MANAGING TIME IN BANK MARKETING

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Abstract: Time in marketing and economic studies is usually treated as a scarce resource. Therefore, theoretical perspectives from philosophy, sociology and psychology are used to build a preliminary framework for recognizing representations and categories of time in bank marketing. "Anytime" enabled by the Internet has inspired this conceptual paper based on work-in-process research approached from business anthropology. Further ethnographic research, especially time-reckoning method from anthropology, is suggested to explore the time representations of customers' banking. The main managerial contribution of the study will be to create concepts and frameworks to better strategically manage time using CRM systems.

1 INTRODUCTION

Internet is available for "anyone, anywhere and anytime". Internet technology has changed the way to do business. Time-related competitive advantages so far are related to real-time ordering, status reports, online processes, collaboration and automated systems (Lumpkin et al. 2002). Internet has an ability to shrink and enlarge time. Allowing instant information and transaction, Internet shrinks time (Afuaf and Tucci 2001). Internet enlarges time extending current opening hours or continuing working days across time zones. Changes in technology create new ways of thinking about and experiencing time and space, that are universal elements of all cultures.

The "anytime" Internet is an opportunity and a threat for bank marketing. Heinonen (2004) argues for the time flexibility and allocation of time as value adding dimensions in Internet banking. Lähteenmäki (2006), on the other hand, emphasizes the importance of "service-centered banking logic" of the local banks. Therefore, to create customer value, and to do profitable banking business it is critical to know when the customers are within reach, and how time is used efficiently in customer relationships. That is why time needs to be managed in bank marketing.

2 OBJECTIVES, RESEARCH QUESTIONS AND METHODS

Marketing and economic studies usually treat time as a scarce resource. This work-in-process study has a purpose to broaden the temporal scheme in bank marketing, and look for new time categories to be applied in CRM systems development. CRM i.e. customer relationship management is a business strategy combined with technology to effectively manage the complete customer life cycle (Smith 2001). It is about achieving, maintaining and improving competitive strength by anticipating customers' future needs as well as satisfying their current requirements. (Payne 2006) Customer requirements life cycle suggested by Bruhn (2003, pp. 43-44) is a useful concept to be applied in bank marketing. The concept suggested takes into account the customer's age and the society. However, time is a multi-dimensional construct, and deserves further investigation. Empirical research could provide more specific data for CRM systems development.

This paper proposes a research framework for exploring the representations of time in personal banking (in retail banking). The purpose is to add our theoretical and managerial understanding of the conceptualization of time in banking and thus allowing more strategic design for bank marketing.

The main research questions in this work-in-process paper are the following:

- What kind of time categories based on different time theories could be applied in bank marketing?
- What kind of time representations related to the different categories can be found in banking?

The first question will be answered by reviewing literature from anthropology, sociology, philosophy and psychology, and the second one by observations based on work experience of developing business processes in a Finnish retail bank. The bank has widely adopted Internet as a channel for self-services, personal services and marketing communication. The entire ongoing and future research process is described in Figure 1.
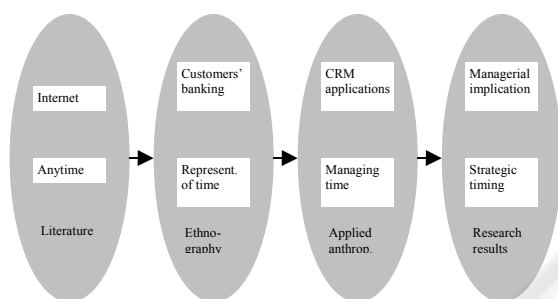

Figure 1: The research-in-process.

This paper is based on the first stage of the research process, and is mostly conceptual.

3 LITERATURE REVIEW ON TIME THEORIES

Generic theories of time, based on philosophy and natural sciences, are interested in the features of time such as duration, succession and state of affairs. It is also accepted that time has different qualities which vary between individuals, societies and cultures.

3.1 Anthropology of Time

In a Stone Age culture, time-frame was shaped by agriculture. One period in the year was labeled as "planting time". Comparatively, other primitive societies relied more on astrological time (Malinowski 1926). Time-reckoning is an anthropological, empirical method to coordinate activities such as dating events and estimating the lengths of time spans. Time includes the "rhythms" of basic activity cycles linked to natural cycles as

well as each season's distinctive "tempos". People universally "perceive" time's passage via differentiated cultural concepts or modes of time-reckoning (Munn 1992).

Time-reckoning uses selected cultural categories or contingent events ("time indications") to "tell time" (ask "when" something happened, will or should happen) and to "measure" duration (ask "how long" something takes or to "time" it). The relevant categories may segment human activities or natural processes (including diurnal, solar and lunar cycles) into successive intervals. (Munn 1992) Anthropology of time has emerged in an era when the notions of temporal diversity ("local times") and heterogeneity were opposed to temporal singularity and homogeneity (Munn 1992). Anthropologists and sociologists emphasize that the essentially Western chronological construct of time is but one of the wide range of constructs of time.

3.2 Time Concepts in Sociology Psychology and Philosophy

Time in sociology is qualitatively differentiated according to beliefs and customs common to a particular group of people. Social time consists of "collective representations" that derive from and reflect the groupings and varied "rhythms" in life. These represented categories (days, seasons, etc.) form a qualitatively varied temporality. Social time is not continuous but is interrupted by critical dates. Calendars give time a rhythmic form instead of measuring it. All calenderical systems arise and are perpetuated by social requirements. They arise from social differentiation and a widening area of social interaction. (Munn 1992)

Time in psychology is experienced by individuals. In general, the experience can be described as how time filled with varied and interesting experiences seems short in passing, but long as we look back. On the other hand, a tract of time empty of experiences seems long in passing, but in retrospect short (Davies 1994). Time is influenced by the number and importance of concrete events occurring in the particular period under observation.

Time in general is not a single concept; rather it represents two basic ideas that are "duration" and "succession". Succession is the concept that one event can be perceived to follow another. Duration is the interval between successive events, "which has no existence in and of itself but is the intrinsic characteristic of that which endures". For example, chronological time (mainstream Western time

concept) is then just one construct of duration. Hours are only one way of expressing succession. Different societies will have different ways of expressing either basic concept. (Davies 1994).

3.3 Time Theories Applied in Marketing

Theories of time are applied in marketing and information systems sciences. Time paradigm for much of current marketing thought involves a single construct of time, the chronological. It is seen as a philosophical problem that chronological time is not an inherent human concept, but an artificial construct, and just one way of sensing duration. It is argued that there is a danger that current marketing thought is being constrained by the acceptance of the chronological paradigm. Treating time as a scarce resource that is allocated and assuming individuals to seek to minimize duration of activities leads to the streamlining of services and immediacy in the supply of goods and services. If immediacy and time compression are the only messages emerging from marketing theory to be absorbed by marketing practitioners, then the service sector in particular will look only to speed up every activity. Other approaches to time need to be adopted within marketing. (Davies 1994)

As applied in consumer marketing theory, time is treated as an asset, a resource or a utility. Time is money and is allocated purposively. The central hypothesis in such an approach is that individuals seek to minimize the time taken to complete an activity so as to create further opportunities to undertake other activities. The weakness inherent in this perspective is the assumption that activities are undertaken one at a time (monochronically), while many activities are in fact undertaken simultaneously (polychronically) (Kaufmann et al. 1991). A more general model of time allocation in the chronological paradigm is needed (Davies 1994). In information technology studies polychronic time concept is prominent. It means "that consumers can intake, process and output several types of cues, signals and data in the same time that they formerly used to process only one type of information" (Kaufmann and Lane 1996). The popularity of Windows-based computer packages capitalizes on this ability and the seemingly-natural tendency to multi-task in information activities.

In some areas of marketing literature, time is seen as cyclical rather than linear. Different cycles have been recognized, such as diurnal cycle (day rhythm), family life cycle, cyclical yearly events (f. ex. Christmas), episodic events (f. ex. Easter), biorhythms, seasonality, business cycles, product life cycles, paydays and product replacement cycle. Even though linear, chronological time appears to be dominant in western culture and recent marketing literature, there are occasions that individuals have difficulty in maintaining a strictly linear frame of reference. (Davies 1994)

4 PRELIMINARY FINDINGS

Based on literature, earlier studies and preliminary empirical observations in bank marketing time representations related to the different time theories and categories are proposed in Table 1. The table summarizes the conceptual framework for further qualitative and ethnographic studies, which we propose.

Table 1: Conceptual framework of time in banking.

Time theories	Categories	Time representations
Chronological	Calendar, timetables, periods	Due date, opening hours, appointment, loan time, savings time, interest check
Social	Social activities, seasons, rhythm of life	Payday, banking day, semester, working hour, day off, building season, trade cycles, exchange day, holiday, offer deadline, adulthood, "long term savings", "time is money", "loan within an hour"
Individual	Significant events, temporal experience	First-time home, next home, hurry
Generic	Succession, duration, state of affairs	Waiting time, service process, customer relationship, handling time, fixed time period, real time

Chronological time theories distinguish such categories as calendar, timetables, and periods. Examples of time representations are such as due date, opening hours, appointment, loan time, savings time, interest, and check. Social theories emphasize social activities, seasons, and rhythm of life. Time representations respectively are, for example, payday, banking day, semester, working hour, day

off, building season, trade cycles, exchange day, holiday, offer deadline, adulthood, "long term savings", "time is money", and "loan within an hour". Individual time categories are significant events, or temporal experiences, such as first-time home, next home, hurry etc. Generic categories include succession, duration, and state of affairs. Examples of them are waiting time, service process, customer relationship, handling time, fixed time period, real time etc.

5 DISCUSSION AND FURTHER RESEARCH

We conclude that time deserves further research, as the Internet has enabled anytime access to many services. Is the Internet changing the "time landscape" as severely as the telephone did in its time? Kern (1983) says it in this way: *"Telephone changed the structure of the brain. Men live in wider distances, and think in larger figures, and become eligible for nobler and wider motives."*

We propose further research by ethnographic methods and qualitative anthropological analysis to create new theory on the bank customers' representations of time enabled by the Internet. Data could be gathered by participative observation, diaries and theme interviews of customers about how they indicate or tell time (when and how long). What does "anytime" mean for the customer, and how could that challenge be met by the banks' CRM systems in multi-channel bank marketing? The main managerial goal is to manage time in ways in which time is "not merely "lived" but "construed" in the living (Munn 1992)". Empirical data can be applied in business application (CRM) development and strategic design of bank marketing.

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