



Consumer centric marketing communication: Go beyond the actual sale

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Abstract

Changes and challenges are good. Crisis are challenging and changing, so crises are not that bad. In fact, communication during crisis has proven to be an opportunity, rather than a threat to weakened budgets.

This paper presents the main changes that occurred in the advertising trends in Romania since the economic crisis emerged. Moreover, this paper is about how advertisers have chosen different and innovative ways of being present on the market, using low budgets.

It's the time of direct consumer communication, 360 strategies, focus on consumer engagement and interaction, creating consumer touch points and building brand stories through emotional rollercoaster and enriching brand experiences. Integrated communication borders switched and pushed new boundaries, with a different focus, this time, consumer centric.

Key words: *integrated communication, new media tools, social networks, PR*

JEL classification: *G21, M31, M37*

1. Advertising during crisis

Dynamics. Acceleration. Reactivity. Challenge. Prudence. These are few words that appear on the Romanian society business card for the past years. We relate to 2008-2012, because the “movie” of these years is by far the busiest in terms of changes and trends, evolutions, approaches and strategies, at least from the communication point of view, advertising, in relation to the economic evolution.

On short, we are talking about five years that mark a peak of an economic cycle, of quick economic growth to height, decline and later on, setting reset. In 2008, publicity on the Romanian market, even if extremely low as compared to western European countries, registered an 20% increase for the third year in a row, marked by an ardent search of new ways of manifesting brands, as daring and provocative as possible. One year later, rumors and later on signs of the global crisis started “freezing” for months the advertising budgets of companies, that did not know what to expect, how to adjust their strategies and how to split budgets.

All markets in Central and Eastern Europe were affected by economic crisis, registering decreasing trends: Russia and Ukraine (30%), Bulgaria (27.5%), Slovakia (21.5%), Slovenia (19%), Hungary (15%), Poland (14%), Check Republic (10.7%), Serbia (9.5%). Unfortunately, Romania registered the highest drop-down of communication investments, up to 34% in 2009 as compared to 2008 (Lupu & Barbu, 2010).

In 2008, the growing and expansive economy was driven by society's trend towards consumption, also encouraged by an intensive banks' loans activity, with no less than 1,071 new branches¹. Still, the banking system was not the only one registering growth; heavy sales were registered in almost all economy branches, production growths, Mall openings, entrance on the Romanian market of new brands and re-launching of existing ones, extensive real estate projects, and significant growth of the auto market.

On these advertising markets, banks had a significant contribution, trying not only to build their "professional, friendly and accessible" image, but also to differentiate from competition, using innovative products or less conventional communication approach. As such, banks were driven towards online advertising, using the Internet as much as possible and contextual exposure: ING Bank, ABN Amro (former RBS Bank), CEC Bank, Bancpost, Alpha Bank, Millennium Bank, Raiffeisen Bank, UniCredit Tiriatic Bank, Credit Europe Bank and BCR.

2009 started under the first signs of economic global crisis, "freezing" communication budgets till "market re-balances", drastic cut-of budgets. It was not only communication that was affected, but also product portfolio, distribution and sales strategies, the structure of the staff etc. Simply put: changes and restructure.

On economy level, the effects were even more striking, from the fall of the real estate segment to blocking the loan activity, massive lay-offs in various industries and company bankruptcies.

The financial crisis was severely affecting the credit institutions that not only reduced their communication budgets, but also focused on depositing products, especially long term ones, detrimental to loans.

At the beginning of 2009, banks commercials were significant fewer than the similar time-period in 2008 (TV - 52%, written press - 54%, radio - 65%)². Still, among the few exceptions to notice, Provident Financial, a non-banking financial institution, invested close to Euro 2 million in advertising in written press, radio and TV.

Deposit products focused on long term savings were the core of the communication. Choosing communication channels was strongly influenced by costs, determining specific tailored communication mix for each target audience segment. According to Alfacont Mediawatch, Antena 1 TV was number one with 638 spots, followed by Kanal D (549 spots, Prima TV (346 spots) and ProTV (273 spots). All communication channels registered the same focus on spots about savings, leaving aside loans.

The peak was reached in 2010, when banks started campaigns aiming to attract funds to ensure running assets. Television was and still is one of the top favorite channels of both advertisers and advertising agencies in Romania. Because Romanians spent important hours watching TV and commercials cover between 10 to 20 minutes out of each hour in TV programs. In 2010 alone, the TV advertising budgets reached Euro 285-300 million.

The biggest percentage, up to half, was attracted by TV stations from Group Pro: PRO TV, Acasa TV, Pro Cinema and Sport.ro. Intact Group channels: Antena 1, Antena 3, EuforiaTV got close to Euro 70-72 million, meaning 15% market share, as the rest of 25% went to other TV stations.

¹Source: Izabela Badarau, www.zf.ro, retrieved at <http://www.zf.ro/banci-si-asigurari/extinderea-retelelor-bancare-a-continuat-dar-numarul-angajatilor-a-inceput-sa-scada-4057152/>, date: 18.03.2009

²Source: Iulia Bunea, www.adevarul.ro, retrieved at www.adevarul.ro/Publicitatea-economii-bancara-axat-pe-0-16798392.html, date: 01.04.2009

According to Zenith Media³, the advertising budgets spent by companies on the market reached USD 44 million in 2011, down by 4% average as compared to 2010. Depending on the communication channels used, the down scales vary. As such, TV reached the 4% average, whereas written press registered a heavy cut of 13%. The Internet was the only media channel on the Romanian advertising market registering an increase of 25%.

According to Forbes Romania⁴, the total TV budget spent by banks reached Euro 100,000 during the first three months of 2012. Provident Financial, a non-banking financial institution, had the highest advertising exposure on TV stations, during the first quarter of 2012, exceeding top banks, with a strong tradition on TV communication: BCR, Bancpost, Banca Transilvania and BRD.

During the first quarter of this year, heavy names among Romanian banks were missing on TV: Raiffeisen Bank, Millennium Bank and Unicredit Ţiriac Bank. Others registered a shy presence, such as BRD Groupe Societe Generale and ING Group.

2. The force of changing and effects on advertising consumers

In southern European countries, even though the print was heavily affected, the big spending clients remained faithful to traditional channels⁵ TV, radio and print; whereas small budgets were directed to innovative communication mix, reach in “new media” – including social media.

The print in Romanian faced closings – Gardianul, Ziua etc., switching to online editions only – Campaign, Gandul, Saptamana Financiara etc., or down sizing of print editions – especially lifestyle and glossy magazines. Other publications down sized their personnel – Evenimentul Zilei, Capital, Adevarul, or adjusted their top management.

By the same token, a number of companies opted to allocate their already reduced budgets, to unusual environments with unconventional approach, at least as compared to their own previous communication. Communication mix was less focused on expensive environments such as TV, or with lowering audience such as radio, or environments that seemed expensive as compared to the audience, such as the print. The online registered unexpected growths, firstly because of lower costs⁶, secondly because of an ever increasing penetration rate of this environment among the population, and last but not least because of really attractive projects with a high rate of tailored branding and tailored communication.

Expenses with online advertising in Romania grew by 32% in 2010 as compared to 2009, exceeding Euro 20 million, according to a ROADS⁷ study. This 32% increase is only proof that advertisers are more and more willing to invest in this environment. Clients’ reluctance in 2009 towards online, the year worst hit by economic crisis, when this environment registered a 10% drop-down, was compensated in 2010 by an accelerated advertising trend.

³ Source: Cristina Negraru, www.wall-street.ro, retrieved at <http://www.wall-street.ro/articol/Marketing-PR/110649/Zenith-Media-Piata-locala-de-publicitate-va-creste-usor-in-2012.html>, date: 11.10.2011

⁴ Source: Petre Barbu, Paula Rogoia, www.forbes.ro, retrieved at http://www.forbes.ro/Reclamele-bancilor-aproape-ca-nu-s-au-vazut-in-acest-an_0_3578.html, date: 20.04.2012

⁵ Source: Mirabela Manea, www.igads.ro, retrieved at http://www.igads.ro/Buzz_read_12224/, date: 9.03.2010

⁶Source: Ionut Oprea, www.newschannel.ro, retrieved at <http://www.newschannel.ro/stiri/bogdan-naumovici-mediul-on-line-trebuie-sa-scoata-capul-din-pamant>, date: 14.09.2009

⁷Source: Editorial room, www.victorkapra.ro, retrieved at <http://www.victorkapra.ro/2011/05/31/publicitatea-online-in-romania-trece-de-20-de-milioane-de-euro/>, date: 31.05.2011

In 2012, according to a Rentrop & Straton⁸ research, more than 40% of companies intend to increase their online advertising budgets. As compared to previous years, there is a very positive trend towards online advertising: 67.5% of companies have invested as much or more for such services in 2011, as compared to 2010.

According to a 2010 research of ROADS⁹, the highest incomes from online advertising were allocated to classic formats: banners or commercials inserted in text. Such formats were followed, at distance, by interruptive formats such as pop-ups or sponsored stories. The total amount of online embedded advertising (banners and commercials in page structure) reached Lei 22.68 million during the first 6 months of 2011. Pop-up commercials, images, texts or videos appear on screen directly when accessing the page or on mouse-over brought Lei 6.37 million. Ranking third by incomes, the top highlights sponsored content, worth Lei 4.88 million.

Telecom, financial services, auto or FMCG companies are most receptive to online advertising opportunities, because it allows a more precise targeting of potential clients.

But still we have to ask, why such a migration towards online?

First, we talk about the advantages of the online as compared to offline: an extremely range of options, costs and restrictions almost inexistent, feedback, two-way communication, real time, easier for the consumer. All together, such factors ensured the online a must-have position in the communication mix, along with new media tools, including text messages, e-mailing, forums, blogs and social networks.

A forum is a semi-closed community, where a user can participate only after registering and being accepted. The community is built of people using nicknames and does not allow users to actually know each other. Along with the development of forums focusing on banking products and services, more and more clients expressed their discontent, being extremely severe to the smallest incidents. Negative perception can trigger rejection or lack of credibility, including a certain behavior against the respective institution.

A blog is a channel initiated by one or several authors, well identified. Alternatively, other bloggers can join a discussion, identified by a link towards their own blog. Besides the subjective topics presented or put for debate, some participants reveal personal information as well.

Social networks have imposed maximum transparency. Conversations have the highest chances, because almost all participants are identified.

Out of all alternative channels, the most spectacular evolution was registered by the last, social networks (Hi5, Facebook, Second Life, Twitter, My Space, LinkedIn etc.). It is well known that two thirds of people having an Internet connection use social networks, globally, reaching close to 625 million individuals.

The revolution of social media changed the way people react to information and consequently with brands and advertising. Today, worldwide, one out of two individuals is connected to a social media platform. This is something that changes fundamentally the way information circulates and is shared. If in the past, brands used to communicate unilateral with consumers, today they invite consumers to discussion and try to be part of it. The content becomes the key, and makes the difference between one communication and another: it's the crossroads of content, creativity, advertising and technology. Experience, involvement, story, emotion, conversation, interaction, viral, integration, friends, community, mobile, technology are key words defining the world of today.

⁸Source: Lacramioara Vidru, www.marketingportal.ro, retrieved at <http://www.marketingportal.ro/articole/ultima-ora/studiu:-investitiile-in-publicitatea-online-vor-creste-3679.html>, date: 02.04.2012

⁹Source: Monica Cercelescu, www.finantistii.ro, retrieved at <http://www.finantistii.ro/web/publicitatea-clasica-online-ramane-in-topul-incasarilor-69807/>, date: 01.02.2012

Nick Burcher and Nielsen¹⁰ data highlight Facebook and Twitter evolution as compared to radio, TV or Internet in general, by the number of years required to reach 50 million users. It took 38 years for the radio, 13 years for TV, 4 years for the Internet and 9 months for Facebook to reach 100 million users in Romania (820,000 active accounts in Romania in December 2009, over 1 million in February 2012 and over 4.3 million in March 2012). Twitter scored pretty well, with 15,000 active accounts by year-end 2011, out of 55,000 registered accounts.

It's not just Facebook that is of high interest for banks, but also Twitter and LinkedIn. Banks' Twitter activity is based on periodical updates once every few days or sometimes, several times a day. Such "releases" are shorter, as banks communicate exchange rates or company stock ratings¹¹. One bank that is very active is Libra Banks, attracting over 200 fans through posts related to the economic environment. In addition, information and advice posted by an ING Bank analyst are read on daily basis by almost 1,000 people.

Whereas Facebook and Twitter are dedicated to individuals, LinkedIn is the biggest business environment dedicated network, with over 40 billion users worldwide and information related to banks' positions and structure of banking service.

Even though it may seem of little focus, it is important to talk about viral, meaning marketing strategies using social networks to trigger spectacular awareness growths for a product or service by means of sharing from one person to another. The viral is a tag after and not prior to the launch. Such techniques have the advantage of lowering costs, with high credibility as the message comes from friends, word of mouth for products that don't have necessarily innovative or out of the ordinary elements.

On the other hand, the usage of viral executions in social media is not suitable for any company advertising products, because it bears risks such as the impossibility to control what happens with the message, lack of guarantee that the message will go viral, and if it does, there is no telling on how long it will be exposed specifically to a certain target audience.

The incredible extent of social networks and their advantages in terms of consumer closeness, real time communication and possibility to push products, services or companies towards target audience did not escape the eye of marketing departments of banks and non-banking financial institutions.

European banks' interest towards Facebook determined those present on the local market to pay more attention to socializing platforms. Still, banks have a reduced activity on social networks, despite pompous launching announcements. There is significant difference between the numbers of fans of banks of similar size, or between local branches of the same bank. As such, BCR has close to 30,000 fans, more than in Austria, where it has 17,700. BRD was among the first banks to launch a virtual agency, followed by UniCredit Tirioc Bank. BCR, the biggest bank in Romania with 30,000 fans, uses Facebook to present consumer loans and details about Internet Banking services. Raiffeisen Communities is a project with 5,500 fans, whereas UNG Bank has less than 300 fans. Banca Transilvania has 1,016 fans, whereas BRD has 4,500.

Banks' interest towards Facebook is not a novelty. In Western Europe and USA, banks have started using fans on Facebook since the first years of the platform launch. According to conso.ro¹², in 2012, a worldwide top of the best banking presences on Facebook was released. As such, ING Group had

¹⁰Source: Anca Murariu, www.iaa.ro, retrieved at <http://www.iaa.ro/Articole/Evenimente/Cum-ajungi-la-consumatorul-care-nu-se-mai-uita-la-tv/3317.html>, date: 04.03.2010

¹¹Source: Lorena Papamanci, www.evz.ro, retrieved at <http://www.evz.ro/detalii/stiri/bancile-au-iesit-la-agatat-clienti-pe-facebook-si-twitter-902857.html>, date:11.08.2010

¹² Source: Alexandra Popa, www.conso.ro, retrieved at <http://www.conso.ro/info-banci/agentiile-bancare-au-ajuns-si-pe-facebook>, date 01.03.2012

close to 14,000 fans in the USA; Citigroup had 10,000 fans in Argentina, whereas BNP Paribas had a total of over 120,000 fans.

Still, BCR uses an unconventional approach in terms of online advertising, as the first banking institution in Romania with a virtual head-office in Second Life. The branch is “placed” in the center of Revolution Square in Virtual Bucharest and already has a daily traffic of over 250 unique visitors within the branch and an exposure towards 800 residents socializing in the virtual city.

Second Life was launched in 2001 but become known world wide in 2006, once the Swedish Embassy entered the network, along with other important brands that started exploring the opportunities of this virtual environment: IBM, Cisco, Microsoft, CNN, Reuters, Wired, Playboy, Peugeot, Mercedes, Vodafone, Orange, ABN, ING, Coca Cola, L’Oreal, Philips, Electrolux etc. Presently, Second Life has over 15 million registered accounts, an economy based on its own currency (Linden Dollar), and a daily transaction values estimated at USD 1.5 million¹³. Second Life users are generally trend-setters and early adopters, people of influence in their social groups, well acquainted with online socializing tools. A majority of them are content developers – they write on blogs, use photo-video sharing or produce virtual goods. Second Life benefits from the presence of some companies willing to invest in developing virtual businesses, organizing events such as conferences, concerts, live contests or product launches etc.

For now, the only Romanian city in Second Life is Bucharest. “Virtual Bucharest” is a project launched in December 2008, with an average daily traffic of 35,000 users. The virtual city is an alternative to classic marketing and it’s based on the promoting Romanian values in a 3D, fun and interactive environment. As a pilot project, “Virtual Bucharest” aimed at reproducing Revolution Square to the last of the details, including Athenaeum, Royal Palace, University Central Library and surrounding streets, with commercial spaces at the ground floors. Even if limited as virtual surface, the city is ranks among the top visited cities in this platform.

The BCR Bank building in Second Life was built pretty close to real life branches and users can interact with various automatic applications, to find out information about on-going promotions (BCR Student or BCR Pensions). Clients can register the “Money School” training and soon will be able to exchange L\$ (linden dollars) using the ATMs.

In virtual Bucharest there is a university aula, where Money School classes take place, with participants attending and taking exams to win prizes. The opening of a branch in Second Life the integration of the Money School financial education program are part of the bank’s strategy to interact with the audience at different levels than before.

But, back to the general landscape, recent studies¹⁴ point out that social networks gain more and more ground in advertising, including banks, as users’ behavior in terms of information search change constantly.

Google traffic remained constant during the past 12 months, whereas Facebook grew by 185%. New York Times newspaper, quoted by Ziarul Financiar, was writing in March 2010, about an ever increasing number of companies considering Facebook an indispensable tool in advertising their business: small companies use the platform to gain more clients and to build online communities of endorsers.

¹³ Source: Loredana Sandulescu, www.strategic.ro, retrieved at <http://www.strategic.ro/marketing/gfk-lanseaza-un-proiect-de-cercetare-in-second-life.html>, date: 09.11.2009

¹⁴ Source: Bogdan Bizok, www.capital.ro, retrieved at <http://www.capital.ro/articol/facebook-este-mai-popular-decat-google-133026.html>, date: 17.03.2010

Still, for the majority of companies, Facebook pages (different from individual profiles and groups present in the network) are extremely important. Such pages allow pages to grow businesses and build an entire portfolio of fans, similar to celebrities, sports teams, musicians or politicians.

If we take for example the Facebook page of a bank, among fans we will find both the bank's clients, either banks' clients, collaborators and partners, even representatives of corporate clients, journalists, NGO's etc.

Normally, in order to be efficient, such a page should allow clients and fans to post comments or information, and should constitute itself as a community debating topics of mutual interest. Employees access is extremely important, as their presence gives them the role of ambassadors, entitled and empowered to answer specific questions.

Still, human resources departments shouldn't neglect the presence of a bank in social media as such a platform is free of distance restrains, bringing together people from all country corners. This is an advantage of socializing among colleagues as well, somewhat of a teambuilding with networking, cost free. Socializing on the other hand, even having the purpose of informing clients or debating topics of mutual interest for the banking system – new legislation rules, stipulations or National Bank's measures, even press news of general interest related to the field – represent both a motivational factor to employees and value added to the bank.

A highly active presence, debates for and against excessive corporate rigidity can actually increase an online community and can trigger a favorable attitude from fans, word of mouth, credibility and awareness. Among the must-have conditions of such a Facebook page, for a bank, we find the need for each communication endeavor to be transparent, in a colloquial language accessible to the many and lacking the rigid old traditional communication rules.

Unfortunately, there is always one department that is very unhappy with such an approach, at least in terms of security protocols. It is of no news that bank employees do not have access to personal emails (Yahoo, Gmail and Hotmail etc.), Yahoo Messenger, Twitter, social networks, or entertainment websites (YouTube, Metacafe etc.). Accessing Facebook would mean for some banks to change their security protocols and increased attention to server applications, because of potential phishing attempts, a phenomenon that is highly present in the life of banks, especially since the financial crisis.

External attempts such as phishing would increase in number, a trend that already affected developed countries, where such techniques were improved, allowing specific targeting towards certain clients, based on their incomes or the companies they work for.

Banks have the task to secure all Internet and Mobile Banking applications, and, as in the case of international banks, security measures go to including the photo of the client on his/her own cards, text message notification for each transaction etc. Intesa San Paolo Bank for instance, offers in certain clients, specific mobile phones with increased security features in some countries.

As compared to other fields, banking advertising benefits from a high rate of information dissemination rate and interactivity in connecting with clients, on affordable costs. Taking into consideration the increasing tempos of users' numbers, as well as the expansion of the commercial among the virtual environment, we can conclude that such factors prove the high potential of banking advertising over the Internet. Social networks offer a quick information spread channel, both positive and negative, still this entitles the bank to claim a client focused approach and transparency, much required and appreciated by clients nowadays.

3. Marketing communication: going beyond consumption and purchase

In the banking system, dynamics is a key word. As well as reactivity speed. Challenges match the rank, and prudence is strictly in force by laws. During crisis or high inflation times, brand values and mission do not alter, still it seems such turbulent times do have a strong impact over how communication is built, reaches the audience and is translated in their understanding.

Present days dynamics impose brands a 360° approach on communication, meaning they strive to differentiate on the level of the emotional component of their communication, with less focus on the rational one, that becomes insufficient to affect the consumer's actual decision of purchase, and also on the level of consumer centric tactics by means of his direct involvement in brand evolution, actual interactions, beyond the act of consumption.

The relevant literature (Popescu, 2003, p.22-26) on this topic structures the actual content of marketing communication depending on criteria and objectives aimed. Accordingly, depending on objectives aimed, marketing communication can be either commercial – has as main purpose to increase product and service sales, increase product awareness, image and encourage consumption, or corporate – aiming at adding more value to the organization, it's awareness and image, encouraging a favorable behavior in regard to the organisation itself.

On the other hand, marketing communication depending of field of action can be structured as internal – staff, from managers to operational, and external colaborators, and external – targeting consumers at large, providers, distributors, shareholders, financial specialized environment, public eye and administrative environment.

Last but not least, depending on methods and techniques, marketing communication can be either promotional – advertising, sales support, public relations, sales force, direct marketing, or continuous – using the trademark, design, packaging etc.

In a competitive environment such as the present days, marketers understand that a brand can not impose itself otherwise than coordinating the entire communication effort. The integration of specific actions in a coherent effort should be among the main objectives. Therefore, commercially and corporate speaking, company efforts rejoin in what we call global marketing communication, to achieve marketing objectives.

This is how integrated marketing communication concept was launched. It refers to „creating and implementing various programs of persuasive communication on existent and potential clients, so as to exert a direct influence over target audience behavior” (Shimp, DeLozier & Wayne, 1997, p.10).

It is proven that „the same person, brand or company may be seen differently, depending on degree of reference” (Sutherland, Max, Sylvester, Alice K., 2008, p. 279). As a consequence, having a coherent line across all communication techniques is essential in terms of consumers correctly understanding a brand. The integrated marketing communication concept has gain more space than ever. In her book „Communication in marketing”, Ioana Popescu refers to organising communication programs based on coherent decisions about methods and techniques used, as „a major trend in marketing” (Popescu, 2003, p.26).

Integrated perspective determines marketers and company managers to think strategic 360° with the agencies they work. In the article „Brand Management Prognostications”, based on several researches, authors (Berthon, Pierre, Hulbert, James, Pitt, Leyland, 1999, p. 53-65) conclude that brand managers must focus their attention on flexible, dynamic and integrated brand management methods. An unitary way of communicating separate messages, this is basically what integrated marketing communication is all about.

But when budgets are cut of, or when market conditions so impose it, the communication strategy must adapt quickly and sometimes change the focus on other channels – mainly alternative ones, different from classic ones. However, we believe that pro-activity is even more important than the capacity to react quickly, therefore, an efficient communication with precise tailored targeting should be the main concern, regardless of market conditions.

As presented above, among alternative communication channels, the ones registering the highest penetration rate are social networks, looked after by public relations specialists. They have the task of creating a trust and sympathy environment among employees and public. By means of building such a climate around an organization, public relations increase public receptivity to company actions. As Peter Debreceny¹⁵ said, “public relations go through a revolution that needs not only new theories, but also new practice”. Public relations are important both from the tactical point of view, but also strategic extend of efficient reaching the communication objectives. It’s about going beyond the actual sale.

Today, we speak of a PR revolution. We speak of blogs, forums, mailing lists, newsgroups. All these are in fact new direct communication tools, from one person to another, that only complete the portfolio of tools at hands for professional public relations departments.

The presence of a brand in a social network is mainly related to public relations. We may assume that, in case on some industries, the entrance of an ever increasing number of brands on social networks is somewhat influenced by the importance given to public relations during the past years.

In fact, the PR department is the one facing all pressure to solve crisis situations, even if it’s external communication or internal one. The financial crisis period changed the status of public relations in company organization management. A study performed late 2009 showed that 64.5% of the respondents, PR specialists in top 200 companies on the Romanian market, consider that the role of the PR departments has increased in taking top management decisions. The global crisis period brought along modifications in terms of internal communication as well – again an increase of PR role in up to 70% of cases.

As for the banking system, the role of PR is even greater, because the system is extremely rigorous, with lots of changes and a fierce competition. Moreover, in this field it is highly important to take count of mother-banks’ communication models, which challenges the departments in optimizing communication of all sorts, still generating profits, one way or another.

According to Robert Rekkers, CEO at Banca Transilvania¹⁶, „we talk about a world of brands, values and standards, companies investing in their image, with a strong belief in return on investment. Banks are entities as such, more and more present in our lives. Among their *weapons*, for certain, the PR is one of the most important”.

From the public relations point of view, during the last period, banks have increased their activity in the field, taking as first step the inclusion of such a department in their structures. Some of the public relation representatives in banks are also members of the Romanian Association of Banks and work closely for a better communication in the banking industry.

Basically, public relations activities aim at creating a company image, building a reputation, support for products and services communication, reward of employees and crisis management. A study called “PR/Communication Usage and Attitudes”¹⁷ points out that 37.4% of respondents – PR companies

¹⁵ Peter Debreceny, Chairman of the American Institute of Public Relations, text from a statement during a Money Channel show, October 2007

¹⁶ Source: Antonia Ursatti, www.praward.ro, retrieved at <http://www.praward.ro/resurse-pr/articole/comunicarea-neconventionala-si-relatiile-publice-all-inclusive-un-interviu-cu-robert-c-rekkers-director-general-al-bancii-transilvania.html>, date: 20.08.2008

¹⁷ The study was performed by Daedalus Consulting, in February 2009

representatives, as well as PR representatives in companies, including banks – consider PR as part of their company business strategy, whereas 32.4% consider it part of the marketing plan. The rest of the respondents think of PR as a tactical activity to support the strategy (12.2%), respectively as part of an integrated communication strategy (18.1%). Having in view the structure and research development, the results can not be extended nation wide, but do mirror well the situation in Bucharest, where the majority of such companies operate. The study also reveals that even if the marketing and PR department initiates PR actions, the human resources department has a 91.2% contribution in project enrolling, the communication department a contribution of 41.8%, the PR department a contribution of 36.8% and the brand management department a 34.1%.

As far as the specific actions of the marketing and PR department in banks are concerned, they also include sponsorships and corporate social responsibility, company events related to anniversary or profile events. As such, during 2007, the event “SMEs - financing solutions, products and dedicated services” benefited from the support of BCR, Libra Bank, Bancpost, Eximbank, whereas “Banking loan – future trends” and “Private pensions” were supported by MKB Romexterra Bank. Related to sponsorships, Citigroup had a strong involvement in the United Nations “World Food Program” aiming to develop an action platform in case of natural disasters, Banca Transilvania performed “Tu alegi, Banca Transilvania se implica” for inhabitants in various cities to chose the social projects most in need of financial help from the bank.

To sum it up, it seems that when it comes down to creating a brand, especially during turbulent economic times, advertising is no longer enough. As previously shown, budgets are reduced therefore advertising in any shape and form should be very well targeted in order to deliver high results. Far more than that, proactivity implies meeting the consumer in various environments using integrated marketing communication. And as such, PR, both classic and online, on social media channels, offer a strong support, engaging in a continuous strive for clients’ trust in the long run.

As public relations are the weapon of the present, a good descriptor of reality as it is, advertising is an art today, loosing the function of mirroring reality, direct persuasive communication. On short, the differences¹⁸ between advertising (commercial) and public relations (promotion) refer to consumers’ targeting, exposure and reaction. Advertising is like the wind: the harder it blows, the better, forcing the public to accept, risking of becoming rejected. Public relations are like the sun: has to smile to get a positive feedback. Still, it has a higher credibility because it persuades through others, determining them to become ambassadors. The benefits are stronger in the long run, even if it takes longer as an effort, because it aims as reaching key opinion leaders who counts, instead of sending one general message to everyone.

Is it harder to approach the consumers with a strategy that builds beyond the actual sale? Yes. Advertising prefers extended campaigns, multi-dimensional (a mix between direct email, TV, written press, outdoor etc.), whereas social media projects are linear, step 2 is built on step1, and step 3 can’t be reached without steps 1 and 2. Advertising focuses on images with few words, whereas Public Relations are about talks around the brand or product, explaining it, being creative in terms of how to position and product or service as something completely new, unique on the market. And doing so, the communication has to be credible, using the novelty of the product or service, avoiding any possible negative comparisons that would eventually generate immediate rejection.

Looking at all the above, it seems that even if tailored communication and new communication channels are included in marketing communication, the key point relies in one basic element: the product or service itself. Because it so no longer just a standard product or service, it’s about the product or service in the vision of actually improving the consumer’s life and making it easier.

¹⁸ Source: Mihai Maties, www.praward.ro, retrieved at <http://www.praward.ro/resurse-pr/articole/pr-sau-advertising-pentru-imaginea-romaniei.html>, date: 20.04.2011

Advertising tends to get closer to the initial creation stage, product / service concept, to bring more value added for clients. And it is also important that clients acknowledge such a value added. Post creation tactics, powerful voices and noise would be only detrimental in today's world, a world when the worse fear is that of being neglected, "un-liked" or unsubscribed from.

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