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DEVELOPMENT AND PROMOTION OF THE NEW BANKING PRODUCT


Case: Multi Account

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DESCRIPTION

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Abstract <p>The main target of the research was to find out and analyze whether the new product Multi account developed for AS Citadele bank is going to succeed and be desired on the local market in Latvia.</p> <p>The thesis consists of several parts which together create a logical overview of a new product development process and its market promotion activities which are described in detail in the theoretical framework.</p> <p>The empirical part describes the history and current operations of AS Citadele bank, its share on the market of banking services in Latvia and current market situation in the country. The development process of Multi account and its market promotion activities are described in this part as well.</p> <p>The research data was collected by means of a questionnaire. For this purpose a certain amount of random respondents were questioned. The questionnaire was designed for receiving the primary data from the respondents concerning their financial behavior.</p> <p>The conclusions were drawn up as a summary with the author's recommendations for AS Citadele bank. The conclusions part has summed up and represents the results of this thesis, regarding a new product development and its market promotion at AS Citadele bank.</p>		
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1 INTRODUCTION

The topic of the thesis is “Development and market promotion of the new banking product “Multi account”. Case: AS Citadele bank, Riga”. The target of the thesis is to develop a new banking product for the Latvian bank AS Citadele instead of some current obsolete services they offer. One of the major such obsolete services is dealing with foreign investments mainly made by the citizens of the third countries (non-EU citizens) by investing their capital into luxury real estate in the Republic of Latvia with the purpose of obtaining the residence permit in the European Union, where Latvia is a member since 2004, for the term of five years with the unlimited right of working in the entire Schengen area (OCMA 2015).

However, nowadays there are a lot of disputes in the Latvian society regarding the system of granting residence permits to foreigners, since the system influences many sectors of the Latvian economy, especially the real estate market. Under the pressure of the right wing of the Latvian parliament the government of Latvia at the moment tries to restrict the foreign investments entering the country.

The research problem is defining the process of developing and promoting a new banking product for the AS Citadele bank. This needs to be achieved in order to replace some of the current banking products/services which are going to become unprofitable in the nearest future due to the cardinal changes in the legislation of Latvia and European Union and in order to compensate for the future losses, since the banking system is going to be influenced by the changes in Latvia's politics and society as well as detecting the most suitable marketing strategy for the successful market promotion of the new product.

The objectives of the research are to identify the best marketing strategy for Multi account and to examine the possibility of introduction and promotion of this product onto the Latvian market and to figure out its possible outcomes and profitability.

In the research the author is going to study the following and answer these research questions:

1. What is a development process of a new banking product like?
2. What are suitable promotional media for a new banking product?

2 THEORETICAL CONCEPT OF A NEW PRODUCT

In this chapter the author describes such questions as explanation of the concept „product” from the theoretical point of view of marketing, and discusses what a new product is, its nature, meaning and how new products are classified.

2.1. Concept of a product

The word „product” originates from Latin with the meaning „a thing which is made with the work and effort”, and that is used already since 1575 referring to any produced object. This term was used in the economic and commercial meaning for the first time by the famous economist Adam Smith.

According to the Oxford English Dictionary the term „product” has to be understood as an object or substance which is made for the purpose of sale (Oxford Dictionaries). This matches with the thoughts of Armstrong that in business a product is defined as a piece of goods or service, which can be bought or sold. Meanwhile Kotler has written that in marketing a product is the most important from the main four elements and as a product is considered anything that can be offered on the market for the conversion of attention, acquisition, usage or consumption in order to meet the needs and desires (Kotler and Armstrong 1991, 252).

According to the definition given by Praude „product is everything that is created as a result of work, can satisfy the consumer needs and is offered on the market” (Praude and Belcikov 1999, 17).

Also the thoughts of the author do not differ from the points of view of the marketing classics, because in the current situation on the market as a product can be considered absolutely everything if somebody is ready to pay for that.

Most products are physical objects, for example cars, real estate, books, computers, clothes, etc., but also services (usage of public or commercial transport, hairdressing, concerts, etc.) are perceived as products. Likewise the election candidates get „sold” as the marketing products, getting in return the attention, voices and support of the buyers. Thereby in marketing the concept of a product has the extensive meaning in-

cluding all that can be sold – physical objects, services, persons, places, organizations and ideas.

In the sphere of financial services the concept of a product is a bit more specific and according to the valid existing Credit Institution law denotes all those financial services, which a credit institution offers to their clients as, for example, attraction of the investments and other repayable funds, crediting, financial leasing, cash and non-cash payments, issuing and service of the non-cash payment instruments (excluding banknotes and coins of any currency) (Credit Institution Law).

Every product regardless of its type is something more than just a material object – a buyer perceives that as a complex set of benefits which could meet his or her needs. As, for example, people do not need drills – they need the holes and a drill is just an assisting tool which helps to satisfy this need. Thus, in order for their operations to be successful, companies have to think about the products they offer on three principal levels, which are indicated in the figure 1.



FIGURE 1. Principal levels of a product (Niedritis 2000, 80)

As one can see from the picture, the basic level is core product, which answers the question – what does a buyer actually get?

Core product is in the central part of the common product and it focuses on those benefits which a buyer will get and which forces making a purchase (Principles of Marketing 2015). For example, the core product of a cell phone is the communication function without any additional elements.

The next level is actual product which includes the core product and which can be described with five properties:

- brand (name of a mark and extent of its popularity);
- quality (how high level it is of, whether the rewards and certificates are obtained, often related to brand);
- design (color of a product, length, width and similar matters);
- properties (appearance, additional functions and options);
- package (after a purchase is packed in a box, foam rubber package, bag, etc.)

Meanwhile the third level is „extended” – augmented product, offering to the consumers additional benefits and services, as for example, crediting, delivery, installation, warranty and aftersale maintenance (Levels of Products).

Thereby in the process of product development it is important to identify the basic functions, which will have to be done, and after that the additional options and the complex of various conveniences and benefits have to be added, which a client will get when obtaining the respective product, since these accessories in the buyers' comprehension are often a very important part of the entire product.

As Niedritis claims, in the current conditions of competence the accessories are exactly the only tool which can attract the consumer's attention. However, according to the author's opinion, if a company concentrates only on the accessories, in time the basic function quality can disappear.

2.2. Essence of a new product and its perception

For a company to be able to maintain its competitiveness, it is important that it could offer new products to consumers, thus ensuring its own ability of growth and development. However it is hard to define what exactly a new product is, because not always a color change or a function modification means that the product can be offered onto the market as a novelty.

Berkowitz and Kerin consider that it is not simple to explain the term „new product”, since it is the wide concept and depends on from which point one looks at that – market, legislation, enterprise or consumer.

According to the marketing conception, a product in the consumer’s comprehension is a combination of benefits and advantages, thereby if some advantage differs from the other ones, which are available on the market, then a product can be called new – this definition is suggested by Zikmund and d’Amico (Zikmund and d’Amico 1993, 384).

On the other hand, according to Kotler, a new product, looking from the consumer point of view, is something that he or she has never bought and that has aroused the interest to do that, even if this piece of goods or service has been available on the market already long time before. (Kotler and Armstrong 1991, 158).

Thereby it is clear that the term „new product” is used in the relative meaning depending on perspectives from which it is viewed. As well as the levels of product innovation are different in the comprehension of different authors, proving that the marketing theory still has not given a concrete definition of this term and several interpretations are possible whose essence is very similar.

2.2.1. A new product in corporate perception

From the point of view of CEOs, new products can be classified using two dimensions – novelty in relation towards the market and novelty in relation towards the company (Zikmund and d’Amico 1993, 384):

1. Original products – new, innovative products which create absolutely other market. This product group is the most risky one since they are neither known for a company, nor for the market. Furthermore the costs are the highest, because very often the technologies are unknown and they require big investments and research. As an example can be mentioned the appearance of personal computers on the market in the 70’s of the 20th century as well as that of cell phones in the 90’s. Original innovations make up about 30 per cent of all new products on the world market. (Kotler 2006, 354).

2. Extension of product category – new products which give a company an opportunity to create the diversity and first time to enter an already existing market with already known product categories. These products are not absolutely new for the market, but before a company did not have the appropriate experience or technology in order to offer it. The more original this extension is, the more successful the entrance of a company onto the market will be.
3. Product line extension – the new products which supplement the already existing product line of a company. Line extension also includes improvement of the models, price reduction as well as repositioning. Sometimes companies tend not to use their already existing brand but to create new ones, cognate brands in order to attract the corresponding market segment (for example, Coca-Cola's sub brands Sprite and Fanta or BMW's sub brands Mini and Rolls-Royce).
4. Model improvements are new and full-fledged versions which replace the existing ones because they are of a higher manufacturing quality, with the additional options or receivable value, for example, Microsoft's new operating system Windows 10 which when compared to the previous versions offers many relevant improvements for the users.
5. In case of price reduction the new products are offered which replace their previous versions offering the same or even better quality at a lower price or with lower costs.
6. In case of repositioning the existing products are directed onto the new markets or to the other market segments (for example, the repositioning of Johnson & Johnson shampoo for kids into a shampoo for both adults as well as for kids) or which are offered from other competitive positions. (Zikmund and d'Amico 1993, 385)

When extending a product line, the main marketing goal is to let consumers know about these modifications and new opportunities and, what they offer, since quite often the buyers do not see the new products as something unique, unusual or radically different from the previous offer.

If a product is new and before unknown for a company and management, most likely two essential matters must be solved – first of all, the technologies will be unknown before or at least radically differing from ones used before and secondly, the consum-

ers will have to be ensured about the uniqueness of the product and its distinction from the products already offered on the market. And it is understandable, that in the process of solving these issues additional investments will be needed.

In the figure 2 one can see the division of new products depending on technological similarities with the existing products and necessary for development investments.

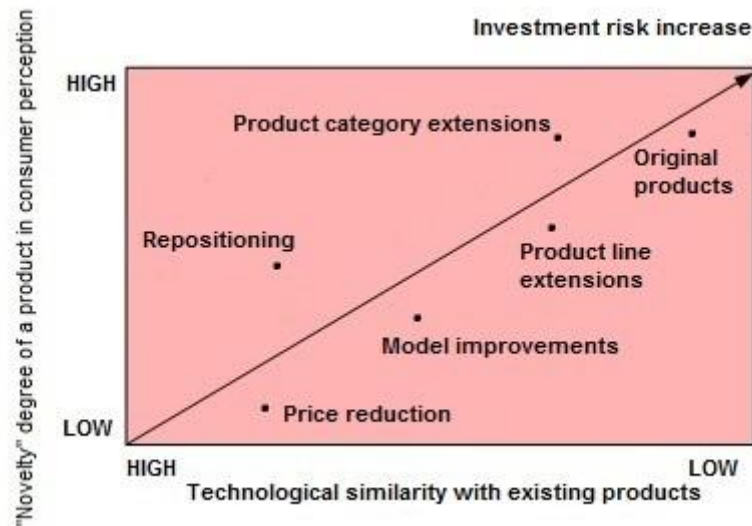


FIGURE 2. Relevance between classification of new products and risk of investments

In the picture is shown the relevance between the afore mentioned product categories and investment risk which depends on whether there are new technologies needed for the product introduction onto the market and how big the degree of novelty of the product in consumer perception is.

As one can see, the smallest technology changes must be introduced extending the product line – in the cases of price reduction, repositioning and model improvement, while marketing actions will require additional investments, whose target will be to make the consumers „to notice” appearance of these extended lines on the market. Also the risk will be minimal since the technologies do not have to be significantly changed and more or less the possible demand can be predicted. While the highest investment risk is expected introducing the original products onto the market, unknown before because first of all, in most cases new technological solutions are needed and secondly, from the consumer side mistrust and often also incomprehension are to be expected.

2.2.2. A new product in consumer perception

From the consumer or market point of view the term „a new product” is defined by its innovation degree and is recognized as new only then, if the market participants consider it innovative. As Bennett believes, regardless of how inventive the changes a manufacturer offers are – if in consumer perception they are not unique, then these changes cannot be called an innovation. (Bennett 1988, 328)

Evans explains an innovation as anything (idea, concept, product or service) which is considered to be new on the market. (Evans, Jamal and Foxall 2006, 243)

As an innovation can also be defined a process, in which new scientific, technical, social, cultural or other spheres' ideas, developments and technologies are implemented on the market in the demanded and competitive product or service, while the final result of innovation is the novelties, improvements in product and process quality and effectiveness.

Looking at the definitions, which are offered in different information sources, one can see that in all of them there is one common feature – as innovations are defined everything that is offered as new, regardless of whether an equivalent product has been found on the market before.

In the marketing theory there are three types of novelties – continuous innovations, dynamically continuous innovations and discontinuous innovations (Berkowitz, Kerin and Rudelius 1989, 233).

Radically new products, which did not have equivalent predecessors and which disruptively influence consumption habits with their appearance, are called discontinuous innovations. As an example can be mentioned introduction onto the market of televisions, cell phones, personal computers, microwave ovens, personal autos, which have changed consumer behavior and influenced the lifestyle. From the marketing point of view, these products require significant time resources for educating the consumer and for correct usage.

In the course of time, new and improved versions of these novelties appear, which do not seem anymore so radical, therefore they belong to the group of continuous innovations (Evans, Jamal and Foxall 2006, 243).

Dynamically continuous innovations are the type of novelties, by which consumer behavior is changed, but at the same time these changes do not make a dramatic influence on lifestyle and it is not necessary to acquire new, significantly different skills. For example, electrical grass mowers perform the same what could be made before by scythe or mechanical grass mowers, but it happens much faster, more effectively, with a better quality and with less effort. Thereby dynamically continuous innovations do not offer revolutionary solutions, but noticeably facilitate the execution of various tasks. Laptops do not have other functions as personal computers do, but their size and functionality make them more convenient in usage and easier to store. Also electrical toothbrushes do not require obtaining new skills, at the same time offering a better final result (Zikmund and d'Amico 1993, 387).

Continuous innovation products do not require new behavior or additional skills from a consumer. For example, all-weather tires ease the process of car maintenance for a driver, but usage of that is not obligatory and additional special instruction for that is not required. In this category are also included „new and improved” shampoos, washing powders, revised and improved books and similar, where the products get slightly improved using a newer technology or equivalent imitations are offered.

Marketing specialists regularly try to improve products, introducing them as innovative ones, because even small changes, for example, a lower amount of calories or less salt can give competitive advantages. Although such improvements can technically be perceived as simple modifications, however in the result of corresponding marketing campaigns from the consumer point of view those become novelties – surely not radical or unique, but enough relevant in order to direct market and assured continuous development.

So, to sum up information about a new product, its essence and types, it can be concluded that before a company makes a decision on launching a new product development, it would be advisable to define in which direction it wants to expand, what market share to obtain, to evaluate its resource level and technological possibilities as well

as target market special features in order to be sure that the new product is quickly accepted and evaluated as necessary and helpful for the consumers.

In the next section the author describes the process of new product development examining every stage and meaning of that.

3. DEVELOPMENT OF A NEW PRODUCT

In this section the author examines such matters as a new product development strategy and the stages of the development process starting from idea creation and finishing with market promotion.

In order to introduce a new product onto the market, the risk of failure has to be taken into account which is very high. Quite recently made researches show that on the consumer market in the U.S.A. 95% of all novelties are unsuccessful, while in Europe 90% of innovations fail (Kotler 2006, 355). There are several reasons why this happens – an idea is not accurately assessed, conclusions are based on incomplete or imprecise market researches, mistakes are made in product development or positioning process, ineffective advertising campaign, inappropriate pricing and similar.

However, despite the risk a new product introduction is necessary for every company in order to progress and gain profit. Therefore it is important to plan, organize, manage and control the process of new product development in order to minimize the risk and extra costs.

For every company, depending on its operation targets, mission, size operation strategy, available resources, and other factors, it would be advisable to develop a **new product development strategy** in order to make this process well organized, reviewed, understandable and corresponding to the common corporate policy and targets.

One of the most important decisions in the new product development strategy is how the new product development is organized and how this process is included in common corporate structure. Depending on company size, resources, management insights and other factors there are several possible variants – new product development commissions or separate departments (Zikmund and d'Amico 1993, 405), product managers or new product managers (Boone and Kurtz 1986, 245).

Afterwards, when the strategy is defined which a company will follow developing the new products and an organizational method is chosen, then it is important to consider the logical scheme, according to which the following actions must be organized. A

new product development process consists of several significant stages and different authors offer different opinions about that. Classic of marketing theory Kotler believes that the process of product creation is formed of eight basic stages – idea creation, idea screening, concept development and check, establishing marketing strategy, business analysis, product manufacturing, market testing as well as market promotion (Kotler and Armstrong 1991, 289).

Berkowitz has slightly shortened that, considering that in order to successfully create a product it is enough with the generation of idea, checking and evaluating, business analysis, manufacturing, market testing and market promotion (Berkowitz, Kerin and Rudelius 1989, 238). Also Stone agrees on such division (Stone and Desmond 2007, 240). Zikmund has simplified this process assuring that five stages are enough – idea generation, check, business analysis, manufacturing and market promotion (Zikmund and d'Amico 1993, 394).

So, it is obvious that in the several sources the authors offer slightly different models, although the basic idea in all of them is the same. However the author agrees more on the product development model offered by Kotler (see figure 3), considering that it is much more precise and concrete securing a more accurate process result than any of the shortened variants.

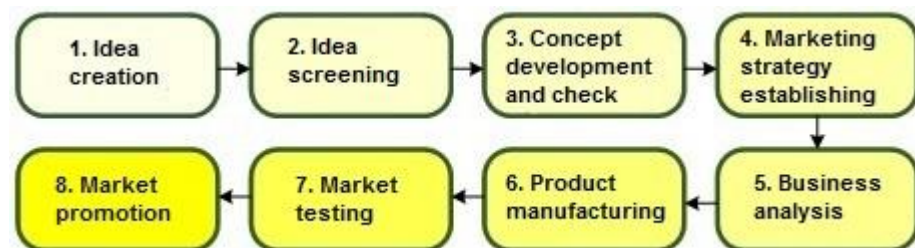


FIGURE 3. The main stages of new product development process (Kotler and Armstrong 1991, 289)

As one can see from the picture, when developing a new product a company must pass through eight stages. A systematic and accurate approach to every stage helps to avoid irreversible mistakes. Definitely there are many successful examples when new products have appeared by accident or coincidence, for example vulcanized rubber was invented when a rubber mix inadvertently dropped on hot oven and liquid soap was invented only because the workers forgot to switch off the equipment (Zikmund and

d'Amico 1993, 392). However, in the current market conditions when a lot of financial, material, informative and other resources must be invested in innovations, new products are usually created as a result of serious researches operating according to a defined plan and moving from one stage to the next one.

3.1. Idea creation

The new product development process starts with idea generation – systematic searches for the new product ideas (Kotler and Armstrong 1991, 289).

In the marketing theory different authors offer a definition of what a new product idea is. According to Kotler, a product idea is a possible product which a company could supply onto the market (Kotler 2006, 358). Also the statement offered by the Latvian marketing specialists does not significantly differ from this – as Praude states, a new product idea is general apprehension of a product or service which in the opinion of a company they could supply onto the market (Praude and Belcikov, 400).

Ideas for a new product can originate from numerous sources – employees, customers, consumers, sales persons, scientists, competitors, etc. These sources can be classified in internal and external sources (Jegere 2007, 115).

Internal sources – company employees. Majority of ideas for new products come directly from a company's interior – approximately 45% (Kotler and Armstrong 1991, 290). In order fully to use the creative potential of one's own employees, the higher level management must create such corporative culture where the employees are encouraged and not afraid to express their ideas as well as get a reward in case of success. External sources can be very different – customers, competitors, distributors, suppliers, scientists, inventors, university laboratories, branch consultants, advertising agencies, R&D companies, branch publications and many others.

Customers are one of the most important external idea sources. Recent research results prove that almost one third – 28% of ideas for new products are obtained observing or listening to the buyers (Stone and Desmond 2007, 241). That can be done by analyzing the results of different customer questionnaires and submitted complaints as well as monitoring the behavior. Also the actions of competitors can serve as a powerful

motivator for searching and creation of new product ideas. Researches show that up to 27% of new ideas are received from analyzing the competitors' operations (Kotler and Armstrong 1991, 290).

Psychologists in cooperation with marketing specialists have developed different methods which can help employees individually or also in groups to generate creative ideas. The most popular of these are brainstorming, morphological analysis and forced relationships (Stone and Desmond 2007, 241).

Brainstorming is one of the most famous and most effective methods for idea creation. The main targets of it are to make the participants discard the usual way of thinking and to achieve a stream of different ideas.

The methods of brainstorming are helpful for specific, not general problem solving and for obtaining useful, fresh and unusual ideas. That can be applied individually as well as in groups of 2 to 10 persons (in ideal conditions from 4 to 7 people).

Morphological analysis is a method, by which a problem and all its components are reviewed, afterwards searching for interconnections and solutions.

For example, there is a product which can be developed from 3 types of materials, in 6 different shapes and with 4 types of mechanisms. Then theoretically 72 (3x6x4) combinations are possible, from which some can already exist, but other ones are impossible or impractical – exactly in those are the hidden the potential possibilities for new products.

The third most popular method of idea generation is **forced relationships**. Its target is to form associations between two and more ideas or objects, which normally do not have anything in common developing creativity, originality and ingenuity, as the result multiform ideas are generated. For example, comparing a company and vegetable hatchery, many original and unusual ideas for new products can be gained.

According to the author's opinion, regardless of which method is used in a company for idea generation, the most important thing is not to criticize but to record each of them, since only a very small amount of ideas is materialized, it is important to ensure

that the ideas are created regularly and in big amounts putting off the criticism to the following – testing or screening – stage.

3.2. Idea screening

As Berkowitz claims, the essence of the idea creation stage is to gain the maximum amount of ideas, while at the stage of idea screening the target is fast evaluation and analysis in order to filter those ideas which are not worth further processing (Berkowitz, Kerin and Rudelius 1989, 242).

According to Zikmund, the target of the screening stage is new idea analysis with the purpose to identify which are the most logical and suitable for the company's target market (Zikmund and d'Amico 1993, 395). Thereby, if during the idea generation it is significant to gather a maximum amount of ideas, then the purpose of this stage is to get rid of what is visible as unsuitable and unreal already without a deeper analysis. Companies can use an internal or external approach to the screening process (Bennett 1988, 338-339).

Internal approach means that a company evaluates the technological possibility needed for every idea, or needed for realization of new equipment and materials and whether the materials needed for manufacturing are available on the market and whether an idea corresponds to those targets which were set when the new product development strategy was defined.

The most widely used method of internal idea screening is creation of a point system. It means that a company sets the major evaluation criteria which seem relevant, draws up a general evaluation scale for each criterion and after that estimates the ideas gained at the previous stage, granting corresponding points. The indicators can be absolutely different – starting from product uniqueness, technological solutions, marketing questions, target market and finishing with such a criterion as „feeling of future success“. Those ideas which got the highest points are directed further.

In some companies internal idea screening is made as open discussions, in which the representatives of different units participate. (Boone and Kurtz 1986, 247)

While the external approach represents the conception tests (questionnaires, interviews) with consumers, to whom features of a potential product idea are offered, sometimes also added by sketches or models trying to gain the answers to several essential questions – how the consumers perceive the idea of innovation, who could use that, for what purposes that can be used and similar. Conception tests gather and evaluate the reaction of buyers on the new product idea before the actual product is created (Bennett 1988, 339)

The internal approach for idea screening and evaluating is used much more often than the external one, because it is faster and requires considerably less time and financial resources, however a better accuracy and conformity to the market situation gives external approach, since it helps to understand and to forecast potential customer reactions.

Regardless of how the idea screening and evaluation are organized, it is important that during that the following questions are answered:

1. Will the consumers need such the product?
2. Does a company have the appropriate scientific and technological resources in order to develop the product?
3. Is the idea potential big enough in order to have a hope to get profit in the future? (Zikmund and d'Amico 1993, 396)

Answering these questions, which is not always simple, it can be defined, whether the idea is worth further promoting.

The stage of idea screening is very important in the process of new product development, because when trying to realize weak and inappropriate ideas, the company loses money and time, while declining the effective, but reckless ideas, and will become conservative and will lose in the competition.

3.3. Concept development and check

Ideas which have survived from the screening stage are materialized and therefore it is necessary to test them on the potential market. That can be done only if the properties

and advantages of a product are explained to the potential consumers. Thereby it is important to define a product idea and its positioning concept.

A product idea is a possible product or service that a company could supply onto the market. While a product concept as Kotler underlines, is a detailed variant of an idea which is stated to the consumers in the meaning terms (Kotler and Armstrong 1991, 292). According to Praude, a concept is already selected and studied idea version given in the understandable product description (Praude and Belcikov 1999, 408).

Hence, as the author believes the consumers do not buy a product idea, they need apprehension of what they will get into possession of. Since several concepts can be developed for every idea, the task for marketing specialists is to check how attractive every alternative seems to consumers and to choose the most suitable one.

When developing the concept it is important to answer the following essential questions:

- Which is the potential target market and who makes the decision in the process of purchasing decision making?
- Which properties and advantages must a possible product have?
- How do consumers react on the potential product?
- How is a product manufactured so that the costs are the lowest possible?
- What will a product placing on the market cost for a company?

One of the most widely used methods for the concept development is the use of a product positioning map (Kotler 2006, 358). This is a process during which the market situation is researched and information is obtained about the properties which seem important to the consumers in a concrete product group (for example, price, quality, etc.), which of already existing products on the market (similar to the potential idea) meet the consumer requirements, what is according to the customer's opinion the ideal level of these properties and finally, how they estimate the existing offer according to their own standards.

Afterwards information is gathered and set as a map so that it would be easier to make comparisons, and an example of that is presented in the figure 4. Most often two dimensions are used (two most important properties, which in the management's opin-

ion a possible product would have to possess), although by computer it is possible to generate complicated multidimensional product maps.

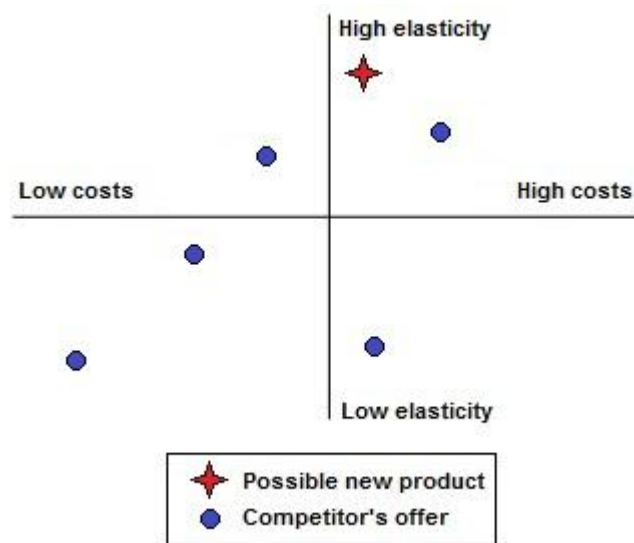


FIGURE 4. Product positioning map (Jegere 2007, 117)

In the picture one can see an example of a positioning map. When correctly composed and made out the map can give useful information in the further process of product development:

- How does the target market perceive a company's brand in comparison to its competitors. This knowledge helps to decide on the most suitable strategy choice – to place a product just near the competitors' products, trying to beat the offer or vice versa, trying to differentiate and to offer quite a diverse combination of properties.
- How far away is a potential product from „the ideal model”, that is how consumers call conformity of that conditionally to the ideal level. The higher points a product gets, the better the customers accept and evaluate that.
- Is there some vacant niche on the market that a company could use.

The major purpose of the positioning map is to reflect consumer comprehension of the brands available on the market and to forecast how they could perceive the potential product. Based on the results received a few most suitable product concepts are created. After that it is relevant to conduct checking or testing.

Concept check means presenting a product to the potential market participants, receiving and evaluating their reaction (Kotler 2006, 359). That can be done by a written advantage depiction as well as by the use of visual materials.

Regardless of what kind of testing method a company employs, it is significant during that to get the following questions answered:

- What is the general level of acceptance of a new product concept?
- What concept improvements can be done in order to make it more attractive?
- Is some product property missing which in the opinion of consumers would be relevant and necessary?
- Does the product not have some significant defect that a company has missed?
- How do the consumers perceive the product concept in comparison to the existing competing products on the market?

Answers to these questions in the opinion of the author, give an idea to a company about whether it is worth wasting money on this idea realization. Surely, such a risk has to be taken into account that the results obtained during the testing can be incomplete, because the respondents answering the questions can give imprecise answers about their true actions in the real market conditions. Besides, a leak of information is possible and the competitors can in advance find out about an innovation and imitate that. Also during testing it can be revealed that a concept which before has seemed to a company very promising, does not arouse any interest nor responsiveness in consumers. Thereby at the stage of concept development and check the target is to filter inapplicable new product ideas, moving forward only small amount of potentially successful ones, since every new product development stage adds costs and time resources.

3.4. Marketing strategy establishing and business analysis

Marketing strategy establishing is the fourth stage of new product development, when a company starts developing a primary project of a marketing strategy plan in order to introduce a new product onto the market (Kotler 2006, 359).

A marketing strategy outline consists of 3 parts. In the first part the capacity and structure of the target market, a planned concept of product positioning as well as target of sales, market share and profit for the first years of operations are described. In the second part the main points are a product's planned price, distribution strategy and marketing budget for the first year. In the third marketing strategy part the planned

sales and income targets in the long term and also marketing mix elements are reviewed (Kotler and Armstrong 1991, 293).

When developing the marketing strategy, it must be considered that it would have to sustain several product positions:

- specific properties' product position;
- positions of client special need satisfying and special consumption problem solving;
- position which is taken into consideration regarding consumer categories;
- position regarding the competitors (Jegere 2007, 120).

One of the most important marketing strategy components is selection of price developing strategy, for example, whether a company will choose cream skimming, penetration onto the market or some other price developing strategy.

A marketing strategy plan creates the basis for a business analysis which is carried out before the management makes the final decision on a new product introduction.

Business analysis is the next stage of new product development during which the most successful product concepts are deepened and detailed, so that the manufacturing, marketing and financial plans could be developed.

The starting stage of a business analysis is an evaluation of the marketing situation, and several significant questions are included:

- description of target market;
- forecast of sales volume;
- product positioning feature;
- rating of probable competitors' reaction;
- estimation of potential sales volume loss, which could appear if the consumers refuse to buy the existing product and choose a new offer;
- clarification of new product properties including the quality levels;
- evaluation of approachable price level;
- strategy of distribution channels (whether new products can be distributed through the existing distribution channels or will it be necessary to develop new ones);

- statement of advertising event requirements (Stone and Desmond 2007, 243).

The second stage of business analysis is the review of financial questions which is carried out based on marketing evaluations and includes such aspects as sales size, manufacturing variable costs, permanent cost increase as well as a new product contribution in the increase of profit volume. Surely, it is hard to estimate the precise results, though it is important to create at least an approximate idea in order to understand whether the idea will be potentially profitable for a company.

The third stage is clarification of manufacturing details as, for example, determination of the necessary resources or estimation of technology (whether for product manufacturing the existing equipment can be used or new ones will be needed as well as whether on the market the corresponding equipment is available or it must be patterned by a company). This information in the opinion of the author can make an essential influence on the product idea's further destiny, because if the technological resources are missing which are needed for idea realization, it will probably be necessary to make too much of investment, so that this process could be compensated for and make profit for a company.

Thereby, summarizing the gained information, the author believes that the business analysis reviews a potential new product from all the most important organizational perspectives defining how successful it will be in the real market situation. That is the last point where the most successful and the most profitable concept is chosen in order to develop and realize it on the market.

3.5. Product manufacturing and market testing

Those product concepts which in the business analysis are recognized as potentially successful, must be converted from the ideas into the real product. At the manufacturing stage an idea is transformed into a product prototype, i.e. the decisions on physical attributes, package, brand name, market segment strategy and similar are made.

Product manufacturing requires large resource investments in order to ascertain that an idea really can be converted into a working product. The duration of this stage depends on how innovative and complicated it is. If already known technologies and

materials are used, then the process is much more simple, since the manufacturing problems do not have to be solved. Also, it has to be considered that the manufacturing process may not be superficial – sometimes the companies trying to introduce onto the market a new product first fail, because they have not finished developing the product attributes.

At the manufacturing stage a close cooperation between different company departments and units is necessary. The research and development department is responsible for the development of product design, the purpose of the manufacturing department is to achieve minimum production costs, while the task of the marketing department is to develop a correct marketing mix, sales and logistics strategies (Stone and Desmond 2007, 244). This is necessary because if all the decisions are made only with the purpose of satisfaction of consumer wishes and needs, a company would suffer losses trying to realize such an idea, since it would not be coherent with production abilities.

Testing can be carried out in two ways. Functional testing happens in special laboratories and this is done with the purpose of ascertaining product safety, durability, comfort of use, etc. Consumption testing is carried out by transmitting single samples of a new product for the check in real conditions, afterwards surveying consumers in order to explain the usage properties of respective products in comparison to other products (Praude and Belcikov 1999, 364).

In other sources these check methods are also called alpha testing (product check in an interior of a company) and beta testing attracting buyers to the check process (Kotler 2006, 362).

When product manufacturing is finished, the companies can make market testing before its market promotion. Coming to this stage a product turns from an idea into a physical prototype with its own functional and psychological properties, the apprehension of brand name, packaging type and price levels are created. The product preparation for introduction onto the market must be launched, but before that the market testing is highly advisable.

As Stone predicates, market testing is a controlled experiment of a new product marketing program which is carried out in the restricted, but carefully selected market

share with the purpose to forecast sales and profit results in the absolute or relative numbers (Stone and Desmond 2007, 246).

According to Praude, during market testing the chosen target market share is introduced with an already manufactured new product in order to estimate how the consumers and also other market participants react on its appearing, application, marketing activities. It is important for a company to evaluate such indicators as purchase repeat, adaptation and frequency (Praude and Belcikov 1999, 364).

The market testing process consists of several stages. First of all a place is chosen which represents the common target market of a product and where the check is done. Normally that corresponds in terms of economic, demographic and other conditions to the entire country's situation. The next step is producing a small volume of the product, to suffice for the test execution. This stage can bring some losses for a company, because producing a small volume is very seldom efficient.

The third step is to attract the distributors and consumers to the testing process. When it is done, then it must be determined by which methods to identify and analyze consumer reaction on a new product as, for example, interviews in the stores, questionnaires or observations (Bennett 1988, 341).

Successful market testing results show that a developed concept is successful and can start its introduction onto the market. If the results are negative, then one must review what strategy elements are the weakest and those must be reprocessed, or one must even consider the possibility to reject the product placing onto market in order to avoid even bigger losses.

And finally, interpreting the results obtained during the testing, one must take into consideration the fact that they can be deceptive and do not correspond to the real consumer behavior on the market (Boone and Kurtz 1986, 250).

The decision on release of market testing stage from the common new product developing process should be based on the conclusion that there is a very high level of credibility that a product will get responsiveness and that the costs will be too big, to justify the received results. But in the opinion of the author, one must also consider that

testing can save for a company even bigger expenses and public shame placing on the market an unsuccessful innovation.

The period of time between idea creation and a complete product which to offer to the buyers can be extremely different. For example, in order to realize an idea of a zip fastener, 55 years were needed, for the heart artificial cardiac pacemaker 32 years were needed, even for fast boiled rice 18 years were needed in order to convert it from an idea into a complete product (Berkowitz, Kerin and Rudelius 1989, 250).

It means that the more complicated and innovative a new product idea is, the longer time will be needed for developing that as a functional product. It would require from a company large resource investments, therefore already at the starting stages of the developing process one has to be able to divorce potentially successful ideas from those that would bring only losses.

3.6. Market promotion

The last stage of new product development after execution of all tests and getting satisfactory results is launching of manufacturing at full capacity and market promotion, and this process is also sometimes called commercialization (Zikmund and d'Amico 1993, 398). The author believes that regardless of how accurately a product is developed, it is very essential what promotional methods a company uses in order to get the market familiar with a new product. Those have to conform to the chosen marketing strategy, set goals, product characteristics and other factors.

A set of market promotion activities or promotional mix is one of the basic elements of marketing mix and according to the definition offered by Niedritis, promotion is the operations of each company what it uses in order to inform, persuade or remind about their products, services or about the company itself (Niedritis 2000, 176).

From this definition one can see that the set of market promotion activities consists of four basic elements – advertising, personal selling, sales promotion and public relations. Jegere also defines as the basic elements, for example, sponsorship, direct marketing or publicity (Jegere 2007, 129), however the author agrees more with the clas-

sic 4 elements, since each of the promotional methods listed here can be added to some basic type.

The basic target of promotional mix for new products is to inform a target market about an innovation and convince them about its advantages, thereby attracting a maximum number of buyers. Despite how perfect and well thought-out a new product would be developed, only the use of successful communication methods can ensure such sales and profit results which would satisfy the company's set goals. Thus, it is very significant for each company before the buyers get familiar with a new product to devote time to carefully choosing and implementation of market promotion activities in order to stimulate the target audience to get that.

When developing promotional mix a relevant decision is to choose how to combine these four elements, so that the promotional program would be the most efficient and would assist achieving the goals set by a company. The definitions of targets of promotional activities set can differ in every company, although actually its essence is very similar – to make a new product known to consumers, to provide information, to explain the motives of a company's behavior (for example, why a certain name was chosen for a new product) with a purpose to enhance faithfulness, encourage potential and current customers to try out a new product, to keep the loyal customers, to increase offer volume, to decrease sales volume oscillation and similar (Schoell and Guiltinan 1990, 513). The basic target of each company is the same – to catch up so that a buyer who does not yet know about a new product would decide to make a purchase.

Thereby, developing and combining the available methods it is a must to get familiar with the essence of each element, advantages and disadvantages, in order to be able to develop an effective promotional mix which would assist reaching the set goals and to deliver to society a company's ready notice.

3.6.1. Advertising

According to Kotler, advertising is any paid, impersonal presentation form of an idea, a product or a service offered by a known sponsor (Kotler and Armstrong 1991, 438). According to Cutlip, it is the information that is given to mass media by an infor-

mation provider which pay advertising time or place. Advertising is a controllable method for news publishing in the mass media (Cutlip, Center and Broom 2002, 35).

Although advertising can be conducted in many ways and it has a wide range of applications, several advantages which it can offer can be distinguished. First of all, the public nature of advertising guarantees to a consumer that a product is generally accepted and legal. Secondly, by means of advertising a company can repeat its transferable information several times and a buyer can perceive that comparing to an offer of competitors. Thirdly, extensive advertising activities create a positive impression about a company's size, popularity and success. Fourthly, by a color, sound, image and word an expressive demonstration of product properties can be achieved making that more desirable in the eyes of consumers. Fifthly, advertising helps a company to realize different goals, for example, developing a sustained product image or promoting fast sales activities. And finally, advertising assists reaching geographically far market participants (Kotler and Armstrong 1991, 438).

Thereby, reviewing all advantages of advertising, one can conclude that advertising is one of the most popular and often used promotional tools. In the figure 5 one can see evolution of Latvian advertising market from 2008 till 2014.

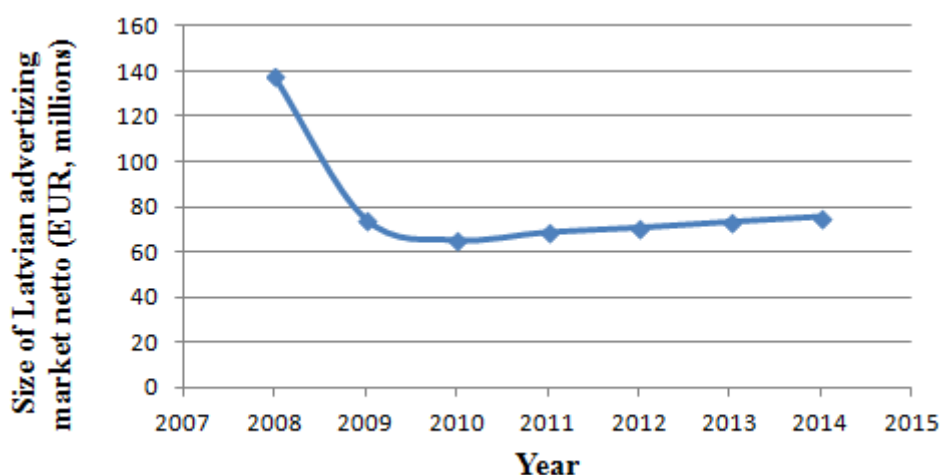


FIGURE 5. Size of Latvian advertising market net (EUR, millions) 2008-2014 (Latvian advertising association 2015)

As it is visible from the picture, Latvian advertising market after the dramatic decrease during the Global Financial Crisis has started growing slowly in 2011 and in 2014 it has reached 75.63 million euro, showing the positive growth of 3 percent compared to

the previous year 2013. According to the author's opinion it clearly demonstrates that advertising is one of the most popular promotional tools.

While in the figure 6 one can see the Latvian advertising market apportionment by the most popular media groups (newspapers, magazines, television, radio, environment advertising, the Internet and cinema) and its evolution from 2008 till 2014 net, millions of euro.

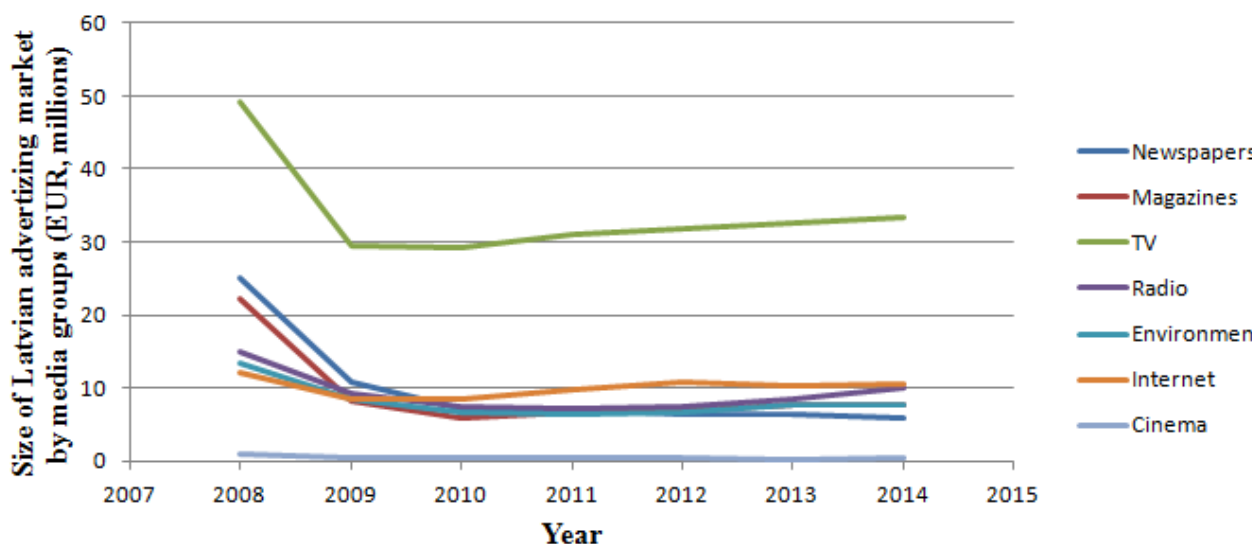


FIGURE 6. Size of Latvian advertising market by media groups net (EUR, millions) 2008-2014 (Latvian advertising association 2015)

As one can see from the picture, the most popular medium for advertising has been the television, in 2014 constituting a third of the total size of the advertising market. After that follows advertising on the Internet and on the radio, and the residual is divided between advertising in external environment, newspapers, magazines and cinemas.

Thus it can be concluded that regardless of that the advertising on the television has high absolute costs and short exposition and attracts Latvian entrepreneurs much more than other media, mostly because it has high degree of reach and it quickly attracts spectators' feelings through scene, sound and action. Advertising on the Internet grows rapidly demonstrating that the companies have finally started appreciating the advantages of this environment.

3.6.2. Personal selling

Kotler states that personal selling is an oral presentation in a conversational format with one or several potential buyers with the purpose of achieving the act of purchase (Kotler and Armstrong 1991, 438). According to Kerin, personal selling is a bilateral form of communication between a buyer and a seller with the purpose of influencing the decision on purchasing (Kerin, Hartley and Rudelius 2007, 336). Niedritis defines personal selling as „a process where a buyer and a seller constantly communicate personally” (Niedritis 2000, 189).

The target of personal selling is to persuade the existing as well as new customers to try out a new product getting familiar with its advantages and also recommend that to other participants of their social groups and networks. That includes not only selling person to person, but also distance selling (via mail, with a catalogue intermediation, selling on telephone and television marketing), as well as selling on the Internet.

Comparing to advertising personal selling has several unique properties. That includes mutual interaction between two or more people, thus every participant can observe the others' desires and individual traits, quickly and flexibly adjusting a conversation to a partner. Furthermore a buyer feels a bigger desire to listen and answer, since he or she feels that a company's representative addresses to him personally.

During personal selling a customer can acquire full information about a new product which corresponds exactly to his level of knowledge and extent of interest (Kerin, Hartley and Rudelius 2007, 335). Also every good seller has his own circle of permanent clients who trust him, therefore it is very likely that they will accept a new product very fast and with positive emotions.

Therefore it has to be taken into consideration that in personal selling one has to concentrate not only on psychological persuasion of customers, but the same attention must be paid to motivating, supporting, teaching, informing, cheering up and also monitoring of sales work force, since the sales results depend exactly on the efficiency of their operations and contribution made. That all requires large financial investments, therefore accurately choice criteria of sales specialists must be developed and corresponding motivation in order to attract professionals, talented and capable workers (Kotler 2006, 627).

One of the personal selling types is telemarketing – the workers use telephone in order to contact the customers and tell about the new products. However, selling on the phone can also have a negative feature – in contrast to other selling methods it is associated with direct interference into time plan of a concrete person and can cause a negative reaction from a client.

Personal selling is a very effective promotional method for a new product, since the workers can explain the current and potential customers the advantages and gain, to persuade and create a trust. By advertising campaigns and public relations support as well as using different sales promotion methods, for example, gifts for purchasing, the sellers can very successfully assist a company to promote a new product onto the market.

3.6.3. Sales promotion

Sales promotion is the short incentives for stimulating the volumes of a product or a service purchasing (Kotler and Armstrong 1991, 438) or short offer making with the purpose of creating interest to get a new product (Kerin, Hartley and Rudelius 2007, 337).

Sales promotion includes a broad use of methods as, for example, coupons, discounts, bonuses, etc. in order to attract consumer attention, raise product value in their eyes and give encouraging information for making a purchase (Vaccaro 1987, 58). Sales promotion tools are normally used for creating a short reaction, since it is not sufficiently effective for creating product image in the long-term.

Sales promotion methods can be divided into two conditioned groups – consumer oriented sales promotion and trade oriented sales promotion.

Trade oriented promotion is usually used by those companies whose products are sold by intermediation of wholesalers, retailers or distributors, i.e. a company itself does not practice the selling process and in their daily operations does not deal with the clients. In such cases the most common methods are introducing various discounts and facilitations, shared advertising (a manufacturer pays a part of a distributor's advertising costs), also a distributor's sales persons' instructing, so that they would be more

aware and competent of a new product. The main target of these sales promotion methods is to push the intermediaries to procure a new product and promote that further through their distribution channels. Also, it should be noted that as a product is new and unknown how the consumers will react on it, quite often the intermediaries do not gladly want to procure that in large volumes, thereby sales promotion combined with convincing advertising can make a very positive impression (Kerin, Hartley and Rudelius 2007, 369).

Consumers oriented sales promotion is one of the most popular and easiest methods with the purpose of supporting advertising campaign of a new product introduction and assisting personal selling. The most commonly used methods are, for example, discount coupons, short sales with price reduction, bonuses, competitions, lotteries, games, samples, tastings and demonstrations, client loyalty programs, gifts for the buyers, etc. Also such a unique type as product collocation at public events (for example, putting the bottles of mineral water of a particular brand on the table of the jury or participants at popular events) is considered a sales promotion element.

In order for the use of a sales promotion element to be successful and profitable, a company has to choose carefully a method or a combination of methods which will help the best to reach the set promotional goals, furthermore those have to be accurately coordinated and adjusted to the other promotional set components and for the effect to be maximum positive, the process has to be monitored and the results must be evaluated, executing corresponding corrections if needed.

3.6.4. Public relations

Representing the classic of marketing theory Kotler, public relations are the development of positive relations and company image (Kotler and Armstrong 1991, 438). Cutlip defines that as an administrative function by which mutually beneficial relations between an organization and society are established and maintained, which can make a positive or negative impact on the organization (Cutlip, Center and Broom 2002, 21).

But according to Schoell, public relations are also a form of communication which is used to correct a false idea, build a company's prestige in the eyes of society, influ-

ence the opinion of the current and potential customers, shareholders, employees, partners and other parts of society, views and feelings about a company and its products or services as well as explain a company's goals and intentions (Schoell and Guiltinan 1990, 502).

In the modern public relations concept and practice several activities and specialties are included and the main one is publicity – information from some external source which mass media use because it is considered to be new. That is uncontrollable information publishing in mass media, since a provider of information does not pay the mass media for publishing that (Cutlip, Center and Broom, 32). As an example can be mentioned a reflection in press of different charity events which are sponsored by a respective company, arranging of entertainment events, supporting, etc.

Corporate advertising (where instead of a new product, a company's image is advertised), sponsorship of different events, annual reviews, press conferences are also often used tools of public relations realization (Belch and Belch 2004, 586).

Public relations as a part of a new product market promotion set have several advantages. First of all, it is credibility – various news, events and occasions seem to consumers much more real and sincere than simply advertising. Secondly, by use of public relations such target auditory participants can be reached, who usually try to avoid the advertising of a company's sales persons. And thirdly, skillfully realized public relations can make a valuable contribution to development of common company image in the eyes of society and respectively also in achieving of the set goals (Belch and Belch 2004, 576).

Analyzing all the development stages reviewed in this section, the author has made a conclusion that the careful consideration of each stage of a new product developing process does not guarantee 100% success, but it can noticeably decrease a degree of risk. Surely, in the current market conditions when everything changes so fast, companies start giving up the traditional scheme of a new product developing process going to a faster, more elastic development, uniting different stages or entrusting its realization to other companies who specialize in this sphere. However, it is essential accurately to define the targets and consider the determined scheme, according to which to

act, so that the process of new product development would be well thought through and controlled.

In this section 4 elements are reviewed, by which a company can promote a new product on the market. Decision on how to combine and apply those methods, based on the company's structure and policy, approachable goals, new product attributes, amount of allocated budget for promotional events and other factors. The more accurately a campaign is developed, the easier the consumers will accept an innovation, want to try it out or obtain it and the faster a company will reach the set goals.

Hereafter the developed and suggested by the author a new product – Multi account for AS Citadele bank is described, a description of its development process is given as well as the possible most successful promotional method is analyzed which would be the most attractive for the customers and would encourage them to get the new product.

4. DEVELOPMENT PROCESS OF MULTI ACCOUNT

In this section the author describes the development process of Multi account. At the beginning the characteristics of the company's operations are given, thereafter the innovative product and its features are described. Furthermore an insight of how the Citadele bank would organize the process of Multi account development is given.

4.1. AS Citadele bank's operations and the concept of Multi account

AS Citadele bank was established in Latvia as Parex bank already at the end of the Soviet era in 1988. In 1991 the bank has got the license to perform currency transactions. Since that time the bank was developing fast until the Global Financial Crisis 2008, when Parex bank faced very serious problems. On November 8, 2008 the government of Latvia took over the Parex bank and on June 30, 2010 transformed it into Citadele bank. Nowadays the new possessors of Citadele bank are Ripplewood Advisors LLC (75% plus one of Citadele bank's shares) and The European Bank for Reconstruction and Development (EBRD) owns the bank's remaining shares. AS Citadele bank offers to its customers a full spectrum of banking and financial services in their branches throughout the Baltic States.



FIGURE 7. The modern logo of AS Citadele bank

Citadele bank has 44 branches in Latvia with 1500 employees and 7 branches in Estonia, Sweden and Germany. The bank also has 19 subsidiaries and representative offices in Switzerland, Russia, Belarus, Ukraine, Kazakhstan and Azerbaijan.

AS Citadele bank is an exclusive commercial bank in Latvia which has got the license to issue American Express credit cards. Nowadays the bank ranks in the leading positions on the Latvian investment market and is in top-three banks operating in all private and corporate customer segments.

Since 2004 when Latvia joined the European Union, the system of granting residence permits for the investments into the economy of Latvia has been introduced. Since then tens of thousands of residence permits have been issued with the right of renewal and the economy of Latvia has received billions of euro. (OCMA 2014)

Meanwhile AS Citadele bank is trying to conquer the domestic market in Latvia and to regain the customers lost during the Global Financial Crisis. The Multi account is a new and innovative potential investment product which can give the customers an opportunity at the same time to save free funds getting a high interest rate as well as to have a 24/7 access to the deposited funds on the Multi account.

At the moment none of the banks in Latvia offer such a dissimilar and elastic open-ended type of money saving, which combines the properties of savings account and the comfort of payment cards usage. That means that Multi account could always be connected to the most popular in the Baltics Visa, Visa Dynamic or MasterCard payment cards.

The major currency of the Multi account could be the official currency in Latvia, Estonia and Lithuania Euro, but analyzing the current situation in the world regarding the huge currency fluctuations and monetary risks, it would be significant to give an opportunity to the customers of the bank to open the Multi account in such currencies as USD, CHF, GBP, SEK and NOK or if a customer wishes then to open a multicurrency Multi account with the unified IBAN.

Each resident of the Republic of Latvia, Republic of Estonia, Republic of Lithuania could have an opportunity to open the Multi account – natural persons as well as legal persons. It would be possible to apply for opening the Multi account in any branch of the bank throughout the Baltics presenting only identity documents such as a passport or an ID card or in the Citadele's Internet bank for the current customers of the bank who have the access codes.

The yearly interest rates of the Multi account could be elastic and could be increased according to the market tendencies. Meanwhile for the Multi account in Euro the interest rate could be higher than for other currencies in order to stimulate people to keep the funds in the local currency and to spend more.

For the funds saved in the Multi account the interest could be paid on the capitalization rate basis. The interest rate could be calculated for each day and each currency unit which are in the account. That would be added to the basic sum (principal) at the end of the month, and in the next month the interest rate would be calculated altogether for the principal and previous interest.

On the website of AS Citadele bank there could be a special calculator for the Multi account. So, the customers could insert the indicators they are interested in and then they could see at once the amount of saving at the end of a contract as well as profit of the concrete interest rate. This information could help the bank workers in the process of account opening as well as anybody interested showing very well the level of profit and not complicating with the complex interest rate calculation formulas.

Any amount of money could be deposited in the Multi account any time. There should not be any defined minimum debit sum at a time, nor a minimum balance. The term of Multi account would not be limited, so that the clients could choose themselves when and how big deposit payments to do and for how long to save without prolonging a contract with the bank. There would be several ways how to deposit money in account using the cash payments on ATMs, visiting the branches of AS Citadele bank, making bank transfers in the Internet bank as well as creating a regular payment from the salary or other regular income to the account.

In difference to other investment products, the major property of Multi account is that by use of a payment card the savings are available 24/7 when withdrawing cash from an ATM or also paying for the purchases by the payment card.

The Multi account payment card would offer several advantages, which other investment products cannot offer. First of all, one could deposit money in the account using the Citadele bank's cash-in ATMs without wasting time standing in the long queues in the bank's branches in order to make a deposit. Secondly, one could pay by the card in the shops without any additional commissions. And thirdly, if necessary one could withdraw cash from the AS Citadele bank's ATMs as well as in the ATM network of the other banks. Also on the Citadele bank's ATMs one could check the account balance and free of charge pay the most popular bills, such as Tele2, Statoil, Lattelecom, etc.

Besides the afore mentioned advantages Multi account has also several additional properties. The bank's customers get 100% control over their investments and as it was already mentioned by the use of a payment card one could access the money any time as well as any moment follow the account status through the Internet bank, SMS bank, ATM or 24/7 phone client support. Opening the Multi account a client would get the regular bank account free of charge and all its functions as well. The Multi account allows making automatic payments without additional commission making an additional service contract.

When opening and maintaining the Multi account there would not be any additional expenses for the customers. This decision could be a good investment of AS Citadele bank in attracting new clients and extension of the service portfolio.

With respect to Multi account as well as to any other deposit product, the law of the natural persons' deposit insurance is in force, which provides the customer deposit security till 100 000 EUR in case of emergency (Legal Acts of the Republic of Latvia, 2015).

Looking at Multi account as a new product from the corporate perspective, it can be perceived as AS Citadele bank's investment products' portfolio extension supplementing the already existing investment products. While looking from the market perspective, it is a completely new and original product, since none of the Latvian banks have offered something similar before. Uniting the properties of a deposit account with a payment card usage comfort, AS Citadele bank could create unique deposit product, which could not only capture an interest for the current customers and attract new, but also to attract the attention of those market participants, who have not thought about making the deposits or were not satisfied with the investment conservatism.

Significant are the new relative advantages which noticeably differ from the traditional investments and deposits, possibility to make the deposits not only in EUR but also in other currencies creating the multicurrency basket which is a very popular tendency in the investment sector. The product is not complicated, it is easy to use and suitable for anybody interested.

4.2. Development process of the new product Multi account

One of the strategic goals of AS Citadele bank is to offer their customers a simple and secure process of money investment and to help money to make a profit regardless of the deposited sum or investment term. In order to achieve this goal the project investment product has been created by the author and its development process is described in the following section.

The model for new product creation or transformation of a current one is the most important element which helps a bank to provide such a financial product and service portfolio which corresponds to the constantly changing needs of the clients. But taking into consideration the costs and risks related to new product development as well as its value in the marketing strategy, AS Citadele bank uses a beforehand developed, organized and systematic approach to this process in order to have maximum control and decrease probability of failure.

In AS Citadele bank's organizational structure a separate department is developed – product and service development section, whose goal is to provide centralized and scheduled development of the current bank's products and services and introduction of new ones as well as to improve the organization of the previous work processes. This department consists of two subdivisions – product development section and banking technologies optimization section and collaborating with other bank's departments new products are created and the technological solutions for their introduction into practical usage are researched.

The new product Multi account would be developed by the collaboration of the investment and deposit product department and the marketing and sales department and, of course, product and service development section. Taking into consideration the specifics of the AS Citadele bank's operations as well as the fact that the detailed development and approval of the product would be carried out by a wide participation of the bank's top management, the author describes the development and market promotion processes generally and due to the high degree of privacy using limited information provided by the bank's representatives.

The major strategic goals when developing Multi account is to follow the bank's technology, product and service development tendencies in the investment sector of the Latvian market, to improve for the clients of the bank the quality of the already existing provided deposit services and to create a new product in order to promote the extension of the deposit portfolio and respectively also increase the bank's income.

Thereby, the major task of the AS Citadele bank's product and service development section, making decision on the new product development and introduction and basing on the afore defined strategic goals is to provide the competitiveness of a new bank product and service, to promote the bank's development and its leading position on the financial market according to the AS Citadele bank's formulated mission, strategy and vision, to provide the growth of image of the bank as well as to optimize expenditures and to minimize the risk of losses, which could be caused by the exterior conditions of internal processes, staff, system failures or nonfinancial reasons.

As it was already mentioned in the theoretical part, before starting new product development each company should formulate the strategy and the goals to be achieved as well as to identify how the organization of this process happens in order to avoid the failures and extra costs. AS Citadele bank is not an exception, but taking into consideration the specifics of its operations and difference of financial products from the traditional products, this process is modified adjusting the standardized product development model for the needs of the bank. Surely, it is also mentioned in the marketing theory that the biggest part of the companies organizes development of a new product according to their principles, the most important issue is to obey the united coordination and control system.

Thus, a new product drafting is accomplished in AS Citadele bank in three main stages. Product and service idea, analysis and approval are the first stage, after that come conception development and marketing strategy development, product and service development and, finally, introduction and promotion on the market.

4.2.1. Product idea, analysis and approval

Ideas for new products or improvement of the current ones can arise in different bank's departments. Every employee can express their own suggestions by sending a

message to the product and service development section, verbally communicating with these specialists or its direct chief. The department's workers carefully evaluate each of the received offers, since quite often ideas from the outside turn out so that they help to find the simplest and most effective decisions, how to improve or optimize the existing products or to create something absolutely new and unexpected.

In AS Citadele bank ideas can usually be received from several sources. First of all, those are the workers of the product and service development section, whose every day duties include the development of different suggestions and possibilities' analysis based on the results of research, statistical data or market and competition evaluation. Surely, it is very positive that there is a separate unit which coordinates and organizes such processes in the entire bank, however the main disadvantage is often hidden there that this department is very loaded, they have to know all the bank's products, the specialties of the target group and market segment, they have to monitor the rivals' actions, situation on the market and in the country, etc., moreover to focus on some exact project, the original, innovative and potentially successful possibilities can pass by unobserved due to the lack of time and overload.

The second source from which many useful ideas can be obtained for new products are the workers of different departments who are responsible for the concrete products. The workers of those units know best the types of their products, its properties, advantages and possible disadvantages, the offers of the rivals and various specific tendencies, therefore they are able to forecast the market probabilities and wishes of consumers. These ideas are most often planned, based on the accurate market researches and analyses of the current situation. The only gap could be that sometimes the management and other employees of this exact unit are so concentrated on the provision of the current product line operations that they do not leave time to search for the new solutions. The third source for new ideas is the AS Citadele bank's top management, whose opinion has a very big value.

And, finally, the fourth source is the customer service specialists and other personal selling workers who daily deal with the clients. They know best the customers' wishes and needs, what they like and what they are not happy with, moreover they are able to create original suggestions for new products and services. Surely, sometimes these ideas may not be well considered and are hardly realizable, although they can bring

fresh ideas to the product and service development section serving as the basis in the creation of an innovative product.

Since the Multi account is a deposit product, it is logical that an accurate analysis of the investment sector is needed in order to detect how a big perspective this innovation would have. Likewise it would be important to evaluate what kind of tendencies are observed on the credit market, because for any bank it is significant to attract investments in order to have a source for loan emission. Since AS Citadele bank does not have a parent bank in other countries, as many other banks on the Latvian market do which if necessary could provide with financial aid, it is logical that it is crucial to work on the own investment strategy very accurately.

Latvian financial market

In the figure 8 one can see the situation on the Latvian financial market during the last six years, comparing the deposited money in the banks and the emitted loans.

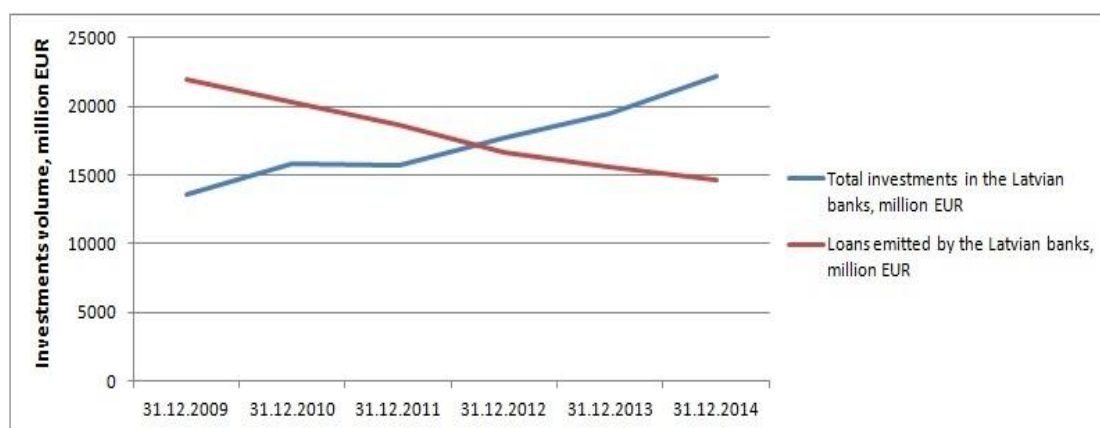


FIGURE 8. Loans emitted by the Latvian commercial banks and the attracted investments between 2009-2014, million EUR (The Association of Commercial Banks of Latvia, 2015)

As we can see from the picture, the emitted loans have been decreasing steadily and starting from 2012 the decrease has become smaller, which proves that people during and after the Global Financial Crisis decreased their spending and tend to save. On the other hand the total investments after the small growth during the Global Financial Crisis in 2010 had the constancy. Starting from 2011 the investments have started

growing quite considerably also proving that nowadays people tend to make savings in order to have some additional passive income and to ensure their future.

Thereby, reviewing the situation in the country, one can understand that AS Citadele bank has to think on time of the new approach how to attract the investments, because the banking specialists already long forecast that the market becomes too saturated and due to the first payment rule as well as growth of real estate prices the credit volumes will decrease with time and a new perspective will appear for the investment products. Furthermore the strategy of AS Citadele bank foresees that the investments have to be bigger than the emitted loans in order to ensure stable operations and customer trust.

In figure 9 one can see the comparison of AS Citadele bank's emitted loans and attracted investments in the period of 2009-2014.

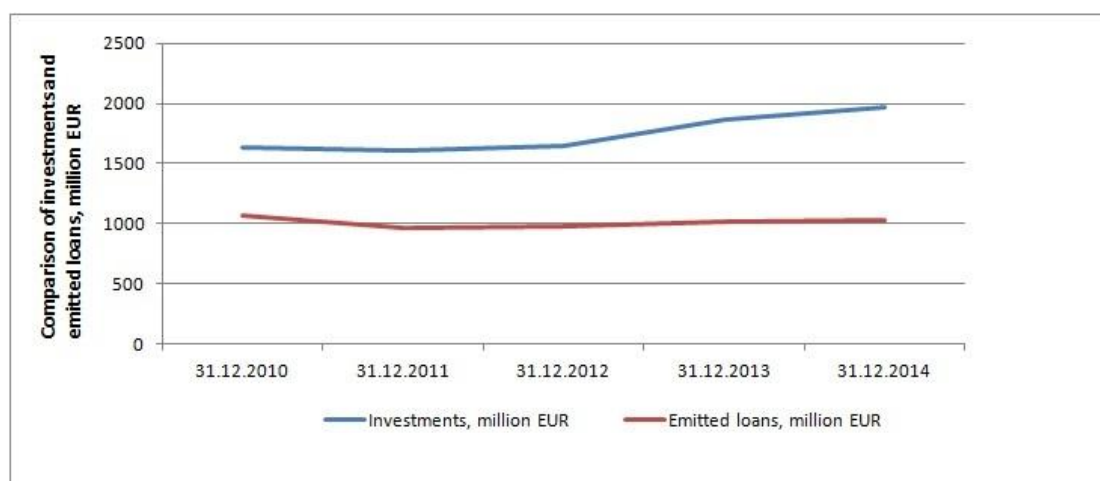


FIGURE 9. Comparison of AS Citadele bank's attracted investments and emitted loans 2010-2014, million EUR (The Association of Commercial Banks of Latvia, 2015)

As one can see from the graph above, AS Citadele bank has always taken care that the amount of attracted investments would be bigger than the amount of emitted loans, since the bank does not have a parent bank which could sustain it.

AS Citadele bank has always been one of the market leaders in the matter of investments volumes. In the figure 10 can be seen that the volumes of investments have in-

creased during the last five years, when comparing the seven largest banks with the biggest client investments.

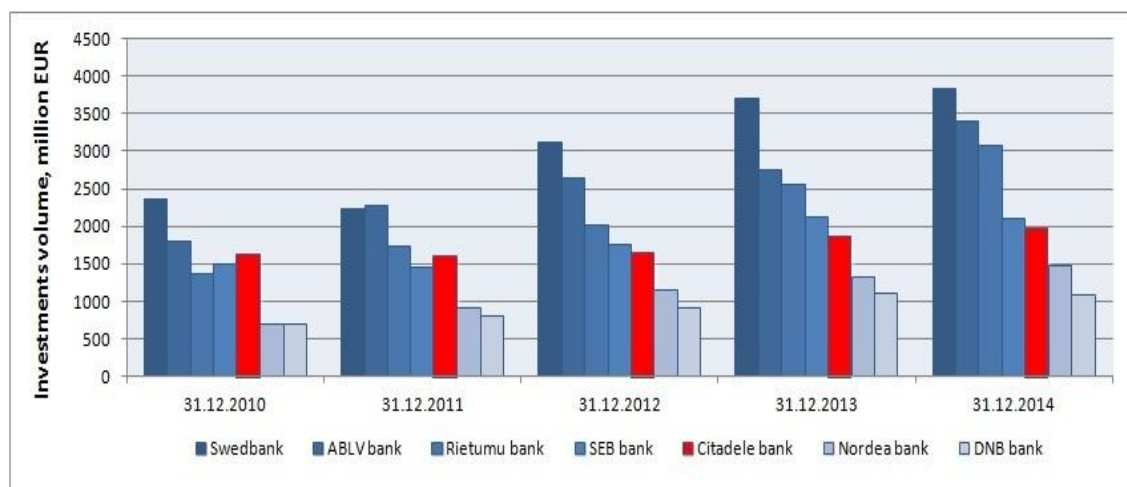


FIGURE 10. The attracted investments of the largest Latvian banks between 2010 and 2014, million EUR (The Association of Commercial Banks of Latvia, 2015)

As one can see in the picture and as it was already mentioned afore, AS Citadele bank has always been one of the market leaders in the matter of attracted investments overtaking their rivals, such giants as DNB and Nordea, especially in 2010-2011. For example, if at the end of 2010 AS Citadele bank had a share of 10.4% of the entire investment market, while Swedbank had 15%, then at the end of 2014 the situation has changed and the margin has increased quite significantly, AS Citadele bank possessed 8.9%, but Swedbank had 17.3%. Also these indicators are shown in the market research and warn that it is a suitable time to pay more attention to the investments and new, original and modern investment products, which vastly differ from the offers of rivals, and it would be especially useful in attracting new customers and increasing investments.

It is understandable that there are only general characteristics of the market situation at the moment which can be drawn up based on the data available for the public. In AS Citadele bank there is a group of employees who deal with market analysis, evaluation of rivals' operations and collection and interpretation of statistical data. However it is also possible to create an impression about the situation on the investment market from the public data, foreseeing that for a new and modern investment product opens a large perspective.

The next matter included in business analysis is the forecasts of possible income changes as well as evaluation of resources needed for idea realization.

Speaking about how the level of potential profitability of Multi account would be evaluated, surely all the evaluations and calculations of exact numbers would be carried out by the workers of the responsible department of AS Citadele bank. Obviously, the bank would not be interested to publish their evaluation results, since in the sector of financial services the ideas of new products are easily imitable, but hardly protectable. Therefore it is understandable why AS Citadele bank follows such big secrecy in the informational matter.

One more important element of business analysis of Multi account idea would be the evaluation of resources needed for its realization. Looking from this point of view, solution for the physical product would not make any troubles, since AS Citadele bank offers deposit accounts as well as payment cards, the main difficulties could be related to the introduction of changes in the system software of the bank. There would not be problems with the product offering to the customers either, because the existing distribution channels could be used: the wide network of the bank's branches throughout Latvia.

Thus, as the author has already mentioned, the market analysis proves that the situation is favorable for the introduction of a new investment product with the purpose to secure one of the leading positions for AS Citadele bank in the investment sector as well as to use attracted additional deposited funds for the further banking investments and operations expansion. Also the profitability level of Multi account could be potentially very high and expenses are minimal for the original product development. Thereby the basic information of business analysis shows that the new idea could be very successful and profitable.

According to market situation review the final part of business analysis is evaluation of conformity risks, i.e. the bank's conformity supervision department receiving from product and service development section the written proposition of the new product's idea, evaluates conformity risks for the new product. Then compatibility with the state's existing legislation and regulations are checked, also the possible legal prob-

lems are identified. If the decision regarding the new product is positive, then prepared proposition is forwarded to the marketing and sales committee for an examination.

Thereby, looking from the traditional model of new product development, one can see that the stage of business and market analysis which in the other companies is one of the last, in AS Citadele bank it follows right after idea noting and, according to the author's opinion this system is very successful and created so that one can on time identify idea's potential and forecast customers' reaction and profitability level, not just relying on unidentified intuition factor risking to lose in an unsuccessful idea the invested funds and damage the bank's reputation in society. Thus, before idea approval, market situation and product's potential conformity are accurately analyzed.

The third stage in the development process of Multi account would be idea approval and that is the responsibility of AS Citadele bank's marketing and sales committee executing that based on idea characteristics, market analysis results and conclusion of conformity supervision department.

The next step in the development process of Multi account would be product concept development and marketing strategy formulation and for realization of this task there is a work group consisting of investment products department employees as well as the bank's marketing and sales specialists.

4.2.2. Concept and marketing strategy

Before developing of Multi account concept and marketing strategy, it is important to define product strategy, meaning what the bank wants to achieve releasing the new product onto the market. That can be stated by the following items:

- Increasing free funds' disposition topicality on the market, the new various products must be developed in order to keep presenting AS Citadele bank as a bank which makes its customers more profit;
- In Europe an emphasis starts moving from the term deposits to the fight of who pays more for the customer's free funds and deposits which are available on demand;

- There is already a big portfolio with the funds „on demand” in the bank, therefore introduction of cost for a transaction account balance could create big losses.

Consequently, according to the AS Citadele bank's strategy the bank has to find an opportunity to offer a unique profit for the customer's free funds without creating too big at an overflow of the funds from the transaction accounts. Thereby, creating the concept of Multi account the four main product properties are posed by the author which make the product special and different from other investment products.

First of all, AS Citadele bank researching their customers' transactions made a conclusion that many have extra funds available which are not invested into the investment products offered by the bank, but just stay in the transaction accounts. Regardless of what type of investment a customer chooses, each of those make some profit, however an advantage belongs to one, where the funds are available at any moment.

The second factor in the basics of concept development is related to the fact that the investment market is fairly conservative and during many years the possibilities where and how to invest money have not changed much. Therefore there are still many people who do not entrust their money to the banks, but simply save and keep it at home without using the current investment products or just do not see a need for that. Therefore offering Multi account as a new, modern and innovative investment product there is an opportunity to attract to the investment sector such customers who were not able before to find a suitable investment type, for example, young people.

Thirdly, it is important to emphasize that in order to start saving money by this product there is no need either for first payment nor for obligatory monthly payments. In this way one can attract those consumers who do not have a big income and who do not see in the existing investment products anything suitable for them. This aspect could be widely used for also in Multi account's advertising campaign where it is highlighted that changing one's own habits in the small, routine things, one can deposit and save up funds in the Multi account.

The fourth and last but not least aspect would be to set the Multi account's return, i.e. profit rate. AS Citadele bank has always tried to be a leader in interest rates' setting

for deposit accounts as well as term deposits which the new product Multi account could also prove.

Thereby, in the basics of the new product concept emphasis is placed on five basic properties: availability of funds and control by a payment card, product originality and conformity to any customer, attractive interest rates.

Marketing strategy and business analysis

Afterwards, when the Multi account concept is concretized, the next stage is to create a marketing strategy where the target market and its strategy are reviewed more precisely setting sales, market share and profit goals, based on the results received in the process of business analysis. The target group of Multi account would be every inhabitant who gets any income, since Multi account is such an investment product by which one could start making savings.

A significant part of the marketing strategy is identifying the new product's pricing or, more precisely, creation of Multi account's usage rates. Traditionally AS Citadele bank's deposit account can be opened and maintained without additional commissions, thereby, it is logical that for the saving part of the new product there should not be any commissions. The biggest issue would be to identify the usage rates for the product's payment card maintenance.

Also the other rates related to the use of Multi account could be the lowest possible assisting thereby to realize the developed concept that this new product is intended for each customer who wants to start saving somehow with small deposits, because there would be almost no costs for the use of the product. For example, paying by debit card there would be no additional commission, transferring funds to other account by notice the payment is executed within 7 days and the commission rate is 0%.

The main reason why the bank should offer such minimal rates is because Multi account is an investment product and in order to push customers to deposit money, especially those who before have saved money at home it is significant that they would get profit without paying excessive commission rates. Moreover, as the author has already mentioned, in the sphere of financial services it is extremely easy to imitate the new

products, therefore before the rivals will have come up with possibly a similar imitation, AS Citadele bank would have to attract a maximum amount of new customers persuading by the product's advantages and comfort of use.

Finalizing the stage of marketing strategy development, it is important to decide how to develop the advertising campaign for the market promotion of Multi account.

Speaking about the choice of mass media channels, the author decided to review the main mass media channels for Multi account introduction campaign such as television, press, radio, the Internet and exterior ads, which are reviewed in the section „Market promotion of Multi account”.

4.2.3. Product manufacturing and testing

Manufacturing process of Multi account as well as of any new banking product starts with notifying the executive units about the decision made by the marketing and sales committee, drawing up a business inquiry, internal letter or order. After that a project plan is prepared coordinating that with the involved units and thereafter sending them the final version. These duties are carried out by an employee of the product and service development section of the bank and noticing any changes of new product attributes those have to be coordinated with the bank's IT department, regulatory document department and methodology department.

One of the most complicated stages in the manufacturing process of Multi account would be information system development when an existing bank's software has to be adjusted to the needs of a new product. The head of the bank's IT department, receiving a business application for information system development from the product and service development section, draws up a specification on project realization as well as organizes software development, testing and installation.

The next step in the product manufacturing would be to make changes in the bank's regulatory base according to the needs of Multi account as well as to prepare the appropriate forms for all conditions and legislation. This duty is executed by the methodology department together with the legal department.

Alongside those tasks, the marketing and sales department, receiving a request from product and service development section, prepares external informative materials: brochures, posters, text for the homepage on the Internet, etc., as well as develops advertising visual presentation according to the marketing strategy defined in advance, chooses the cooperation partners and develops a precise advertising campaign for the first and second stages of market promotion.

A very significant element of product manufacturing is related to training of employees, especially customer service specialists. The duties of the head of the training center include development of program as well as employee training and testing of obtained knowledge.

Every customer service specialist gets a special handbook where information, rates, instruction for product input into banking program, selling recommendations as well as the most possible customers' questions provided with certain answers are summarized. Moreover all employees get access to the product themselves in order to train and become familiar with the product's advantages and usage properties, so that the process of product selling to the customers would be more confident.

Ending the manufacturing process, the bank's conformity supervision department checks all performed operations giving their conclusions on received information, so that the product would not only be precisely developed, but also conform to all legal norms and the bank's internal regulatory documents.

According to marketing theory, after product manufacturing a company can carry out testing trying that out in a small market segment and, if the results are successful, promote it further and offer to a wider target group. Taking into consideration the specifics of financial services market and high degree of imitation, AS Citadele bank does not use these tactics, but relies on a careful market and statistics analysis, research of consumer wishes and needs, well-considered concept and strategy definition as well as precise organization of product manufacturing process. The only testing activities happen in the bank's interior, hardly considering principal of confidentiality and during that are checked, whether the product carries out its functions and whether there are visible faults, deflections and gaps which have to be fixed before the market release.

Thus, summarizing the information about development process of Multi account, the author can conclude that the privacy management has to be considered, since as it was already mentioned above, it is very easy to imitate new products on the market of financial services.

5. MARKET PROMOTION OF MULTI ACCOUNT

In this section the author reviews the promotion activities which AS Citadele bank could use for market promotion of the new product Multi account.

Multi account campaign organizing would involve specialists of marketing, Internet marketing, investment products, payment cards departments as well as product and service development section. In cooperation the advertising campaigns, special offers, the information provided to consumers, decisions made on a chosen source of advertising, etc. would be planned.

When organizing the Multi account marketing campaign, the tasks for the working group would be to develop a basic idea, set the targets to be achieved, define the target group and the budget available. The other tasks could be performed by an outsourced advertising agency. Among those duties to be executed by an advertising agency could be effective media planning, costs optimization, forehanded orders and materials provision to the media, campaign control and monitoring as well as analysis of advertising and media market.

Also, when making a decision on advertising campaign it is crucial to achieve that they would be persuasive and noticeable, attracting a maximum of number of new customers and gaining the chosen market share before the rivals will have managed it earlier with their imitations. At the moment the economical situation in the country is changing, the inflation level has become higher, the prices grow and the government encourages to spend more, therefore the investment product by which the funds can be accessed any moment would seem to consumers especially attractive and this advantage should be definitely noted.

Thus, as soon as the working group with the support of the bank's top management makes the decision on what information has to be passed on and what goals must be achieved by the promotion method, an extensive marketing campaign would start. It begins with a press conference, when one of the bank's top managers together with a head of the investments department declare that the bank has come up with a new, original product, describe its properties and advantages, and answer the questions.

After that the advertising campaign is launched on TV, radio, in press and on the Internet and the new product starts being sold.

5.1. Advertising and public relations

As the author has already mentioned afore, the advertising is one of the most popular methods used by the Latvian companies for the product promotion onto the market, mainly because it is easily noticeable and attracts most attention.

The first step before a media plan composition is to develop the strategic substantiation of choice of media, i.e. it is necessary to decide what channels it would be useful to use in order to reach the appropriate target group. Afterwards it would be necessary to divide the budget funds allocated for the advertising campaign corresponding to the chosen media channels.

Since the Multi account is an original product, it is important that the advertising campaign would be extensive and noticeable in all mass media attracting as much attention as possible, therefore AS Citadele bank allocates large budget funds to the organization of the campaign. The advertising is developed in the same style and it is presented at the same time on TV, in press, on the Internet, on the radio as well as exposed outside.

Based on the previous experience of the bank in advertising of its banking products, the biggest part of the funds, around a half is spent on advertising on television proving that TV advertising is supposed to be the most effective, though the most expensive one. According to the author's opinion, this idea is very correct, since by the means of television the widest part of the target group is reached informing customers not only about the new product, but also passing on to society a message about the bank's philosophical attitude.

The second media channel which would take the most of the budget resources is exterior advertising including visual advertisements and posters in the customer service centers, branches, etc. The author believes that exterior advertising is supposed to be very effective for organizing large scale advertising campaigns.

Meanwhile the residual budget funds are split between advertising in press, on the Internet and radio in order to cover a maximum amount of different parts of the target group.

Advertising on the television

As the successful experience of AS Citadele bank in advertising of its products proves, the main media channel for the introductory campaign of Multi account should be television, by which in the first period of the campaign the biggest target audience and frequency can be achieved. For the new product the exclusive LNT channel advertising format can be used – restricted pause during LNT broadcast, where only one advertisement is shown (about 20 seconds) in a special presentation with a timer in order to hold the audience on the channel. This plan has an essential advantage – the maximum audience's attracting is achieved in the conditions of advanced advertising repletion.

The most of the budget resources would go for advertising on TV3 and LNT channels. This can be clarified by the fact, that as the author has already mentioned, LNT channel uses the exclusive advertising format, which is respectively very expensive.

TABLE 1. Top 10 most popular TV channels, September 2015 (TNS Latvia, 2015)

Position	Channel	September 2015, %
1	TV3	11.5
2	LTV1	9.4
3	PBK	8.7
4	NTV Mir Baltic	8.1
5	LNT	7.8
6	RTR Planeta Baltija	7.0
7	TV5	4.1
8	3+	3.5
9	REN TV Baltic	2.8
10	Others	37.1

As one can see in the table 1, the most popular TV channels in Latvia in September 2015 were TV3, LTV1, PBK, NTV Mir Baltic and LNT. The most of the funds would be needed for advertising on the most popular channel TV3. Since AS Citadele bank has a lot of Russian-speaking customers, an additional emphasis must be put on such channels as PBK and NTV Mir Baltic.

Advertising in press

Developing the promotion campaign of Multi account as a media channel widely the press should also be used – newspapers and magazines, since its volumes are very big covering a large part of the target audience. In order to cover the widest target audience possible both editions in Latvian as well as in the Russian language should be used. The highest expenses for advertising would be in magazine Ieva, since a special solution is used – double half-cover which is rarely used due to the high costs, but it is effective, because that is noticed by everybody who sees the magazine even looking at it shallowly.

Table 2 shows the information obtained during the TNS Latvia National media research about the most popular press editions in spring 2015.

TABLE 2. Top 10 most popular press editions by average audience of one issue, spring 2015 (TNS Latvia, 2015)

Position	Target group „Latvian-speaking”	Target group „non-Latvian-speaking”
1	Ieva	MK Latvija
2	Privātā Dzīve	Televizor
3	Kas Jauns	Latvijskaja TV-Programma
4	Ievas Stāsti	Vesti Segodņa
5	Ilustrētā Zinātne	Latvijskie Vesti
6	Ilustrētā Pasaules Vēsture	Rīgas Santīms
7	Ievas Virtuve	Lilit
8	Ievas Veselība	Љубљу
9	Ievas Māja	Subbota
10	Rīgas Viļņi	Teleprogramma s dadei Mišei

As one can see in the table, the most popular editions by average audience of one issue are Ieva, MK Latvija, Privātā Dzīve and Televizor. By these editions the biggest part of the target audience who use the printed sources of information can be reached. Just as in the choice of the TV channels, the largest emphasis should be put on those newspapers and magazines, which are used by Russian-speaking readers.

Advertising on the Internet

The Internet must be used as a media channel in order to reach the part of the target audience who watch television limitedly. On inbox.lv, delfi.lv, rus.delfi.lv, tvnet.lv, rus.tvnet.lv an advertisement appears as an article for 24 hours and after that is transferred to the archive. In this way the delivered information is not perceived as advertising, moreover a bigger trust can be achieved. The banners of different types and sizes can be placed on the channels mentioned above, making special accent on the extremely popular portals inbox.lv and draugiem.lv.

TABLE 3. Top 10 most popular Internet pages by the average daily audience in Latvia, spring 2015. Target group: all at the age of 15 to 74 (TNS Latvia, 2015)

Position	www-page	Average daily audience %
1	Google.com	55.3
2	Inbox.lv	35.5
3	Youtube.com	33.6
4	DELFI	28.8
5	Facebook.com	28.2
6	Draugiem.lv	26.7
7	TV NET	23.3
8	SS.lv	21.7
9	Gmail.com	21.5
10	Apollo.lv	15.2

As one can see in the table 3 the most popular Internet media should be used, especially domestic inbox.lv, delfi.lv, draugiem.lv, thereby the articles and banners placed in

these media can reach the biggest part of the target audience and the received result corresponds to the invested budget funds.

The bank's home page can be used widely, there one could view the advertising videos meant for television, read the information of interest, calculate a potential profit by the calculator, contact the bank's specialists as well as apply for the Multi account online.

Advertising on the radio and exterior advertising

As the frequency amplifiers radio stations could be used, where the advertisements can be broadcast continuously with floating intensity during the entire campaign.

TABLE 4. Top 10 most popular radio stations, summer 2015 (TNS Latvia, 2015)

Position	Radio station	Summer 2015, %
1	Latvijas Radio 2	20.4
2	Radio Skonto	10.8
3	Latvijas Radio 1	9.6
4	Radio SWH	6.0
5	EHR (European Hit Radio)	5.0
6	Star FM	4.7
7	Latvijas Radio 4	4.7
8	Hiti Rossii / Russkoje Radio	3.0
9	RETRO FM	2.9
10	Others	32.9

As one can see in the table 4, the most popular radio stations are Latvijas Radio 2 (20.4%), Radio Skonto (10.8%), Latvijas Radio 1 (9.6%) and Radio SWH (6.0%). Placing the advertisements of AS Citadele bank on the most popular radio stations, for example, Latvijas Radio 2, would achieve the coverage of a large part of the target audience who listen to the radio.

A big role must be given to exterior advertising broadly using opportunities of internal communications – storefronts and room presentations, whose design would be big and

colorful, in order to attract not only the bank's customers', but also random passing by pedestrians' attention.

Thus, as the author can conclude, for exterior advertising one has to find non-standard solutions, for example a huge advertising banner on a shopping center's wall, since the traditional advertising pillars or posters in the stations of public transport have lost their effectiveness.

5.2. Personal selling and sales promotion

Specialists of customer service centers deal daily with current and potential customers who come to the bank and the main duty of these employees is to sell banking products as well as potential Multi account.

One of the personal selling methods which AS Citadele bank uses is active selling, i.e. people are informed about a new product outside of the bank, for example, the bank's stands are placed in the supermarkets, railway and bus stations, etc. or also by phone according to a special beforehand organized list.

In order to support the specialists of customer service and make selling easier, AS Citadele bank without the extensive advertising campaigns and public relations activities also uses different sales promotion methods. For example, it could be selling assisting materials, such as booklets, potential profit calculators which a client could look at and take home.

Thereby, realizing the promotional methods and getting the society familiar with the new product Multi account, the author can conclude that it is very important to unite all four basic elements. Special emphasis should be placed on advertising campaigns in various media channels which not only inform about a new product, but also attract attention by a passed on message, qualitative and professional solution as well as modest and positive advertising sense. According to the author's opinion, promotion campaign could be successful and the set goals could be achieved which can be verified by the results of the research.

6 RESEARCH

Before the study it is important to select the most suitable method to get reliable data that is valid for analysis and drawing conclusions. The author of the research uses a structured survey method – a questionnaire.

6.1. Research method

As pointed out by Praude, there are 3 main research methods - observation, experiments and investigation (survey) (Praude and Belcikov 1999, 124). The research method, which is frequently used for information gathering, is investigation or the survey method, the use of which is associated with the collection of information of descriptive nature. The most popular technique is to carry out a survey both in writing (questionnaires) and verbally (interviews). With the help of a survey, it is possible to determine both the action and the motivation of the respondent, as well as the opinions and views on different issues.

A survey is an initial information gathering method, which provides asking to a survey group in writing or verbally questions, which contain the problem of the research at an empirical level, as well as the statistical processing of replies. Currently, survey methods are used to study such issues, where the carrier of information is a person (Kristapsone 2008, 225). Surveys are used to collect information from or about people, to describe, compare or explain their knowledge, feelings, values, and behaviors (Fink and Kosecoff 1998, 1).

The survey is probably the best method to collect information from a group of people, which is too large for direct observation. Surveys are also a great tool to see the views and attitudes of a numerically large population (Babble 2006, 243). Likewise, the survey method is one of the most efficient ways to collect different kinds of information – how people think, what are their preferences and needs, beliefs, attitudes, and opinions.

Surveys are often carried out, because it is the only way specific information can be obtained. And, even if there are other options, survey is often the easiest, quickest, cheapest and best way to get the information needed.

Individuals and organizations carry out surveys mainly for one of the following purposes: 1. they wish to influence or persuade an audience; 2. they wish to develop or modify a product or service that will be offered to the specific target audience; 3. they want to understand and predict human behavior under certain circumstances, because it is required for a study of academic or professional work (Alreck and Settle 2003, 3). Also, Fink and Kosecoff believe that there are 3 main reasons why surveys are carried out. In Fink and Kosecoff's view they are:

- To plan a policy or a program.
- To assess the effectiveness of a program and change people's knowledge, attitudes, health or well-being.
- To help research and planning processes. (Balnaves and Caputi 2001, 76)

A survey method means two possible survey techniques:

- Questionnaires – its essence: a respondent individually must complete a questionnaire or survey that is understandable to them;
- Interview – a type of survey, which provides information through social and psychological interaction between the respondent and the researcher. The essence of an interview is obtaining information, while there is the possibility to control the truthfulness of the information provided during the interview, also the interviewer's and the respondent's personal interactions provide a more complete understanding of the questions and responses. An interview allows to obtain information about the opinions, beliefs, concepts and motivations. (Kristapsone 2008, 227)

A survey can be structured, when the researcher has previously prepared carefully designed questions, and non-structured, when the questions are asked based on the situation, the reaction of the respondents and other circumstances. Questionnaires can only be structured, while interviews can be both.

The characteristics of a survey method include:

1. The information is provided directly by the medium of the research problem, the participant of the event;
2. It is focused on the research of problem manifestations, which cannot always be found in documents or directly observed;

3. It is socio-psychological communication between the researcher and the respondent;
4. It can be used for the research of a wide variety of life issues;
5. It allows to survey large populations in a relatively short period;
6. It provides information about the actions and motivations, as well as the results of the actions;
7. The obtained verbal information is easier and cheaper to process quantitatively than non-verbal information.

The components of a survey method are:

1. The researcher, who has created the survey tools (forms and instructions for completion);
2. The surveyor or interviewer;
3. The questionnaire or interview plan;
4. The survey situation;
5. The respondent;
6. The social, economic and psychological reality.

For the survey results to be reliable and valid, it is essential to select the right questions. They can be asked directly or indirectly trying to get the desired response from the respondents.

The survey is one of the most widely used methods of research, as it is relatively quick, cheap and flexible, and with its help, it is possible to obtain data regarding various areas. However, it has one major flaw, which is associated with data reliability. Respondents accept "desired as existing", i.e., answer the questions as they would want to act rather than as they would actually act in a real situation. In addition, people often lack the time or the interest to participate in the survey or study, the questions or the surveyor may cause aversion, so the responses may be incorrect and thus invalid for the interpretation of results.

6.2. Collecting data by a survey

The author of the research has decided to use a structured survey method – a questionnaire. The aim of the questionnaire is to find out the knowledge of the respondents

regarding the new possible AS Citadele bank's product – Multi account, collect data regarding how many clients would be ready to use this type of a savings account, to find out which of the bank's promotion activities would attract the most attention and convince to use the Multi account.

The survey was carried out in September, 2015 and it took 7 days in total to question all the people. The questionnaire consists of 10 questions, and an example is shown in Appendix 1. As the best and optimal place to run the survey was chosen the largest shopping center in Riga – Alfa. The questionnaire was done only on paper as this is much a more efficient and faster way to receive immediate feedback.

In total 250 persons were asked to participate in the survey, but many people are not eager to reveal their financial information as they find it confidential. Thus only 54 respondents' replies were analyzed afterwards as they filled in the entire questionnaire.

Next the survey results are reviewed and the resulting conclusions about the new AS Citadele bank's product Multi account are presented.

7 RESULTS

To analyze all the answers from the questionnaire and make conclusions afterwards about the research facts and results, at first the author analyzed information about the age and gender of all persons who participated in the questionnaire and gave their responses (see figure 11).

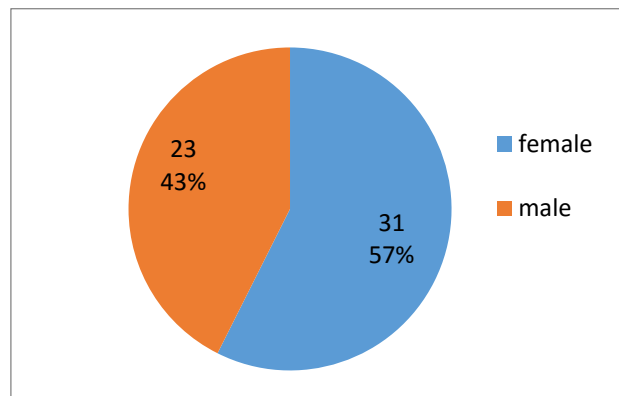


FIGURE 11. Division of respondents by gender (54 respondents)

As seen in figure 11 respondent division by gender differs by 14 % as – 31 or 57 % of all respondents were female, but 23 or 43 % of all respondents were male. Below figure 12 provides analytical information about the respondent division by their age.

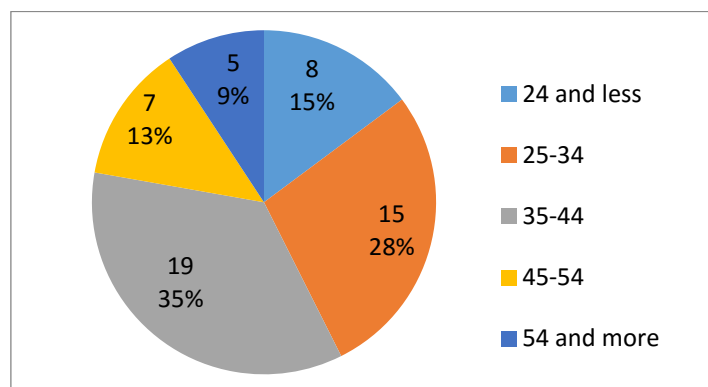


FIGURE 12. Division of respondents by age (54 respondents)

As seen in figure 12 the age division is close to be equal as the author has involved in the questionnaire persons from all the age ranges. 35 % or 19 of all the respondents were 35-44 years old and 28 % or 15 respondents were 25-34 years old. These two age groups are also assumed to be the most targeted for the new product – Multi account as the potential users. Next age group which gave most answers was aged 24

and less (15 % or 8 respondents) and then ages 45-54 (13% or 7 respondents). The age group of 54 and more has the smallest representation – only 5 responses or 9 % of all the responses given.

The first question of the questionnaire was about people's awareness of any bank offered saving options. The results of the answers are available below in figure 13.

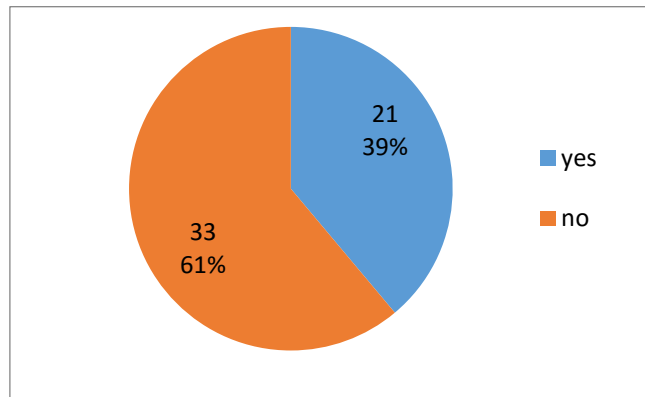


FIGURE 13. Division of respondents by their knowledge about a banking product meant for making savings (54 respondents)

As the results show in figure 13 more than half of the respondents – 61 % or 33 persons – know or have heard something about some banking product meant for making savings. Though the results also show that there are still many people – 39 % or 21 persons – who have not heard and know nothing about the banks' offered saving products. Reasons for that should be examined carefully.

Further the author analyzes the questions about the respondents' income and expenses amounts to understand if they are actually potential users of Multi account – if their income level is higher than their expenses so they could put some of their free money amount in savings. Figure 14 shows the respondents' average monthly income after tax (net).

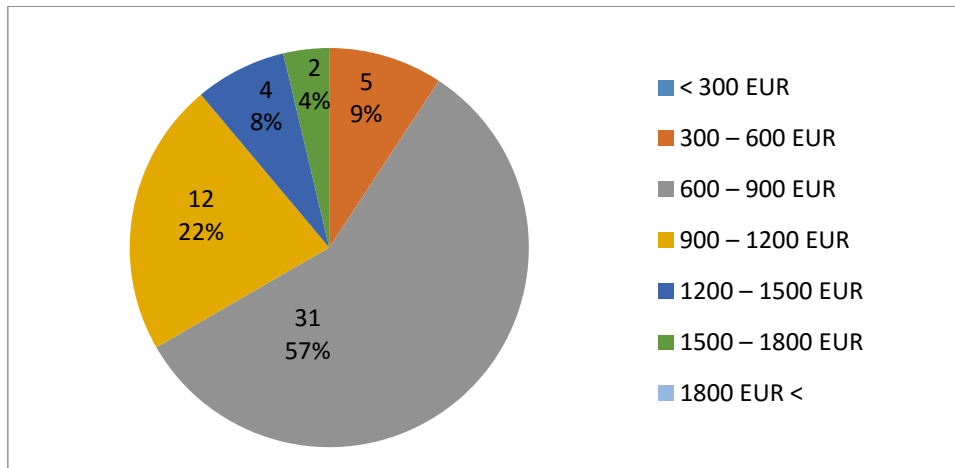


FIGURE 14. Division of respondents by their average monthly income after tax (54 respondents)

Data from the figure shows that most common monthly income level after tax (net) is 600 – 900 EUR (31 respondents or 57 % in total). According to the Latvian Central Statistics Bureau data for the year 2014 this level of income is common for more than a half of the inhabitants of the country. This particular questionnaire shows that the next most popular income level is 900 – 1200 EUR (12 respondents or 22 % in total). 8 % or 4 persons of all respondents have a higher monthly income level, but only 4 % or 2 persons have an income level higher than 1500 EUR. Of all the respondents 9 % or 5 persons' income level is 300 – 600 EUR. There was no respondent whose income level was higher than 1800 EUR or less than 300 EUR.

Figure 15 shows the respondents' average monthly expenses.

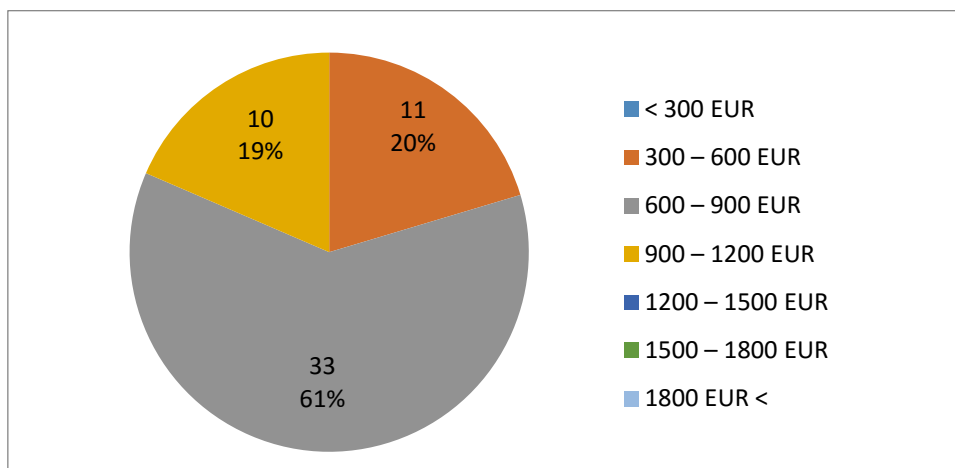


FIGURE 15. Division of respondents by their average monthly expenses (54 respondents)

As the analyzed data about the respondents' average monthly expenses show, the most common expenses level is 600 – 900 EUR (61 % or 33 respondents in total). Then 20 % or 11 respondents spend on average 300 – 600 EUR per month, but other 19 % or 10 persons spend less than 300 EUR per month.

The next questions of the questionnaire prove if really all the respondents whose earnings are higher than expenses are able and willing to make savings and potentially use the Multi account. Figure 16 shows if the respondents actually have any financial savings.

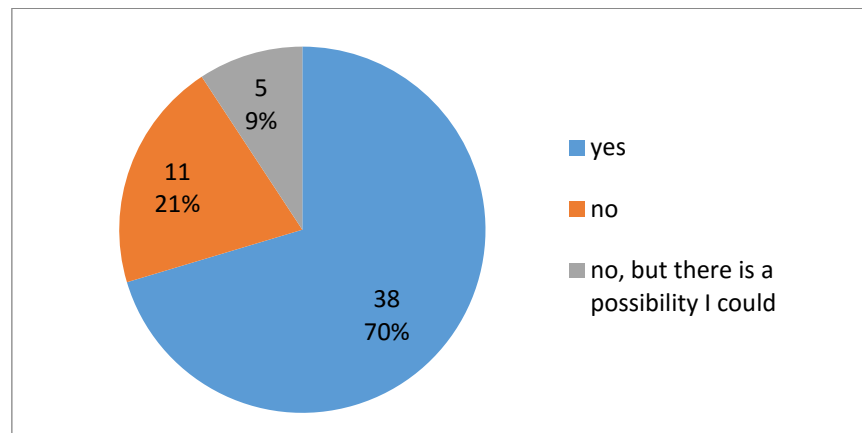


FIGURE 16. Division of respondents by their financial savings (54 respondents)

The figure shows that most of the respondents (70 % or 38 persons) are already making some financial savings. 21 % or 11 respondents do not make any savings and reasons for that can be different (they are examined in the following questions). A very interesting fact is that 9 % or 5 respondents have answered that they are not making financial savings, but potentially could do that.

The next question examines those respondents who answered they were making some financial savings for the author to understand and compare in what way they make savings, for how long and what is the approximate amount of the savings made. Figure 17 shows all the respondents' answers.

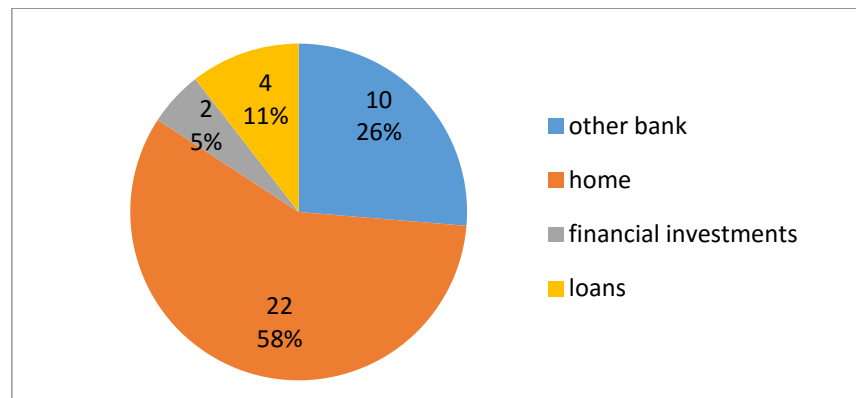


FIGURE 17. Division of respondents by their ways of making financial savings (38 respondents)

More than half of the respondents who make savings (38 in total) have said that they keep savings at home – 58 % or 22 respondents. The results also show that 26 % or 10 respondents keep their savings in other banks which only strengthens the fact about lack of trust in Citadele bank.

An interesting fact is that 11 % or 4 persons instead of keeping their extra money for potential growth in a savings account prefer to give loans to their friends and relatives who are in need of financial support.

The results also show that only 5 % or 2 respondents choose to make financial investments (apart from bank offered opportunities) by that gaining some interest of income. By making the right choice for such an investment one can get a faster and higher income, but meanwhile one can also lose more if one does not make the right choice and have enough information about financial investment area.

Meanwhile the respondents did not want to share information about the lengths of different savings made, but the approximate amount all the respondents put in savings is around 300 – 500 EUR.

The author also examines those respondents who have answered that they do not make any financial savings to understand and analyze all the reasons. Later this information can be used to focus the right marketing strategy on these people to offer the best solution for starting using the Multi account. All the answers are gathered in figure 18.

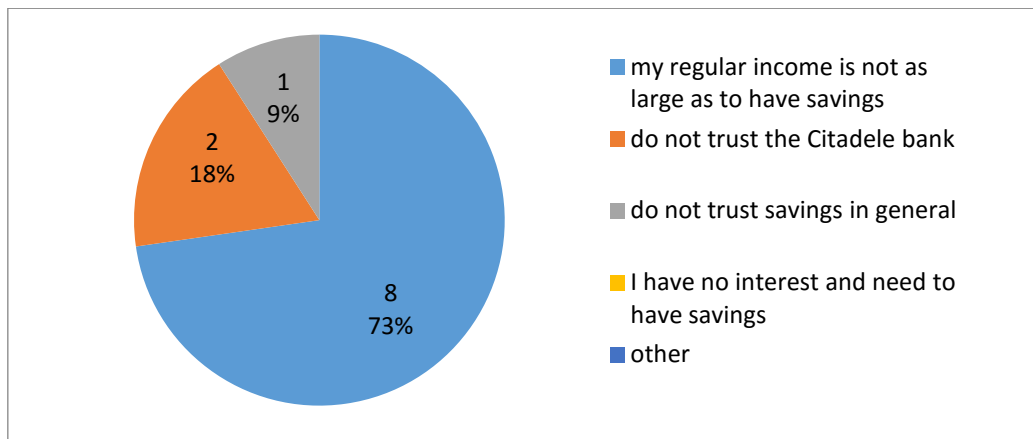


FIGURE 18. Division of respondents by their reasons not to make financial savings (11 respondents)

The figure clearly shows that the main reason why people do not make financial savings is the low income level – 73 % or 8 respondents.

18 % or 2 people have answered as a reason for not saving money that they do not trust Citadele bank. None of these respondents were willing to tell exactly the reasons not to trust the bank. 9% or 1 person of all the respondents does not trust making savings at all.

None of the respondents chose to answer that they have no interest or no need to make savings which shows that there is always a reason not to make savings (not the lack of interest at all).

To reveal the best promotional channels for the new product people were asked to answer a question about the ways they learn most news (such as financial news or any other new information) and the results are shown in figure 19.

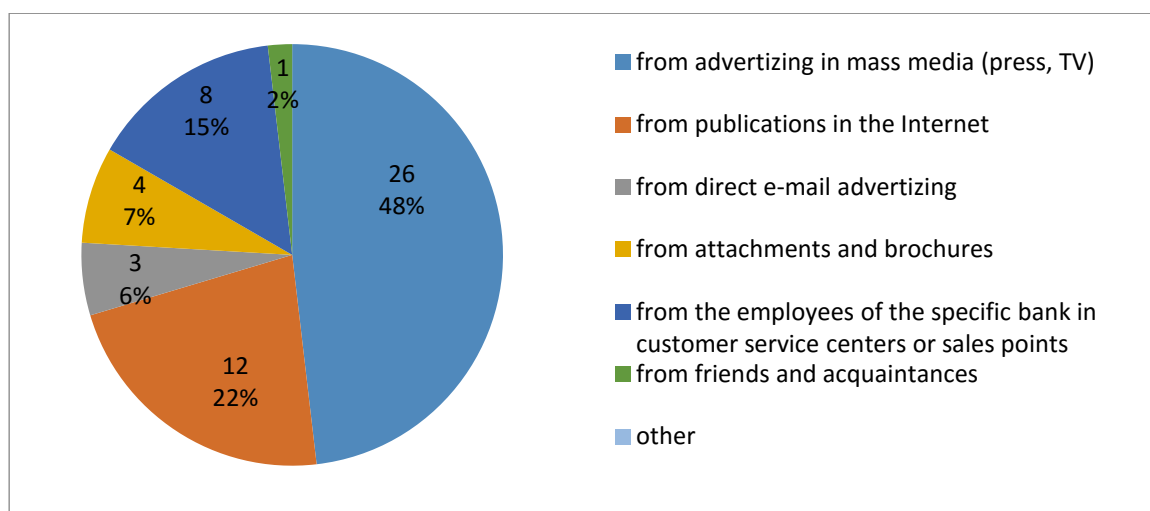


FIGURE 19. Division of respondents by their ways of learning most news (54 respondents)

The results show that almost half of all the respondents – 48 % or 26 respondents – learn news from advertising in mass media, such as press and television.

The second largest promotional channel is publications on the Internet as this way of learning news was chosen by 22 % or 12 respondents. Then 15 % or 8 persons learn news from the employees of the specific bank in customer service centers or sales points.

Fewer respondents have chosen as their most common way of learning news from attachments and brochures (7 % or 4 persons) and from direct e-mail advertising (6 % or 3 persons). Only 2 % or 1 respondent learns news from friends and acquaintances.

The next part of the questionnaire was devoted for analyzing the importance of different features of a savings account and the results for this question are shown in figure 20. Especially important were those features which separate Multi account from other savings options.

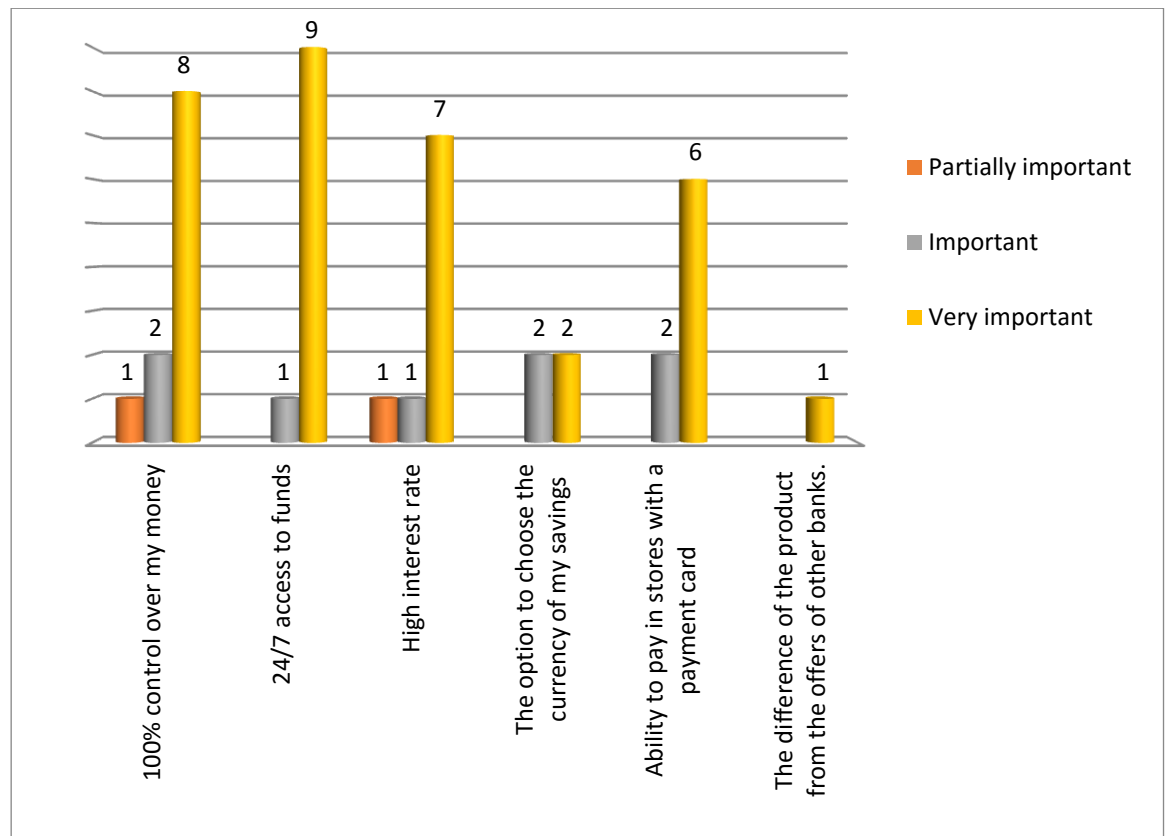


FIGURE 20. Division of respondents by the importance of different savings account features (43 respondents)

By analyzing the figure above and answers gathered from the respondents the author can assume important information and make conclusions about the most valuable features for the savings account which should be taken into consideration if the new offered product Multi account is a successful product. The features given were: 100% control over my money, 24/7 access, high interest rates on funds, the option to choose the currency of my savings, ability to pay in stores with a payment card, the difference of the product from the offers of other banks. The respondents were asked to rank all these options by their importance to them.

The results show that the most valuable feature for the savings account is the constant and unlimited (24 hours) access to the savings account (evaluated by 9 persons as very important and by 1 person as important). Almost the same importance is given to 100 % control over respondents' money (evaluated by 8 persons as very important, by 2 persons as important and by 1 person as partially important). Also high importance results were given to the feature – high interest rates on funds (evaluated by 7 persons as very important, by 1 person as important and by 1 person as partially important). The feature of 100 % control over respondents' money and high interest rates on funds

should be promoted more extremely as well as this is very important to people – by making savings people still keep total control over their money.

The results also show that 6 respondents also valued quite high (6 respondents as very important and 2 respondents as important) the Multi account's feature that makes this product unique – ability to pay in stores with a payment card.

The option to choose the currency of savings was valued as very important only by 2 respondents and as important also only by 2 respondents. Only 1 respondent values the difference of the product from the offers of other banks as important so this person values a special and individual approach.

8 CONCLUSIONS

By researching the new offered saving product Multi account the author has come up with several conclusions and recommendations for successful development of the new product.

The creation of the new products is crucially important for the development of a company in today's market situation thus attracting customers. AS Citadele bank has to use this factor in its development as original and unique products are rare a feature and the development of new products is time-consuming and requires large financial, technological and research resources and has a high risk level as well. If all the development steps will be done correctly then the bank will gain essential competitive advantages.

Promotion for the new products on the market has to be done by a promotional mix that consists of 4 elements – advertising, personal selling, sales promotion and public relations. Companies combine these elements according to their best options and targets.

In the period of 2009 – 2014 the amount of loans emitted by Latvian commercial banks has reduced, but the amount of total investments in the Latvian commercial banks has raised which proves that people tend to save, not spend their finances. This brings an advantage to the new offered savings product Multi account.

Multi account is a new and innovative savings product that combines the best features of a savings account and payment cards. A client can receive high interest rate for his money (even for small amounts), without losing the control over his money as he may access it 24/7 also by payment card. By developing this new product AS Citadele bank could be the first bank on the Latvian market to offer such a unique product and in doing so maintain a stable position in the investment sector.

When developing the new product the main challenges estimated by the author would be: adjustment of the bank's software to qualitative usage of the new product, education of sales team, ensuring the compliance with normative documents as well as keeping confidentiality.

For the successful development of Multi account a proper market research has to be done, therefore the author carries out the research to find out the knowledge of the respondents regarding the new AS Citadele bank's product, collect data regarding how many clients would be ready to use this type of a savings account, to find out which of the bank's promotional activities would attract the most attention and convince people to use the Multi account. The results of the research done proved the answer to the main question – people are mainly interested in such a saving opportunity as Multi account.

Considering the research results around 60 – 80 % of all the respondents are the direct target audience for the new product Multi account as their income level is higher than their expenses. Potentially people with a higher and lower income level are also a target for Multi account product though it accordingly depends on their expenses level and motivation to use a savings account at all. Also for people with a lower income level (less than 600 EUR) it is harder to make financial savings, but people with a higher income level (over 1200 EUR) most probably will prefer investment projects with higher risk involvement as the potential level of income there is much higher.

The author can assume that the tendency of more than half of the respondents spending 600 – 900 EUR is quite stable unless there comes any larger purchase or emergency need of expenses. The author believes that persons who now do not make savings, but potentially will, are very crucial as target clients for Multi account as this product suits different needs and could get these people motivated and interested in such a savings method.

In the author's opinion the gained results prove that the new product – Multi account – can prove itself quite universal a product to suit different saving needs. A big role in this should be devoted to direct advertising of the Multi account as individual approach helps to identify the income level and then offer this product with the right need – either as an option to make savings with minimal pay, or either offer Multi account as an option to gather free financial sources with no limit access to them and earning interest as well.

In the author's opinion people who do not trust savings at all are very hard to influence or motivate by any advertisement, but extremely important is individual approach to them, emphasizing no need to use other bank's offered products (such as salary account), active demonstration of the benefits of the product's usage, as well as different guarantees.

The bank has to put the most attention on marketing actions and promotion of the product, as well as ensure access and the highest quality. Research showed that the best promotional channels for this new product would be advertising in mass media, such as press and TV (commercials as they cover the largest audience of potential clients) and publications on the Internet.

The research results also showed that the most valuable feature for the saving account is the constant and unlimited 24/7 access to the savings account, 100 % control over the respondents' money and high interest rate on the funds. Citadele bank should pay attention to the offered interest rate level to keep people motivated for using the Multi account.

The author has come up with several recommendations for successful development of the new product. When developing the new product Multi account AS Citadele bank's administration has to ensure free information flow thus allowing any division involved in this development process to access all the latest news or decisions regarding the creation of the new Multi account. That will ensure better time management and decrease risks regarding the lack of updated information.

The sales team of the bank should do wider and more detailed market research to confirm the author's informative research and conclusions made.

AS Citadele bank's Training center would need to organize trainings for the bank's sales team members by putting accent on promotional skills and customers who would be interested in using Multi account and also the bank's other products.

As for now AS Citadele bank is the only one offering such new savings product but competitors may soon find an alternative so the bank has to pay extra attention not

only to attracting new clients, but also to keeping the current customers by ensuring best quality service and constant update of Multi account's features and benefits.

Also based on the facts gained from the questionnaire it would be very useful in the future to make a survey about the Multi account's usage, attractiveness and popularity after it will be presented to the public and introduced onto the market.

Reliability of the study

While doing the questionnaire the author has attempted to obtain equal distribution by gender, as well as to ensure as extensive age group coverage as possible, for the research results to be reliable and comparable.

250 persons in total were asked to participate in the survey, but many people are not eager to reveal their financial information as they find it confidential. Thus only 54 respondents' answers were analyzed afterwards as they filled in the entire questionnaire. Generally it was hard to receive more answers to the questionnaire as people do not want to share their personal and sensitive information related to their financial situation and finances generally.

One of the main reasons could be the lack of trust in financial institutions based on historical events in the Latvian banking system (during the last 20 years 3 banks have gone bankrupt and a lot of people lost their incomes and savings). AS Citadele bank should pay extra attention to this factor during the promotion of the Multi account as Citadele bank has also had reorganizing during the last few years (as it was already mentioned afore, previously the bank was known as Parex bank which did not have a good reputation and due to the negative financial situation was split and sold to the local government).

Even though the questionnaire was administered in an open area where an equal number of both men and women were met on equal conditions it was still proved that women are always more active and open to share their opinions. Also elder people prefer stable and well known saving programs and are not interested to participate in questionnaires about their saving habits and learn about new saving opportunities.

Considering the fact that it is extremely hard to gain such kind of sensitive information and people do not want to share their financial situation the author still assumes that the results are usable in making directional conclusions and further expectations about the development of the new product – Multi account.

9 CONCLUDING REMARKS

In addition to the conclusion and recommendations, it is necessary to say that the author has done a huge job to gather all the materials and to conduct the survey on such a sensitive topic as sharing information about personal finances.

Also the author's personal experience while working in one of the Latvian banks as an account manager has helped a lot for conducting this thesis. At that time most of the processes and banking products and services which are currently present and offered in Latvia were observed and studied by the author.

When it comes to some extra work, which was done outside the thesis, it was the interviews with the several employees of the different departments of AS Citadele bank, who have provided a lot of important and unpublished information which was used in the empirical part of the thesis.

As the author has been attracted by the aspect of banking before, it seemed natural to engross in such a topic, which let to think of creating new value. Of course, the author aims that this work will serve for future requirements in working life, and that it has helped to develop additional knowledge and skills.

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Questionnaire

The development and promotion of the new AS Citadele bank product - Multi account

Dear respondent,

We invite you to take part in this survey, the results of which will be used for development of the Bachelor thesis.

The aim of the questionnaire is to find out the knowledge of the respondents regarding the new AS Citadele bank's product - Multi account, collect the data regarding how many clients would be ready to use this type of savings account, to find out which of the bank's promotion activities would attract the most attention and convince to use the Multi account.

The survey is anonymous. Please, choose and mark the answer corresponding to your opinion. If there are several possible choices for responses, it will be shown in the question. The questionnaire will take you approximately 5 minutes.

1. Have you heard of any banking product meant for making savings?

- yes;
- no.

2. What is your average monthly income after tax (net)?

(please, account for all income sources)

- < 300 EUR;
- 300 – 600 EUR;
- 600 – 900 EUR;
- 900 – 1200 EUR;
- 1200 – 1500 EUR;
- 1500 – 1800 EUR;
- 1800 EUR <

3. What are your average monthly expenses?

(please, account for all expenses)

- < 300 EUR;
- 300 – 600 EUR;
- 600 – 900 EUR;
- 900 – 1200 EUR;
- 1200 – 1500 EUR;
- 1500 – 1800 EUR

- 1800 EUR <.
4. Do you have financial savings?
(both cash and non-cash)
- yes;
 - no;
 - no, but there is a possibility I could.
5. If the answer to the previous question is "Yes", please specify in what way you make saving, for how long and what is the approximate amount?
6. If in the question 4 your answer is "No", please indicate the reasons why you do not have savings?
(Several options may apply!)
- my regular income is not as large as to have savings;
 - do not trust the Citadele bank;
 - do not trust savings in general;
 - I have no interest and need to have savings;
 - other
7. In what way you learn most new, for example, banking and financial news?
(Several options may apply!)
- from advertising in mass media (press, TV);
 - from publications on the Internet;
 - from direct e-mail advertising;
 - from attachments and brochures;
 - from the employees of the specific bank in customer service centers or sales points;
 - from friends and acquaintances;
 - other
8. Please, evaluate, how important are the features of a savings account for you?
(Please select one answer per line!)

	Not im- portant	Partially important	Important	Very im- portant
1. 100% control over my money	1	2	3	4
2. 24/7 access to funds	1	2	3	4
3. High interest rate	1	2	3	4
4. The option to choose a currency of my savings	1	2	3	4

<i>5. Ability to pay in the stores with a payment card</i>	1	2	3	4
<i>6. The difference of the product from the offers of other banks.</i>	1	2	3	4

Your gender:

- female;
- male.

Your age:

- 24 and less;
- 25-34;
- 35-44;
- 45-54;
- 54 and more.

Thank you for your response!