



An innovative marketing model based on AIDA: A case from E-bank campus-marketing by ICICI bank

J Srinivasan¹, Deepika R²

^{1,2} Assistant Professor, Department of Commerce, Sri Krishna Arts and Science College, Coimbatore, Tamil Nadu, India

Abstract

In develop promoting, general recognition towards AIDA is that most undertakings will lay accentuation specifically on offer of an item or benefits, and urge customers setting off to each progression of AIDA layers, at last to expand the aggregate number of definite advance, say amplifying the quantity of genuine purchasing activity. Anyway to some degree, the productivity of such a straightforward model shows up unequivocally insufficient. In view of AIDA hypothesis and market highlight of colleges by means of e-bank at India Construction Bank (ICICI), this paper has presented another promoting model which present another incentive (new offer is endeavoring to concentrate on pragmatic showing advancement and occupation competency improvement) to quicken AIDA showcasing exercises at college advertise, the result further develops AIDA at greater market gatherings. Finding of this paper indicates new model enormously enhanced showcasing effectiveness of e-bank administrations from ICICI at college market, and it additionally unfurls another viewpoint in advertising of the endeavors.

Keywords: marketing model, internet marketing, AIDA model, new value proposition

1. Introduction

In India, as the development of internet and its use applied in business, online payment is becoming a payment which more and more people tend to rely on. So big banks have started to shift their focus on ebank services and regard them as an important strategic transition towards internet by enhancing market recognition and market share of E-bank business. In doing do, the 3rd party payment becomes the main stream in e-payment process, and has the biggest market share, which bring in big threat to e-bank services and bank market. Service identity of banks in India is becoming vaguer which leads severe competition. Improving cognition of e-bank and the use of e-bank, and further having more good-quality customers are the major challenges banks shall face.

CNNIC survey shows that major internet users in India are the young aged between 20 to 35, among which mainly are college students. College students, as very important group of internet users, are experiencing internet application and internet changes. As main users in the near future, their using behavior of the internet and choice of online payment will have significant impact on future market position of banks, in this sense, college students who have typical in times when internet develops very fast and innovation flushed pushing by internet development. Based on AIDA marketing theory, the author anticipated a new marketing model after studying college students' features in India, and the followed marketing case, say e-bank service targeted to campus market at ICICI, has given a positive testify to the new model.

Students are one of major targeting groups in e-bank market. Marketing methods in current banks are still to use flyers, introduction thru tellers, marketing activity via internet etc. these traditional ones are good, but also have shortcomings shown as follows. People resentment towards flyer ads and salesman, the promotion of such activities at

universities are strictly controlled in India. Limitation of the coverage and efficiency at universities. Online marketing activities and ads lack of features targeting mainly on college students, so the outcome of marketing activities and ads is not good. Except bank brand, it is hard to identify the difference between banks and the 3rd party payment in terms of online services rendered. It is widely displayed in market strategy of e-bank services targeted at university market at ICICI. As 2nd largest bank in India, ICICI has more power in the market and bigger market share, and the marketing problems he faced now actually are the mirror of other banks or banks they share similar services. From the above, we can see that the introduction of a new marketing model is very importance in helping to improve market effectiveness, especially for college.

2. Literature review

AIDA model

Modern marketing theory can be shown in AIDA model. It is a basic movement of the marketing and advertise- ment resulted from the perception of customers. It was first developed by E. St. Elmo Lewis in 1898. A, I, D, A refers to Attention, Interest, Desire and Action respectively. AIDA is an acronym used in marketing and advertising that describes a common list of events that may occur when a consumer engages with an advertisement (see Figure 1) [5].

- A - Attention (Awareness): attract the attention of the customer.
- I - Interest: raise customer interest by focusing on and demonstrating advantages and benefits (instead of focusing on features, as in traditional advertising).
- D - Desire: convince customers that they want and desire the product or service and that it will satisfy their needs.
- A - Action: lead customers towards taking action and/or purchasing.

Based on the needs of AIDA model, the aim of marketing is

to attract the attention from potential clients, arouse their interest and desire to the final buying action. By going each step, total number of potential clients will decrease step by step, becomes an inverted triangle. Marketing strategy of this model generally is to enlarge the bottom of the triangle. Or increase the convert rate (Potential client becomes a real buyer). The barriers are if just simply enlarging the bottom of the triangle will increase marketing cost greatly. The inconsistency between marketing and clients needs or dislike of marketing itself will reduce the convert rate of entering next layer of AIDA.

E-Bank marketing model at universities by ICICI

As a pioneer of providing e-bank service and 2nd largest bank in India, coupled with their successful strategy on tradition business, they are confidence in enabling to build a successful e-bank sales channel, ICICI has great influential power on market, and help rank their e-bank market into top one in India.

Based on AIDA theory, we could consider marketing process of through AIDA model as marketing model. As for e-bank marketing business model at ICICI (see Figure 2), it is to attract customers’ attention to e-bank services via various advertisement channels, and further arouse their interest in accepting and willing to use the service. The key factors of the corresponding marketing process are as follows [6].

- Value proposition strengths the convenience and low cost of personal A/C account management, e-payment, investment management that e-bank brought in (referred as Value1 in Figure 2).
- Communications by various advertisement means such as television, flyers, outdoor banners etc.
- Ads contents also help users understand the us age of complex e-bank and keep their confidence of using it.

Salesman, say teller, Telephone service, and account manager etc. could proactively introduce e-bank service to potential customers, explain and solve customer’s problem, which all will help accelerate the “Purchase” action.

As a major promotion tool, it is also a main method targeted to campus market. We find no specific difference between campus market and universe market, so the foresaid model and corresponding market promotion activities was set in campus market in hope of enlarging the scope of attracting as much attention as possible, at the same time increasing convert rate of each stage in AIDA. However in reality e-bank marketing is pretty pessimistic to attract the attention of college students, partly because of the similarity treat in products designed by each banks and the complex character in e-bank products, partly because schools seldom encourage or say “no” to the promotion inside the

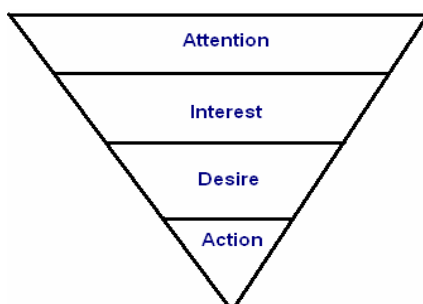


Fig 1: AIDA model.

Campus which prevented e-bank products from being recognized and developing.

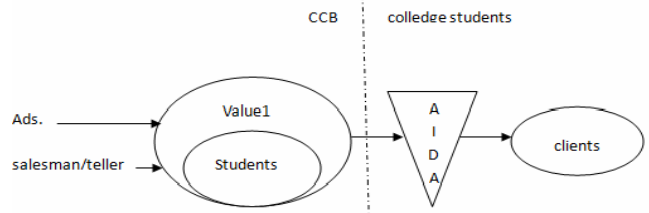


Fig 2: Marketing model based on simple AIDA theory.

3. Market characters in college

Internet using characters of college students

In USA, college students have been the leading user at the early stage of almost every single information technology, and also deep users of web technology [7]. Most students are pry to use high speed internet (accounting about 90%), about 60% of the college students possess handy tools surfing the internet by doing the activities such as emails, text message, instant messenger (IM), social networking service (SNS), Wiki, go on-line shopping or playing on-line games etc. Internet technology greatly influence or even change students’ life [8]. India shares the same story, about 81% of the students have their own PC, almost all could use internet either at dorm or public site of the campus, about 70% of the students are very often hang on the website [9]. In the population of Indian Internet users, about 30% are students, and leading users are college students [4].

Difficulties of finding a job faced by Indian college students

It has been a hot topic that college students hardly find a decent job in India when they graduated from schools, and it becomes a serious social issue, and it is getting worse recently because new graduates still flooded in every year. It will be about 0.699 billion new graduates in India in 2013, heat historical high, till April 25th, 2013 (about 1.5 months prior to graduation in June) less than 30% of students have signed the labor contract with employers in Beijing (Beijing ranked top three in terms of economic scare and college quantity) [10]. Global economy crisis and economy slowdown in India help accelerate the difficulties of finding jobs. On the other hand, many companies could not hire the right fit to the vacancies and failed to meet their recruiting target. Real reasons are complicated. It is true that openings are lesser due to globally bad economy, but we also found that some of companies are not very happy with working experiences, knowledge, competency, responsibility sense and team work spirit (just name a few) in graduates [12-14]. Some of the traits such as responsibility sense, team work spirit are not main courses or none courses at all taught in college curriculum in India. The weakness is well aware in many schools today, however it is hard to be solved due to a number of reasons, say weak competency and inadequate communication skills with companies & inadequate understanding to enterprises in teaching faculties.

The curriculum taught in the class could not be in line with the needs of reality that is the issue, especially today Internet development has upgraded so fast, Internet knowledge and Internet utilization has already become one of requested qualifications in some areas. Students shall be taught the basic knowledge, and solve real problems by using learnt knowledge.

Need of curriculum change at college

In consider of current situation at college, the Ministry of Education in India published a paper called “Suggestions on Improving Teaching Quality at Higher Education” in 2012 which requires the college focusing their curriculum on training students to improve their creativeness, collaborating with enterprises or industry associations to better understand their needs of hiring graduates [11]. Response to this requirement, many colleges are working on exploration new teaching method or model, and working closely with enterprises.

On the other hand, college student are leading users in Internet application in India, Internet using ability is students’ major strength, so capability training based on Internet technology targeted to college students will help students improve their advantages in job market, which is also the one of strongest voices and needs of curriculum change for students.

4. Marketing model innovation

ICICI working with India Internet Association organized the event called “National College Student Internet Business Innovated Application Contest” [15], this event highlighted the Internet and Internet application in business activities as one major and basic quality of future jobs for students, among which the knowledge and knowledge using ability of e-payment are the main and typical one. The event asks student to give new solution to business problems which was selected as real cases from companies. ICICI involved in the event by the following means.

- Open series seminar at college, mainly focusing on Internet development and the influence on enterprise business, using existing examples at ICICI bank to introduce e-bank and the influence to e-bank, e-payment and the security concern & development of e-payment etc.
- Design and organize contests, focusing on improvement of cognition and using level of e-bank at ICICI bank. The evaluation indicators could be the size of crowd influenced, the number of new users emerged regularly say weekly, monthly, degree of using e-bank etc.
- Online interaction, encouraging students to give solutions to company’s problems associated with e-bank, during the whole process, ICICI bank will involve in the activities with student by providing online help and off-line communication.
- Online transmission, the event asks students ex-press through Internet their experiences and ideas about internet and ICICI e-bank use, e-commerce use or problem shooting solutions via internet tools alibaba.com, such Sina blog, Tencent weibo, Baidu space, Ku6video, renren.com, etc, and encourage them to learn and communicated with each other online, by doing this, the e-bank of ICICI and mass cognition to e-bank also widely spread out. Therefore, a new marketing model appears (Figure 3).

In this model, key elements have changed.

- Value proposition of marketing becomes “helping practical teaching innovation by collaboration between schools and enterprises” “Improving job competency” “getting to know the knowledge of e-banks” (displayed as value 2 in Figure 3(a)). It is the eager need of colleges and college students. It gave the same weight on each elements of AIDA successfully.

- Transmission becomes seminars, lectures and on- line communications, but the main purpose and contents remain unchanged. This reduced the cost greatly, however improved the effectiveness and clients experiences positively.

Direct target of the marketing here is participant students (displayed as students1 in Figure 3(a), but the people influenced by student behavior are more important target groups (referred as other people and students2 in Figure 3(b)). Outcomes of the event, the students’ activities and works on the internet has been spread widely throughout the Internet, which becomes new ads or WOM (word-of-mouth) directly influencing other people, other potential colleges who have the same desire for curriculum change and other people except students (referred as students2 in Figure 3(b) and students who did not participant). The event help users experience each stage of AIDA (which was promoted by ICICI bank such as the display in Figure 3(a), which unexpected bring in a butterfly effect, say a small group of people lets larger group of people participant in each stage of AIDA with- out any resentment (which was done by participant students such as display in Figure 3(b)).

5. Conclusions

Based on AIDA theory and student characteristic, value proposition of e-bank market model becomes help school in curriculum change, which let ICICI step up into a role assisting students in career development, instead of negative resentful role of being sales person. Without using traditional marketing activities, this event is realized by fully using Internet technology and the Internet using habit & character of college students, and the outcome is good, efficient and widely spread. The outcome of this event also could influence other specific groups of people, as these specific groups may share same needs or characteristics with college students. Based on this model and hypothesis we could conclude that convert rate of AIDA at each stage could be improved greatly in target market, and it could cover even bigger potential market by utilizing this model.

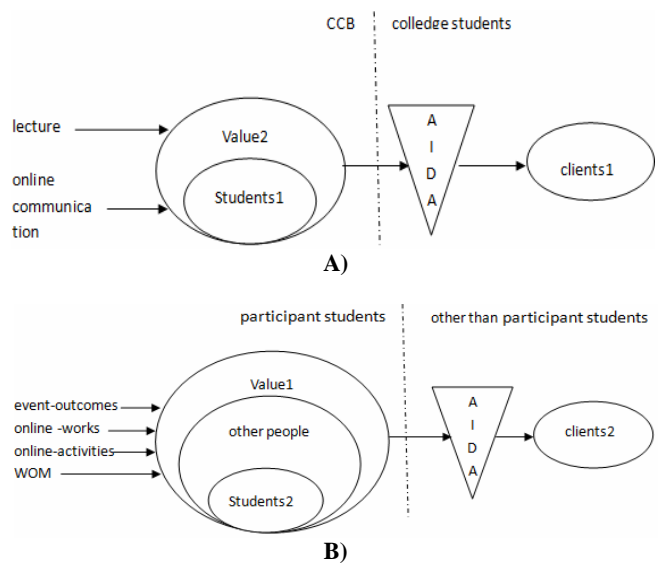


Fig 3: (a) Innovative marketing model at ICICI at first AIDA process; (b) Innovative marketing model at ICICI at subsequent AIDA process.

This model helps solve two issues of traditional marketing.

- Enter the campus successfully.
- Less resentful of targeted customers to ads and sales promotion, lesser cost, higher convert rate of AIDA.

The introduction of this model obtained big success. According to our preliminary statistic, participant number is getting bigger in three consecutive year events, about 200 thousands students involved, and about 150 thousands became direct clients of e-bank at ICICI. The people influenced either college students or Internet users are more than 30 million.

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