conducted research of theoretical and practical bases allowed to define the role of marketing in the activity of banks.

The analysis within the framework of this study allowed to identify the main factors influencing the customer orientation of banks through digital marketing, such as: artificial intelligence in bank marketing, bank marketing in social networks, open banking and globalization.

In the light of the analysis, the trends of the banking sector in a highly competitive environment are identified:

- Digitization. The need to use modern digital communication channels.
- Development of long-term strategies on an international level. Development and adaptation of banking products and services to the needs of external and domestic markets.
- Increasing demands for transparency and ethical banking.

In conclusion, the following can be stated: Digital banking marketing is a new multi-channel approach to selling banking products and services. Digital technologies and innovative developments in banking contribute to the improvement of product quality and speed of customer service. Modern strategies for promoting banking services should be focused on creating a positive image of the bank, increasing brand awareness and stimulating

sales. They should consider modern trends in the process of developing banking sector, along with the requirements for transparency and ethics of banking activities [13].

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