

# *Analysis of Marketing Strategies of Commercial Banks under the Background of Digital Finance Outbreak*

Zhou Yi

*University of Waterloo, Waterloo, N2L 3G1 Ontario, Canada*

**Keywords:** Digital finance; Commercial banks; Marketing strategy

**Abstract:** With the rapid development of the Internet and mobile technology, digital finance plays an important role in the financial industry. With the rapid development and popularization of digital finance, commercial banks are facing new challenges and opportunities. In the context of digital finance, commercial banks need to adjust their marketing strategies to adapt to changes in the market and customer needs. Commercial banks need to adjust their marketing strategies to adapt to the background of digital finance and meet the changing needs of customers. This article aims to deeply explore the characteristics, challenges, and response methods of commercial bank marketing strategies in the context of digital finance. Corresponding response strategies are put forward through research on multi-channel marketing, data-driven marketing, and personalized services. In addition, the security and privacy issues faced by commercial banks' marketing strategies in the context of digital finance will be analyzed, and corresponding solutions will be provided. Ultimately, this article aims to provide useful references for commercial banks to gain competitive advantages in the digital finance era. In the digital era, commercial banks are facing many challenges and changes, such as the diversification of customer needs, the importance of data privacy protection, and the strengthening of regulatory requirements. In order to address these challenges, commercial banks need to attach importance to their ability to collect and analyze customer data, and utilize technological advancements to provide personalized financial products and high-quality customer service. At the same time, commercial banks also need to pay attention to data privacy protection, strengthen compliance capabilities, and enhance innovation capabilities to cope with rapidly changing technological developments. This article analyzes relevant literature and proposes some key suggestions to help commercial banks develop effective marketing strategies in the context of digital finance, improve competitiveness, meet customer needs, and maintain sustainable development.[1]This article aims to analyze the marketing strategies of commercial banks in the context of digital finance, and explore their characteristics, challenges, and response methods.

## 1. Introduction

With the rapid development of the Internet and mobile technology, digital finance has become an important trend in the financial industry. The emergence of digital finance has brought new opportunities and challenges to commercial banks. Traditional bank marketing strategies need to be

adjusted to meet the needs of customers in the digital era and the changing market environment. With the rise of digital finance and the promotion of technology, commercial banks are facing unprecedented opportunities and challenges. The rapid development of digitalization and internet technology has not only changed people's lifestyles and consumption habits, but also deeply influenced the financial industry, especially commercial banks. Commercial banks must adapt to the requirements of the digital era, develop innovative marketing strategies to meet customer needs and enhance market competitiveness. In the context of digital finance, commercial banks are facing changes in consumer behavior, increased competitive pressure, and the impact of emerging technologies. Consumers' demand for financial services is becoming increasingly diverse and personalized, with a greater emphasis on convenient, efficient, and personalized service experiences. At the same time, emerging technologies such as artificial intelligence, big data analysis, and blockchain are rapidly developing, opening up new business models and service channels for commercial banks. In this context, commercial banks need to re-examine and adjust their marketing strategies to meet the new needs of consumers and maintain a competitive advantage in the fiercely competitive market [2]. This article aims to analyze and explore the marketing strategies of commercial banks in the context of digital finance, reveal the impact of digital finance on commercial bank marketing strategies, and propose relevant suggestions. By studying relevant literature and cases, we will delve into the positive impact and challenges of digital finance on commercial bank marketing strategies, and propose innovative marketing strategies and methods. The results of this study will provide useful reference and guidance for commercial banks to develop effective marketing strategies in the digital era.

## **2. Method**

This study adopts the methods of literature review and case analysis to obtain relevant information and data on marketing strategies of commercial banks in the context of digital finance. Firstly, we conducted an extensive literature review, searching for relevant academic papers, journal articles, and industry reports to understand the impact of digital finance on commercial bank marketing strategies [3]. By systematically reading and summarizing various literature materials, we have drawn some conclusions and viewpoints. Secondly, we conducted case studies and selected some successful commercial bank cases, paying special attention to their innovative marketing strategies adopted in the digital era. Through in-depth analysis of these cases, we can understand how digital finance has changed the marketing strategies of commercial banks, as well as the success factors and challenges behind these strategies. Finally, we organized and analyzed the information and data obtained to reveal the impact of digital finance on commercial bank marketing strategies, and proposed relevant suggestions and reflections. By integrating data and perspectives from different sources, we are committed to providing comprehensive, accurate, and insightful research results, providing practical guidance for commercial banks to develop effective marketing strategies.

## **3. Embracing Digital Evolution: Strategic Approaches to Multichannel and Data-Driven Marketing in Commercial Banking**

### **3.1 Multi-channel marketing**

In the digital era, customers can engage in financial transactions and consulting through various channels, including internet banking, mobile banking, social media, etc. Commercial banks need to build a multi-channel marketing system to meet the diverse needs of customers. The development of digital finance has prompted closer cooperation and innovation between commercial banks, technology companies, innovative enterprises, and others [4]. Through cooperation with technology

companies, commercial banks can utilize advanced technology and innovative business models to launch more competitive financial products and services. This cooperation can help commercial banks accelerate digital transformation and occupy a favorable position in the competition of digital finance.

### **3.2 Data driven marketing**

Commercial banks need to pay more attention to digital marketing channels and strategies in the era of digital finance. They can interact more closely with customers and provide personalized financial information and promotional activities through channels such as social media, search engine marketing, and mobile applications. Digital marketing can not only increase brand awareness and exposure, but also effectively attract potential customers and maintain existing customer relationships [5]. In the digital era, commercial banks can analyze customer behavior and preferences through big data, accurately locate target customers, and conduct targeted product recommendations and marketing activities.

### **3.3 Personalized services**

Through digital finance technology, commercial banks can better understand customers' personalized needs and preferences. Therefore, they can provide more personalized products and services to meet the needs of different customer groups. For example, banks can customize personalized wealth management products or provide specific promotional activities based on customers' consumption behavior and investment preferences. In the digital age, customers' demand for personalized services is increasing [6]. Commercial banks need to provide customized financial products and services through digital technology to meet the personalized needs of customers.

## **4. The challenges of marketing strategies for commercial banks in the context of digital finance**

Under the background of digital finance, commercial banks are facing many marketing strategy challenges. These challenges involve changes in customer behavior, technological development, market competition, and regulatory environment. This article will focus on discussing the four main challenges faced by commercial banks' marketing strategies in the context of digital finance: personalized customer experience, data privacy protection, innovation capabilities, and compliance requirements.

Firstly, personalized customer experience is one of the important challenges faced by commercial banks' marketing strategies in the context of digital finance. With the rapid development of digital technology, customers' expectations for personalized customization are increasing. Commercial banks need to understand customers' needs through data analysis and technological innovation, and provide products and services that meet their personalized needs. However, achieving a personalized experience requires a large amount of customer data, and it is necessary to protect the security and privacy of customer data [7]. Commercial banks need to find a balance between meeting customers' personalized needs and protecting their privacy rights.

The second challenge is data privacy protection. In the digital era, commercial banks need to collect, store, and analyze a large amount of customer data in order to better understand customer needs and provide personalized products and services. However, the collection and use of these data must comply with legal and ethical norms, and comply with the principles of data privacy protection. Commercial banks need to take effective measures to protect the security of customer data, including strengthening network security, establishing sound data privacy policies and protection mechanisms, and using customer data in compliance.

The third challenge is innovation ability. In the digital financial environment, the rapid development of technology and the continuous changes in the market require commercial banks to have innovative capabilities [8]. Commercial banks need to constantly innovate and develop new products and services to meet customer needs and market changes. However, innovation is not easy, as it requires commercial banks to possess advanced technology and professional knowledge, as well as a flexible organizational structure and innovation culture. Commercial banks need to continuously enhance their innovation capabilities, strengthen cooperation with technology companies and innovative enterprises, in order to achieve a more sustainable competitive advantage.

The final challenge is compliance requirements. In the era of digital finance, the regulatory environment has become more complex and strict, and commercial banks need to ensure that their marketing strategies comply with legal and regulatory requirements. Commercial banks need to invest a significant amount of resources to understand and comply with relevant laws and regulations to ensure the legality and compliance of their marketing activities. At the same time, commercial banks also need to timely understand and adapt to changes in laws and regulations to avoid potential risks and legal liabilities.

In summary, the challenges faced by commercial banks' marketing strategies in the context of digital finance include personalized customer experience, data privacy protection, innovation capabilities, and compliance requirements [9]. Commercial banks need to find a balance between meeting the personalized needs of customers and protecting the privacy and security of customer data. Commercial banks also need to continuously improve their innovation capabilities to adapt to market changes and competitive challenges. At the same time, commercial banks must strictly comply with legal and regulatory requirements to ensure the legality and compliance of their marketing activities.

**Security and privacy issues:** The development of digital finance has also brought many security risks and challenges. Commercial banks need to strengthen the security protection of customer information and funds to establish customer trust and brand image. They need to invest in advanced security technologies and systems, strengthen risk management and monitoring, and ensure that customers' funds and personal information are not subject to any illegal infringement. The development of digital finance has brought challenges to information security and privacy protection. Commercial banks need to strengthen information security management to protect customers' personal information and fund security.

**Technology investment and innovation:** Digital finance requires commercial banks to invest and innovate in technology to improve the quality and effectiveness of digital services. This is a huge challenge for traditional commercial banks.

## **5. Response methods for marketing strategies of commercial banks in the context of digital finance**

In the context of digital finance, commercial banks are facing enormous challenges from technological advancements and market changes. In order to address these challenges, commercial banks need to adopt a series of marketing strategies to enhance competitiveness and meet customer needs. This article will explore the marketing strategies of commercial banks in the context of digital finance and provide some specific suggestions. Firstly, commercial banks should strengthen their ability to collect and analyze customer data. With the advancement of technology, commercial banks can utilize technologies such as big data and artificial intelligence to gain a deeper understanding of customers' needs, behaviors, and preferences. Through effective data analysis, commercial banks can provide personalized financial products and high-quality customer service to meet the needs of customers. In addition, commercial banks can also predict market trends through data analysis in order to adjust their marketing strategies in a timely manner. Secondly, commercial banks should pay

attention to data privacy protection. With the advent of the digital age, customers' attention to personal data privacy is constantly increasing. Commercial banks should strengthen the security management of customer data to ensure its confidentiality and integrity. Commercial banks can adopt measures such as identity verification, encryption technology, data backup, and disaster recovery to protect customer privacy and enhance customer trust in their data security. Thirdly, commercial banks should strengthen their innovation capabilities. In the era of digital finance, the development of technology is changing rapidly. Commercial banks need to actively follow the pace of technological development, invest in research and development of innovative technologies and solutions. Commercial banks can collaborate with technology companies and innovative enterprises to acquire cutting-edge technology and professional knowledge, drive innovation in products and services, and meet new customer needs. In addition, commercial banks can also improve their overall marketing strategy level through internal innovation culture and employee training. Finally, commercial banks should strengthen their compliance capabilities. In the era of digital finance, regulatory requirements are becoming increasingly stringent. Commercial banks should promptly understand and adapt to changes in regulatory requirements, and establish a sound compliance system. Commercial banks should maintain close communication with regulatory authorities to ensure the legality and compliance of their marketing strategies, in order to reduce the risks caused by violations.

In summary, in the context of digital finance, commercial banks need to adopt a series of marketing strategies to address challenges. Strengthening customer data analysis, data privacy protection, innovation capabilities, and compliance capabilities are key methods for commercial banks to address marketing challenges in the context of digital finance [10]. Only through continuous innovation and adaptation to environmental changes can commercial banks gain a competitive advantage in the digital age and provide customers with better financial products and services

**Building a digital platform:** Commercial banks need to build a digital platform, integrate various channels and systems, and provide integrated digital financial services.

**Strengthen data management and analysis capabilities:** Commercial banks need to strengthen their ability to manage and analyze customer data, explore the value of data, and provide support for precision marketing.

**Strengthening security measures:** Commercial banks need to strengthen information security management and take various measures to protect customers' personal information and fund security.

## 6. Conclusion

In the context of digital finance, commercial banks need to adjust their marketing strategies to adapt to changes in the market and customer needs. Multi-channel marketing, data-driven marketing, and personalized services will become important features of commercial bank marketing. Commercial banks need to address security and privacy issues, strengthen technological investment and innovation, build digital platforms, and strengthen data management and analysis capabilities. Only in this way can commercial banks gain a competitive advantage in the era of digital finance. Under the background of digital finance, commercial banks' marketing strategies face four main challenges: personalized customer experience, data privacy protection, innovation ability, and compliance requirements. In order to address these challenges, commercial banks need to take a series of measures. Firstly, commercial banks should strengthen their ability to collect and analyze customer data to understand their needs and provide personalized products and services. However, while pursuing personalized experiences, commercial banks also have the responsibility to protect customer privacy and strengthen data security and privacy protection measures. Secondly, commercial banks need to enhance their innovation capabilities and keep up with the rapid development of technology and market changes. Through cooperation with technology companies and innovative enterprises,



commercial banks can acquire advanced technology and professional knowledge, drive innovation in products and services, and meet customer needs and market changes.

At the same time, commercial banks also need to invest sufficient resources to understand and comply with regulatory requirements. The complexity of the legal and regulatory environment requires commercial banks to have compliance awareness and ability to ensure the legality and compliance of marketing activities. In addressing these challenges, commercial banks can learn from the successful experiences of other industries, as well as collaborate with other financial institutions and technology companies, to jointly explore marketing strategy innovation in the digital era. Although commercial banks face a series of challenges in their marketing strategies under the background of digital finance, only by fully understanding and responding to these challenges can commercial banks maintain a competitive advantage in the fiercely competitive market and provide customers with better financial products and services.

## References

- [1] Deng, D., & Li, H. *Research on the Practice of Pension Finance under the Background of Digital Economy*[C]. In *E3S Web of Conferences*. EDP Sciences, 2021.
- [2] Maity, S., Sahu, T. N., & Biswas, D. *Does COVID-19 influence in reshaping the banking habits of the individual? An empirical investigation* [J]. *International Journal of Electronic Finance*, 2022, 11(4):345-363.
- [3] Qian, L. *Analysis of Short Video Marketing Strategy under the Background of Social E-commerce*[C]. In *International Conference on E-Commerce and Internet Technology*. IEEE, 2021.
- [4] Pu, X. *SWOT Analysis of Digital Transformation of Inclusive Finance of Chinese Commercial Banks* [J]. *Proceedings of the 6th International Conference on Economic Management and Green Development*, 2023, pp. 1085-1096.
- [5] Mota-Castillo, P. J., Unar-Munguía, M., Santos-Guzmán, A., et al. *Digital marketing of commercial breastmilk substitutes and baby foods: strategies, and recommendations for its regulation in Mexico* [J]. *Globalization and health*, 2023, 19(1):8.
- [6] Korzeb, Z., & Niedziółka, P. *Resistance of commercial banks to the crisis caused by the COVID-19 pandemic: the case of Poland* [J]. *Equilibrium. Quarterly Journal of Economics and Economic Policy*, 2020, 15(2):205-234.
- [7] Wang, Z., Zhang, D., & Wang, J. *How does digital finance impact the leverage of Chinese households?* [J]. *Applied Economics Letters*, 2022, 29(3): 164-167
- [8] Chen, J. *Transformation of Retail Banking with the Internet Finance Disruption* [J]. *Highlights in Business, Economics and Management*, 2023, 15(4):162-168.
- [9] Agnihotri, D., Kulshreshtha, K., & Tripathi, V. *Emergence of social media as new normal during COVID-19 pandemic: a study on innovative complaint handling procedures in the context of banking industry*[J]. *International Journal of Innovation Science*, 2022, 14(2):405-427.
- [10] Yang, Q., & Zhang, Y. *Discussion on Teaching Strategies of College Oral English Course under the Background of Informatization* [J]. *Open Access Library Journal*, 2022, 6(2):145-148.