

**THE GROWTH OF DIGITAL MARKETING AND ITS IMPACT ON
CUSTOMER SERVICE AT BARCLAYS BANK OF KENYA, MERU BRANCH**

BY

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DECLARATION

This Management research Project is my original work and has not been presented for a degree in any university

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DEDICATION

This research project is dedicated to my family. My father, Moses Wanjuki, for his continuous support and guidance all through my academic life. My mother, Emily Kabochi, for her prayers and support in all my endeavours. Lastly my sisters, Sheila and Rose Wanjuki for being my biggest cheerleaders. I am eternally grateful.

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ABSTRACT

The study sought to find out the growth of digital marketing and its impact on customer service in Barclays bank of Kenya, Meru Branch. The study was guided by, consumer behavior theory; two factor theory of customer service and McLuhan's media and growth of commercial banks. The study adopted case study research design. The target population was staff members of Barclays bank Meru branch. Barclays Bank Meru has got 15 staff members; the study used all 15 staff members to respond on the growth of digital marketing and its impact on customer service in Barclays Bank of Kenya Limited. The data collection instruments were interview guide and collected data was analysed using content analysis method.

The analysis found that Barclays bank used different strategies to achieve their customer service. The analysis further found from 5/12 (42%) of respondents that Barclays bank uses display advertising for banks as a digital marketing strategy. The analysis found that 8/12 (67%) of respondents believed creating a Marketing funnel helps enhance customer service. The study agreed from 6/12 (50%) that per pay click strategy is used in Barclays Bank Kenya while 7/12 (58%) strongly agree that Website design/development for bank and Email marketing for banks is effectively used in the bank. The respondents agreed as indicated by 6/12 (50%) that Mobile apps for banks are importantly used by Barclays bank to enhance its customer service. Finally, 6/12 (50) of the respondents strongly agree that Barclays bank uses SEO (Search Engine Optimization) as a digital marketing strategy. The analysis found that 8/12 (67%) of the respondents believed creating a Marketing funnel helps enhance customer service. The study agreed from 6/12 (50%) that per pay click strategy is used in Barclays Bank Kenya while 7/12 (58%) strongly agree that Website design/development for bank and Email marketing for banks is effectively used in the bank.

The analysis concludes that the level of digital marketing capability in the banking industry in Kenya is average and that Barclays bank should also chose the methods of digital marketing in a way that is in line with their goals achievements. The study recommends that Barclays bank should engage use of more than one digital marketing strategy and that digital marketing strategies should not only be applied by the head office at Barclays bank, but each branch should have a department to address digital marketing strategies.

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ABBREVIATIONS AND ACRONYMS

| | |
|--------------|--------------------------------------|
| ATM | Automated Teller Machine |
| CBK | Central Bank of Kenya |
| GPS | Global Positioning System |
| ICT | Information Communication Technology |
| PLC | Public Limited Company |
| ROI | Return On Investment |
| RSS | Really Simple Syndication |
| SEM | Search Engine Marketing |
| SEO | Search Engine Optimization |
| SMM | Social Media Marketing |
| TV-Ad | Television Advertisement |
| WCM | Web Content Management |

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Globally, the success of every company lies in its customer base. With the growth of niche social media outposts, networks, blogs, platforms and 'vertical' or specialist communities, there is a potential for a more considered and targeted approach to marketing brands in the social space. Digital marketing is no longer about merely adding online channels to the media mix; it is about integrating digital into all facets of marketing (Mishra, 2008). Digital advertising continues to grow, increasing its hold on the global market share of the entire advertising market, with digital advertising market predicted to reach US\$185.4 billion by 2017 (Accenture, 2012).

Digital marketing strategy builds on and adapts the principles of traditional marketing, using the opportunities and challenges offered by technology and the digital medium. User-centric thinking, which involves placing the user at the core of all decisions, is vital when looking at building a successful digital marketing strategy. The advent of new technologies means the digital marketing strategist of today is offered not only a plethora of new tactical possibilities, but also unprecedented ways of measuring the effectiveness of chosen strategies and tactics (Peppers & Rodgers, 2009). The fact that digital marketing is highly empirical is one of its key strengths. Everything can be measured: from behaviours, to actions and action paths, to results. This means that the digital marketing strategist should start thinking with return on investment (ROI) in mind. Built into any strategy should be a testing framework and the ability to remain flexible and dynamic in a medium that shifts and changes as user behaviours do (Capgemini, 2012).

According to Kates, (2013) Digital marketing has technology at its heart. It is therefore crucial to involve both technical and aesthetic minds in the initial stages of strategy formulation. The objectives should speak to both system and story and the tools afforded by technology should be a starting point in the process of developing strategic objectives. Digital marketing has been extensively used in the modern day by the banks as they try to position themselves in the competitive markets which have already been invaded by Micro finance institutions, private lenders and shylocks. Before the mid 1950's the banks had no understanding or regard for marketing. It was in the late 1950's

that marketing in banking industry emerged in the west. Its emergence was in the form of advertising and promotion concept. At that time, personal setting could not get a significant place.

1.1.1 Social Media Marketing

Social media marketing, (SMM), is a form of internet marketing that implements various social media networks in order to achieve marketing communication and branding goals. Social media marketing primarily covers activities involving social sharing of content, videos, and images for marketing purposes. Social media marketing programs usually centre on efforts to create content that attracts attention and encourages readers to share it with their social networks. A corporate message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself. Digital marketing is a subset of social media marketing (Buchanan, 2011).

The platform at which digital marketing works is based on the social media platform and is wholly dependent on social media triangle. Digital marketing in the banking sector has taken the industry into whole new heights. There are many reasons as to why effective digital marketing has become a necessity in the banking sector these days. According to Ryan, and Jones, (2009), digital marketing is the marketing of the future. While the traditional methods used for advertising and promotion can still be successful in this day and age, the fact is that the world of banking sector is more connected online than ever before. This is leading to an increase in digital strategies, which could one day completely replace the more traditional approaches. As more consumers begin to adapt to technological devices, they will likely expect banks to do the same. A study by Carter et al (2007) found that Digital marketing methods allow banking sector to reach out like never before and empower them to interact with the audiences they want to target but were previously unsure how to approach. Brian Fung, wrote in the Washington Technology Journal (2012, Pp.78) that along with their high digital expectations, customers also want to see online content that fits what they are looking for in the banking sector. "Today, people want to see examples, hear smart people talking to them in videos and learn about how you've helped solve problems they can relate to,"

Evolving digital technology, rather than the financial industry desire to improve customer service, has been the force that has put consumers firmly in the driving seat. Coincidentally, it's only technology that can help banks and financial marketers to regain lost trust and win with their customers online. Banking sector Consumers perceptions and expectations have changed when it comes to online experiences, and so must those in the financial industry. Today, customers expect to move easily from digital services to personal interactions and back again and they expect banks to know who they are (and what they want) every step of the way (Merisavo & Marko, 2003).

1.1.2 The Concept of Organization Growth

Growth is something for which most companies strive, regardless of their size. Small firms want to get big, big firms want to get bigger. Indeed, companies have to grow at least a bit every year in order to accommodate the increased expenses that develop over time. With the passage of time, salaries increase and the costs of employment benefits rise as well. Even if no other company expenses rise, these two cost areas always increase over time. It is not always possible to pass along these increased costs to customers and clients in the form of higher prices. Consequently, growth must occur if the business wishes to keep up (Cappgemini, 2012).

Irungu (2013) states the explosive growth of digital marketing is driving a significant organizational transformation in which chief marketing officers can redefine and elevate their role as never before towards organizational growth. Today's marketing officers now have a broad set of tools to impact and optimize customer experiences and ultimately drive revenue for their company, and thanks to recent advances in closed-loop marketing, marketing officers can measure and demonstrate the effectiveness of their digital marketing efforts in terms of customer acquisition, customer retention, and revenue growth. This level of measurement is transforming the role of the marketing officers within organizations, paving the way for "21st-century marketing officers" whose tenure is on the rise as they become an indispensable asset to companies. In fact, according to a 2010 Spencer Stuart survey, the average marketing officer's tenure has risen nearly 50% in the past two years, from 23.2 months to over 34 months. Today's 21st-century marketing officers are pursuing digital marketing across a large number of channels simultaneously. As they do, they leverage the capabilities inherent in next-

generation web content management (WCM) platforms to strike a balance between two conflicting goals: to spread branding and messaging as widely as possible, and to maintain control over their content as they deliver branding and experiences appropriate to each unique channel.

Kates and Matthew, (2013) found that through digital marketing, organizations have the potential to increase their growth steadily. Organizational growth provide businesses with a myriad of benefits, including things like greater efficiencies from economies of scale, increased power, a greater ability to withstand market fluctuations, an increased survival rate, greater profits, and increased prestige for organizational members. Many small firms desire growth because it is seen generally as a sign of success of progress. Organizational growth is used as one indicator of effectiveness for small businesses and is a fundamental concern of many practicing managers. According to Parr, (2009) Organizational growth, however, means different things to different organizations. There are many parameters a company may use to measure its growth. Since the ultimate goal of most companies is profitability, most companies will measure their growth in terms of net profit, revenue, and other financial data. Other business owners may use one of the following criteria for assessing their growth: sales, number of employees, physical expansion, success of a product line, or increased market share. Ultimately, success and growth will be gauged by how well a firm does relative to the goals it has set for itself.

1.1.3 Customer Service

Customer service is the provision of service to customers before, during and after a purchase. According to Turban et al. (2002), Customer service is a series of activities designed to enhance the level of customer satisfaction; that is, the feeling that a product or service has met the customer expectation. Customers are the heart of every successful business and therefore businesses need to concentrate on customers more than ever. Except those who donate blood voluntarily, one is either selling a service or a product for a living. Politicians, bankers, clerks, messengers, bus conductors, mortuary attendant, ticket agents, market women and everyone who provides a trade or service has a customer. According to Scott (2002), Customer service is a series of activities designed to enhance the level of customer satisfaction, that is, the feeling that a product

or service has met the customer expectation. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products. In the banking industry, satisfactory customer service is key to excellent delivery by the banks.

1.1.4 Digital Marketing in the Banking Sector

Digital marketing is a current trend in both developed countries and developing nations and specifically in Kenya. In fact, digital marketing is taking banking industry by storm, representing transformational opportunities for banking services, especially in Kenya. Banks in Kenya wanting to reap must now focus on integrating digital marketing to their marketing strategies in order to take advantage of the big growth in technologies and a growing middle class. The growth and transformational opportunities that digital marketing offers to the banking sector in Kenya are enormous. The entire scalability of digital marketing campaign is the primary reason why banks have embraced this trend. Banking sector forms the largest part of our Financial Services portfolio and the Banking Sector Marketing Managers play a vital role in underpinning the firm's success within it. In Kenya, a 372 per cent jump in Facebook users over the last year (2013), signals the need for banks to start thinking about reaching their customers on the site (Kates, 2013).

Digital marketing Technology has greatly advanced playing a major role in improving the standards of service delivery in the financial institution sector. Days are long gone when customers would queue in the banking halls waiting to pay their utility bills, school fees or any other financial transactions. They can now do this at their convenience by using their ATM cards or over the internet from the comfort of their homes. Additionally due to the tremendous growth of the mobile phone industry most financial institutions have ventured into the untapped opportunity and have partnered with mobile phone network providers to offer banking services to their clients. ATM banking is one of the earliest and widely adopted retail e-banking services in Kenya (Nyangosi et al. 2009). However, according to an annual report by Central Bank of Kenya its adoption and usage has been surpassed by mobile banking in the last few years (CBK 2008). The suggested reason for this is that many low income earners now have access to mobile phones. A positive aspect of mobile phones is that mobile

networks are available in remote areas at a low cost. The poor often have greater familiarity and trust in mobile phone companies than with normal financial institutions.

1.1.5 Barclays Bank Of Kenya

Barclays Bank PLC has more than 300 years of history from their beginnings in Lombard Street London through to the launch of the world's first ATM and innovative mobile phone payments services. Barclays Bank of Kenya is a subsidiary of Barclays Bank PLC. It is one of the forty-four (44) commercial bank licensed by the Central Bank of Kenya, the national banking regulator. Barclays Bank has been present in Kenya for over 90 years. However, the bank was licensed in its present form in 1953, according to the website of the Central Bank of Kenya (Source - www.barclaysbank.co.ke)

Barclays bank digital banking provides Barclays customers with the means to access their Barclays accounts via the internet. Customers are able to enquire on their account balances, transactions and bank statements, transfer funds between Barclays bank accounts, make transfers to other banks, send messages to Barclays bank in a simple and secure manner, and much more. The Barclays Digital Banking solution is designed to make customer life much easier because it is easy to use and allows them to log in from anywhere in the world as long as there is internet access, and have got a phone (Edmund, 2013)

McKathy (2013) states that Barclays Bank, a leader in the asset management market, has been looking for a way to coordinate its web content with media campaigns, including television advertisement hence strong digital marketing. The group made sure its website was at the centre of new product launches, and also reinforced its marketing campaigns. To accomplish all these objectives in digital marketing, Barclays bank has used a new version of its website that serves as an informational site about its products and services as well as a sophisticated marketing tool that has substantially contributed to the overall business growth of the company. Through the outsourced services of WEDIA content management solutions, the bank provided an excellent way to accomplish two key tasks: to decentralize development for web content, and to give marketing departments autonomy to create new campaign content.

Dorcias and Douglas (2013) indicated that the solution of WEDIA enables Barclays bank digital marketing team to: optimize content for each customer, to personalize client

relationships online and generate leads during passive browsing and enter them into a sales qualification process. Since deploying the WEDIA solution, Barclays bank has seen the numbers of leads generated by its website grow by 500%. To facilitate greater ease of transactions, over the past two years Barclays bank of Kenya has made several investments in the information technology and communications structure including upgrading the credit card system and transitioning the core banking system to a new, state-of-the-art platform and partnering with Safaricom to offer M-PESA services. Barclays bank Customers now carry their bank in their mobile, accessing banking services anytime/anywhere on the move. Unlike other players in the sector this is all for free. The bank has also announced that it has waived all levies charged for use of ATM services – Barclays bank customers can now carryout transactions in any of the 236 automated teller machine (ATMs) services spread across all corners of the country without paying a single cent for cash withdraw and balance enquiry. The introduction of the free channels was underpinned by Barclays Kenya’s objective to align products and services with evolving customer needs and lifestyles. This new offers are in line with our strategy to enhance customer service, support Branch expansion and improve management of customer complaints and resolution

1.2 Research Problem

More devices mean there are more touch points that enable consumers to interact with banks, and they expect these interactions to be cohesive but not identical. The fact that many banks still have not created optimal online experiences for their traditional websites means that they are worryingly behind when it comes to answering the customer’s desire for interactions tailored to mobiles and tablets (Peppers & Rodgers 2009 Pp. 17). When it is considered that the next generation of banking customers, born in the 90s, according to Forrester’s 2011 report Next-Generation Digital Financial Services, “just expect to interact with firms via a growing number of digital touch points and to be able to find product information and access and manage all of their policies and accounts through them,” (Paper No. 17) banks must start looking at how customers are using their devices socially, situationally and behaviourally. For digital marketers this means finding a way to create a unified experience across all the channels and exploring how consumers use them to interact with the bank. The growth of the digital marketing among various firms and the gap between strategic adoptions of digital

marketing by the banks mean there is a gap on how banks adopt digital marketing. There is a need for critical thinking by banking sector about how different devices for digital marketing are actually suited to different attitudes: the quick, the casual, the focused and the physical.

A study by Irungu (2013) indicated that banking industry is faced with a rapidly changing competitive landscape that is putting pressure on the relevance and future profitability of the traditional retail banks. Another study by Wangeshi (2012) found that e-banking has a big influence on the growth of customer base for the banking institutions in Kenya, through enhancing banking services accessibility to a larger population in the country. The past five years (2009 -2013) has seen an increase in the entry of non-traditional banking players; rapid technological advancement in the devices that are used by clients; and changes in consumer needs and behaviour with regard to the delivery of bank services in key segments and their expectations of their financial services provider. Faced with this new environment, it is imperative that innovative solutions must be found to ensure that the bank of the future remains relevant, profitable and sustainable.

The past studies reviewed have not clearly indicated how growth of Digital marketing has positioned itself as one of the key reliable strategies of modern marketing and especially in enhancing customer service. Therefore, there exists a knowledge gap to determine the growth of digital marketing and its impact on customer service at Barclays Bank. This study therefore sought to answer the following questions; what are the effects of growth in digital marketing and its impact on customer service at Barclays Bank?

1.3 Research Objectives

The objective of the study was to find out the growth of digital marketing and its impact on customer service in Barclays Bank Kenya, Meru Branch.

1.4 Value of the Study

This research will help in addressing the existing knowledge gap in literature of digital marketing and its impact in the banking sector. It will also be a valuable addition to the

existing knowledge and provide a platform for further research which will be useful to academicians and scholars.

The study will benefit management of banking sector in Kenya. The digital marketing managers in all banking sector in Kenya will clearly understand more on importance of digital marketing, customer preferences in terms of touch point on digital platforms and how such marketing can help grow the banking sector in Kenya. The banking sector in Kenya will have the advantage of applying the recommendations that will be made at the end of the study and engage the relevant stakeholder to determine whether to adopt the digital marketing strategies in whole, partially or to strictly stick to the traditional marketing strategies in the banking sector.

The study will also have great benefit to the governing marketing bodies and regulatory bodies. It will help the regulators to understand the scope to which digital marketing can affect the performance of a banking industry, how to connect the bank with the customers and how to promote more digital marketing in other industries hence improving the economy.

Finally, the study will enhance customer service leading to greater customer satisfaction in the banking sector especially in Barclays bank which shall be the case study for this research. The customers will enjoy the benefit of increased digital marketing and enhanced customer satisfaction through the findings, Conclusion and recommendations that shall be made later after analysis of the study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter covered the literature review on the growth of digital marketing and its impact in the Kenyan banking sector. The chapter encompasses the theoretical review on digital marketing; evaluates what other researchers have written on the growth of digital marketing and its impact in the Kenyan banking sector. The chapter also includes theoretical foundation of the study, conceptual framework and conclusion

2.2 Theoretical Foundation of the Study

There are different theories on digital marketing, each identifying own paradigm and concept about the digital marketing. The study is greatly interested with marketing theories that identify its relationship with the growth of digital marketing and its impact in the banking sector. Highlighted below are some of such theories which include;

2.2.1 Consumer Behaviour Theory

Consumer behavior as stated by Capgemini (2012) is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. Consumers make many buying decisions every day. Most large companies research consumer buying decisions in great detail to answer questions about what consumers buy, where they buy, how and how much they buy, when they buy, and why they buy. Marketers can study actual consumer purchases to find out what they buy, where, and how much. Learning about the whys of consumer buying behavior is not so easy--the answers are often locked deep within the consumer's head. Marketing stimuli consist of the four Ps: product, price, place, and promotion. Other stimuli include major forces and events in the buyer's environment: economic, technological, political, and cultural. All these inputs enter the buyer's black box, where they are turned into a set of observable buyer responses: product choice, brand choice, dealer choice, purchase timing, and purchase amount. The marketer wants to understand how the stimuli are changed into responses inside the consumer's black box, which has two parts. First, the buyer's characteristics influence how he or she perceives and reacts to the stimuli. Second, the buyer's decision process itself affects the buyer's behavior. This chapter

looks first at buyer characteristics as they affect buying behavior, and then discusses the buyer decision process.

Customer behaviour study is based on consumer buying behaviour, with the customer playing the three distinct roles of user, payer and buyer. Research has shown that consumer behaviour is difficult to predict, even for experts in the field. Relationship marketing is an influential asset for customer behaviour analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalisation, customisation and one-to-one marketing. Social functions can be categorized into social choice and welfare functions (Dorcas and Douglas 2013).

2.2.2 Two Factor Theory of Customer Service

In the Two Factor Theory of Customer Service as put by Parr, (2009), author David L. Elwood nudges the entire field of customer service toward becoming a professional discipline. Customer service is not a casual, do-it-if-you-think-of-it aspect of business; customer service is a real business product that stands beside the primary product of every business enterprise; it is inescapable and it is inextricably tied to profits. Elwood uses easy to follow ideas that open the door to fresh, persuasive perceptions of the fundamental dimensions of customer service events: accessible, emotional, temporal, informational, solution based, aptitudinal, and relational. The essence of Elwood's message is that the more clearly and deeply one understands customer service events, the more effective he or she will become at delivering customer service straight to the customer. And, as powerful, empirical research findings have shown, delivery of Superior Customer Service goes hand in hand with superior profits

2.3 McLuhan's Media and Growth of Commercial Banks

McLuhan is a Canadian philosopher and educator, the author of the famous quote "the media is the message" (McLuhan 1995). He argued that the media and mediums such as digital marketing itself, rather than its actual content, will transform people and society. The actual messages people are communicating won't be any different on the new media; the interactivity and frequency of new communication patterns will change our behavior forever. Thus, the media's effects on society are much greater than their

content. He separates media into “cool” and “hot” media. The former requires a viewer to exert effort and participation in understanding the content, e.g. television, seminars, or cartoons; the latter enhance one sense, so the viewers do not need to exert much effort, e.g. films, radio, and photography (McLuhan 1995).

If digital marketing use McLuhan’s arguments, that social media will transform the users not as a result of its content but because of the mode of communication it entails, then the digital marketing goals are fully achieved due to its agenda to reaching masses. For example, Twitter is just a micro-blogging service with a limit of 140 characters. Theoretically, one can perform all the Twitter functions through a blog service. However, it is precisely this limiting factor that made Twitter more nimble and ‘real-time’. Many breaking news stories have been spread via Twitter, such as China’s Sichuan earthquake and the terrorist attack in Mumbai in 2008 (Parr, 2009). As business managers and consumers who greatly use digital marketing, it is important to realize the changes in behavior caused by the usage of new digital platforms and social media services and adopt an attitude of acceptance toward those technologies and behavior.

2.4 Concept of Growth and Its Components

The growth of digital marketing depends on effectively adapting to change, improving customer insights, then turning them into improvements in customer experience and service. It also depends on engaging and building communities with target customers, improving the effectiveness of marketing to be heard and remembered, and adding creative channels to communicate value propositions. It certainly depends on the quality of employees, their training, and their ability to operate as a team.

2.4.1 Digital Marketing and Competitive Advantage

Financial institutions have been in the process of significant transformation. The force behind the transformation of these institutions is innovation in information technology. Information and communication technology is at the Centre of this global change curve of digital marketing and internet banking in Kenya (Armstrong, & Kotler, 2005). Rapid development of information technology has made banking tasks more efficient and cheaper. Change has long been the only constant in a world filled with technological innovations and adaptations. Marketers have grown accustomed to learning how to use

new tools. Navigating new channels is part of everyday life. Rules are defined and then discarded when they become obsolete (Mishra, 2008).

The ability to adapt the company's digital marketing strategy to fit the current marketplace is a mandatory skill. Today's change is different from past evolutions. Adapting marketing strategies won't keep your company competitive. The digital marketing model has to be reworked from the ground up. Anything less will put your company in the position of playing catch up to the leaders, catching up is close to impossible because success requires interdepartmental cooperation. For some companies, the corporate culture has to be changed to make departments work together (Mauro, & Tschoegl, 2008).

New digital marketing technologies like social media, mobile, and analytics are advancing rapidly on the economic landscape. These innovations are used widely by consumers and employees alike. Facebook has more than 1 billion users (Capgemini, 2012). There are more than 6 billion mobile phones. Employees often have better digital solutions at home than they do at work, and many customers are more technology savvy than the people trying to sell to them. Executives in every industry – from media to electronics to paint manufacturing – face a bewildering array of new digital opportunities. They are paying attention, but they have few signposts to guide them. Most stories in the business media focus on fast-moving startups like Zynga and Pinterest, or on a few large high-tech firms like Apple, Google, or Amazon. Unfortunately, to many leaders, stories of these nimble and innovative firms just do not make sense for traditional companies that are older, larger, and burdened with inflexible legacies. Digital maturity matters. It matters in every industry, and the approaches that digitally mature companies use can be adopted by any company that has the leadership drive to do so (Juniper Research, 2009).

2.4.2 Digital Marketing and Customer Service

Modern digital marketing facilitates consumer-oriented marketing and market segmentation: Market segmentation facilitates formation of marketing-mix which is more specific and useful for achieving marketing objectives. Segment-wise approach is better and effective as compared to integrated approach for the whole market, it facilitates introduction of suitable marketing mix: Market segmentation enables a

producer to understand the needs of consumers, their behaviour and expectations as information is collected segment-wise in an accurate manner. Such information is purposefully usable. Decisions regarding Four Ps based on such information are always effective and beneficial to consumers and the producers (Clark & Dorie, 2012).

The key objective of an organization's marketing efforts is to develop satisfying relationships with customers that benefit both the customer and the organization. These efforts lead marketing to serve an important role within most organizations and within society. As was mentioned, modern marketing is a very new concept that needs companies and marketers pay attention to it. Until now, the roles of modern digital marketing and its application have won more attention (Kates & Matthew, 2013).

Bickman and Rog (2008) state that, banking through digital channels has been growing rapidly around the world, first with online banking and now with mobile banking. The characteristics of the evolution in developing and developed countries are slightly different because of the lower level of Internet use and slower speed of Internet access in developing markets, but the overall trend toward greater use of digital channels for banking is similar. With increasing use of digital channels banks need to evolve their sales and marketing efforts from broad based brand and branch focused campaigns to include more effective digital marketing. Multichannel integration of sales and marketing is the ultimate objective. This change of focus is complicated by the rise of social media, and the fact that the nature of interaction with customers in digital channels is not the same as it has been in traditional channels.

2.4.3 Digital Marketing and Growth

The customer base is the group of customers who repeatedly purchase the goods or services of a business. These customers are a main source of revenue for a company. The customer base may be considered the business's target market, where customer behaviors are well understood through market research or past experiences (Ryan, et al 2009). A study by Carter, et al (2007) indicated that the rapid growth of digital channels in the last ten years has been one of the strongest and most significant trends in the banking industry in reaching a bigger customer base. Subsequently digital marketing is revolutionizing how retail financial services companies operate. Underpinning this of

course is the growing access to the Internet, and the proliferation of mobile phones. Digital channels are also producing significantly more data which can be used to profile customers, understand their needs, and target them in smaller and smaller segments with the appropriate offers.

Clark and Dorie (2012) wrote that, banks need to take these developments seriously because new competitors like PayPal have been set up from the outset as online businesses and see analytics as an essential core capability. Banks in developed countries have largely been successful at moving transactions away from branches to other channels. The dynamics are slightly different in developing countries where in some cases more branches are needed, but the longer term trend will be the same. With fewer customers visiting branches, banks have to come up with better ways of marketing through digital channels. The technologies and practices are there to be exploited. Examples of best practice in digital marketing can be found at companies like Amazon and Google. However, these companies were set up effectively as “information” companies and they have the basic infrastructure and culture on which to build.

Digital marketing is more of a challenge for established banks operating in a more regulated environment. Many banks are therefore still at very early stages in terms of digital marketing capability – offline or online – but there are examples of banks who now have all the pieces in place to be leaders in digital marketing. This includes among other things having a real time single view of the customer, advanced use of analytics like predictive analysis, and the ability to deliver offers to customers in real time in multiple channels (Welch, & Worthington, 2010).

2.4.4 Digital Marketing in Banking Sector

Digital marketing involves promoting products and services using various digital channels to reach consumers at the right time through their preferred channel. Digital channels are rendered and accessed via desktops, tablets, mobile, smartphones, and gaming consoles and can effectively deliver personalized content and promotions. With the increased use of the web, social media, and mobility, organizations are leveraging digital channels for wider and more effective customer reach, by launching multiple global and region-specific campaigns (Tarkka, 2002).

This digital adoption helps provide cost-effective, consistent personalized customer messaging as compared to traditional marketing such as print, television, direct mail and so on. Organizations are leveraging digital marketing methods for successful marketing strategy implementation in bound marketing through publishing content online in the form of portals, podcasts, e-journals, online campaigns, social media marketing, search services; and outbound marketing including email marketing, RSS (Really Simple Syndication) feeds and others. A recent survey of 3300 business executives from various industries indicates that on an average, 34% of a company's leads come from inbound marketing verses 22% through outbound marketing (Mcmillan & Schumaker, 2001).

Organizations are implementing a wide range of digital channels so as to engage customers in a more personalized manner in order to ensure wider geographical reach (Parr,2009). Digital marketing trends that organizations are rapidly embracing to reach these geographically unattended areas include: Mobility – Business Insider's recent report indicates that globally, one in every five people owns a smart phone, and one in every 17 owns a tablet. That is an increase of nearly 1.3 billion smartphones in last four years. Therefore, an increased user base accessing the internet via smartphones has prompted many companies to optimize their online content for mobile devices. Social media – Organizations are focusing on engaging with customers through social media to offer real-time interactions (Ryan, Damian & Jones, Calvin 2009). Social media helps organizations reach out to a vast pool of potential customers by supplying them with medical and campaign-related information. Social-Local-Mobile marketing –The growing popularity of smart mobile devices, increasing location based social activities like experience sharing, review reading via social media and the evolution of Global Positioning System (GPS) are helping companies leverage Social-Local-Mobile marketing activities (Carter, et al, 2007).

Personalized Content marketing – Customer engagement, acquisition and retention have all taken on a new dimension with the delivery of unique, personalized, and relevant messages through identified digital channels. Email is one of the most preferred marketing channels to broadcast targeted organization messages and campaigns to existing and prospective customers. Advanced analytics – Increased adoption of digital channels is generating large volumes of customer behavioural data. Advanced actionable analytics can help organizations define targeted marketing strategies. Search Engine

Marketing (SEM) / Search Engine Optimization (SEO) – Organizations are focusing on SEO efforts and paid search advertising for enhancing the visibility of their products and services.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction

This chapter dealt with the research design, population and sampling techniques, data collection, validity and reliability tests and data analysis.

3.1 Research Design

The study adopted case study research design. The case study design is suitable of the need to describe the nature of the growth of digital marketing and its influence on customer service in Barclays Bank of Kenya Limited. A case study is a descriptive, exploratory or explanatory analysis. A descriptive case study design has been used by Karuri (2010) in the analysis of marketing of services and its impact on sales volume, also by Wangeci (2012) in comparison between mobile banking and online banking and (Onyango, 2011) in a study of sales volume and increased manufacturing expenses. This design also acted as a basis for formulation of important, principles of knowledge and solutions to problems. These are achievable through its nature of classification, measurement, analysis and interpretation.

3.2 Data Collection

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. The data collection component of research is common to all fields of study including physical and social sciences, humanities and business. While methods vary by discipline, the emphasis on ensuring accurate and honest collection remains the same. The goal for all data collection is to capture quality evidence that then translates to rich data analysis and allows the building of a convincing and credible answer to questions that have been posed.

The data was obtained from staff members of Barclays Bank Meru Branch. Barclays Bank Meru has got 15 staff members; these include; one Branch manager, one branch operations manager, two custodians, one retail support staff, four cashiers, two enquiry staff (Customer experience executives), one compliance coordinator, one sales manager, one enterprise banker and one area relationship manager. The study used all 15 staff members to respond on the growth of digital marketing and its impact on customer service in Barclays Bank of Kenya Limited

3.2.1 Interview

The major data collection instruments were interview guide. An interview guide is a research instrument consisting of a series of questions and other prompts for gathering information from respondents.

3.3 Data Analysis

Data was collected and analysed using content analysis method. The data was then presented using theoretical explanations as given by the respondents. Data was therefore analysed qualitatively since all the questions were open ended.

CHAPTER FOUR: DATA ANALYSIS PRESENTATION AND INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter presents and discusses the analysis of the data collected from research on the growth of digital marketing and its influence on customer service in Barclays Bank Kenya Limited. The data was interpreted according to research questions and objectives. Data was analysed using descriptive statistics such as tables and figures that were data quantitative in nature.

4.2 Rate of Response

The study targeted 15 staff members of Barclays bank with better information on the growth of digital marketing and its influence on customer service in Barclays Bank Kenya Limited, however, the study managed to carry out a successful interview on 12 staff members as shown on table 4.1 below. The response rate was therefore 12 out of 15 staff members, which is 80% response rate. This was a good response rate after the researcher made a personal commitment to follow up the respondent for the interviews during their free time.

Table 4.1 Analysis of Response Rate

| Respondents | Number of staff | Responded | No Reponses |
|--------------------------------|-----------------|-----------|-------------|
| Branch Manager, | 1 | 1 | |
| Branch Operations Manager | 1 | 1 | |
| Custodians | 2 | 1 | 1 |
| Retail Support Staff | 1 | 1 | |
| Cashiers | 4 | 2 | 2 |
| Customer Experience Executives | 2 | 2 | |
| Compliance Coordinator | 1 | 1 | |
| Sales Manager | 1 | 1 | |
| Enterprise Banker | 1 | 1 | |
| Area Relationship Manager | 1 | 1 | |
| Total | 15 | 12 | 3 |

(Source: Primary Data)

4.3 General Information

The analysis further sought to know whether respondents knew when the Barclays bank Meru branch was started and it was very certain that majority did not know and were not sure when the bank was clearly started. Staff Members majority only knew that Barclays bank has been operational in Kenya for more than 90 years. Besides the establishment of the Barclays bank Meru branch the analysis sought to know years each of the respondents had worked with Barclays Bank.

4.3.1 Years Respondents worked in Barclays Bank.

The analysis found that different individuals had worked for Barclays bank for different spans of years. The study found that 1 of the respondent had 1- 5 years experience with Barclays bank, 5 staff members had 6-10 years experience while 4 had 11-14 years of experience while 2 had 15 years and above of experience at Barclays bank of Kenya limited. This indicated that employees had a very high level of experience and understanding on the matters relating to the banks operations and specifically on the growth of digital marketing and its influence on customer service in Barclays Bank of Kenya Limited.

Table 4.2 Years Respondents worked in Barclays Bank

| Years Experience | Frequency | Percentage |
|-------------------------|------------------|-------------------|
| Less than 1- 5 Years | 1 | 8 |
| 6-10 years | 5 | 42 |
| 11- 14 years | 4 | 33 |
| 15 Years and above | 2 | 17 |
| Total | 12 | 100 |

(Source: Primary Data)

4.3.2 Respondents position in the Branch

The analysis found that every employee or respondent had their position and a duty at which they work for at Barclays bank. The analysis found that there was one branch manager, one branch operations manager, 2 custodians, 1 retail support staff, 4 cashiers, 2 customer experience executives, 1 compliance coordinator, 1 sales manager, 1 enterprise banker and 1 area relationship manager. This indicated that the respondents

were a very balanced section, which took the views of the respondent from all sections and department in the bank since everyone knew and had good information about the growth of digital marketing and its influence on customer service in Barclays Bank of Kenya Limited.

Table 4.3 Respondents Position in the Branch

| Respondents Job Positions | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Branch Manager, | 1 | 8 |
| Branch Operations Manager | 1 | 8 |
| Custodians | 1 | 8 |
| Retail Support Staff | 1 | 8 |
| Cashiers | 2 | 18 |
| Customer Experience Executives | 2 | 18 |
| Compliance Coordinator | 1 | 8 |
| Sales Manager | 1 | 8 |
| Enterprise Banker | 1 | 8 |
| Area Relationship Manager | 1 | 8 |
| Total | 12 | 100 |

(Source: Primary Data)

4.4 Growth of Digital Marketing

The analysis sought to understand if Barclays bank uses any digital marketing strategies to achieve or increase quality customer service.

4.4.1 Digital Marketing Strategies used in Barclays Bank

The analysis found that Barclays bank used different strategies to achieve their customer service. However, different respondents had varied responses concerning the strategies used in the bank. Some respondents strongly agreed that such strategies are used in the bank, others agreed while some others were neutral. The study further found that others disagreed and strongly disagreed. The study findings were as presented in the table below.

Table 4.4 Digital Marketing Strategies used by Barclays bank

| Strategies | Strongly agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|-----------------------|--------------|----------------|-----------------|--------------------------|
| Creating a Marketing funnel | 8 | 1 | 1 | 1 | 1 |
| Per pay Clink strategy | 2 | 6 | 2 | 1 | 1 |
| Website design/development for bank | 7 | 2 | 1 | 1 | 1 |
| Email marketing for banks | 7 | 1 | 2 | 1 | 1 |
| Display advertising for banks | 5 | 1 | 3 | 2 | 1 |
| Mobile apps for banks | 4 | 6 | 1 | 0 | 1 |
| Use of SEO (Search Engine Optimization) | 6 | 3 | 1 | 1 | 1 |

(Source: Primary Data)

The analysis found that Barclays bank had many respondents who strongly believed that creating a marketing funnel is one of the basic strategies for achieving impact on customer service in Barclays Bank Kenya. The analysis found that 8/12 respondents believed creating a Marketing funnel helps enhance customer service. The study agreed from 6/12 that per pay click strategy is used in Barclays Bank Kenya while 7/12 strongly agree that Website design/development for bank and Email marketing for banks is effectively used in the bank. The analysis further found from 5/12 that Barclays bank uses display advertising for banks as a digital marketing strategy. The respondents agreed as indicated by 6/12 that Mobile apps for banks are importantly use by Barclays bank to enhance its customer service.

Finally, 6/12 of the respondent strongly agrees that Barclays bank uses SEO (Search Engine Optimization) as a digital marketing strategy. This indicates that Barclays bank uses varied digital marketing strategies to achieve its customer service goals. The findings agree with a study by (Tarkka, 2002) that there are many reasons as to why effective digital marketing has become a necessity for banks these days. According to Tarkka, 2002, digital marketing is the marketing of the future. While the traditional methods used for advertising and promotion can still be successful in this day and age, the fact is that the world is more connected online than ever before. This is leading to an increase in digital strategies, which could one day completely replace the more

traditional approaches. As more consumers begin to adapt to technological devices, they will likely expect businesses to do the same.

4.4.2 Digital Marketing Contribution to the Growth of Customer Service

The analysis sought to understand how has digital marketing contributed to the growth of customer service at the Barclays Bank. The analysis found from 59% of the respondents that digital marketing enhances the visibility of the bank, 26% felt that digital marketing increases awareness about the product that a bank offers to its customers, while 12% indicated that the digital marketing creates psychological belief that the bank services are the best compared to all others in the market. The analysis further found that digital marketing has contributed to the growth of the customer care and enhanced development of customer-service oriented staff participation than profit oriented participation. This agrees with a study by Clark and Dorie (2012) that digital marketing methods allow Barclays Bank to reach out to customers like never before and empower them to interact with the audiences they want to target but were previously unsure how to approach. The study found that along with their high digital expectations, customers also want to see online content that fits what they are looking for. "Today, people want to see examples, hear smart people talking to them in videos and learn about how you've helped solve problems they can relate to."

4.4.3 Importance of Digital Marketing on Customer service

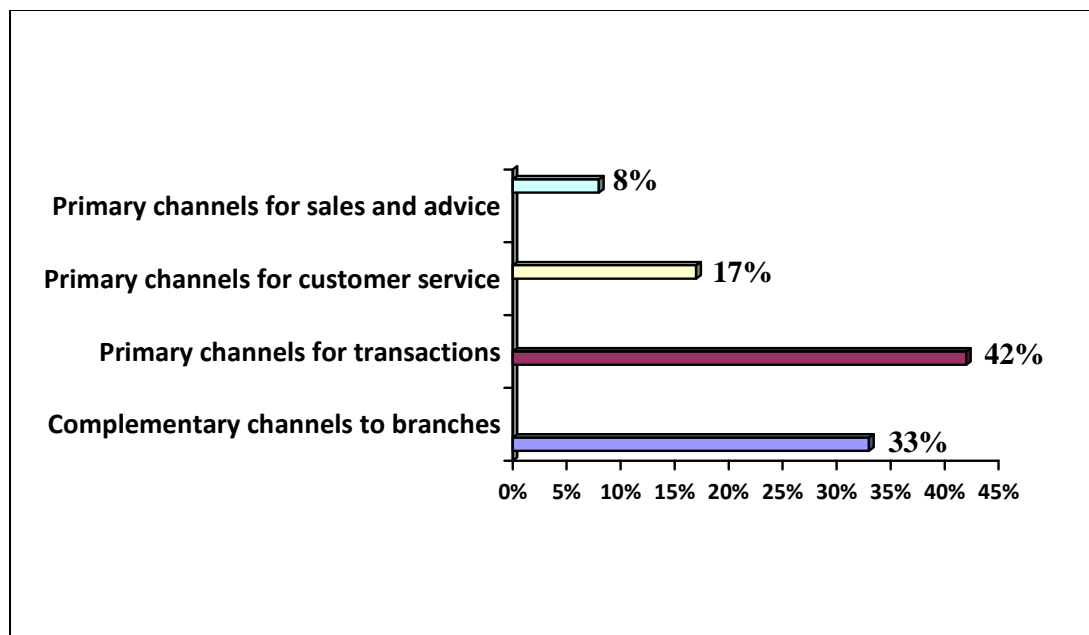
The study wanted to understand the Importance of Digital Marketing on Customer service at the Barclays Bank Meru Branch. The analysis found that, as Barclays Bank move into the digital realm, the management want to keep up with or stay ahead of competition stand to benefit from online marketing efforts, reports Smart Insights. The analysis found that digital marketing is also known as "inbound marketing" and is almost wholly internet-based. By utilizing web, social and mobile technologies, businesses can provide value to prospects at every stage of the buying cycle. Barclays Bank and customers are able to more effectively interact with each other across digital channels, giving additional insight into how their marketing programs are performing. Owners who are looking to get started should be aware that there are many different aspects of inbound marketing, and each of these should be considered to determine which works best for operational goals. This finding agrees with a study by Dorcas and

Douglas (2013) that one of the most important aspects of digital marketing is the website. While Bank and companies work hard to maintain their brick-and-mortar locations, it is also vital that they have updated, informative websites.

4.4.4 Reasons that propel banks to adopt digital marketing in their service delivery

The analysis sought to understand reasons that propel banks to adopt digital marketing in their service delivery. Respondents indicated that most banks adopt digital marketing strategies for varied reasons. The analysis found from 33% of the respondents, that banks adopt digital marketing strategies as complementary channels to branches, 42% indicated that reasons that propel banks to adopt digital marketing in their service delivery is to serve as primary channels to transaction while 17% indicated that reasons that propel banks to adopt digital marketing in their service delivery is to serve as primary channels for customer service and finally 8% felt that Barclays bank adopts digital marketing as Primary channels for sales and advice. The analysis was presented in a graph as below.

Figure 4.1 Reasons that propel banks to adopt digital marketing



(Source: Primary Data)

4.4.5 What is to be done to sustain digital marketing in Barclays bank

The analysis sought to understand the strategies that should be used to sustain digital marketing in Barclays bank and eventually enhance satisfaction in customer service. The

study indicated that Barclays bank should adopt a full swing digital marketing by establishing a department for digital marketing in each branch where each team will be dealing with digital marketing strategies and activities at a branch level as opposed to where marketing department only sits at the head office.

4.5 Digital Marketing on Customer Service

The analysis sought to understand how digital marketing is important to the customer service at Barclays bank.

4.5.1 Digital Marketing Importance to the Customer Service at Barclays Bank

The study found that digital marketing is critical to the customer service at Barclays bank through staff entitled with the responsibility to handle the clients and to the expected customer service levels. The analysis found that 56% of the respondent enumerated digital marketing as very important on customer service at Barclays bank, while 26% indicated that digital marketing is important. However, 10% indicated that digital marketing is less important in customer service while 8% indicated that digital marketing is completely not important in enhancing customer service at Barclays bank. This agrees with a study by Carter, et al (2007) that with the emergence and continued development of new technology and the internet, banks can now choose from a plethora of tools for promoting their market share. These new digital marketing tactics are giving banks the chance to expand their marketing efforts like never before by reaching out to larger audiences, creating more relevant and engaging content, and pinpointing exactly what customers want from their firms.

4.5.2 Digital Marketing transformation to Customer Service experience

The analysis sought to understand how digital marketing has transformed customer service at Barclays bank. The study found that digital marketing has in modern days become a pillar to the development and growth of customer service experience and performance of the customer relationship in the Barclays bank. The analysis indicated that digital marketing has transformed the customer service experience because it helps businesses to develop a wider customer base as it does not rely on physical presence or interaction, The digital marketing has transformed customer service experience because It encourages customers to interact directly with businesses and further it is not limited

by conventional opening times – customers can interact at a time and place convenient for them.

The analysis further found that at Barclays bank, both forms of marketing are very important in the marketplace and just like Barclays each bank has to evaluate their current and future customer base before embarking on digital marketing actions. This agrees with a study by (Parr, 2009) that digital marketing transformation is all about how the bank packages its content to the customers. The content as packaged through digital marketing is key determiner in the success of digital marketing on customer service. The analysis further found that Content, customer experience and platforms are core elements of digital marketing. Content is what is consumed, it is usually information about a product or service, it could be product information, price, service charges or the sale of digital products like books, movies or software. Customer experience is how the content is presented for consumers of product and services. These experiences include community and customer input, recommendations and a user friendly interface. The platform is how and where packaged content is delivered including the business processes put in place to deliver the content, the technology used for the collection of customer data and the network used to deliver content for better customer experience.

4.5.3 Methods of digital marketing used by Barclay's banks to enhance its customer service

The study sought to understand the methods of digital marketing used by Barclays bank to enhance its customer service. The analysis found that different respondents had different methods in mind and as much as many agreed on some, it was clear that Barclays bank does not use just one digital marketing strategy to enhance its customer service experience. Respondents indicated that different digital marketing methods are used in the Barclays bank but at different demands. The analysis found that Barclays bank uses different methods of digital marketing as indicated below

Table 4.5 Methods of digital marketing used by Barclays bank

| Strategies | Very Often Used | Often Used | Neutral | Not applicable e | Not Used Completely |
|---|------------------------|-------------------|----------------|-------------------------|----------------------------|
| Website design/development for bank | 8 | 1 | 1 | 1 | 1 |
| Email marketing for banks | 10 | 1 | 1 | 0 | 0 |
| Display advertising for banks | 8 | 2 | 1 | 1 | 0 |
| Mobile apps for banks | 7 | 1 | 2 | 1 | 1 |
| Use of SEO (Search Engine Optimization) | 5 | 4 | 2 | 1 | 0 |

(Source: Primary Data)

The analysis therefore found from 8 out of 12 respondents that use of website as a method of digital marketing is very critical to the bank customer service, and is very often used, 10 out 12 indicated that Barclays bank uses email marketing while 8/12 indicated that display advertising for banks is very often used in Barclays bank. The analysis further found from 7 out of 12 respondents that Barclays bank used mobile apps while 5 out of 12 indicate that they also use SEO as a digital marketing strategy. This implies that there is no single method that is used as a marketing strategy by the Barclays bank team. The analysis therefore found that the bank uses what is important in specific situations. This finding agrees with a study by Capgemini (2012) that there is no single correct way to develop a digital marketing strategy. Passion Digital states that methods should depend on the needs of companies, as well as the wants of consumers. Businesses can choose how many digital aspects they want to incorporate, and may even elect to implement several initiatives at once then fine-tune their efforts based on feedback and metrics.

4.5.4 Recommendations to enhance Barclays bank Customer Service

The study recommends that once digital marketing strategies have been put in place, Barclays bank must focus on how to best measure their impact. The study further recommends that Barclays bank also need to be aware of the importance and value of customers in terms of marketing return on investment. Vic Drabicky (2012) argues that when businesses are analysing their customer service experience, they do not place enough emphasis on consumers digital marketing relationships and interactions.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this study is to analyse the growth of digital marketing and its impact on customer service at Barclays Bank of Kenya, Meru Branch. This chapter presents a summary of the main findings of the study, giving conclusions and recommendations which reflect the answers to the specific questions for possible action and suggestions for further research.

5.2 Summary of Findings

5.2.1 Growth of Digital Marketing

The analysis found that Barclays bank used different strategies to achieve their customer service to grow its digital marketing and offer better customer service. However different respondents had varied responses concerning the strategies used in the bank. The analysis further found from 5/12 that Barclays bank uses display advertising for banks as a digital marketing strategy. The respondents agreed as indicated by 6/12 that Mobile apps for banks are importantly used by Barclays bank to enhance its customer service. Finally, 6/12 of the respondents strongly agree that Barclays bank uses SEO (Search Engine Optimization) as a digital marketing strategy. The analysis found that 8/12 respondents believed creating a Marketing funnel helps enhance customer service. The study agreed from 6/12 that per pay click strategy is used in Barclays Bank Kenya while 7/12 strongly agree that Website design/development for bank and Email marketing for banks is effectively used in the bank

The analysis found from 59% of the respondents that digital marketing enhances the brand visibility of the bank, 26% felt that digital marketing increasing awareness about the product that a bank offers to its customers, while 12% indicated that the digital marketing creates psychological believe that the bank services are the best compared to all others in the market. The analysis further found that digital marketing has contributed to the growth of the customer care and enhanced development of customer-service oriented staff participation that profit oriented participation. This agrees with a study by Clark and Dorie (2012) that digital marketing methods allow Barclays Bank to reach out to customers like never before and empower them to interact with the audiences they want to target but were previously unsure how to approach.

5.2.2 Digital Marketing on Customer Service

The study found that digital marketing is critical to the customer service at Barclays bank through staff entitled with the responsibility to handle the clients and to the expected customer service levels. The analysis found that 56% of the respondent enumerated digital marketing as very important on customer service at Barclays bank, while 26% indicated that digital marketing is important. However, 10% indicated that digital marketing is less important in customer service while 8% indicated that digital marketing is completely not important in enhancing customer service at Barclays bank. This agrees with a study by Carter, et al (2007) that with the emergence and continued development of new technology and the internet, banks can now choose from a plethora of tools for promoting their market share. These new digital marketing tactics are giving banks the chance to expand their marketing efforts like never before by reaching out to larger audiences, creating more relevant and engaging content, and pinpointing exactly what customers want from their firms.

The digital marketing has transformed customer service experience in very many different ways in the bank. The study found that digital marketing encourages customers to interact directly with businesses and further it is not limited by conventional opening times – customers can interact at a time and place convenient for them. The analysis further found that at Barclays bank, both forms of marketing are very important in the marketplace and just like Barclays each bank has to evaluate their current and future customer base before embarking on digital marketing actions. This agrees with a study by (Parr, 2009) that digital marketing transformation is all about how the bank packages its content to the customers. The content as packaged through digital marketing is key determiner in the success of digital marketing on customer service.

5.3 Conclusion

The analysis concludes that the level of digital marketing capability in the banking industry in Kenya is average. This is primarily because the use of online banking in those Kenya is still growing. However, some banks have more advanced capabilities, and these banks have potential for strong growth in the number of consumers using digital channels.

The study therefore concluded that Barclays bank should also choose the methods of digital marketing in a way that is critically important to their goals and anticipations. The study concludes that strategies used in the digital marketing at the Barclay bank should further be adopted at the branch level and not only in the head office. The study concludes that there should be enhanced scope of strategies and not only depending on a few digital marketing strategies. It is concluded that for the bank to offer excellent customer service then the digital marketing strategies should be tailor made to cover such aspects on the organization.

5.4 Recommendations of the Study

The study recommends the following:

That Barclays bank should engage the use of more than one digital marketing strategy and that with the current increased mobile growth apps in Kenya, there is an importance of using mobile apps as a strategy in the digital marketing to enhance customer service at the bank

That the digital marketing strategies should not only be applied by the head office at Barclays bank, but each branch should have a department to address digital marketing strategies and issues that relate to customer service.

The customer service personnel (customer experience executives) should be very well trained on how to use digital marketing strategies to ensure customer service is above the traditional standards.

That there is a need for the bank to adopt digital marketing services to enhance quality of customer service and service delivery in order to enhance banking service experience and efficiency.

5.5 Limitations of the Study

The study faced time constraints since the university requires completion of the research document at a specified date, hence creating short deadline for data collection and analysis. Nevertheless, the researcher managed to collect data from the respondents with ease through the help of one of the internal employees of Barclays bank.

Collecting data through interview guide is time consuming since the researcher had to schedule interviewing of the respondents at their convenient time. Banks are normally very busy and work within tight time schedules. Collecting data from such staff was an uphill task due to such time limits.

Digital marketing is a new field of study hence little materials and resources to build up the literature or reference books. However, the researcher used both online and available resources in the library to inform the research document.

5.6 Suggestion for further studies

This research was broad as it dealt with the growth of digital marketing and its impact on customer service in Barclays Bank of Kenya, Meru Branch. The researcher suggests that future study could be done on a limited number of service mix elements with relevancy to service delivery. Further, future researcher should investigate the relationship between digital marketing and brand loyalty and customer retention in the service industry and how such should be improved using digital marketing strategies

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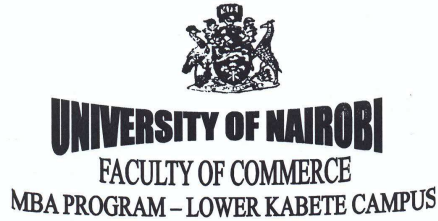
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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION



Telephone: 4184160 Ext. 208
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE..... 29th August 2014

TO WHOM IT MAY CONCERN

The bearer of this letter Caroline W. Wangyuki.....
Registration No: 061/75895/2012

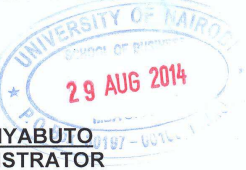
Is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


PARTRICK NYABUTO
MBA ADMINISTRATOR



APPENDIX II: INTERVIEW GUIDE

This interview guide is meant to help in collection of information on the growth of digital marketing and its impact on customer service at Barclays Bank: A case study of Barclays Bank Meru branch. Information given will be handled with utmost confidentiality.

SECTION A: GENERAL INFORMATION

1. How old is the Barclays bank Meru Branch?
2. How long have you worked with Barclays Bank?
3. What position do you hold at the Branch?

SECTION B: GROWTH OF DIGITAL MARKETING

4. What digital marketing strategies does Barclays bank use if any?
5. How has digital marketing contributed to the growth of customer service at Barclays Bank?
6. Explain the importance of Digital Marketing on customer service at Barclays Bank Meru Branch?
7. What are the major reasons that propel banks to adopt digital marketing in their service delivery?
8. What do you think should be done to sustain digital marketing in Barclays bank and eventually enhance satisfaction in customer service?

SECTION D: DIGITAL MARKETING ON CUSTOMER SERVICE

9. What would you enumerate as the importance of digital marketing on customer service at Barclays bank?
10. Explain how Digital Marketing has transformed Customer Service experience in Barclays Bank?

11. What are the methods of digital marketing used by Barclays bank to enhance its customer service?
12. What should be done to enhance Barclays bank Customer Service?

*******Thank You for Your Cooperation*******