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V.N. KARAZIN KHARKIV NATIONAL UNIVERSITY**

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QUALIFYING MASTER'S THESIS

on the topic:

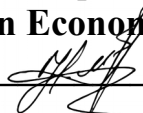
**MANAGEMENT OF CONSUMER BEHAVIOR IN A
GLOBAL COMPETITIVE ENVIRONMENT**

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The work is accepted for defence in the EC


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25 September 2024

TASK
FOR A QUALIFYING MASTER'S THESIS
Lu Hongkui

1. Topic of work: "MANAGEMENT OF CONSUMER BEHAVIOR IN A GLOBAL COMPETITIVE ENVIRONMENT".

Scientific adviser Nadiia Morozova, PhD in Economics, Associate Professor
(full name, academic degree, academic title)

Approved by order of the university dated September 17, 2024 № 4601-5/1025.

2. The deadline for student submission of work November 18, 2024.

3. List of topics to be developed:

• In Chapter 1: to explore the essence of the concept of "consumer behavior" and the development of the theory of consumer behavior; to conduct a theoretical analysis of the factors that shape consumer behavior; to find out theoretical and methodological approaches to the management of consumer behavior.

• In Chapter 2: to analyze consumer behavior trends during the war; to provide technical and economic characteristics of PJSC "BANK VOSTOK"; to analyze the profile of customers and their behavioral trends at BANK VOSTOK PJSC.

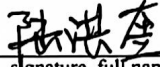
• In Chapter 3: to improve the model of management of the behavior of consumers of the banking institution; to justify the approach to managing the loyalty of customers of


PJSC "BANK VOSTOK" based on the calculation of the integral indicator of loyalty; to provide proposals for attracting and retaining clients of BANK VOSTOK PJSC.

4. Plan of qualifying master's thesis

№	Names of work sections
1	THEORETICAL BASICS OF CONSUMER BEHAVIOR MANAGEMENT IN THE MARKET IN THE CONDITIONS OF GLOBAL COMPETITION
2	STUDY OF CHANGES IN CONSUMER BEHAVIOR IN WAR CONDITIONS
3	DIRECTIONS OF IMPROVING THE CONSUMER BEHAVIOR MANAGEMENT PROCESS IN MODERN CONDITIONS

5. Date of issue of the task September 25, 2024.

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ABSTRACT

The qualifying master's thesis contains 90 pages, 28 figures, 31 tables, 4 formulas, and a list of 47 references.

The object of research is the process of managing consumer behavior under modern conditions.

The subject of research includes the methods, models, and tools used to manage the behavior of customers of a banking institution under contemporary circumstances.

The purpose of the master's thesis is to enhance the theoretical foundations and methodological tools for managing consumer behavior, particularly under wartime conditions.

Tasks of a qualifying master's thesis include:

- to investigate the essence of the concept of "consumer behavior" and analyze the development of consumer behavior theories;
- to conduct a theoretical analysis of the factors influencing consumer behavior;
- to identify theoretical and methodological approaches to managing consumer behavior;
- to analyze consumer behavior trends during wartime;
- to provide the technical and economic characteristics of PJSC "BANK VOSTOK";
- to analyze the profile of clients and their behavioral trends at PJSC "BANK VOSTOK";
- to improve the model for managing consumer behavior in banking institutions;
- to justify an approach for managing customer loyalty at PJSC "BANK VOSTOK" based on the calculation of an integral loyalty indicator;
- to provide suggestions for attracting and retaining clients of PJSC "BANK VOSTOK".

The obtained results are of significant practical importance, as the theoretical propositions, conclusions, and recommendations from the research have been

transformed into methodological tools that can be directly applied in banking practice to improve the management of consumer behavior.

Practical significance: The results of this study offer actionable strategies for PJSC "BANK VOSTOK" to better manage consumer behavior, especially in challenging conditions such as wartime. These insights can also be adapted by other banks to strengthen customer relationships, improve service delivery, and maintain competitiveness in volatile environments.

Year of completion of the qualifying master's thesis: 2024.

Year of defense of the qualifying master's thesis: 2024.

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INTRODUCTION

Managing consumer behavior is a critical component of modern business that enables companies to effectively respond to the rapidly changing needs and preferences of their customers. Understanding consumer motivations, decisions, and reactions helps businesses adapt their products, services, and marketing strategies to best meet the needs of their target audience.

Effective management of consumer behavior not only helps companies maintain competitiveness, but also ensures stable growth and development in the market. The use of a complex approach to the analysis and influence on consumer behavior is the key to success in modern conditions.

The purpose of the qualifying master's thesis is the improvement of theoretical aspects and methodical tools of consumer behavior management in war conditions.

The following tasks were defined for the realization of the research goal:

- to investigate the essence of the concept of "consumer behavior" and the development of the theory of consumer behavior;
- conduct a theoretical analysis of the factors that shape consumer behavior;
- to find out theoretical and methodological approaches to the management of consumer behavior;
- to analyze consumer behavior trends during the war;
- provide technical and economic characteristics of PJSC "BANK VOSTOK";
- to analyze the profile of customers and their behavioral trends at BANK VOSTOK PJSC;
- to improve the model of management of the behavior of consumers of the banking institution;
- justify the approach to managing the loyalty of customers of PJSC "BANK VOSTOK" on the basis of the calculation of the integral indicator of loyalty;

- provide proposals for attracting and retaining customers of PJSC BANK VOSTOK.

The object of research is the process of managing consumer behavior in modern conditions.

The subject of the study is the methods, models and tools of managing the behavior of customers of a banking institution in modern conditions.

Various scientific and specialized research methods were used to achieve the goal, in particular: theoretical generalization to clarify the terms "consumer behavior" and "consumer behavior management", deduction and induction to analyze theoretical and methodological approaches to the classification of factors and typology of consumer behavior, sociological methods for studying the behavior of bank customers, as well as graphical methods for data visualization.

The informational basis of the research is the bank's regulatory and legal documentation, financial reporting, statistical data, materials of scientific conferences and periodicals, as well as the results of the bank's own customer surveys.

Issues related to the management of consumer behavior were covered in the works: Baran A.O., Bilovus N.I., Blagopoluchnaya A., Vartanova O. M., Danylenko E. S., Dlugopolskyi O. M., Zhaldak H. P., Kosar N.S., Lyakhovska N., Mamchyn M.M., Naumova M. O., Naumova O. O., Pachkovsky Yu. F., Pahuchoi E.V., Polyakh S.S., Savchenko O. V., Terendii A., Tsalko T. R., Yatsenko A. M. However, many questions related to the management of consumer behavior during wartime remain open.

The obtained results are of practical importance, since the theoretical propositions, conclusions and proposals of the research are transformed into methodological developments that can be directly implemented in the practice of banks to improve the process of managing consumer behavior.

The qualifying master's thesis consists of an introduction, three chapters, conclusions, a list of used sources and appendices.

Keywords: consumer behavior, client, needs, loyalty, factors affecting behavior, consumer behavior model, involvement, ABC analysis, segmentation, loyalty management.

CHAPTER 1

THEORETICAL BASICS OF CONSUMER BEHAVIOR MANAGEMENT IN THE MARKET IN THE CONDITIONS OF GLOBAL COMPETITION

1.1. Interpretation of the concept of "consumer behavior" and development of the theory of consumer behavior

In today's environment, when competition is intensifying and market conditions are constantly changing, companies are actively investigating preferences, motives and decision-making processes regarding the purchase of goods and services by consumers. Effective management of consumer behavior involves the application of marketing, psychology and social science strategies to stimulate demand, increase loyalty and ensure competitive advantage. In this context, it is important to understand the dynamics of changing consumer aspirations in order to effectively respond to market needs and ensure successful business strategies.

First, consider in accordance with Article 1, p. 22 of the Law of Ukraine "On the Protection of Consumer Rights" interpretation of the concept of a consumer "is a natural person who purchases, orders, uses or intends to purchase or order products for personal needs not directly related to business activities or the performance of the duties of an employee" [1]. The law regulates relations between consumers and enterprises that manufacture or sell goods and services, regardless of their organizational form of ownership.

Consumer behavior is the object of research in various scientific and practical fields, such as psychology, sociology, law, economics, marketing and management. Each of these sciences examines its own aspects of consumer behavior: psychology studies motivations and preferences, sociology - the influence of social norms and stereotypes, law - the protection of consumer rights, economics - the laws of supply and demand, and marketing and management - strategies for influencing consumers and managing their preferences (Table 1.1) [2, 3].

Table 1.1

Generalization of scientific approaches to the study of consumer behavior

Approach	Features
Economic	Analyzes how prices, incomes and preferences influence their purchasing choices. He examines the laws of supply and demand, elasticity of demand, and the importance of price and income factors in shaping consumer decisions.
Psychological	It focuses on the internal processes, namely: motivation, risk perception and decision-making, which influence consumer behavior. Explores the emotional aspects of shopping and interacting with brands.
Sociological	It studies how social factors such as cultural norms, social classes influence consumer choice
Marketing	Focuses on understanding and predicting consumer needs, preferences, and behavior in the marketplace, namely, the study of consumer response to marketing strategies, advertising, pricing, and product attributes.
Legal	It focuses on the study of legislative norms that regulate the interaction between consumers and enterprises, namely: consumer rights, the responsibility of enterprises for the quality of products and services, as well as the protection of personal data of consumers.

Scientific approaches to the study of consumer behavior provide a comprehensive understanding of consumer preferences, motivations and choices, which is important for the development of effective strategies in business.

In table 1.2. approaches to the interpretation of the concept of "consumer behavior" are given [2-4].

Table 1.2

Generalization of scientific approaches to the interpretation of the concept of "consumer behavior".

Author/source	The essence of the concept
O. Savchenko, S. Khteï [2]	an organized form of activity aimed at meeting actual needs through the search for the necessary goods and funds, the selection of the optimal alternative and the organization of the socio-economic exchange procedure.

D. Angel, R. Blackwell and P. Miniard [3]	the actions people take when acquiring, consuming, and disposing of goods and services.
Pacchkovsky Yu. F., Maksimenko A.O. [3]	the behavior of individuals or groups that includes the sequential actions of acquiring, using, and ultimately disposing of goods and services.
Abramovich K. O. [4]	a process encompassing physical, psychological, cognitive and social aspects in which a person satisfies his needs through the following stages: awareness of a need, search for information, analysis of alternatives, purchase, use, maintenance and disposal of goods or services.
Economic dictionary [3]	the decision-making process a consumer goes through when deciding which goods to buy and from which sources.

Summarizing the scientific approaches of scientists to the interpretation of the concept of "consumer behavior", we can say that they all emphasize the activity of people or groups aimed at satisfying needs through various stages, which include awareness of the need, search for information, analysis of alternatives, purchase, use, maintenance and disposal goods or services.

The evolution of the development of conceptual marketing approaches and their impact on consumer behavior is key to understanding modern trade and interaction between enterprises and their customers (Table 1.3) [6].

Table 1.3

The evolution of the development of marketing concepts and their impact on consumer behavior

Concept	Features
The concept of production improvement	Increasing efficiency and reducing costs in production by simplifying processes and optimizing the use of resources.
The concept of product improvement	It is aimed at improving the quality of the product or service, taking into account the needs and expectations of customers.

The concept of intensification of commercial efforts (or sales)	Aimed at increasing sales through active marketing, advertising, discounts and promotions.
Marketing concept	It is based on the study and satisfaction of consumer needs
The concept of social and ethical marketing	Aimed at supporting social well-being and ethical values in the production and consumption of goods and services, taking into account their impact on the environment and society.
Relationship marketing concept	It is based on the formation and management of relationships with clients, which involves an individual approach to each consumer with the goal of retention.

So, at the initial stages of the development of market relations at the end of the 19th century, when the concepts of "improvement of production" and "improvement of goods" were prioritized, a gradual increase in demand was observed, which eventually led to the development of practical tools and methods for managing sales and other aspects of interaction with the consumer. At the stage of the transition from the seller's market to the buyer's market, which was accompanied by the spread of the concept of "intensification of commercial efforts" and the formation of the concept of "traditional marketing", the main reason for the production of the product becomes a detailed study of the needs and values of consumers, as well as conditions and factors affecting the formation and development of these needs. In the 1950s in the USA, consumer behavior became a separate scientific discipline.

The study of consumer behavior was largely influenced by psychological trends, such as behaviorism and the theory of psychoanalysis [5].

Socio-ethical marketing is aimed at solving social problems and promoting the general well-being of society through marketing practices. This concept takes into

account the impact of production and consumption of goods and services on the environment, ethical issues and social responsibility of business.

The concept of relationship marketing (or relationship marketing) focuses on building long-term and mutually beneficial relationships with clients, which involves an individual approach to each client.

With the development of modern technologies, F. Kotler and G. Armstrong proposed new concepts of marketing, namely: Marketing 1.0 (ignores the needs of consumers), Marketing 2.0 (begins to take into account the needs of consumers), Marketing 3.0 (takes into account the social needs of society), Marketing 4.0 (a concept that uses advanced digital technologies to personalize interaction with customers , creating interactive communications and adapting to changes in market conditions), Marketing 5.0 (an approach that uses digital technologies and artificial intelligence, which imitate consumer behavior in order to create values for him) [6].

Scientists also include the following theories of consumer behavior: the theory of utility, the theory of preferences and choice, the theory of behavior according to J. Katona, the concept of orientation towards a defined goal (Table 1.4) [5].

Table 1.4

The most common theories of consumer behavior

Theories of consumer behavior	Features
Theory of utility	consumers choose goods and services based on how they determine the utility or satisfaction they will receive from those products.
Theory of preferences and choice	determines that consumers choose those goods or services that best match their personal preferences and tastes.
The theory of behavior according to J. Katona	states that consumers make purchase decisions based on motivations, perceptions, and perceptions of a product.

The concept of goal orientation	the concept indicates that consumers are guided by specific goals or objectives when purchasing goods and services.
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Theories help to understand how and why consumers make their purchases and make decisions about the use of various products.

Thus, the concept of "consumer behavior" encompasses a complex set of physical, psychological, social, and economic processes occurring in the process of choosing, purchasing, using, and disposing of goods and services. The development of the theory of consumer behavior took place from classical theories such as the theory of utility and the theory of preferences to modern approaches that take into account the social, ethical and technological aspects of consumer behavior. Modern approaches to the theory of consumer behavior emphasize the individual decisions of consumers, the impact of digital technologies on the processes of interaction with marketing, as well as the importance of sustainable development and ethical consumption, which allows enterprises to better understand and anticipate the needs of consumers, as well as interact with them more effectively through innovative marketing strategies.

1.2. Theoretical analysis of factors that shape consumer behavior

The key to the company's success is the study of consumer reactions to products and the analysis of decisions made by them, which takes this reaction into account. On the basis of these data, a marketing strategy is developed, which is aimed at meeting the needs of consumers. It is also important to timely adapt production and marketing processes to changes in consumer preferences in order to ensure the company's competitive advantages.

Studying the factors that influence consumer behavior is an important aspect of modern marketing research because it helps to understand why and how people make purchasing decisions about goods and services.

Scientists consider several basic assumptions regarding the analysis of consumer behavior:

- preferences change over time and reflect a certain moment;
- the choice of goods depends on preferences and restrictions, including price and income;
- preferences are subjective, but affect all aspects of human activity [7].

Let's emphasize that even with the same income, consumers may have different preferences and decisions regarding purchases. Thus, companies choose strategies aimed at meeting the needs of the largest part of the population.

In figure 1.1. factors influencing consumer behavior are summarized [7-11].

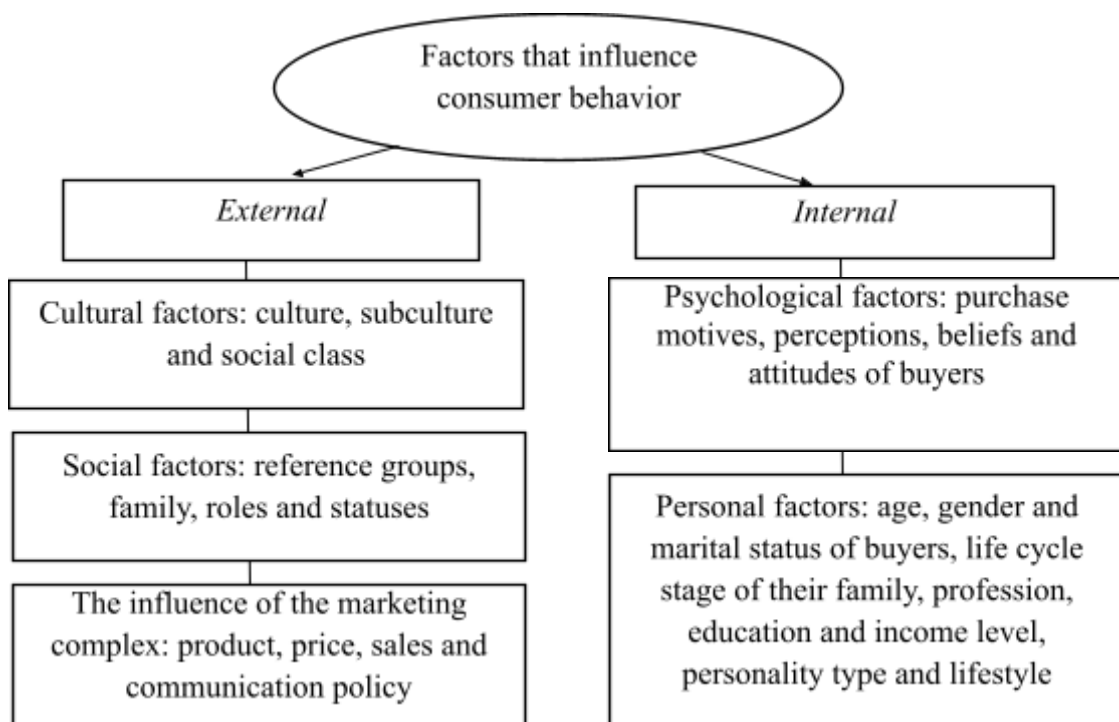


Fig. 1.1. Factors that influence consumer behavior.

So, the factors that influence consumer behavior can be divided into:

1. Internal (endogenous) factors - psychological factors include motivation (an internal force that prompts action (for example, biological needs, social aspirations, personal goals)) and perception (the process of evaluating and interpreting information about goods and services), as well as personal or individual (age, gender, profession, income, personality type, lifestyle). For example, a person's age determines his tastes

and preferences at different stages of the life cycle, which affects his choice of products and services. Occupation also plays an important role in purchasing choices, as lifestyles and purchasing decisions vary greatly by occupation. In addition to the cost and quality of the product, the consumer's choice also depends on his mood, emotional state and temperament.

The relationship between individual qualities and consumer behavior is that personal qualities such as lifestyle, values, needs, emotional stability or instability affect the way consumers choose, buy and use products. These qualities form a unique approach to decision-making and can influence their receptivity to advertising, brands, pricing strategies and other factors that determine their consumer practices. The influence of individual qualities and consumer behavior is shown in Table 1.5 [3, 7].

Table 1.5

Relationship of individual qualities and consumer behavior

Individual qualities	Features of consumer behavior
Purposefulness	Economically cautious consumers who focus on the essential characteristics of the product, ignoring secondary ones.
Intrusiveness	The consumer is active in the search for the product and prefers his own opinion, avoiding the influence of situational leaders
Determination	Consumers who have confidence in their purchasing decisions are open to innovation and are not afraid to experiment with new products.
Empathy	They are more worried about the correctness of their product choice. Evaluation of its rational qualities often occurs after purchase.
Affiliation	Influences consumer choice through social motivations and the desire to feel a sense of belonging to a certain group or community. This may lead the consumer to choose goods or

	services that conform to social norms or acceptance in a given group.
Sensitivity to contempt from others	Consumers experience guilt, show caution and mistrust. The more they research the product, the stronger their fear of negative judgment.

The relationship between individual qualities and consumer behavior allows us to understand that each consumer is unique and responds to market stimuli according to his individual characteristics.

2. External (exogenous) factors - cultural, social factors, as well as the marketing complex. Cultural factors include culture, subcultures, and social status. Culture is a set of values, ideas, views and symbols, behavior patterns, rules, rituals and traditions, transmitted from generation to generation through socialization. Culture determines how consumers perceive themselves, perceive the goods they buy and use, and generally affects the processes of buying and selling.

A subculture is a group of people within a general culture with its own unique values, norms, and ways of life. It influences consumer behavior through uniqueness in consumption, interaction and perception of marketing, and also provides social identification and belonging. For example, youth subcultures may have their own preferences in music, fashion, or lifestyle, and advertising campaigns may target specific values or interests of a particular subculture.

Social status is a person's position in the social hierarchy, based on income, education, profession and other social markers, which also largely affects the choice of goods and services and response to marketing strategies. For example, individuals with a higher social status are more likely to choose expensive brands, while people from the middle class look for more affordable alternatives.

Social factors include elements such as reference groups, family, roles and statuses. Reference groups are groups to which an individual feels attached and which influence his perceptions, standards, and choices. Family members can influence consumer decisions through recommendations, support and shared taste preferences.

Individuals play certain roles in society that influence their decisions. For example, professional status may dictate the choice of certain products or services, and social status may determine consumer preferences. Consumers choose certain products and services to confirm their social position and status in society.

The marketing mix, also known as the marketing mix or the "4Ps," includes components such as product, price, sales, and promotion, and has a significant impact on consumer behavior, namely:

- the characteristics of the product, its quality, design and innovation determine consumer preferences and satisfaction with the purchase. Conformity of the product to the needs and expectations of consumers stimulates their purchases;
- price strategies (discounts, promotions or premium prices) determine how consumers perceive the product and whether they are ready to purchase it;
- sales (offline and online sales, distribution channels and logistics) affects the convenience of shopping for consumers.
- communication complex (advertising, personal selling and PR activities) create awareness about the product, stimulate interest and contribute to the purchase decision.

Thus, the above factors interact and influence the consumer's decision-making process, shaping his behavior on the market. In addition to the above factors, in our opinion, one of the significant external factors, which is gaining more and more importance recently, is the influence of digital technologies. These technologies are changing the way consumers interact with brands and products, expanding the availability of information, helping to increase the influence of reviews in social networks and providing new communication and sales channels, which opens up new opportunities for marketing strategies, in particular, personalization of offers and engagement of target audiences through digital platforms.

Next, it is worth investigating the typology of consumers and their behavior in the process of making decisions about the purchase (Table 1.6) [5, 12].

Table 1.6

Generalized typology of consumer personality

Criteria	Consumer personality type
1. Based on market segmentation	<ol style="list-style-type: none"> 1. Customers who demonstrate ongoing brand loyalty. 2. People who are actively looking for discounts and special offers. 3. Men and women depending on socio-demographic characteristics. 4. Buyers who have deep knowledge about the product. 5. Impulsive consumers who are guided by psychological characteristics. 6. Other types of consumers.
2. According to the reaction to new products	<ol style="list-style-type: none"> 1. Innovators - respond quickly to innovations, try new products or technologies, even if they are not fully tested or established in the market. 2. Early adopters - interested in new products, but prefer more assurance of quality or use by other users before purchase. 3. The early majority wait until new products become well-known and proven in use before making a purchase decision. 4. The late majority are more conservative and wait until products or technologies are proven and popular before buying them. 5. Conservatives refuse the latest solutions and remain faithful to known and proven options.
3. By the degree of rationality of the choice	<ol style="list-style-type: none"> 1. Rational consumers - conduct research and compare alternatives before making a decision. The choice is mostly made on the basis of calculations and logic. 2. Irrational consumers - can decide to buy spontaneously or on the basis of personal sympathies and emotions.
4. According to psychographic characteristics	<ol style="list-style-type: none"> 1. Innovators - value new ideas and products, adopt innovations faster than others. 2. Conservatives - prefer traditional and well-known solutions. 3. Confident - have confidence in their choices and do not hesitate when shopping. 4. Not sure - often have doubts and may seek support before purchasing.

	<ol style="list-style-type: none"> 5. Aesthetes - value aesthetic aspects such as design and style. 6. Pragmatists - focused on functionality and practical value. 7. Hedonists - seek pleasure and comfort from consumption. 8. Ascetics - prefer simplicity and lack of luxury. 9. Extremes - looking for new experiences and unusual options. 10. Hypochondriacs are afraid of risk and prefer safe options. 11. Impulsive - make choices without deep consideration. 12. Reflective - carefully consider various aspects before making a decision. 13. Home dwellers are confident in their home environment and choose consumption according to home needs. 14. Partygoers - actively participate in public life and cultural events.
5. According to the lifestyle of consumers	<ol style="list-style-type: none"> 1. A pleasure seeker immersed in himself - actively looking for pleasure and comfort, often engaged in personal hobbies. 2. An active and goal-oriented person - consumers focused on achieving goals and a healthy lifestyle. 3. A representative of the business community - consumers with a high social status who take professional aspects into account in their consumption. 4. "Blue-collar workers" are workers in traditional industries who value simplicity and practicality in life. 5. Traditional staying at home - people who prefer the stability and comfort of home life.

So, the given typology of consumer personality shows that consumers can differ significantly in their preferences, lifestyles, psychographic characteristics and degree of rationality in decision-making. Studying these various aspects allows businesses and marketers to better understand their target consumers and adapt their marketing strategies and product offerings more effectively. Taking into account individual needs and psychological characteristics helps to increase the level of consumer satisfaction and support their loyalty to the brand.

Based on the typology of the consumer's personality, scientists also distinguish types of consumer behavior (Table 1.7) [8].

Table 1.7

Features of the typology of consumer behavior

Types of behavior	Features
1. Highly rational behavior	Consumers make purchase decisions based on careful analysis and evaluation of available information, which includes careful consideration of alternatives, a rational assessment of the cost and quality of the product, as well as taking into account their personal goals and needs. Such consumer behavior is often expressed in reasoned decisions that best meet their expectations and requirements.
2. Rational-confident behavior	Consumers make purchasing decisions based on objective data and logical thinking. They research products or services, make choices based on reasoned reasoning and careful analysis, and not under the influence of emotions or marketing gimmicks. This approach allows them to feel confident in their decisions and ensures compliance with their expectations and needs. This behavior is also characteristic of repeat purchases.
3. Cautious behavior	Consumers carry out a detailed analysis of goods or services, take into account the risks and possible consequences of their choices. They often stick to well-known and trusted brands, make purchases after researching information and make their choices with special attention to quality, price, ethics of the manufacturer and other aspects that can affect their satisfaction with the purchase. He can postpone the purchase, waiting for a discount or a new product model.
4. Emotional behavior	It manifests itself in the choice and purchase of goods or services, which occurs under the influence of emotional states, such as pleasure, impressions, or even stress, which can lead to impulsive purchases, change the perception of product quality, and also affect attitudes towards brands and advertising.
5. Showy behavior	Consumers take certain actions or make decisions not based on their true needs or beliefs, but in order to create a certain image of themselves in the eyes of others, which may include purchasing products to demonstrate status, succumb to trends or PR influences.
6. Adaptive behavior	It consists in the ability to adapt consumer choices and actions to modern conditions and circumstances, that is,

	the ability to respond to new technologies, market trends, changes in personal life or economic conditions. Consumers with adaptive behavior can quickly assess new opportunities and adequately respond to changes, which allows them to effectively manage their consumer decisions.
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Thus, the above consumer behaviors reflect the diversity of consumer approaches. Thus, rational behavior is based on logic and objective criteria, emotional behavior is based on emotional feelings and impressions, ostentatious behavior is based on social aspects and impressions before others, and adaptive behavior is based on the ability to adapt to rapid changes. Each of these types of behavior influences consumer decisions and interactions with the market and products, reflecting the individuality and needs of consumers.

In crisis conditions, including war, changes in consumer behavior are observed [13]:

- the demand for goods that are not essential items decreases, the importance of price as a key factor in sales success increases.
- interest in expensive, prestigious brand goods is lost, which leads to a decrease in their sales volume.
- buyers pay less attention to the appearance of goods, namely: packaging and design, which do not affect the price.

Factors shaping consumer behavior are diverse and include both rational and emotional aspects. Rational factors include the price, quality, and utility of goods, while emotional factors include social influences, personal feelings, and impressions. Taking into account the factors discussed above allows you to better understand and predict the behavior of consumers in the market, which is the key to a successful marketing strategy and promotion of the company's products.

1.3. Theoretical and methodological approaches to consumer behavior management

Managing consumer behavior in today's competitive environment plays a crucial role in companies' marketing strategies. Managing consumer behavior involves analyzing and predicting consumer actions, their motivations, and reactions to various marketing stimuli. This process depends on the use of a wide range of tools aimed at attracting attention, increasing the satisfaction of the purchase and increasing the loyalty of consumers.

Approaches to the interpretation of the concept of "consumer behavior management" are summarized in Table 1.8 [14, 15].

Table 1.8

Approaches to the interpretation of the concept of "consumer behavior management"

Author	Definition
Kapinus L.	The process of influence of a set of marketing tools and psychological approaches on the formation of consumer decisions
Danylenko E.	The process of active influence on the participants of marketing activities with the aim of creating new needs, values, models of consumer behavior.
Shumilo Ya.	The company's marketing activities aimed at ensuring maximum consumer satisfaction with the company's products and at the same time achieving optimal product sales.
Krakhmaleva A.	A communication process for providing companies with data on consumer demand and the possibilities of its satisfaction

Therefore, the term "consumer behavior management" includes a variety of approaches that encompass the influence of marketing tools and psychological strategies on product purchase decisions. Each definition singles out the main aspects of such influence: creation of new needs and values, formation of consumer behavior patterns,

maximization of consumer satisfaction and optimization of sales. Thus, managing consumer behavior is seen as a complex process that includes a set of marketing tools, communication efforts, and consumer demand analysis to achieve the company's strategic goals. The creation of a marketing strategy is usually based on three main aspects: analysis of the market and competitors, evaluation of product characteristics and capabilities, as well as study of the target audience taking into account its socio-demographic characteristics, lifestyles and consumption patterns.

Next, we will consider approaches to consumer behavior models. A model of consumer behavior is a theoretical construct that describes the processes and factors influencing consumer decisions when choosing and buying goods or services.

Thus, there are three types of consumer behavior models [5]: 1) classic models that analyze the behavior of buyers regardless of their needs and are used to predict consumer behavior in the market; 2) economic and behavioral models developed by J. Katona; 3) modern ones, which include Nicosia, Howard-Sheth, Angel-Collat-Blackwell, Sheth and Bettman models.

The classic model of consumer behavior or the "Black Box" model is shown in Figure 1.2 [5, 6].

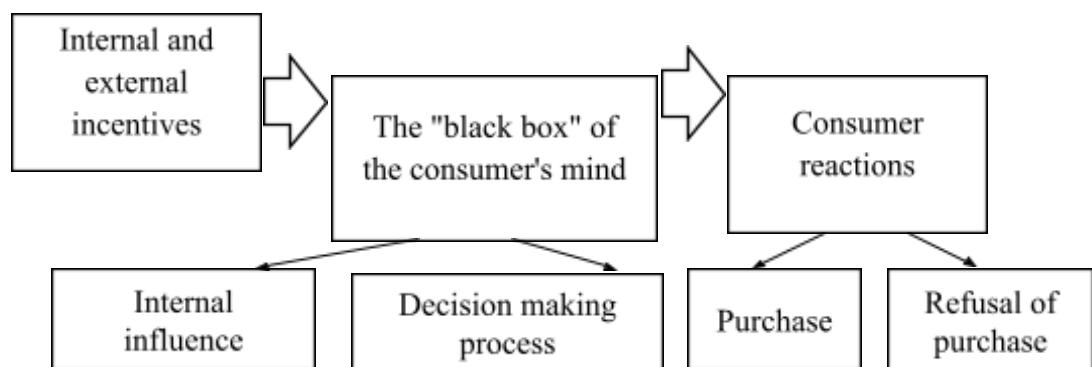


Fig. 1.2. The classic "Black Box" model of consumer behavior.

So, the "Black Box" is the consciousness of the consumer and the internal processes that take place inside it under the influence of various factors. The study of these processes requires considerable effort, so researchers focus on studying the relationships between stimuli affecting the consumer's mind and the results of these

processes. Entering the "Black Box", the consumer reacts to external and internal stimuli that influence his purchase decision, and the exit from it is manifested in specific actions, such as purchasing a product or refusing to buy.

The economic-behavioral model of J. Catons are shown in Figure 1.3.

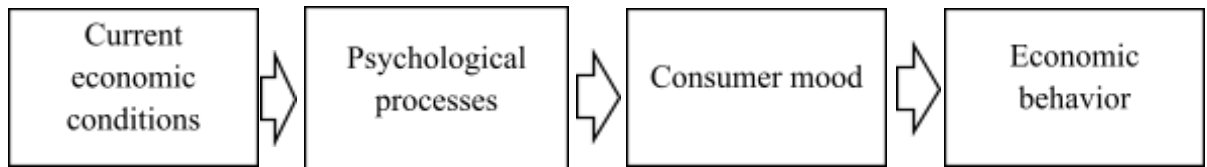


Fig. 1.3. The economic-behavioral model of J. Catos.

J. Katony notes two forms of consumer behavior: impulsive and rational. He believes that rational behavior is characteristic of the purchase of expensive goods with a long period of use. This model takes into account the general economic condition of the country and the personal economic condition of the consumer.

The Howard-Sheth model of consumer behavior analyzes the social, psychological, and marketing aspects of consumer behavior, taking into account three levels of decision-making: broad, limited, and routine problem solving [5]. The model includes four groups of variables:

- inputs, i.e. physical, symbolic and social stimuli perceived by the consumer;
- perceptual and educational constructs, namely: attention, search for information, motives, selection criteria and prejudice;
- consumer responses to perceptual and learning variables such as attention, brand awareness, attitudes and intentions;
- external variables such as social, cultural, personal, financial and situational factors.

The Angel-Collat-Blackwell model is one of the most comprehensive modern models of consumer behavior, which includes 5 main stages:

1. Identification of the need by the consumer.
2. Search for information on meeting this need.
3. Evaluation of available options and selection of the optimal one.

4. Purchase of goods.

5. Use of the product.

Over time, the authors supplemented the model with 2 more stages, namely: evaluation of the choice and enrichment of personal experience and disposal of the product after its use.

A generalized model of consumer behavior Angel-Collat-Blackwell is shown in Figure 1.4.

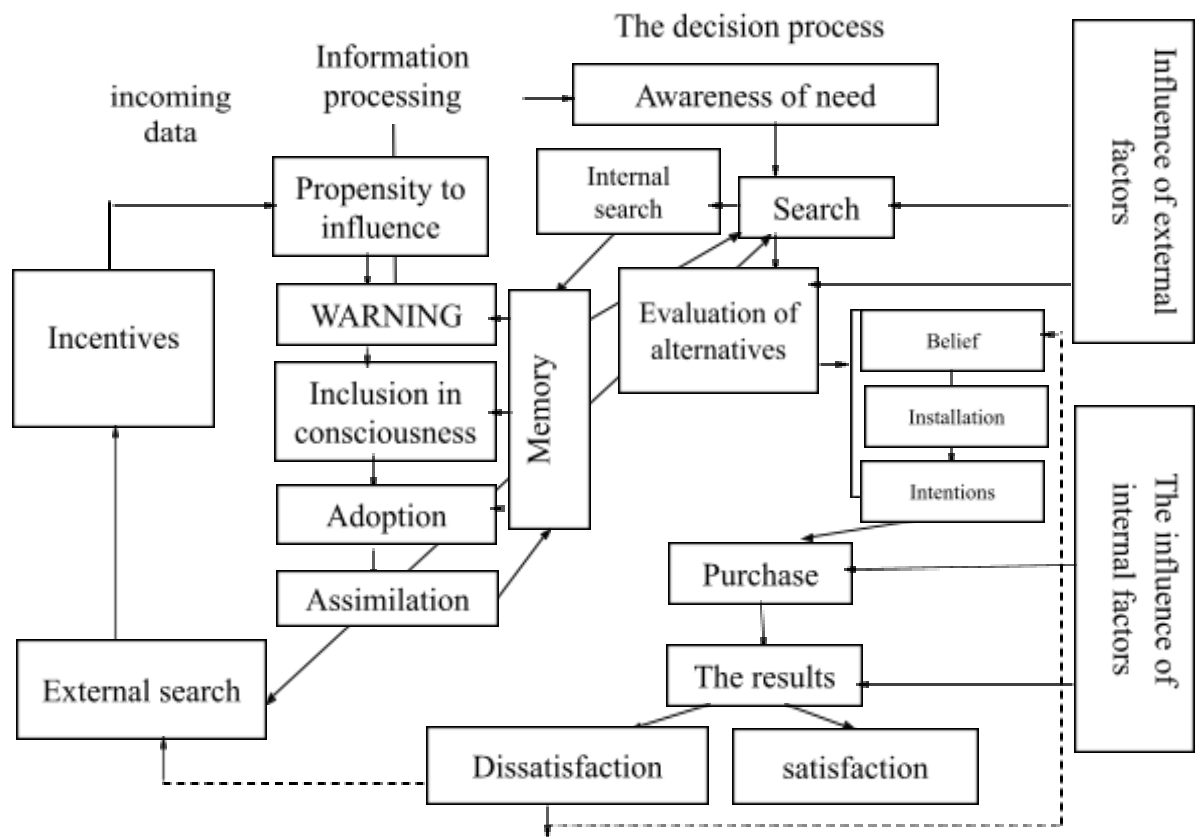


Fig. 1.4. Model of consumer behavior according to Angel-Collat-Blackwell.

Thus, the Angel-Collat-Blackwell model of consumer behavior is quite detailed and comprehensive in its description of the consumer's purchase decision-making process. It includes seven main stages, which include awareness of the need, search for information, evaluation of options, the purchase process itself, use of the product, evaluation of the choice and its next stage - disposal. This model provides a deep understanding of how consumers make purchase decisions, taking into account both

external and internal factors. It is an important tool for marketers and researchers to analyze and predict consumer behavior.

The main tasks of managing consumer behavior at the stage of problem awareness are:

1. Definition and analysis of consumer needs.
2. Encouraging consumers to recognize hidden needs.
3. Development of a marketing complex ("4R") to meet consumer needs, ensuring their connection with specific products.

In Sheth's model, unlike other approaches, where the purchase decision is usually made by the individual consumer, here it is made by the family as a single entity. Seth's model includes the following components: personal inclinations of family members, which are formed through purchase motives and their evaluations; internal and external factors that determine purchase motives and evaluation systems; factors affecting autonomous and joint purchases; the process of making joint decisions - solving conflicts between family members.

Next, we will consider marketing tools for the study of consumer behavior, which are divided into quantitative and qualitative.

A generalized classification of marketing research methods is given in Table 1.9 [5, 6].

Therefore, the key directions of qualitative marketing research of consumer behavior include the study of motivations, ideas and perceptions of the product, brand, advertising, segmentation of the target audience, as well as analysis of behavior during purchase and expectations from purchased goods.

Table 1.9

A generalized classification of marketing research methods of consumer behavior

Classification of methods	Research methods
Qualitative methods	Observation, experiment, in-depth interview, panel research, focus group (online focus group), protocol analysis, projection methods, expert methods
Quantitative methods	Survey (questionnaire, interview), online survey on Google Forms, Simpoll, Survey Monkey, Anketolog, Survio, Online Test Pad,

Quantitative studies of consumer behavior allow obtaining numerical data that are subject to statistical processing and can be objectively analyzed for understanding market trends and effective management of marketing strategies. Quantitative methods are always based on accurate statistical models and the use of large volumes of data.

The directions of marketing research of consumer behavior are systematized in Table 1.10 [5, 6].

Table 1.10

Directions of marketing research of consumer behavior

Research directions	Actions of the marketer/company
Analysis of the consumer portrait	Determine the size of the target audience and develop strategies for attracting new customers; individualize the product/service and use methods of promotion and interaction with customers; create a media plan; predict the results of planned advertising activities.
Research on customer satisfaction and loyalty	Future actions will be determined by the results of conducted research, which may include the need to improve the product/service, improve service, improve reputation
Analysis of product or service reviews	The company receives a complete overview of the advantages and disadvantages of its product, quality of services.
Brand awareness research	If there are negative reviews, you need to save your reputation in the digital space. And if the company is silent or barely mentioned, it means that you need to implement marketing measures to increase its awareness.
Analysis of advertising campaigns	It will allow you to balance key advertising metrics to achieve the most effective result

Therefore, marketing research of consumer behavior is an important component of the strategy of any successful company. They allow you to carefully study the needs, preferences and requirements of the target audience. Analysis of the consumer portrait helps to understand how to attract new customers and retain existing ones, as well as individualize the product and develop effective marketing strategies. Customer satisfaction and loyalty research helps improve product and service quality, which increases overall customer satisfaction and brand loyalty. Analysis of reviews and advertising campaigns helps companies to effectively adjust feedback from consumers and optimize advertising costs. The above aspects of the research contribute to increasing competitiveness and success in the market, making the analysis of consumer behavior a necessary component of a successful business.

Further in figure 1.5. the main marketing tools are presented with the help of which it is possible to influence the behavior of the consumer in the market [6].

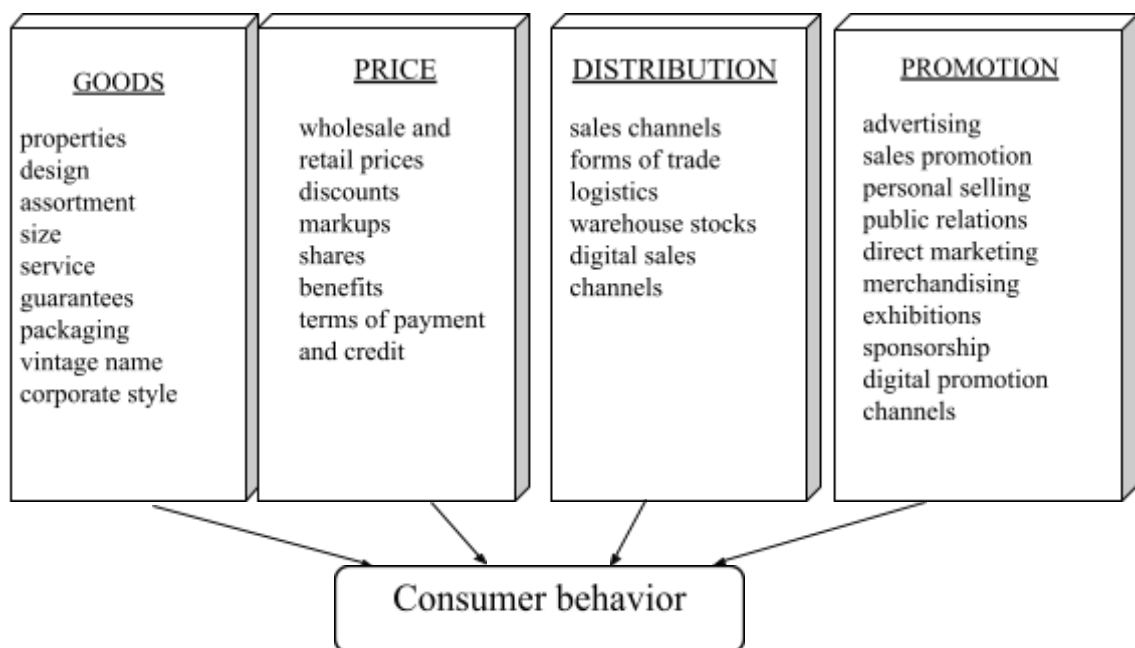


Fig. 1.5. The main marketing tools that influence consumer behavior.

Therefore, the application of the above tools allows companies to adapt to market conditions and consumer requirements in order to attract their attention, increase sales and strengthen competitiveness in the market. Each of these tools has its own characteristics and requires a deep understanding of the target audience in order to achieve the optimal ratio between costs and results.

CHAPTER 2

STUDY OF CHANGES IN CONSUMER BEHAVIOR IN WAR CONDITIONS

2.1. Analysis of consumer behavior trends during the war

The war of the Russian Federation against Ukraine led to a significant deterioration in the security of Ukrainians, which immediately affected their consumer sentiment. In such an environment, consumer behavior has undergone significant changes, including a review of purchase priorities, modification of consumer preferences, and rationalization of spending. Analyzing these transformations will help better understand the impact of war on the market and allow companies to adjust their marketing and sales strategies to ensure resilience and success in conflict.

The company Info Sapiens conducts research on consumer attitudes in Ukraine, calculating the Index of Consumer Attitudes based on a survey of sample households in the country [16].

Figure 2.1 shows the dynamics of the consumer sentiment index in Ukraine [13, 16].

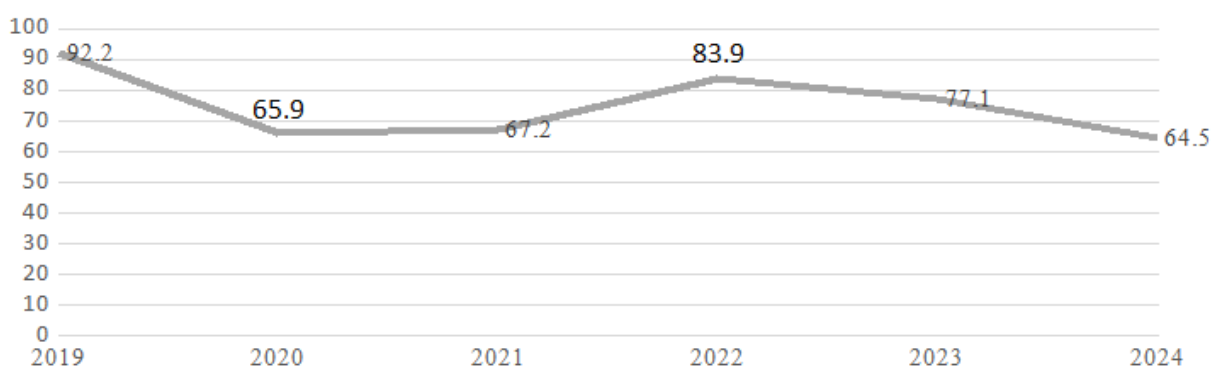


Fig. 2.1. Dynamics of the index of consumer sentiment (ICA) in Ukraine for 2019-2023 and as of July 1, 2024

So, according to the results of recent years, fluctuations in the consumer sentiment index have been observed in Ukraine. At the end of 2019 the index was 92.2 points, indicating high consumer sentiment, but in 2020 there was a sharp decline to 65.9 points, which may be related to economic difficulties or changes in living conditions due to the COVID-19 pandemic. In 2021, the index increased slightly to 67.2 points, but remained at a level lower than previous years. In 2022, the index of consumer sentiment recovered and reached 83.9 points, which may indicate a certain improvement in economic conditions and consumer sentiment, and this in the conditions of the first year of Russia's war against Ukraine. Then in 2023, the index decreased to 77.1 points, which may indicate a decline in consumer sentiment again after some recovery. As of July 2024 the index fell to 64.5 points, which indicates the deterioration of consumer sentiment due to economic difficulties associated with the third year of the war and changing consumer needs. These fluctuations reflect the reaction of consumers to economic changes and socio-political events in the country.

The deterioration of the economic situation and the decrease in the level of real income also significantly affect consumer behavior, along with the deterioration of the security situation in the country and the psychological state of buyers (Fig. 2.2) [17].

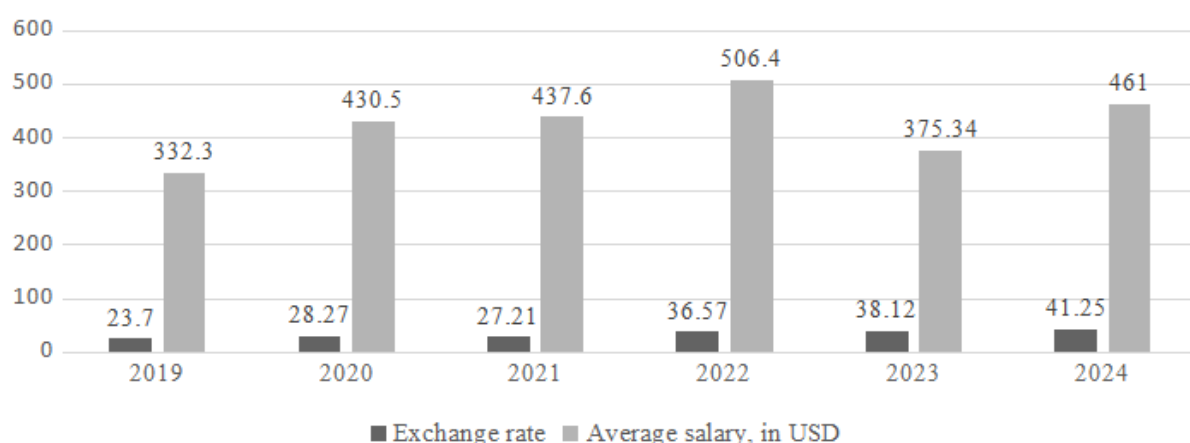


Fig. 2.2. Dynamics of the exchange rate and average salary for 2019-2023. and the 1st quarter of 2024.

So, on the basis of the data provided, it can be said that the growth of the exchange rate, together with changes in the average salary, significantly affect the consumer opportunities and mood of buyers in Ukraine. Changes in these indicators are reflected in the cost of imported goods and the availability of branded goods for consumers.

Next, we will analyze in more detail the impact of the war factor on the consumer behavior of Ukrainians in 2023. (Fig. 2.3) [18].

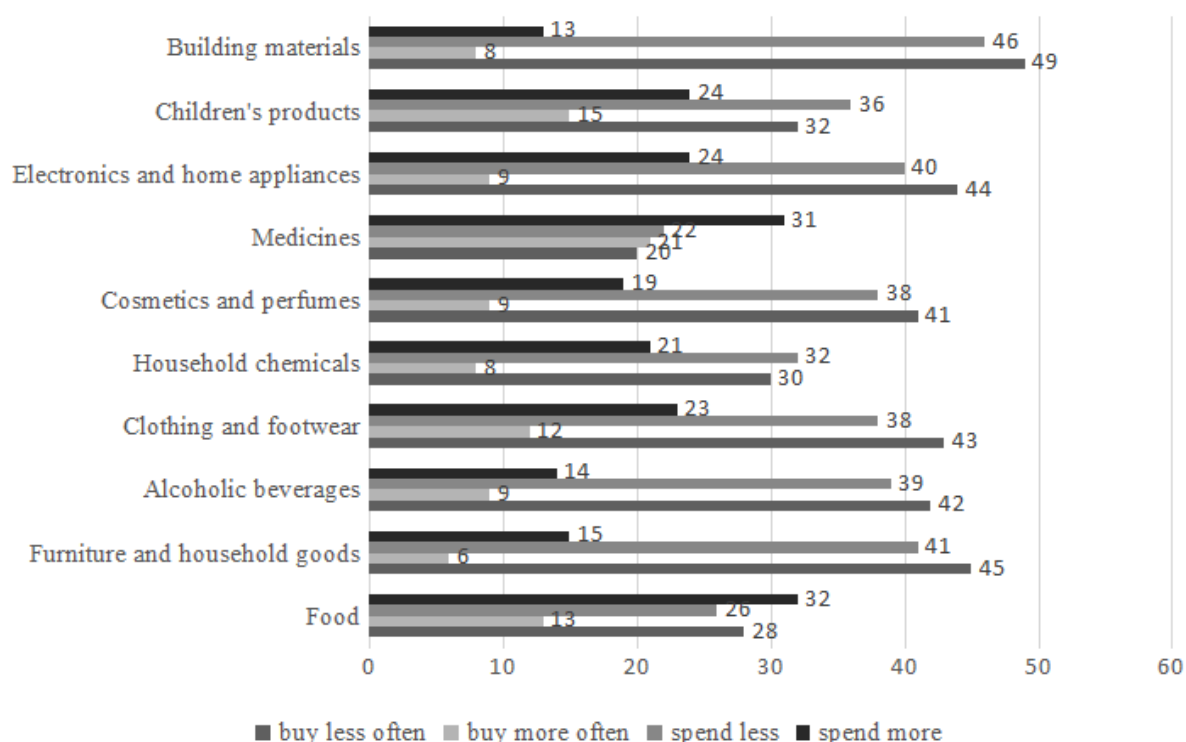


Fig. 2.3. Changes in the purchasing power of Ukrainians by segment, (%)

Thus, according to the results of a study by the Delloite company, in 2023 there was a tendency to decrease the frequency of purchases and expenses among Ukrainians, with the exception of food products and medicines.

Figure 2.4 shows the goods on which consumers save [18].

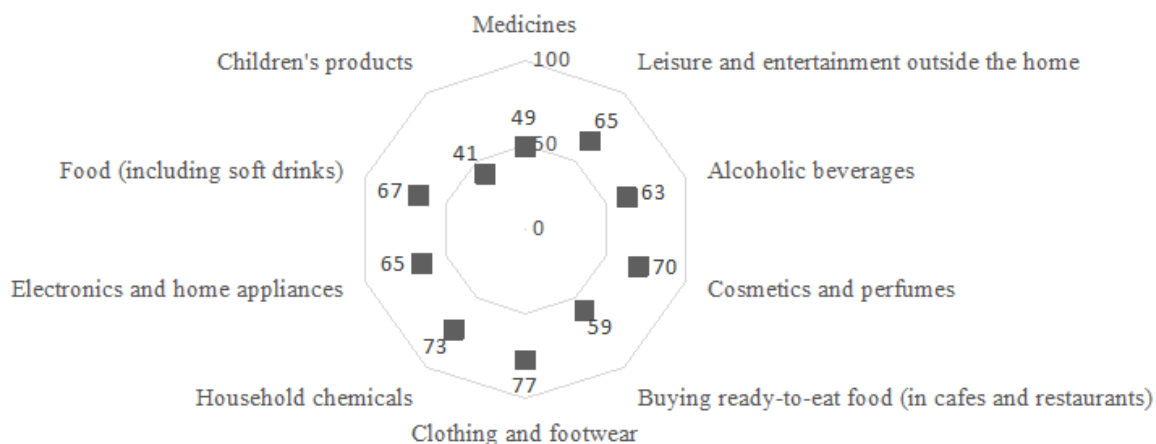


Fig. 2.4. Products on which consumers save, (%)

In 2023, the trend towards savings among Ukrainians continues, focusing on such categories of goods as clothes and shoes (77%), household chemicals (73%), cosmetics and perfumes (70%). Consumers save the least on children's goods (41%), medicines (49%) and ready-made food (59%). In general, depending on the product category, 41% to 77% of respondents save money (compared to 47% to 86% after February 24, 2022), which confirms the continuation of this trend.

Next, we will analyze the activity of Ukrainians during the war in visiting restaurants, cinemas, sports facilities, beauty salons, etc. (Fig. 2.5) [18].

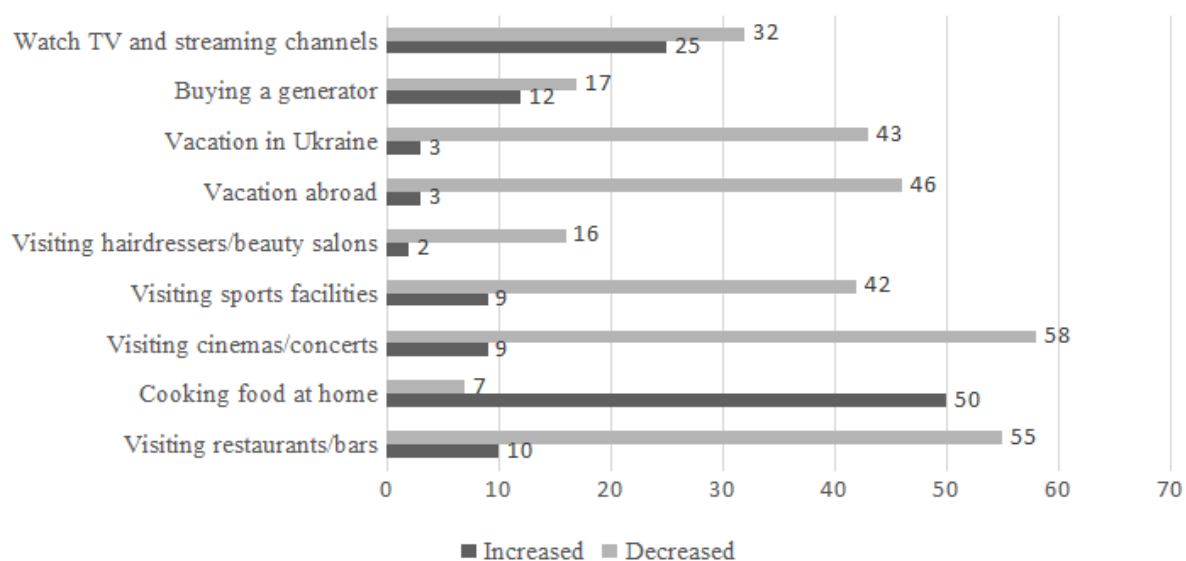


Fig. 2.5. Purchase activity of Ukrainians during the war in relation to visits to restaurants, cinemas, sports facilities, beauty salons in 2023, (%)

In 2023, 55% of Ukrainians noted a decrease in visits to restaurants and bars, especially among people aged 43–57 and in cities with a population of 50,000 or more. up to 100 thousand persons Interest in cooking at home increased (50%), which was most marked among the temporarily unemployed, freelancers and housewives. A significant decrease in attendance at cinemas and concerts was noted among Ukrainians (58%), especially among young people aged 18–27, as well as in the south of Ukraine. The market for sports facilities also experienced a decline, mainly among people aged 43-57 (38%). There was a decrease in vacations both abroad and in Ukraine (46% and 43%, respectively) and visits to beauty salons (16%).

Let's analyze the distribution of the budget of Ukrainians and consumers of different countries (Fig. 2.6).

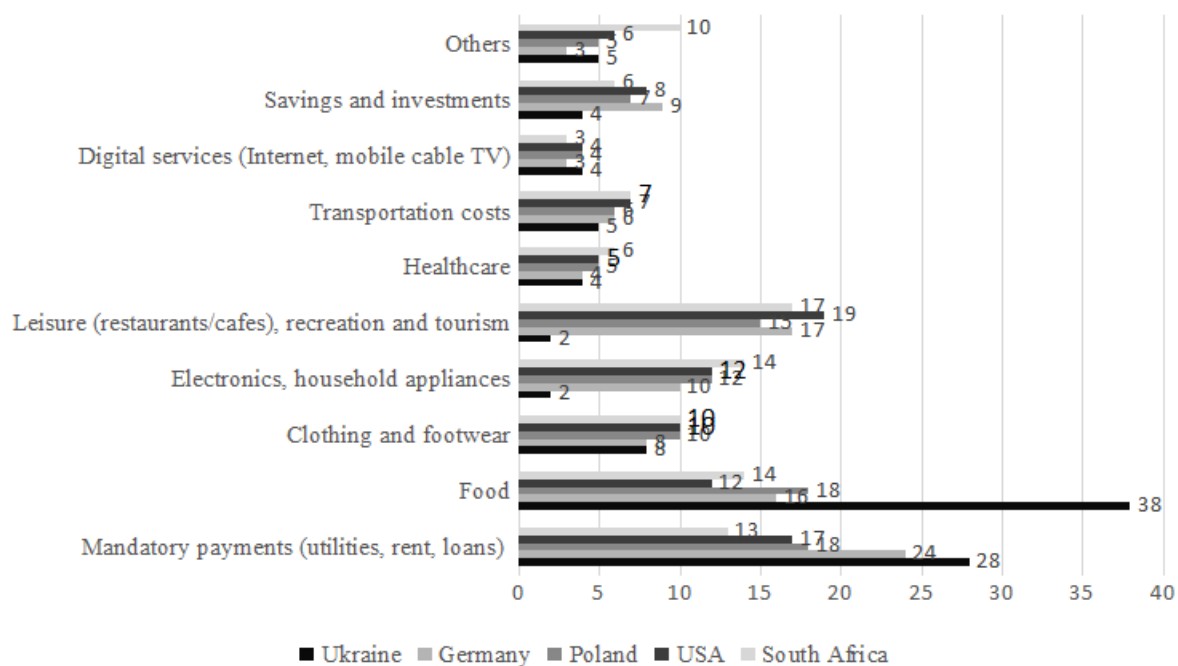


Fig. 2.6. Distribution of the budget of Ukrainians and consumers of different countries, (%).

According to the results of the study, it can be noted that in Ukraine, spending on food products (28%) and mandatory payments (utility services, rent, debt/credit/mortgage payments - 38%) make up 66% of the budget, which is a much higher figure compared to other countries: in Germany (40%), Poland (36%), USA (29%), South Africa (27%). However, the differences between Ukrainian consumers

and other countries are not significant when it comes to spending on clothes and shoes, health care, transport and digital services. It is also worth noting that Ukrainians spend only 2% of their budget on leisure (cafes, rest and tourism), which is significantly less than in Germany (17%), Poland (15%), the USA (19%) and South Africa (17%) .

Ukrainians set aside only 4% of their budget for savings and investments, which is half as much as in other countries. For example, in Germany this indicator is 9%, in Poland - 7%, in the USA - 8%, in South Africa - 6%.

Next, we will analyze consumer habits regarding the purchase of food products. In 2023, on average, Ukrainians visited traditional stores 16.2 times a month, which marks a decrease of almost 6% compared to the previous year (15.3 times in 2022). However, the average consumer check in 2023 increased and now amounts to 885 hryvnias, against 798 hryvnias in 2022.

Habits of Ukrainians when buying products are shown in table 2.1

Table 2.1

Habits of Ukrainians when buying food products

Habits	%	Habits	%
I solve the issue of purchases without prior planning or buy in a hurry.	34	I carefully study my purchases before making them.	56
I make my purchases in one store and do not compare prices with other stores.	26	I distribute my purchases between several stores to find the best deals for each parameter (quality and price).	68
I mainly buy high-quality meat, such as beef.	16	I usually buy affordable types of meat, for example, chicken.	69
I mainly buy goods from well-known brands	30	I mainly buy goods from stores' own brands, for example, "Svoya linia"	45
I usually buy high-quality ingredients for cooking.	12	I usually use more affordable ingredients for cooking.	74
I buy some products spontaneously, depending on my mood (sweets).	40	I buy only the necessary food products (minimum variety).	52
It's not that important to me to use all the products I have.	20	I prepare meals using available products as effectively as possible.	72

So, in 2023, the majority of Ukrainians carefully plan their purchases and look for the best offers (56% and 68%, respectively). They often use available ingredients for cooking and choose more affordable types of meat, such as chicken (69%).

Figure 2.7 summarizes the habits of consumers regarding the purchase of food products in different countries of the world [18, 22].

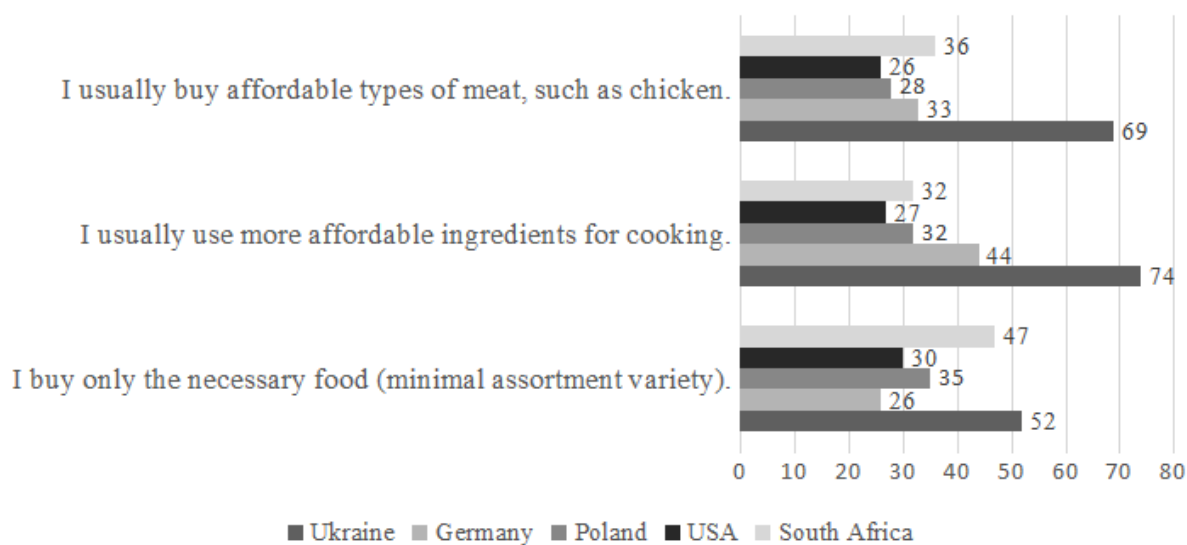


Fig. 2.7. Habits of consumers regarding the purchase of food products in different countries of the world, (%).

Therefore, Ukrainians prefer to buy only necessary food products to a greater extent (52%) than in Germany (26%), Poland (35%), the USA (30%) and South Africa (47%). Regarding the use of more affordable ingredients for cooking, Ukrainians also show a tendency to do so (74%), compared to Germany (44%), Poland (32%), the USA (27%) and South Africa (32%). Also, consumers in Ukraine prefer affordable types of meat, such as chicken (69%), which exceeds the corresponding indicators in Germany (33%), Poland (28%), the USA (26%) and South Africa (36%).

Next, we will analyze consumer trends in 2024 based on research results Gradus Research. Ukrainian consumers continue to pay attention to brands (Fig. 2.8) [19].

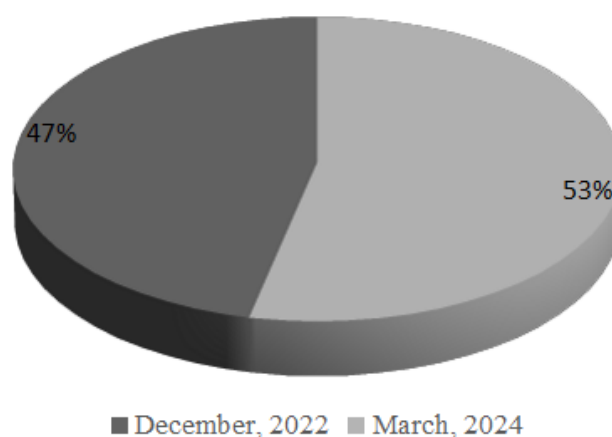


Fig. 2.8. Consumer attention to brands when making a purchase, (%)

In December 2022, 54% of consumers paid attention to brands when shopping, while in March 2024, this figure is already 62%. Especially noticeable is the increased attention to the brands of big cities, perhaps due to a wider range of goods and services.

There is a trend of loyalty to Ukrainian brands over foreign ones, which is reflected in Figure 2.9[19, 20].

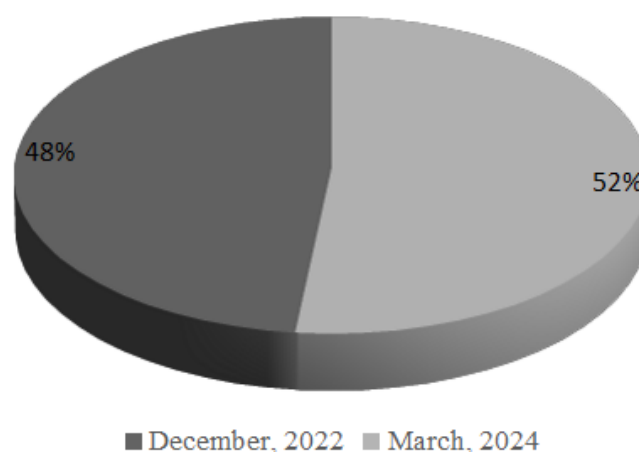


Fig. 2.9. Consumer preference for Ukrainian brands when making a purchase, (%)

In December 2022, only 69% of consumers expressed their willingness to buy goods and services of Ukrainian brands, but already in March 2024 this indicator increased to 74%. This growth can be explained by several factors. First, consumers show solidarity with Ukrainian producers in a difficult economic and political context. Secondly, the growing attention to Ukrainian brands may be related to a sense of patriotism and a desire to support the domestic market. In addition, the reduced

availability of foreign brands due to the appreciation of the dollar encourages consumers to look to local alternatives.

Most respondents (65%) prefer less expensive brands, and 32% of consumers stopped buying their favorite brands. Food and medicine remain the main categories of expenses on which Ukrainians do not save, and they also cut the least expenses on education, transport (fuel). 73% of respondents prefer planning their purchases in advance rather than making impulsive decisions.[19, 21].

Next, we will analyze the behavior of customers on the Ukrainian banking market. According to the CBR Company together with the International Bureau of Credit History (IBRI), in 2022 there is a tendency to decrease the number of banks with which users cooperate, as they are more likely to abandon less important ones. Reasons for discontinuing cooperation with banks include reduced need for cards (24%), loss of trust (17%), poor service (16%) and stoppage of funds (14%) [25].

Figure 2.10 shows the criteria for cooperation of Ukrainians with banks in 2022 [24].

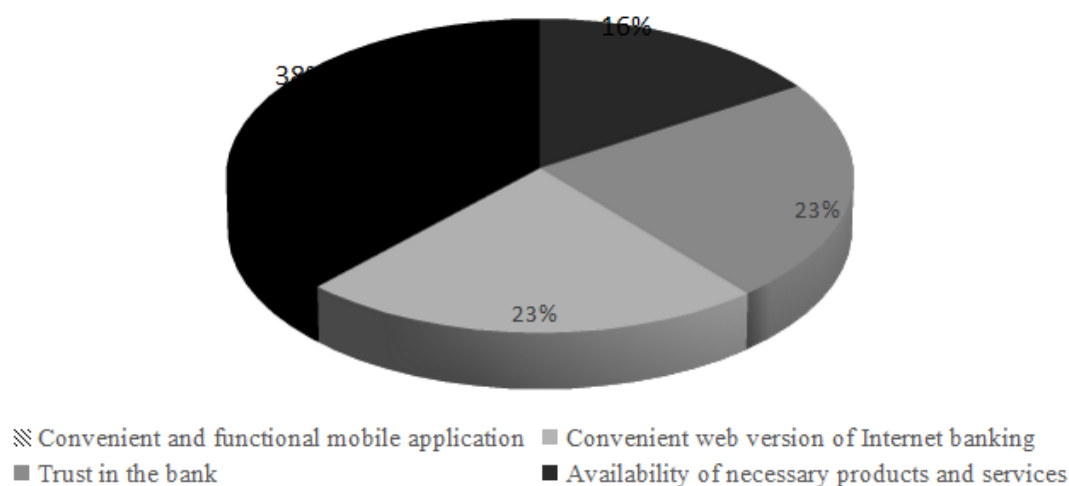


Fig. 2.10. Criteria for cooperation of Ukrainians with banks, (%)

Also, a convenient and functional mobile application is included in the TOP-5 criteria when choosing a bank for opening a payment card. In second place is the availability of a convenient web version of Internet banking and trust in the bank (23% each), in third place is the availability of all the necessary products and services at the bank, as well as the ability to be fully serviced remotely.

In 2023, the Deposit Guarantee Fund of Ukraine conducted a national survey among citizens to study consumer attitudes in the banking market.

The popularity of banking products is shown in Figure 2.11 [25].

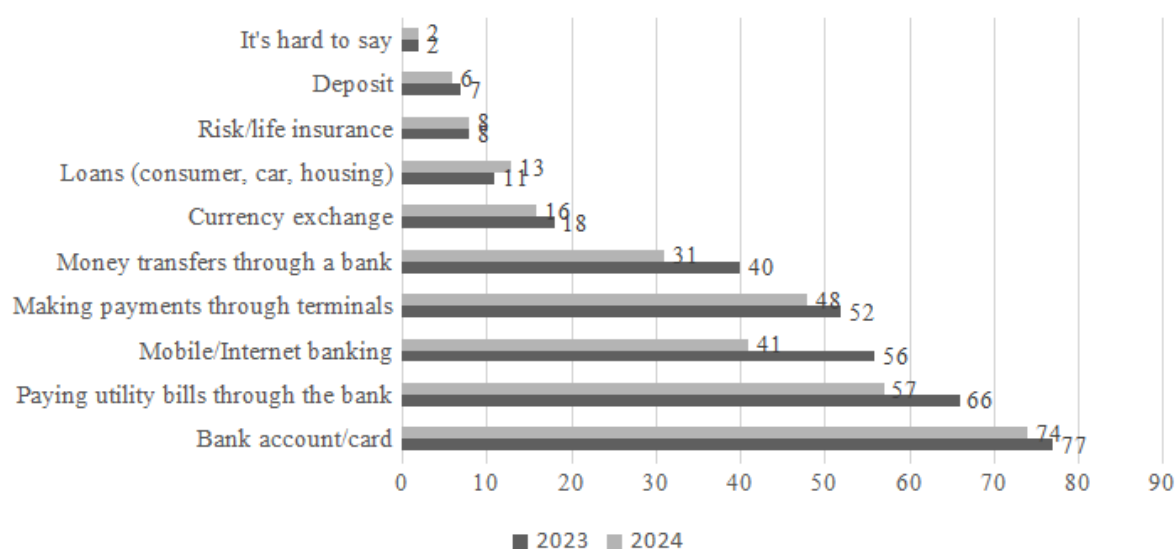


Fig. 2.11. The most popular banking products in 2023, (%)

Among the most popular financial services among the population were: use of a bank account or card (77%), payment of utility bills through the bank (66%), mobile or Internet banking (56%), use of terminals (52%) and money transfers through the bank. Particular growth was recorded in the field of mobile and Internet banking: the share of users of these services increased by 15%, which is connected with the growth of digitalization and their popularity among the younger generation (18-29 years old).

Figure 2.12 shows the behavior of customers regarding the distribution of costs after receiving payments [25].

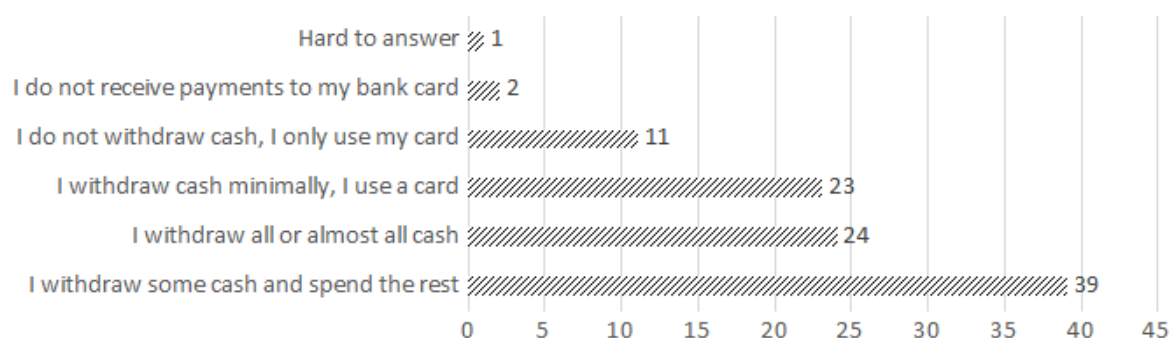


Fig. 2.12. Distribution of funds after receiving them on the card in 2023, (%)

39% of respondents when receiving payments to a bank card withdraw part of the cash and spend the rest from the card, 24% withdraw almost all funds at once, this is especially typical for residents of villages, low-income groups and older generations, 23% of respondents withdraw minimal cash and 11 % of respondents use only a card.

Figure 2.13 shows the reasons why Ukrainians do not keep their money in banks.

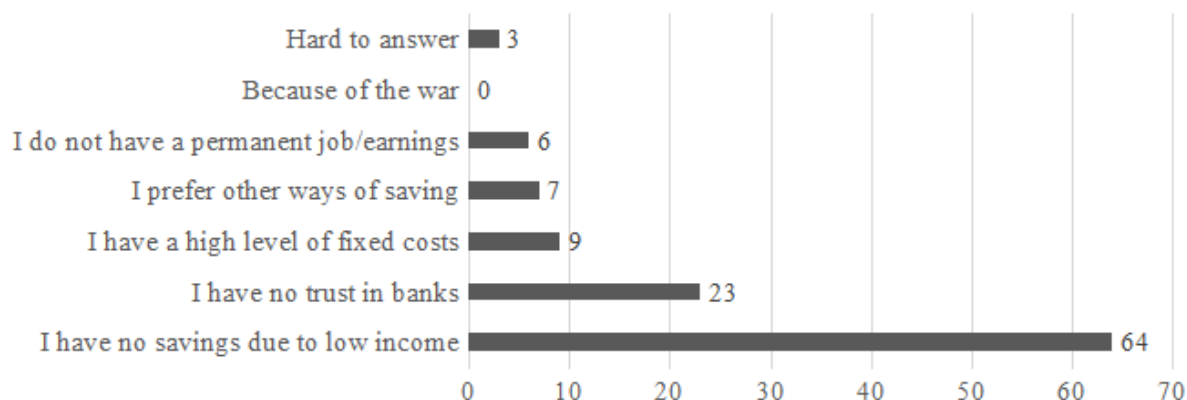


Fig. 2.13. Reasons why Ukrainians do not keep their money in banks, (%)

40% of Ukrainians do not keep their money in the bank due to low incomes (64%) and mistrust of banks (23%).

The general level of trust in the banking system of Ukraine is shown in Figure 2.14.

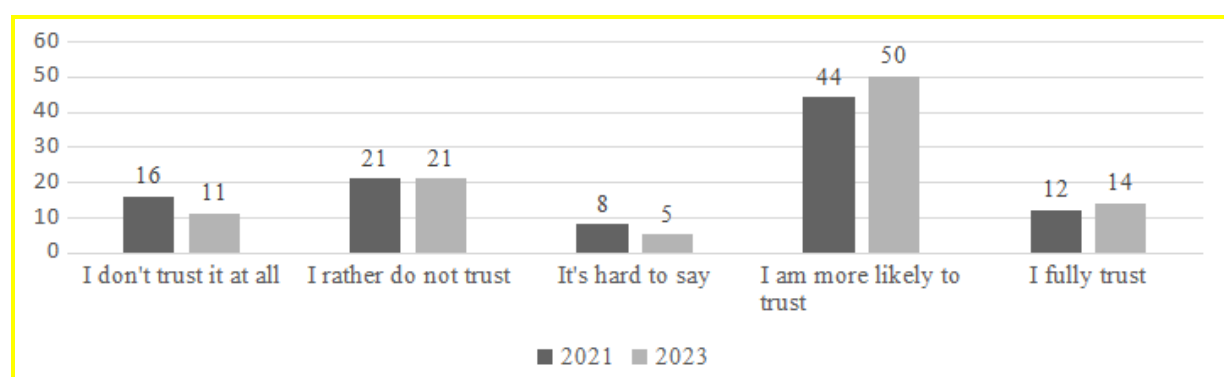


Fig. 2.14. The level of trust in the banking system of Ukraine, (%)

So, 64% of respondents overall trust the banking system in 2023, compared to 56% in 2021. Only 11% of respondents do not trust at all, which is 5% less than in the previous period.

Thus, during the war, consumer behavior changes significantly. Consumers are becoming more pragmatic and strategic in their choices. They carefully analyze their expenses, plan purchases in advance and monitor their cost and availability. The war forces Ukrainians to reconsider their consumption habits and reorient themselves to basic needs and the deliberate use of resources.

2.2. Technical and economic characteristics of PJSC "BANK VOSTOK"

In 2002, JSC "Agrobank" was founded, which was later reorganized into PJSC "BANK VOSTOK". In December 2006, the bank became part of Home Credit Group. In 2011, all shares of the bank were purchased by a group of legal entities and individuals, Vostok Capital LLC.

The main office of the bank is located in Kyiv. The main activities of the bank include settlement and cash service, lending to individuals and legal entities, customer service in the field of trade and investments.

The peculiarity of PJSC "BANK VOSTOK" is that it actively develops and implements modern technologies in its work in order to ensure convenience and safety for customers. The bank also pays attention to social responsibility, supporting various charitable and social initiatives.

As of March 31, 2024, the bank had 35 branches in different regions of the country [26].

Organizational structure of the bank as of December 31, 2023. shown in Figure 2.15 [27].

In the first quarter of 2024, the average number of full-time bank employees was 1,137, of whom 71% were women and 29% were men. The average number of freelancers was 8 people. On average, there were 7 part-time workers. The number of part-time workers (day, week) was 40. The wage fund for all employees amounted to 193,335 thousand. hryvnias, that is, it increased by 38,033 thousand. UAH compared to 2023 [28].

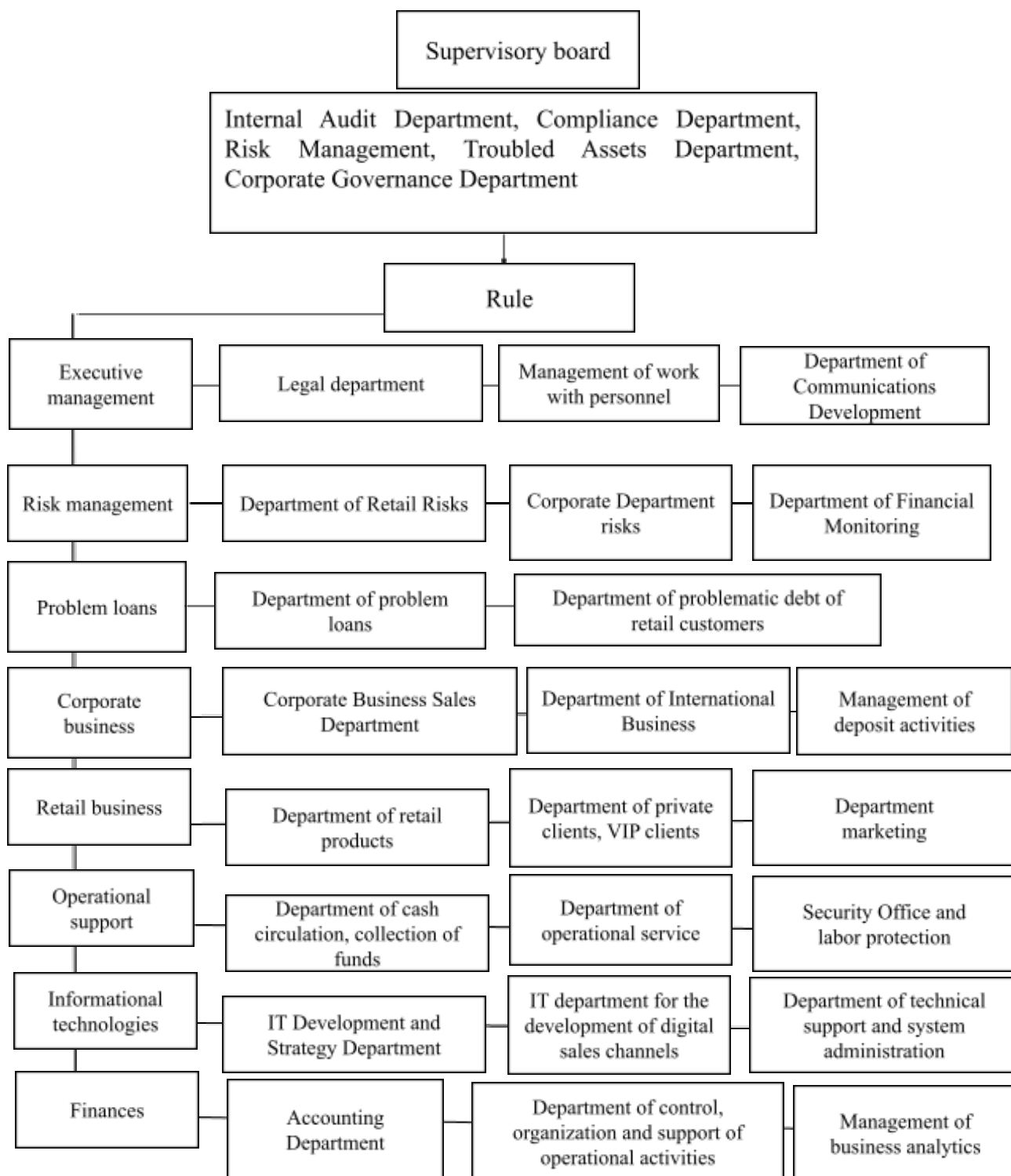


Fig. 2.15. Organizational structure of PJSC "BANK VOSTOK"

Next, we will analyze the main indicators of the bank's activity (Table 2.2)[26, 29, 31].

Table 2.2

Dynamics of the main activity indicators of PJSC BANK VOSTOK (thousand UAH)

Indicators	2021	2022	2023	04/1/2024	Deviation 2023-2022
Total assets	19486357	19970356	28182461	25394059	8212105
Loans to banks	368094	889780	985431	2677947	95651
Loans to customers	8874102	8208056	8243854	8099622	35798
Investments in securities	6310164	6332462	11746019	9401864	5413557
General obligations	18167960	18481556	26311745	23432541	7830189
Bank funds	44796	128949	382436	43583	253487
Client funds	17383980	17485345	24853445	22222937	7368100
Other funds raised	309211	394056	412542	426856	18486
Own capital	1318397	1488800	1870716	1517172	381916
Authorized capital	983950	1255432	1517172	10051	261740
Retained earnings	286985	236978	276725	363185	39747

Therefore, the total assets of the bank increased by 8212105 thousand hryvnias, from 19970356 thousand UAH in 2022 to 28182461 thousand UAH in 2023. Loans to banks grew gradually from 889,780 thousand UAH in 2022 to 985,431 thousand UAH in 2023, but significantly increased to 2,677,947 thousand UAH in April 2024. Loans to customers have been fairly stable over recent years, with little change. Investments in securities increased significantly from 6,332,462 thousand UAH in 2022 to 11746019 thousand UAH in 2023. The total liabilities of the bank will also increase from 18,481,556 thousand UAH in 2022 to 26311745 thousand UAH in 2023. Equity shows growth from 1,488,800 thous. UAH in 2022 to 1870716 thousand UAH in 2023. The authorized capital increased from 1,255,432 thousand UAH in 2022 to 1517172 thousand UAH in 2023.

PJSC "BANK VOSTOK" belongs to the III group of banks and as of April 1, 2024 occupies the 5th place in this group in terms of net assets [28].

Indicators of profitability and profitableness of PJSC "BANK VOSTOK" are summarized in Table 2.3 [26, 29, 31].

Table 2.3

Indicators of profitability and profitability of PJSC "BANK VOSTOK", thousand UAH

Indicators	2021	2022	2023	Deviation
Interest income	1371900	1697733	2667076	969343
Interest expenses	428851	618819	1079523	460704
Commission income	977663	1090455	1264842	174387
Commission costs	380285	392398	713444	321046
Profit	285784	275524	236034	-39490

Consequently, interest income increased significantly from 1,697,733 thousand UAH in 2022 to 2,667,076 thousand UAH in 2023, which is an increase of 969,343 thousand UAH Interest expenses also increased by 460,704 thousand. hryvnias, from 618,819 thousand UAH in 2022 to 1,079,523 thousand UAH in 2023. Commission income also showed growth from 1090455 thousand UAH in 2022 to 1264842 thousand UAH in 2023, Commission expenses also increased significantly from 392,398 thousand. UAH in 2022 to 713,444 thousand UAH in 2023, with an increase of 321,046 thousand UAH The bank's profit decreased by 39,490 thousand. UAH in 2023, from 275,524 thousand UAH in 2022 to 236,034 thousand UAH

In the first quarter of 2024, the bank received a net profit of 126 million. UAH Total revenues amounted to 1,162.9 million. UAH., including: 246.5 mln. UAH commission income from settlement and cash services for clients, 330.8 million UAH interest income from loans granted to business entities, 387.9 million UAH interest income from transactions with securities. The bank's net interest income for the first quarter of 2024 was UAH 448.6 million, and net commission income was UAH 135.4 million. [28].

We will analyze the conformity and compliance of PJSC "BANK VOSTOK" with the economic regulations established by the NBU for 2023-2022. (Table 2.4.) [31].

Table 2.4

Economic standards of the bank for 2022-2023, (%)

Norms	2022	2023	Deviation
Norm of adequacy of regulatory capital (H2) (normative value – 10%)	18.51	20,22	+1.71
LCR liquidity coverage ratio for all currencies (normative value – 100%)	198.8556	233.63	+34.7744
LCR liquidity coverage ratio in foreign currency (normative value – 100%)	282.4004	426.6723	+144.2719

The regulatory capital adequacy ratio (H2) is 20.22%, which is significantly higher than the NBU's minimum value of 10%, which indicates that the bank has a sufficient level of equity capital to cover risky assets and successfully manage financial risks. It is also important to note that all other indicators of the bank meet the established standards of the NBU, which confirms its financial stability and compliance with regulatory requirements. LCR's liquidity coverage ratio for all currencies is 233.63%, and in foreign currency - 426.6723%, which exceeds the regulatory value of 100%. This also indicates the availability of sufficient volume of liquid assets to cover the bank's obligations in the short term, including interbank and client transactions. The bank demonstrates a high level of financial stability, which is confirmed by its ability to effectively manage potential financial risks.

Therefore, PJSC "BANK VOSTOK", despite the difficult situation in the country, shows stable development with a significant increase in financial results, an increase in the volume of deposit and loan portfolios, which indicates the trust of customers. The bank is well-stocked with regulatory capital and fully complies with the regulator's requirements for compliance with economic standards.

2.3. Analysis of the profile of customers and their behavioral trends at BANK VOSTOK PJSC

Understanding how customers interact with the bank, analyzing their needs, preferences and behavior, play an important role in improving customer service and improving the product line, as well as in forming a strategy for attracting, retaining and satisfying customers of BANK VOSTOK PJSC.

First, let's analyze the bank's client base for 2021-2023. (Table 2.5) [26, 29, 31].

Table 2.5

Analysis of the dynamics and structure of clients' funds PJSC "BANK VOSTOK" for 2021-2023, (thousand UAH, %)

Indicators	2021	Specific gravity	2022	Specific gravity	2023	Specific gravity	Deviation 2023-2022
1. Total current accounts:	12550784	72.2	13970003	79.9	20433720	82.2	19036717
- legal entities	9669945	77	10727332	76.8	16934514	82.8	6207182
- natural persons	2880839	23	3242671	23.2	3499206	17.2	256535
2. Total deposits:	4833196	27.8	3515342	20.1	4419725	17.8	904383
- legal entities	2557690	52.9	1829005	52	2423931	54.8	594926
- natural persons	2275506	47.1	1686337	48	1995794	45.2	309457
3. Total customer funds	17383980	100	17485345	100	24853445	100	7368100

Therefore, the total amount of funds of the bank's customers increased significantly from 17,383,980 thousand UAH in 2021 to 24,853,445 thousand UAH in 2023. Also, the amount of funds on current accounts increased by 1,903,671 thousand UAH up to 20,433,720 thousand UAH in 2023, the specific weight of which is 82.2%, of which the current accounts of legal entities amount to 16,934,514 thousand UAH or 82.8%. The bank's deposit portfolio also increased by 904,383 thousand in 2023. hryvnias, from 3,515,342 thousand UAH up to 4,419,725 thousand UAH Specific weight of legal deposits in 2023. is 54.8% and individuals 45.2%. It is necessary to note the growth of deposits of individuals by 309,457 thousand. hryvnias, from 1,686,337

thousand UAH in 2022 up to 1995794 thousand UAH in 2023 and this is in the conditions of war, which indicates the trust of customers in the bank, but the deposit portfolio of individuals has not yet reached the level of 2021.

The analysis of the client base by economic sectors is given in Table 2.6 [26, 29, 31].

Table 2.6

Dynamics and structure of clients' funds by economic sectors of PJSC "BANK VOSTOK" for 2021-2023, (thousand UAH, %)

Indicators	2021	Specific gravity	2022	Specific gravity	2023	Specific gravity	Deviation 2023-2022
Transport, telecommunications	3069873	24	3911907	28	6036730	30	2124823
Trade	2880839	23	2457357	18	5134931	25	2677574
Natural persons	2825335	23	3242671	23	3499206	17	256535
Processing industry	810160	6	1202260	9	1434830	7	232570
Financial intermediaries	832744	7	821908	6	1031993	5	210085
Construction	455307	4	742546	5	707689	3	-34857
Professional services	516303	4	422207	3	502116	2	79909
Agriculture	364807	3	211860	2	250733	1	38873
Other	795416	6	957287	6	1835492	10	878205
Total current accounts	12550784	100	13970003	100	20433720	100	6463717

According to Table 2.6, the main clients of PJSC "BANK VOSTOK" are the following industries: transport and telecommunications, funds on current accounts increased from 3069873 thousand UAH in 2021 to 6036730 thousand UAH in 2023., the specific weight of which is 30% in 2023. Funds from customers in the trade sector also increased from 2457357 thousand UAH in 2022 to 5134931 thousand UAH in 2023, the specific weight of which increased from 18% to 25%. The funds of individuals also increased, but with a lower intensity, from 3,242,671 thousand UAH in 2022 to 3499206 thousand UAH in 2023, however, the share of individuals decreased from 23% to 17%. The growth of funds in these sectors indicates a high level of trust in the bank and the success of customer attraction strategies.

An analysis of customer deposits by economic sector is given in Table 2.7 [26, 29, 31].

Table 2.7

Analysis of the deposit portfolio of clients by economic sectors of PJSC "BANK VOSTOK" for 2021-2023, (thousand UAH, %)

Indicators	2021	Specific gravity	2022	Specific gravity	2023	Specific gravity	Deviation 2023-2022
Natural persons	2275506	48	1686337	48	1995794	45	309457
Trade	406378	8	452870	13	1028037	23	575167
Processing industry	49807	1	343399	10	447609	10	104210
Transport, telecommunications	247179	5	145114	4	341500	8	196388
Financial intermediaries	217085	4	94266	3	239019	5	144753
Professional services	237550	5	165294	5	136630	3	-28664
Construction	1281720	27	536971	15	22427	1	-514544
Other	117971	3	91091	2	208709	5	117618
Total deposits	4833196	100	3515342	100	4419725	100	904383

Therefore, deposits of individuals increased from 1,686,337 thousand UAH in 2022 to 1,995,794 thousand UAH in 2023, but have not yet reached the level of 2021. The specific weight of this category decreased from 48% to 45%, but the absolute volume increased by 309,457 thousand UAH. Deposits in trade increased significantly from 406,378 thousand UAH in 2021 to 1,028,037 thousand UAH in 2023. The specific gravity increased from 8% to 23%, which indicates a significant increase in this area. Deposits of the processing industry also increased significantly from 49,807 thousand UAH in 2021 to 447,609 thousand UAH in 2023. The specific weight increased from 1% to 10%, which indicates a large contribution of this sector to the bank's deposit portfolio.

Next, let's analyze the bank's loan portfolio by economic sector shown in Table 2.8 [26, 29, 31].

Table 2.8

Dynamics and structure of the loan portfolio by economic sectors of PJSC "BANK
VOSTOK" for 2021-2023, (thousand UAH, %)

Indicators	2021	Specific gravity	2022	Specific gravity	2023	Specific gravity	Deviation 2023-2022
Trade	4377782	48	4387706	48	4082191	43	-305515
Agriculture, fishing and food industry	1714366	19	1826139	20	2111125	22	284986
Industry	1138243	12	1381503	15	1773615	19	392112
Transport and communication	908159	10	739651	8	646210	7	-93441
Construction and real estate operations	499092	5	266781	3	167188	2	-99593
Loans to individuals	101797	1	113353	1	173220	2	59867
Other	455129	5	456874	5	524426	5	67552
Total credits	9102598	100	9172007	100	9477975	100	305968

According to the data in the table, it can be concluded that the trade sector, as the main client of the bank in the loan portfolio, experienced a decrease in loans from 4377782 thousand UAH in 2021 to 4082191 thousand UAH in 2023, which corresponds to a decrease in specific gravity from 48% to 43%. Loans to the agriculture, fishing and food industry increased from 1,714,366 thousand UAH in 2021 to 2111125 thousand UAH in 2023, the specific weight increased from 19% to 22%, which indicates the bank's increased interest in this sector of the economy. Credits to industry also showed a significant growth from 1138243 thousand UAH in 2021 to 1,773,615 thousand UAH in 2023. The specific weight increased from 12% to 19%, which indicates the growing importance of this sector for the bank's loan portfolio. Loans in the transport and communication sector decreased from 908,159 thousand UAH in 2021 to 646,210 thousand UAH in 2023, the specific weight decreased from 10% to 7%. It is also necessary to emphasize the growth of loans to individuals by 101,797 thousand UAH in 2021 up to 173,220 thousand UAH in 2023, the specific weight of which increased from 1% to 2%.

Next, we will analyze the bank's interest income and expenses by its main clients (Table 2.9) [26, 29, 31].

Table 2.9

Dynamics of interest income and expenses PJSC "BANK VOSTOK" for
2021-2023, (thousand UAH)

Indicators	2021	2022	2023	Deviation 2023-2022
Interest income				
Loans to legal entities	931018	1012949	1228373	215424
Investments in securities	36779	356995	1024202	667207
Loans to banks	1478	30335	100091	69756
Loans to individuals	16130	20162	27482	7320
Total interest income	1371900	1697733	2667076	969343
Interest expenses				
Current accounts	214748	333671	627550	293879
Time deposits for legal entities	97090	48437	276513	228076
Time deposits for individuals	80094	76131	93994	17863
Total interest expense	428851	618819	1079523	460704
Net interest income	943049	1078914	1587553	508639

The bank's net interest income increased by UAH 508,639 thousand. from 1078914 thousand UAH. in 2022 to UAH 1,587,553 thousand. in 2023. The largest increase is observed in the issuance of loans to legal entities with UAH 931,018,000. in 2021 up to UAH 1,228,373 thousand. in 2023 (an increase of UAH 215,424,000). Interest expenses also increased from UAH 428,851 thousand. in 2021 up to UAH 1,079,523 thousand. in 2023. The largest increase is noted in time deposits for legal entities, which increased by UAH 228,076 thousand, from UAH 97,090 thousand. in 2021 up to UAH 276,513 thousand. in 2023. Therefore, PJSC "BANK VOSTOK" shows a significant growth of interest income and expenses for three years, which indicates the active financial activity and development of the bank against the background of increased competition in the banking market and in conditions of instability and war.

Next, we will analyze the sustainability rating of PJSC "BANK VOSTOK" according to the data of the Ministry of Finance for the first quarter of 2021-2024. (Fig. 2.16) [32].

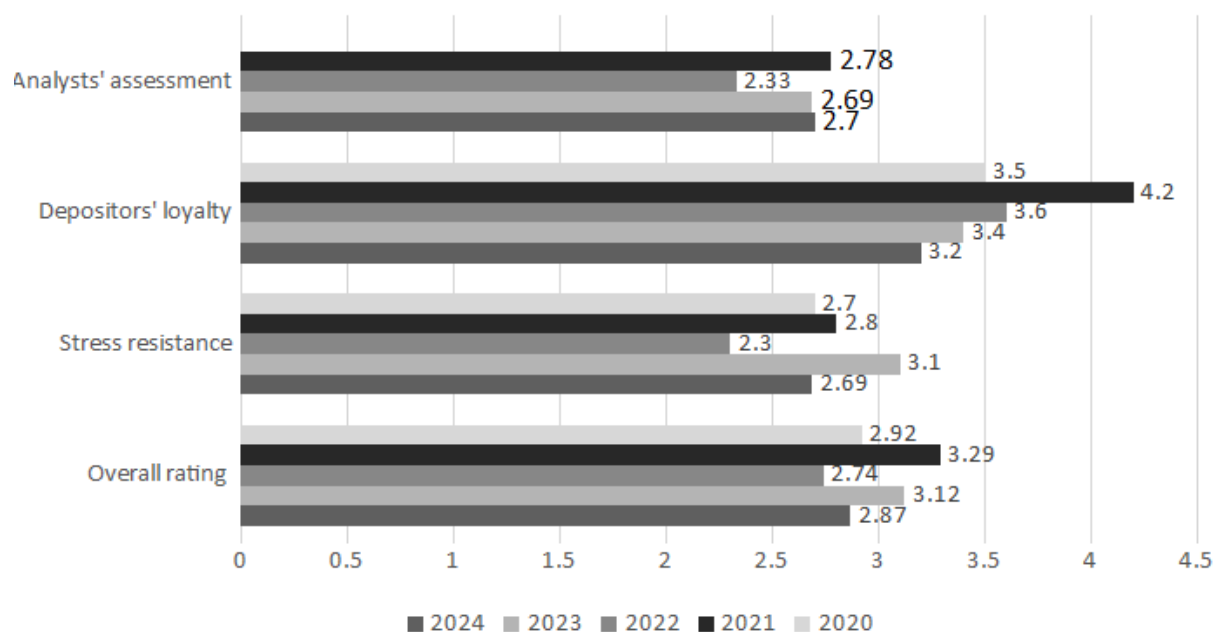


Fig. 2.16. Sustainability rating of PJSC "BANK VOSTOK" for the first quarter of 2021-2024.

The overall stability rating of the bank based on the results of the 1st quarter of 2024 is 2.87 points out of 5 possible, and occupies the 27th position among 34 banks in this rating. This result indicates an acceptable level of sustainability, although it is marked by a decrease compared to the rating in 2023, when it was 3.12 points.

Let us analyze in more detail the components of the indicator "loyalty of depositors" of PJSC "BANK VOSTOK" according to the data of the Ministry of Finance (Table 2.10) [32].

Table 2.10

Analysis of the components of the "depositor loyalty" indicator for the 1st quarter of 2024.

Indicators		Points
The bank's share in the market of retail deposits	0.51%	3
Absolute growth of the retail portfolio of deposits for the quarter	-10.17 million UAH	2
	-1.91 million USD	
Relative growth of the retail portfolio of deposits for the quarter	-0.38% in UAH.	2
	-2.6% in USD	
Experience in the market	since 2002	4
Payment reputation	-	5
<i>Total score</i>		3.2

BANK VOSTOK PJSC has a total loyalty score of 3.2 points, which indicates an average level of depositor satisfaction. The bank has considerable experience in the market since 2002, which increases trust and is rated at the level of 4 points, as well as an impeccable payment reputation - 5 points. The bank holds 0.51% of the retail deposit market, which corresponds to an assessment at the level of 3 points, indicating a moderate position in the market. As for weak positions, it should be noted the decrease in the absolute and relative growth of the retail portfolio of deposits for the quarter: it decreased by 10.17 million. hryvnias, which resulted in an assessment of 2 points.

In September-October 2024, a questionnaire survey was conducted in order to study the satisfaction of customers of the banking institution and their behavior. 200 respondents took part in the study, including 55% women and 45% men.

Factors that influence customers' decisions about choosing a bank are presented in Figure 2.17.

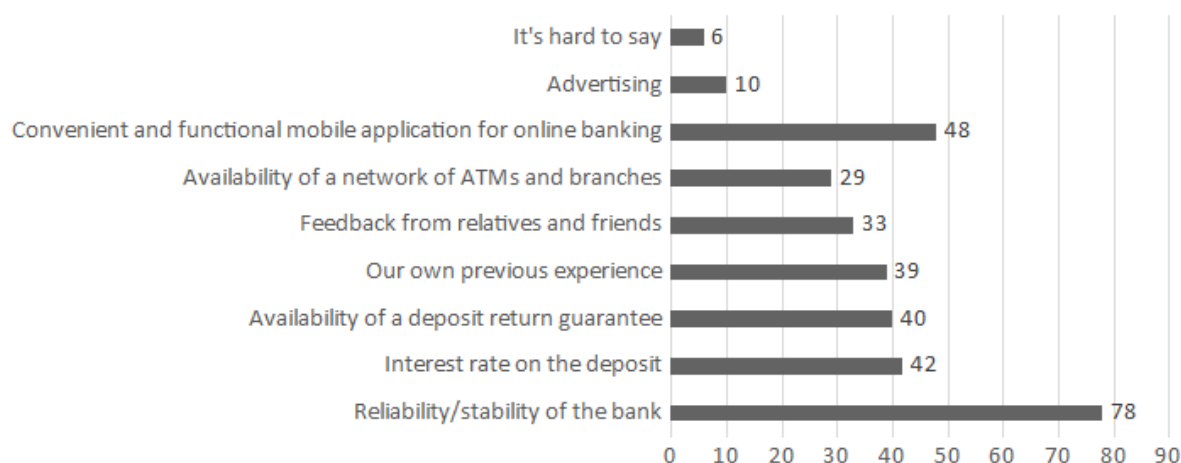


Fig. 2.17. Factors that influence customers' decisions regarding the choice of a bank, (%)

Therefore, the greatest influence on the decisions of clients regarding the choice of a bank is made by the reliability and stability of the bank (78%). The second most important factor is a convenient and functional mobile application for online banking (48%) due to increasing digitalization and ease of use. Customers appreciate being able to manage their finances from anywhere in a way that's convenient for them, making mobile apps an important part of their banking experience.

The interest rate on the deposit and the availability of a deposit return guarantee, the customers' own previous experience are also important for customers (42%, 40% and 39%, respectively). Advertising plays the least significant role in choosing a bank, having only 10% influence on customers' decisions.

Table 2.11 presents a detailed portrait of the client by age, gender, and income level.

Table 2.11

Factors that influence customers' decisions regarding the choice of a bank
(distribution by age, gender, income level), (%)

Factors	Sex		Age				The poor	Small-zapped roasted	Average level	Baked
	Ch	J	18-29	30-45	46-60	61+				
Reliability/stability of the bank	56	54	55	60	54	49	36	49	60	63
Interest rate on the deposit	37	38	43	41	33	32	26	31	39	41
Availability of deposit return guarantee	35	36	36	33	32	25	19	30	37	38
Own previous experience	28	31	36	30	27	23	19	20	32	39
Reviews of relatives and friends	30	29	39	32	29	27	27	30	33	30
Availability of a network of ATMs and branches	25	27	32	27	23	18	20	23	39	33
Convenient and functional online banking mobile application	28	24	42	28	22	7	8	17	28	39
Advertising	4	3	4	2	1	1	1	2	4	3
It's hard to say	10	8	6	5	7	12	19	10	4	3

Thus, the factor of reliability and stability of the bank is the most significant for all categories of clients. A convenient and functional mobile application for online banking is most important to young people (42%) and affluent customers (39%), they appreciate the convenience and accessibility of mobile applications. Advertising has the least influence on the choice of a bank, which is reflected by low percentage values in all categories.

Figure 2.18 shows the factor of influence of the tariff policy when choosing a bank by clients.

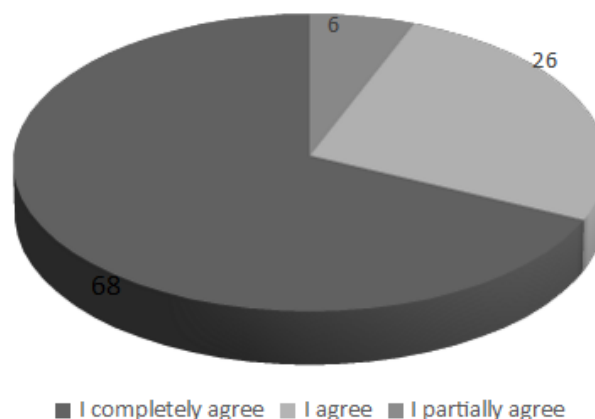


Fig. 2.18. The impact of tariff policy on the choice of a bank by clients, (%)

According to Figure 2.18, regarding the impact of tariff policy on the choice of a bank, 68% fully agree, 26% agree, and 6% partially agree.

Table 2.12 presents the responses of customers to questions from the questionnaire (where 1 is the minimum rating, and 10 is the maximum positive rating)

Table 2.12

Answers to the questions of the questionnaire regarding the assessment of the level of customer satisfaction with bank parameters, (%)

Question	Answers					
	10	9	8	7	6	5
1. Quality of service provision	-	56	23	14	7	-
2. A wide range of banking services	18	35	15	21	11	-
3. Convenient location of the department	-	46	21	28	5	-
4. An extensive network of branches (ATMs)	-	40	20	24	6	10
5. Functional Internet banking	-	60	29	11	-	-
6. Intensive advertising	-	-	14	19	31	36
7. Transparent information policy	31	41	21	7	-	-
8. Sufficient availability of accompanying information in the service process	-	28	20	23	29	-
9. Charity initiatives of the bank	-	-	24	36	29	11
10. Reputation of the bank	-	5	25	45	17	8
11. Attractive and comfortable interior	18	10	57	15	-	-
12. Innovativeness of the bank	-	52	15	24	9	-
13. Staff expertise	-	40	30	15	10	5
14. Individual approach to the client	8	47	10	35	-	-

Based on the results of the questionnaire for assessing the level of customer satisfaction with the bank's parameters, it can be seen that the quality of service provision is one of the key factors of satisfaction, with high indicators at the level of 9 and 8. Functional Internet banking and an individual approach to customers are also identified as an important aspect for most customers. , with high percentages at level 9. Transparent information policy, sufficient availability of accompanying information, range of services also occupy an important position in the perception of customers about the quality of service. On the other hand, intensive advertising and charitable initiatives of the bank, although important, are not so important for the majority of respondents when choosing a bank.

Regarding the information activity of PJSC "BANK VOSTOK", the majority of respondents answered about the average level of activity, the information channels most often chosen by respondents are shown in Figure 2.19.

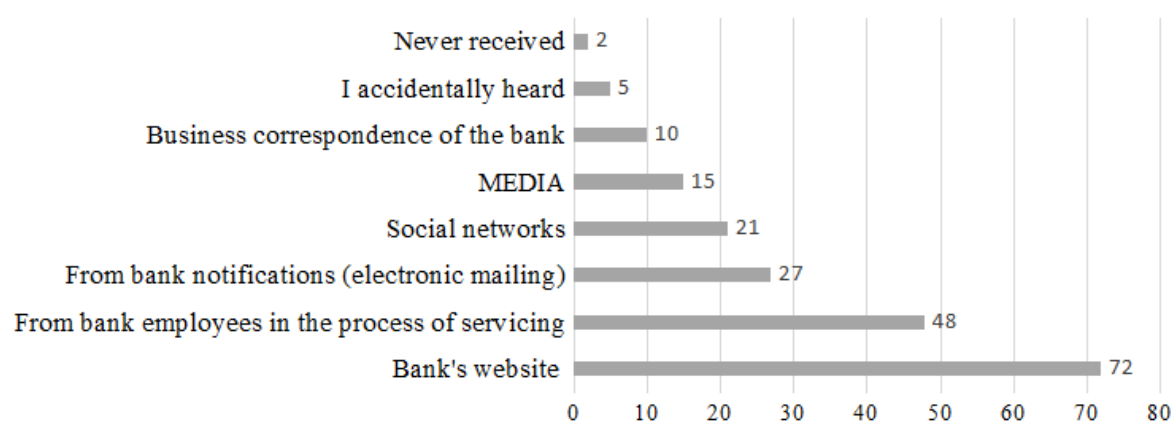


Fig. 2.19. Information channels most often chosen by bank clients, (%)

Therefore, the bank's website is the main means of obtaining information for 72% of respondents, which indicates its key role in providing clients with access to information about the bank's services and conditions. The second most important place is the information received from bank employees during service (48%), which emphasizes the importance of personal contact for obtaining detailed information and consultations. Email is used to inform 27% of customers and is a popular channel for receiving news, promotions and important messages.

In fig. 2.20 shows the shortcomings in the services faced by the clients of PJSC "BANK VOSTOK".

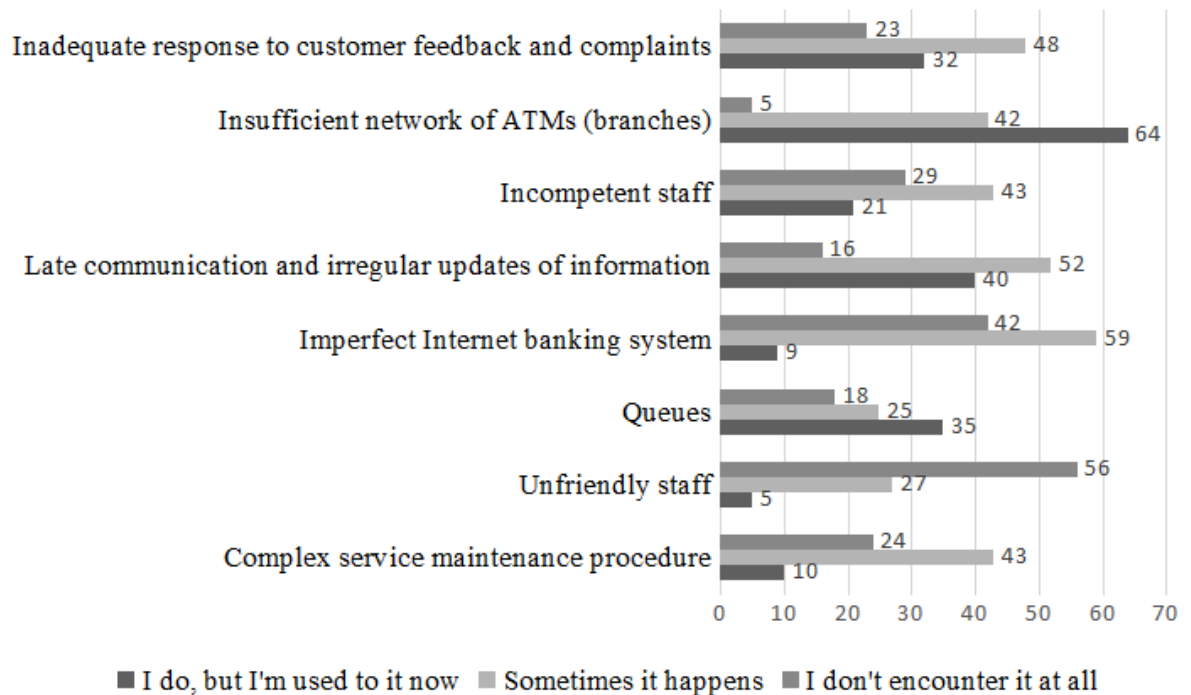


Fig. 2.20. Disadvantages in service faced by clients of PJSC "BANK VOSTOK", (%).

The main shortcomings in the bank's customer service are the insufficient network of ATMs (branches), which indicates that customers often face difficulties due to the insufficient number of ATMs and branches. Late communication and irregular information updates also significantly affect customers, indicating problems with informing and updating Inadequate response to customer feedback and complaints: Ignoring feedback is a significant problem that affects customer satisfaction. The problem of long queues also affects customer loyalty, especially during times of panic when banks are not working with customers. Problems with the quality of staff are also visible, particularly in terms of their competence and behaviour. Correcting these deficiencies is critical to improving the overall level of service and customer satisfaction of the bank.

Therefore, the bank's loan portfolio is mostly focused on legal entities, in particular in such areas as trade, agriculture, fishing and industry. Loans to individuals

make up only 2%. The deposit portfolio is also mainly focused on legal entities (55%), while the share of individuals accounts for 45%. In general, the bank's deposit portfolio shows positive growth trends even in the conditions of war and uncertainty, which indicates high confidence in the bank. A questionnaire survey was also conducted in order to study the satisfaction of customers of the banking institution and their behavior. The greatest influence on customers' decisions regarding the choice of a bank is made by the reliability and stability of the bank (78%), the second most important factor is a convenient and functional mobile application for online banking (48%) due to increasing digitalization and ease of use. Customers appreciate being able to manage their finances from anywhere in a way that's convenient for them, making mobile apps an important part of their banking experience. Advertising plays the least significant role in choosing a bank, having only 10% influence on customers' decisions. Moreover, the factor of reliability and stability of the bank is the most significant for all categories of clients. A convenient and functional mobile application for online banking is most important to young people (42%) and affluent customers (39%), they appreciate the convenience and accessibility of mobile applications. Also, the influence of the tariff policy on the choice of a bank is important for 68% of respondents.

CHAPTER 3

DIRECTIONS OF IMPROVING THE CONSUMER BEHAVIOR MANAGEMENT PROCESS IN MODERN CONDITIONS

3.1. Modeling the management of consumer behavior of a banking institution

Modeling the management of banking consumer behavior is a key element of modern marketing and strategic planning in the financial sector. In connection with the growth of competition among banking institutions and the rapid development of innovative technologies, understanding the needs and preferences of customers is becoming increasingly important for attracting and maintaining a customer base.

Effective modeling of consumer behavior allows banks to develop personalized offers, predict future customer needs and create long-term strategies to increase loyalty.

The analysis of the above-mentioned theoretical and practical aspects made it possible to create an own model of customer behavior management of banking institutions, which includes the very process of purchasing banking products and the principles, methods and tools of customer behavior management (Fig. 3.1).

The principles of managing the behavior of bank customers should include:

1. Customer orientation - focus on the needs and expectations of customers as the basis of all business processes. Customer-centric banks strive to provide the best possible experience and meet the individual requirements of their customers. This includes personalized service, regular feedback and proactive response to requests.

2. Adaptability - the ability to quickly and effectively respond to changes in the external environment or in the needs of customers. Adaptive banks are able to quickly make changes in strategy, processes or products to meet new market conditions or technological innovations, which ensures their competitive edge.

3. Innovativeness - constant search for new ideas, technologies and approaches to improve products, services and processes. Banking institutions implement new solutions

that allow them to stay ahead of competitors, improve service quality and offer unique products or services that meet the changing needs of consumers.

4. Comprehensive approach - considering and solving problems or tasks taking into account all related aspects and factors. An integrated approach ensures the integration of various management elements, such as marketing, customer service, product development, to achieve more efficient and coherent results.

5. Orientation to the long-term perspective - focus on creating stable and profitable relations with clients and partners, as well as on achieving strategic goals. Long-term orientation allows banks to plan and implement strategies that ensure stable development and growth, reducing risks and ensuring stable profits in the future.

6. Social responsibility - recognition and fulfillment of ethical duties to society and the environment. Socially responsible banks actively support environmental initiatives, social programs and ethical practices, which contributes to a positive image and strengthening of trust among clients and partners.

These principles help banks effectively manage their resources and interactions with customers, ensuring long-term success and sustainable development.

Methods of managing customer behavior are divided into:

1. Methods of managing purchase conditions, i.e. increasing the attractiveness of the bank through comfortable conditions, control of the number of visitors and time spent in the bank or on the bank's website.

2. Reward management methods: increasing the effectiveness of rewards, controlling the time of their provision and improving their quality or quantity.

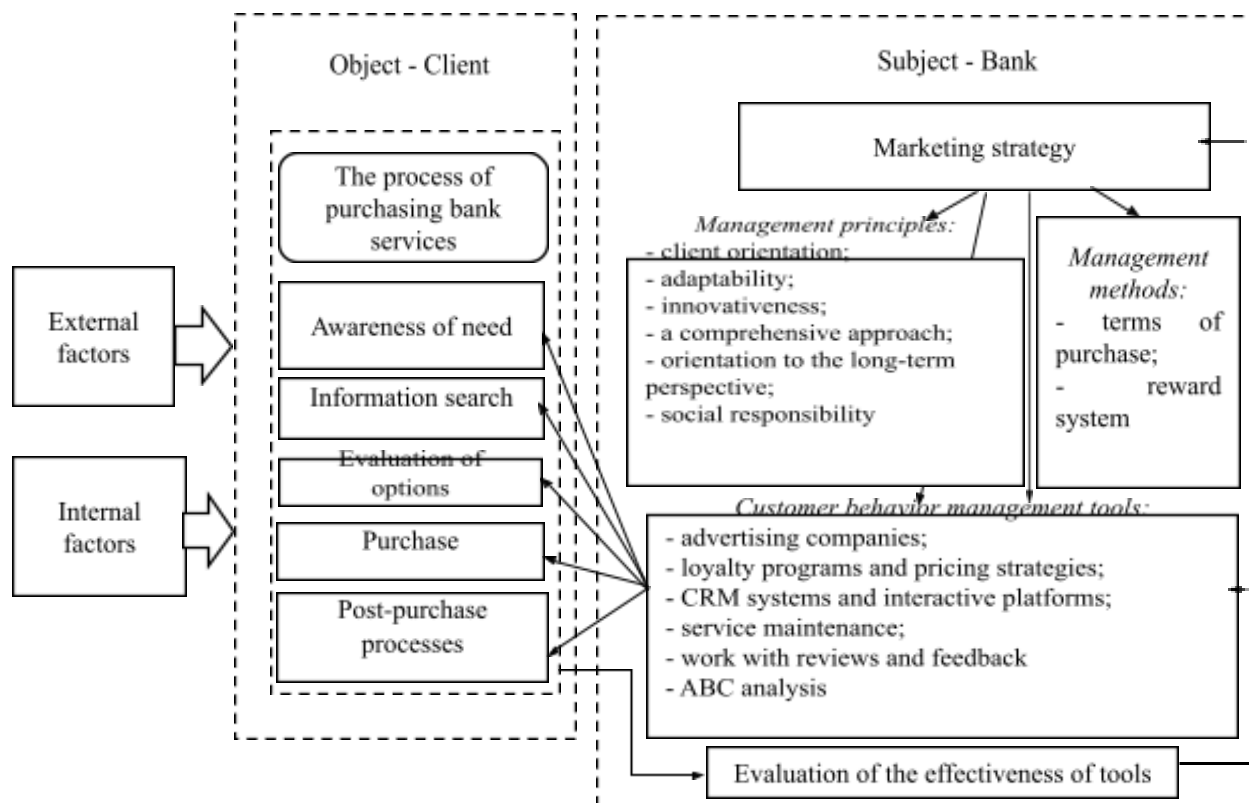


Fig. 3.1. Bank customer behavior management model (own development)

The bank's customer behavior management tools are listed in Table 3.1.

Table 3.1

Bank customer behavior management tools

Tools	Characteristic	Goal
Advertising campaigns	Organized events aimed at promoting products or services, involving the use of various media channels to reach a target audience.	Attract the attention of consumers, increase brand recognition and stimulate sales.
Loyalty programs and pricing strategies	Systems that reward customers for repeat purchases or long-term use of products or services.	Attracting and retaining customers, stimulating repeat purchases.
	Policies and practices for pricing products or services to achieve competitive advantage.	Increasing sales, attracting new customers, increasing competitiveness.
CRM systems and interactive platforms	Technological solutions for managing relations with clients, collecting and analyzing data about clients.	Improving interaction with customers, increasing sales and service efficiency.

	Digital platforms that allow active interaction with customers, such as social networks, mobile applications.	Attracting customers, improving communication and feedback.
Service maintenance	Services that provide support and assistance to customers before, during and after the purchase.	Ensuring high levels of customer satisfaction, resolving issues and improving the overall customer experience.
Working with reviews and feedback	The process of collecting, analyzing and using customer feedback to improve products and services.	Identifying problem areas, implementing improvements, maintaining a positive image of the bank's brand
ABC analysis	ABC analysis divides customers into three categories (A, B, and C) based on their importance to the business, usually according to the amount of profit or revenue they generate.	Focus on category A customers, providing them with maximum attention and service, while categories B and C use less costly approaches.

Therefore, the above tools for managing customer behavior, such as advertising campaigns, loyalty programs, CRM systems, customer service, work with reviews, and ABC analysis, are key elements for effective management of the customer base and ensuring the company's success in the market. The use of these tools provides a comprehensive approach to managing the customer base and behavior, improving the efficiency of business processes, increasing customer satisfaction and ensuring sustainable growth of the bank. They help banks adapt their strategies to changing market conditions and customer needs, which is critical for achieving competitive advantages.

Next, we will describe in more detail the method of AVS-XYZ analysis, which is used to manage the client base, allowing banking institutions to effectively manage their resources and strategically approach work with clients.

The main idea of the ABC-XYZ analysis method is based on the Pareto principle, which states that "about 80% of the results are achieved due to about 20% of the invested efforts." ABC analysis divides customers into three categories (A, B, and C)

based on their importance to the business, usually according to the amount of profit or revenue they generate, namely [33, 34]:

- A- the largest clients that bring the most profit or have the greatest importance for the bank (usually 10-20% of clients, but which generate 70-80% of income);
- B- customers of medium importance, bringing a moderate profit or having an average value for the bank (usually 20-30% of customers that generate 10-20% of income);
- C- less important clients that bring the least profit or have the least importance for the bank (usually 50-70% of clients, but which generate only 10-20% of income).

XYZ analysis is used to assess the stability and predictability of customer needs by dividing them into three categories (X, Y and Z) based on the regularity and predictability of their purchases or orders, namely:

- X- clients with high stability of purchases or orders; their needs are easy to predict and they are constantly buying products or services.
- Y- customers with moderate purchase stability; their needs may be less regular and more variable.
- Z- customers with low purchase stability; their orders are rare and unpredictable.

Combining both methods allows you to create a more detailed profile of each client. This comprehensive approach will help banks better understand their customer base and develop effective strategies to maximize profits and reduce risks.

In order to determine whether each counterparty belongs to a certain group based on their interest and commission income, it is necessary to:

- 1) determine the total amount of interest and commission income for each counterparty and their share in the total income for the analyzed period;
- 2) rank all counterparties in order of decreasing their share in the total income;
- 3) calculate the cumulative amounts of shares of income from counterparties;
- 4) assign each counterparty to Group A, B, or C based on their share of total revenue, using cumulative totals for classification.

The recommended distribution is as follows: group A includes counterparties whose combined share of revenues is 50.0% of the total volume; group B includes

counterparties whose share in the cumulative total is between 50.0% and 80.0%; group C includes the rest of the counterparties

XYZ-analysis also provides for the classification of counterparties according to the level of variability of their parameters. The greater the variation, the less reliable the counterparty, which requires additional effort to plan the interaction and predict future revenues from this interaction. To perform the XYZ analysis, it is advisable to use the formula of the coefficient of relative variation (3.1)[33]:

$$v = \frac{\sqrt{\frac{\sum_{i=1}^n (x_i - \bar{x})^2}{n}}}{\bar{x}} \times 100\%,$$

(3.1)

where x_i — value parameter in the i -th period,

\bar{x} — the average value of the parameter for the evaluated object,

n - number of periods.

So, XYZ-analysis helps to classify counterparties according to the level of variability of their incomes, namely:

- group X includes enterprises with stable incomes and minor fluctuations (variation less than 10%), which ensures high accuracy of forecasts;
- group Y includes enterprises with moderate income fluctuations (10% - 25%), which gives average forecast accuracy;
- group Z consists of enterprises with high income variability (more than 25%), which makes forecasting difficult.

Next, it is necessary to combine the results of ABC and XYZ analysis to create a bank customer segmentation matrix, which gives 9 groups of customers according to two main criteria: the significance of their impact on the bank's total income (ABC) and the stability/predictability of these incomes (XYZ) (table 3.2) [34]. Each of the 9 groups has its own characteristics and requires a different approach to management.

Table 3.2

Segmentation matrix of the bank's customers based on the results of the ABC-XYZ analysis

Customer groups	Groups of clients according to the degree of income stability		
	H	Y	Z
A	AX - key clients, which provide the bank with stable income. They need to pay maximum attention, maintain their loyalty and develop relationships.	AY - promising and important customers, but with less stable incomes. It is necessary to develop strategies to reduce variability and increase stability.	AZ - unreliable clients, high and bring significant income, they are risky due to the high variability of income. Special measures are needed to reduce risks and stabilize incomes.
B	BX - reliable mid-level clients that provide stable income. They deserve attention to maintain a stable level of income.	BY - prospective medium clients, bring an average income with an average level of stability. It is necessary to work on increasing the stability and retention of these customers.	BZ are unreliable medium clients, are less stable and need additional attention to manage risks and improve income stability.
C	CX - although these customers do not generate significant revenue, they are worth maintaining for stability. It may make sense to develop programs to increase their value.	CY - clients of this group bring a small income with moderate stability. It may be worth considering optimizing maintenance costs or strategies to increase their value.	CZ - unreliable customers (new customers) These are the least valuable customers with a high level of volatility. Perhaps they should be served minimally or reduce interaction with them altogether, focusing on more profitable segments.

Thus, the given matrix allows the bank to segment its customers, to understand which of them are the most important and stable, and which require additional efforts to reduce risks, which will help to more effectively manage resources and make strategic decisions aimed at increasing profitability and stability, as well as develop effective marketing strategies for cooperation.

Marketing strategies for cooperation with bank clients are proposed in table 3.3.

Table 3.3

Marketing strategies for cooperation with bank clients

Marketing communication Form of cooperation	Concentrated	Differentiated
Client's	Client focused - clients of the group CX, CY and CZ	Client differentiated - clients of groups BY and BZ
Partnership	Partner concentrated - clients of the VK group	Partnership differentiated - clients of the AX, AY and AZ group

Marketing strategies for cooperation with bank clients involve different approaches depending on the type of clients and their impact on the bank's business. They are divided into two main forms of cooperation: client and partnership, each of which can be concentrated or differentiated.

1. A customer-focused strategy focuses on maintaining basic services for these customers, keeping them at the expense of minimal costs and efforts, and finding opportunities to increase their value to the bank.

2. Client differentiated strategy - a differentiated approach involves adapting services and terms of cooperation depending on the needs of clients, with an emphasis on increasing their loyalty and income stability.

3. A concentrated partner strategy is aimed at maintaining stable relations by offering basic partner programs and services that ensure uninterrupted cooperation.

4. The partnership's differentiated strategy focuses on an individual approach to each client, taking into account their specific needs and capabilities. This may include special terms of cooperation, exclusive loyalty programs, personalized banking products and services to maintain a high level of satisfaction and long-term relationships.

Bank marketing strategies vary depending on the customer segment and their importance to the business. Concentrated cooperation is suitable for less important customers, with an emphasis on efficiency and minimal costs, while differentiated cooperation is applied to key customers with an individual approach and maximum

involvement of the bank's resources to strengthen the relationship. Long-term relationships between the bank and its clients are more effective than short-term ones and require a strategic approach to managing the client base.

Therefore, the management of consumer behavior begins with the analysis of their needs and the identification of factors that influence their actions. For this, the bank chooses and uses appropriate tools, focusing on the principles and methods of managing client behavior. After implementing these tools, it is important to evaluate their effectiveness based on customer feedback and make the necessary adjustments to the marketing strategy and consumer behavior management tools.

3.2. Customer loyalty management, PJSC BANK VOSTOK

Customer loyalty management is a critical aspect for the success of any company, especially in a highly competitive market. It is a strategic approach that involves building and maintaining positive relationships with customers aimed at ensuring their satisfaction and loyalty. Implementation of effective loyalty programs helps not only to retain existing customers, but also to attract new ones through positive feedback and recommendations.

Studying aspects of loyalty management allows banks to better understand the needs and desires of their customers, build a brand development strategy, which in turn contributes to increasing their value and long-term relationships.

We will evaluate the loyalty of the bank's customers using the NPS (Net Promoter Score) method, which shows the level of satisfaction and loyalty of the bank's customers and its services [37]. We asked the respondents: "Would you recommend the products/bank to your friends, relatives and colleagues?". This is how "supporters" were defined— loyal customers who are ready to recommend the bank; "neutrals" - passively satisfied customers; "critics" - dissatisfied customers.

Employee loyalty index (NPS) is calculated according to formula (3.2) [37]:

$$NPS = \frac{d(P)\% - d(K)\%}{K}, \quad (3.2)$$

where $d(P)\%$ - share of bank supporters;

$d(K)\%$ - share of critics of the bank;

K is the number of respondents.

Table 3.4 shows the calculation index loyalty (NPS) for the results of a questionnaire survey of customers of PJSC "BANK VOSTOK". 200 respondents took part in the study, the questionnaire is given in Appendix A.

Table 3.4

Index loyalty (NPS) of clients of PJSC BANK VOSTOK, (%)

Group of respondents	Number points	Number of customers	Specific gravity (%)
Supporters	9-10 points	152	76
Neutrals	7-8 points	16	8
Critics	0-6 points	32	16
<i>Loyalty index (NPS)</i>			30
If the results are: from -100% to 0% - dissatisfied customers prevail; from 0% to 29% - improvements are needed to avoid the growth of critics; from 30% to 69% — a significant part of customers are supporters; from 70% to 100% - the bank is considered the best for customers.			

According to the results, the loyalty index (NPS) is 30%, which means that a large part of customers are supporters of the bank. The indicator shows a positive attitude of customers, although there is room for further improvement to reduce the number of critics and approach higher levels of loyalty.

Experts identify several approaches to understanding and evaluating loyalty (table 3.5) [38]

Table 3.5

Approaches to understanding and evaluating consumer loyalty

Types of loyalty	Characteristic
Transactional or behavioral loyalty (transactional loyalty)	a form of customer loyalty to a company based on benefits from specific deals or transactions, such as discounts or bonuses. Customers make repeat purchases because of these benefits, but that loyalty may diminish if competitors offer better deals.
Emotional or preceptiveemotional loyalty	customer loyalty, which is based on positive emotional connections with the brand. Customers who have emotional loyalty feel a strong connection and trust with the company, which motivates them to stay with it even when there are better alternatives.
Complex loyalty	combines transactional benefits with an emotional connection to the brand. It is characterized not only by regular purchases due to benefits or discounts, but also by a deep emotional connection with the brand. Customers with complex loyalty experience satisfaction from interacting with the company and at the same time benefit from transactions. This type of loyalty provides stronger and longer-lasting customer relationships because it combines material incentives with emotional satisfaction.

To construct the Loyalty Index, the arithmetic mean of the average scores for each statement is calculated using the following formula (3.3) [39]:

$$I_l = \frac{1}{K} \sum_{n=1}^K I_l \quad (3.3)$$

where is the value of the index (general and for each statement), I_l

n is the serial number of the statement,

K is the number of statements in the scale.

Table 3.6 summarizes the results of a questionnaire survey of customers to assess the type and integral indicator of customer loyalty of BANK VOSTOK PJSC.

Table 3.6

Results of the survey to determine the type and integral indicator of customer loyalty of PJSC "BANK VOSTOK", (points)

Question	Totally disagree 1 point	I don't agree 2 points	I have no opinion 3 points	I agree 4 points	Totally agree 5 points	I_l
<i>Transactional or behavioral loyalty:</i>						<i>3.63</i>
The bank motivates me to make new transactions with it.	15	40	132	344	175	3.53
When I need a banking product, I always choose this bank.	10	36	138	340	205	3.65
I intend to continue using the services of this bank in the future.	9	68	75	360	210	3.61
I am a regular customer of this bank.	10	56	57	352	275	3.75
<i>Emotional or preceptiveloyalty:</i>						<i>3.1</i>
I prefer the services of this bank to the services of other banks	18	52	150	328	120	3.34
I am ready to make extra efforts to use the services of this bank	50	80	144	160	110	2.72
I will continue to use this bank even if their rates increase compared to other banks	40	124	156	112	90	2.61
I am ready to recommend this bank to my relatives, friends and acquaintances.	12	68	90	320	220	3.55
I feel a special attachment to the bank	32	72	96	292	135	3.13
<i>Comprehensive loyalty</i>						<i>3.37</i>

According to the results of the survey of customers of PJSC "BANK VOSTOK", the average score of transactional loyalty is 3.63, which indicates a satisfactory level of loyalty of the bank's customers. The highest rating was given to the statement about customer loyalty, which has a score of 3.75, which indicates that customers actively use the bank's services and often return to it. However, the statement about the intention to continue using the bank's services in the future received a score of 3.61, which is slightly lower. The statement that the bank encourages new transactions received an even lower score (3.53), which may indicate the need to improve incentives for active use of banking services.

The average level of emotional loyalty of bank customers is 3.1, which indicates a moderate level of customer loyalty to the bank. Customers are more inclined to recommend the bank to their relatives (average score 3.55) and feel a certain attachment to the bank (average score 3.13). However, the willingness to make additional efforts to use the bank's services (average score 2.72) and to continue using the services even when tariffs are increased (average score 2.61) is relatively low. This indicates that although customers have a positive attitude towards the bank, their loyalty is not too strong and the bank can improve its offers and strategies to strengthen the emotional commitment of customers.

Next, to evaluate the level of loyalty, we calculate the criterion according to the formula (3.4): Beginning of the form K_l

$$K_l = \frac{I_l}{I_{l,max}}, \quad (3.4)$$

where $I_{l,max}$ is the maximum value of the loyalty index, which corresponds to the highest score (all respondents completely agree with all statements).

The criterion shows the client's attitude towards the bank and allows determining the level of change in loyalty when he decreases or increases the volume of his banking transactions. K_l

Table 3.7 provides a description of the possible levels of loyalty and the calculation of the level of loyalty of customers of BANK VOSTOK PJSC.

Table 3.7

Criteria for determining the level of customer loyalty of BANK VOSTOK PJSC.

Loyalty level intervals	Characteristic	The level of loyalty of the bank's customers
$0.75 \leq K_l \leq 1$	Absolute loyalty	3.37/5=0.674
$0.5 \leq K_l < 0.75$	Average loyalty	
$0.25 \leq K_l < 0.5$	Weak loyalty	
$K_l < 0.25$	Lack of loyalty	

Therefore, the level of customer loyalty of PJSC "BANK VOSTOK" is 0.674, which corresponds to the "average loyalty" category at the specified intervals. This shows that the bank's customers have a moderate level of loyalty, but there is room for improvement to increase loyalty to the level of "absolute loyalty".

The process of managing bank customer loyalty may include several key steps aimed at ensuring a positive experience for customers and encouraging their loyalty to the brand (Table 3.8) [40].

Table 3.8

Bank customer loyalty management process

Stages	Characteristic
Collection and analysis of customer data	Collecting customer information from various sources, such as purchases, surveys and reviews. Analyzing this information to identify customer needs, preferences and behavioral patterns.
Customer segmentation	Segmentation of customers based on their behavior, purchasing habits or other characteristics, allowing for customized offers and communication for each segment.
Development of loyalty programs	Creating loyalty programs that may include bonuses, discounts, rewards for frequent purchases or referrals. Providing variety in programs to meet different customer needs.
Personalization of offers	Using collected data to create personalized offers and communications
Interaction and communication	Regular communication with customers through various channels (e-mail, social networks, SMS). Establishing two-way interaction to receive feedback and solve problems.

Customer ambassador program	Encouraging customers to recommend the bank. Customer ambassadors have a strong influence on public opinion and can help strengthen the bank's reputation.
Evaluation and monitoring	Constant monitoring of the effectiveness of loyalty programs and personalized offers. Using metrics such as customer retention, satisfaction and repeat purchase rates.
Adjustments and improvements	Analyzing results and making changes to programs and strategies based on feedback and data. Improving processes to increase efficiency and meet customer expectations.

Thus, the use of a managed algorithm allows banks not only to attract new customers, but also to retain existing ones, increasing their loyalty and satisfaction. The results of the customer survey of PJSC "BANK VOSTOK" show a satisfactory level of transactional loyalty with an average score of 3.63. Clients actively use the bank's services (3.75 points), but the intention to continue using them and the stimulation of new transactions are rated lower (3.61 and 3.53, respectively), which indicates the need to improve incentives for the active use of banking services.

3.3. Proposals for attracting and retaining customers of BANK VOSTOK PJSC

In the conditions of high competition in the market of financial services, customer attraction and retention are one of the key success factors of any bank. It is important to develop strategies that will take into account the needs and expectations of customers, offer innovative solutions and create additional value for customers. This will provide the bank with competitive advantages on the market and long-term mutually beneficial cooperation with clients.

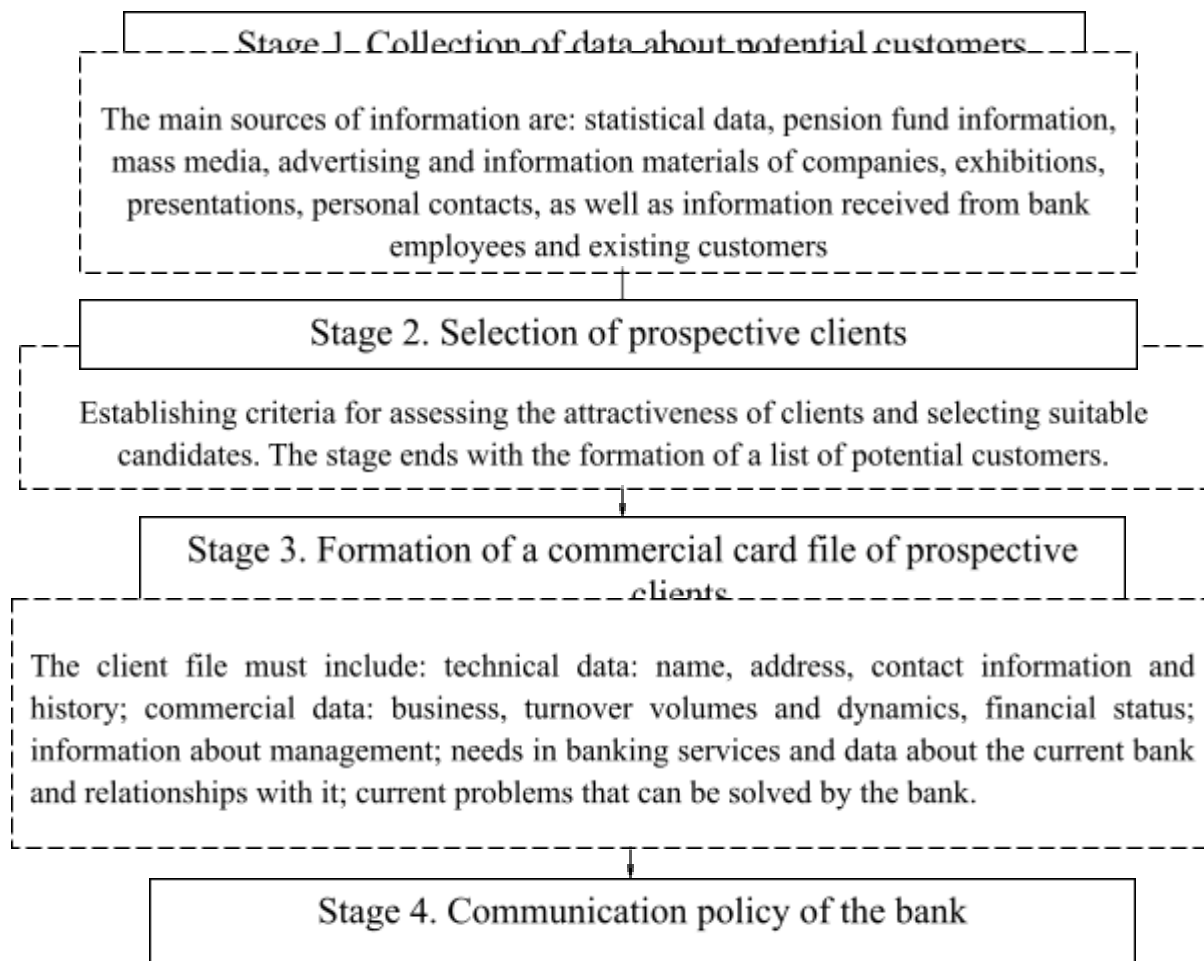
Attracting new customers, especially successful enterprises and organizations, depends on the bank's customer policy and its resources, including information, personnel and financial capabilities.

All preparation for customer attraction and the attraction process itself can be divided into the following stages (Fig. 3.2).

The given model allows you to create step-by-step job instructions (job maps) for the bank's client acquisition manager. The process of attracting new customers begins with the evaluation of potential customers in a certain region, industry or business area. It is effective when the bank develops a business map of potential customers, which includes information about their presence, location, financial indicators, the probability of their transition to the bank, as well as an analysis of the competitive environment.

The process of attracting customers begins with an assessment of the professional qualities of managers engaged in this work. Their professionalism is determined by deep knowledge of the features and advantages of the bank, its services and products, as well as the ability to communicate effectively (telephone conversations, business negotiations, presentations, arguments, etc.).

The proposed model of interaction with customers will help to increase the sales of banking services and develop long-term relationships aimed at preserving the existing customer base through the formation of loyalty and the offer of new banking products.



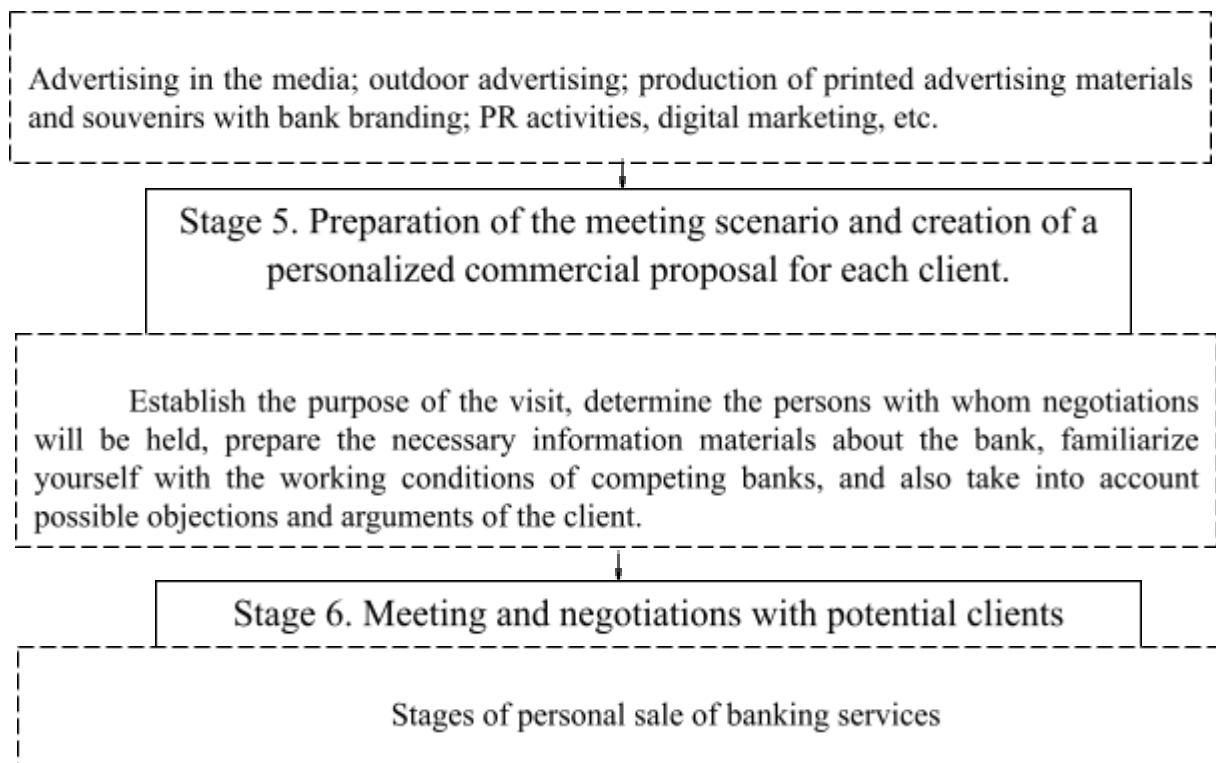


Fig. 3.2. Model of attracting potential bank clients (own development).

Frequent mistakes in working with clients include: uncertainty in how to address the client, which prevents the establishment of a full-fledged contact; the client asks a question, and the manager answers, which increases the risk of offering an inappropriate product; the presentation of the product is focused on its characteristics, and not on benefits and value for the client; the manager perceives objections as criticism of the bank and may react negatively; after the consultation, the manager waits for the client to initiate the transaction himself, without an active invitation to action; if the client refuses the agreement during the meeting, no further contact is maintained and no contact information is collected.

In the banking business, the peculiarity is that, serving the client, the bank not only provides a banking service, but also offers a certain level of service during the sale.

The sales department, having received information from the marketing department about promising customer segments and potential volumes of their involvement, plans to expand the bank's customer base through personal sales and the development of relations with existing customers.

The model of personal sales of banking services is shown in Figure 3.3.

In our opinion, the key stages of interaction with customers are establishing contact and identifying customer needs. The first stage includes the processes of creating first impressions, establishing trusting relationships, and determining the client's level of readiness to communicate. It is important to provide a friendly and professional atmosphere that will facilitate the client's openness and convenience in discussing his needs.

At the second stage, it is necessary to focus on a deep understanding of the client's needs and problems. This can be achieved through active listening, using specialized questions to identify problems and needs, and analyzing the client's situation to provide the most appropriate solutions. For example, you can use the SPIN sales method, which was developed by Neil Rackham, for this.

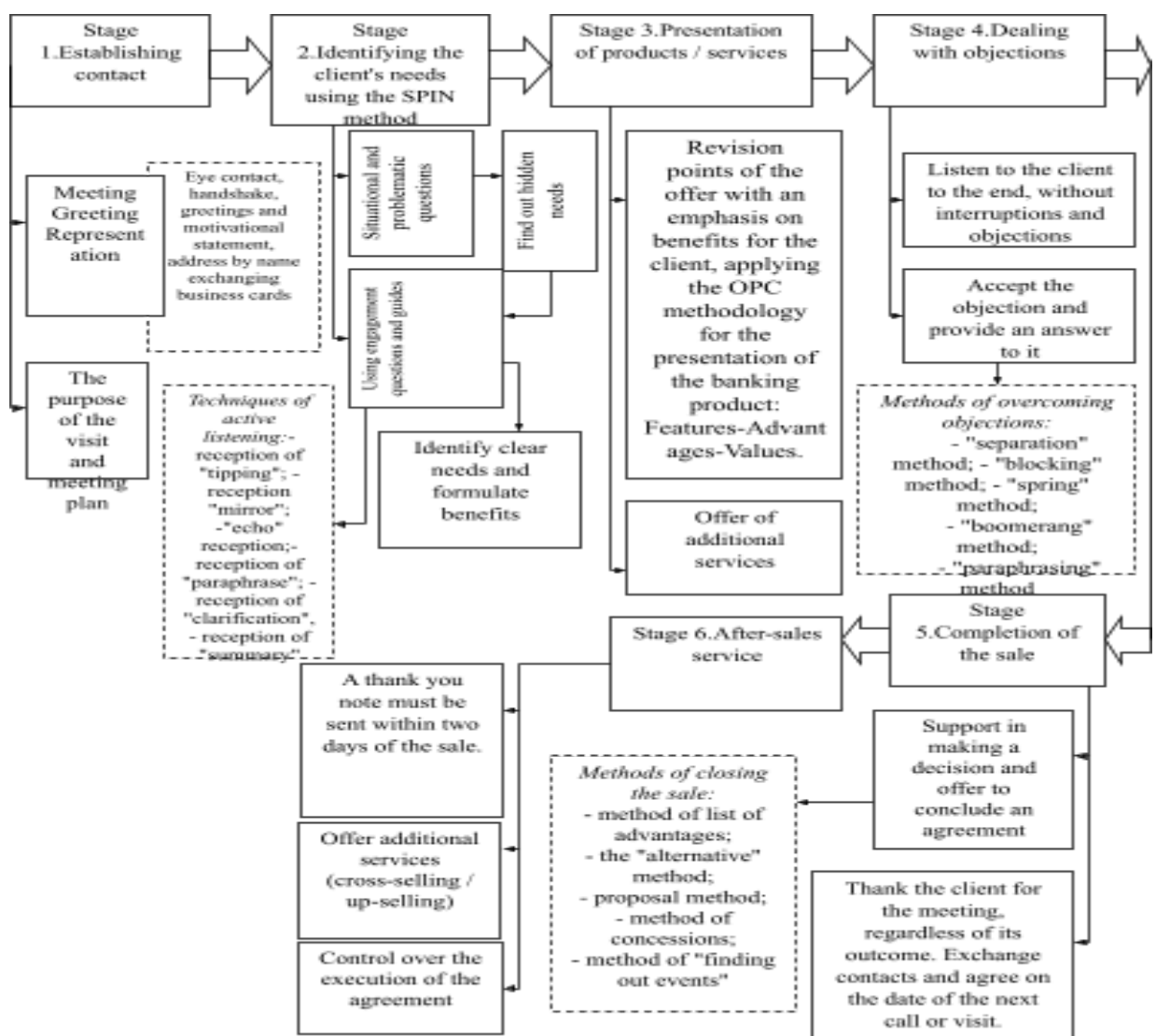


Fig. 3.3. Model of personal sale of banking services (own development).

SPIN is an abbreviation that stands for [41]:

- 1) situational questions that help clarify the client's current situation;
- 2) problematic questions aimed at identifying problems, difficulties or needs of the client that can be solved by the bank's products or services;
- 3) implicational questions that help the client to understand the consequences of the problems they have discovered;
- 4) prompting questions that help the client imagine how the bank's decision can improve his situation, which allows the client to realize the benefits of using your product or service.

Therefore, the use of SPIN sales allows you to create a deeper understanding of the customer, which contributes to more effective offering of solutions and improved sales performance.

For effective management of relationships with customers, it is important to ensure the proper level of planning and monitoring of the implementation of sales plans. For this, the bank uses CRM systems (Customer Relationship Management), which are based on modern information technologies. These systems allow the bank to collect and analyze information about the customer during all stages of its life cycle, including attraction, retention and loyalty development. CRM is a customer relationship management system that uses analytics to assess loyalty and predict customer churn. For example, chatbots and virtual assistants based on artificial intelligence are able to recognize customer requests and provide answers in real time, which allows you to create self-service services and effectively analyze requests. **Cognitivescale** - a platform that provides solutions based on artificial intelligence for financial services, including analytics of client behavior [42-44].

These programs allow banks to effectively analyze the financial behavior of customers, which helps to improve risk management, provide personalized service and increase the overall efficiency of financial services.

Further, on the basis of the above-calculated integral indicator of bank customer loyalty, suggestions for improving the level of customer loyalty of PJSC "BANK VOSTOK" are given in table 3.9.

Table 3.9

Suggestions for improving the level of customer loyalty of BANK VOSTOK
PJSC

Directions	Characteristic
To improve the transactional loyalty of customers, i.e. to stimulate them to make new transactions in the bank	
Introduction of special reward programs	Provide customers with bonuses or cashback for a certain number of transactions or for purchases made through the bank's mobile application.
Improving the convenience and accessibility of mobile banking	<p>Improve the usability of mobile banking by adding new features and improving existing ones. Implement programs that award points for transactions that can be exchanged for gifts, discounts or other privileges.</p> <p>Creation of special offers or promotions where customers receive benefits when making transactions, for example, discounts on commissions or preferential credit terms. For example, discounts or special offers in shops and cafes for young people (students) who use bank cards.</p> <p>Reward with bonuses for regular use of mobile functions, such as payments, transfers.</p> <p>Provide bonuses for each new client brought to the bank.</p> <p>Offer bonuses or discounts for participating in environmental programs.</p> <p>Introduce special products or services with additional benefits for active customers.</p>
To improve the emotional loyalty of customers	
Improving communications	<p>Provide relevant news and updates about banking products and services through various communication channels.</p> <p>Provide clear and understandable information about the bank's products and services to avoid misunderstandings.</p> <p>Inform customers about new opportunities and offers that may be of interest to them, even before they contact you.</p> <p>Regularly thank customers for their loyalty through special promotions, letters of appreciation or gifts.</p>
Creating positive impressions	Create platforms for customers where they can share experiences, get advice and feel part of the bank's community. Organize special events or closed events for customers who have high loyalty. Congratulate customers on important events such as birthdays or anniversaries to evoke positive emotions. Develop individual solutions and recommendations for clients, taking into account their needs and financial goals.

In addition, in order to attract new customers and retain existing ones, it is advisable to propose the implementation of a demo version of online banking for FOPs in the format of a training program with trainings from the bank for students of educational institutions (for example, colleges and universities for the specialty 076 "Entrepreneurship and trade") . This will allow students to gain hands-on experience with banking tools, which is important both for their professional development and for the bank, which can thus connect with future entrepreneurs and potential clients (in the form of educational institutions as client partners). This approach will also contribute to increasing students' financial literacy, which is a key aspect of their preparation for work in today's business environment.

Thus, the implementation of the mentioned measures can significantly increase the motivation of customers to make new transactions, which will positively affect their transactional loyalty. In addition, these measures will help strengthen the emotional attachment of customers to the bank and improve the general perception of the bank. As a result, this can lead to an increase in the bank's profitability and stability, which in turn will contribute to its long-term success and competitiveness in the market.

CONCLUSIONS

Based on the results of the research, the following conclusions were made:

1. The approaches of scientists and practitioners regarding the interpretation of the concept of "consumer behavior", which encompasses a complex set of physical, psychological, social and economic processes that occur in the process of choosing, purchasing, using and disposing of goods and services, are summarized. Consumer behavior is studied in various scientific and practical fields: psychology analyzes motivations and preferences, sociology — the influence of social norms and stereotypes, law — the protection of consumer rights, economics — the laws of supply and demand, and marketing and management — strategies for influencing and managing consumer preferences. The development of the theory of consumer behavior took place from classical theories such as the theory of utility and the theory of preferences to modern approaches that take into account the social, ethical and technological aspects of consumer behavior. Modern approaches to the theory of consumer behavior emphasize the individual decisions of consumers, the impact of digital technologies on the processes of interaction with marketing, as well as the importance of sustainable development and ethical consumption, which allows enterprises to better understand and anticipate the needs of consumers, as well as interact with them more effectively through innovative marketing strategies.

2. Factors affecting consumer behavior are systematized, including external and internal factors. Among the external factors that are becoming more and more important, the impact of digital technologies should be highlighted, which are changing the way consumers interact with brands and products, expanding access to information, increasing the role of feedback in social networks, and creating new communication and sales channels, which opens up new opportunities for marketing strategies, including personalization of offers and engagement of target audiences through digital platforms. The typology of the consumer's personality is summarized, which demonstrates significant differences in preferences, lifestyles, psychographic characteristics and the

degree of rationality when making decisions about the purchase of goods. Examining these various aspects allows businesses and marketers to better understand their target consumers and adapt their marketing strategies and product offerings more effectively. Taking into account individual needs and psychological characteristics helps to increase the level of consumer satisfaction and strengthen their loyalty to the brand.

3. It is proven that the management of consumer behavior is considered as a complex process that includes a set of marketing tools, communication efforts and analysis of consumer demand to achieve the company's strategic goals. Classical and modern models of consumer behavior are revealed. The classification of methods and directions of marketing research of consumer behavior is generalized. The key marketing tools (4P) and their impact on consumer behavior are identified, which helps companies to adapt to market conditions and consumer requirements and allows to effectively attract the attention of customers, increase sales and increase competitiveness in the market. Each tool has its own unique features and requires a deep understanding of the target audience to achieve the optimal balance between costs and results.

4. Trends in consumer behavior during the war were analyzed. So, in 2023, the frequency of purchases and expenses, except for food and medicine, decreased. 55% of Ukrainians visit restaurants and bars less often, especially people aged 43-57 and residents of cities with a population of 50-100 thousand. Interest in cooking at home increased (50%), and visits to cinemas and concerts (58%), sports facilities (38%), vacations (abroad - 46%, in Ukraine - 43%) and beauty salons (16%) decreased.). Also, Ukrainians spend 66% of the budget on food products (28%) and mandatory payments (38%), which significantly exceeds the indicators of other countries: in Germany (40%), Poland (36%), the USA (29%), South Africa (27%).

Analysis of customer behavior in the Ukrainian banking market showed that the most popular financial services include the use of bank accounts and cards (77%), payment of utility services through the bank (66%), mobile and Internet banking (56%), terminals (52%) and money transfers. The popularity of mobile and internet banking grew especially, where the share of users increased by 15%, mainly among young

people (18-29 years old). At the same time, 40% of Ukrainians do not keep money in the bank due to low incomes (64%) and mistrust of banks (23%). During the war, consumers became more pragmatic, carefully planning their expenses, focusing on basic needs and judicious use of resources.

5. The technical and economic characteristics of PJSC "BANK VOSTOK", which is included in the III group of banks and as of April 1, 2024, occupies the 5th place in this group in terms of net assets, are given. Despite the difficult situation in the country, the bank shows stable development with a significant increase in financial results, an increase in the volume of deposit and loan portfolios, which indicates the trust of customers. The bank is well-stocked with regulatory capital and fully complies with the regulator's requirements for compliance with economic standards.

6. The client base of PJSC "BANK VOSTOK" was analyzed and it was established that the bank's credit portfolio is mostly focused on legal entities, in particular in such areas as trade, agriculture, fishing and industry. Loans to individuals make up only 2%. The deposit portfolio is also mainly focused on legal entities (55%), while the share of individuals accounts for 45%. In general, the bank's deposit portfolio shows positive growth trends even in the conditions of war and uncertainty, which indicates high confidence in the bank. A questionnaire survey was conducted in order to study the satisfaction of customers of the banking institution and their behavior. The greatest influence on customers' decisions regarding the choice of a bank is made by the reliability and stability of the bank (78%), the second most important factor is a convenient and functional mobile application for online banking (48%) due to the growing role of digitalization and ease of use. Customers appreciate being able to manage their finances from anywhere in a way that's convenient for them, making mobile apps an important part of their banking experience. Advertising plays the least significant role in choosing a bank, having only 10% influence on customers' decisions. Moreover, the factor of reliability and stability of the bank is the most significant for all categories of clients. A convenient and functional mobile application for online banking is most important to young people (42%) and affluent customers (39%), they appreciate the convenience and accessibility of mobile applications. Also, the influence of the tariff

policy on the choice of a bank is important for 68% of respondents. The main shortcomings in the bank's customer service are the insufficient number of ATMs and branches, which creates difficulties for customers. Communication problems, including not updating information in a timely manner and ignoring feedback and complaints, have a negative impact on customers. Addressing these deficiencies is key to improving overall service levels and increasing customer satisfaction.

7. The banking institution's customer behavior management model has been improved, which includes the very process of purchasing banking products and the principles, methods and tools of customer behavior management. The principles of managing the behavior of bank customers include: customer orientation, adaptability, innovation, comprehensive approach, long-term perspective, social responsibility. These principles help banks effectively manage their resources and interactions with customers, ensuring long-term success and sustainable development. Methods of managing customer behavior are divided into: methods of managing purchase conditions, i.e. increasing the attractiveness of the bank through comfortable conditions, controlling the number of visitors and time spent in the bank or on the bank's website; reward management methods, i.e. increasing the effectiveness of rewards, controlling the time of their provision and improving their quality or quantity. Customer behavior management tools include advertising campaigns, loyalty programs, CRM systems, customer service, working with feedback and ABC analysis. The ABC-XYZ analysis method is characterized, which is used to manage the client base, allowing banking institutions to effectively manage their resources and strategically approach work with clients. A bank customer segmentation matrix based on the results of ABC-XYZ analysis is proposed, which gives 9 groups of customers according to two main criteria: the significance of their impact on the bank's total income (ABC) and the stability/predictability of these incomes (XYZ). Each of the 9 groups has its own characteristics and requires a different approach to management. The matrix will allow the bank to segment its customers, understand which of them are the most important and stable, and which require additional efforts to reduce risks, which will help to more effectively manage resources and make strategic decisions aimed at increasing

profitability and stability, as well as develop effective marketing strategies for cooperation.

8. The level of customer loyalty of PJSC "BANK VOSTOK" was evaluated using an integral indicator. The comprehensive loyalty indicator is 3.37 points. The average score of transactional loyalty is 3.63, which indicates a satisfactory level of loyalty of the bank's customers. The highest rating was given to the statement about customer loyalty, which has a score of 3.75, which indicates that customers actively use the bank's services and often return to it. However, the statement about the intention to continue using the bank's services in the future received a score of 3.61, which is slightly lower. The statement that the bank encourages new transactions received an even lower score (3.53), which may indicate the need to improve incentives for active use of banking services. The average level of emotional loyalty of bank customers is 3.1, which indicates a moderate level of customer loyalty to the bank. Customers are more inclined to recommend the bank to their relatives (average score 3.55) and feel a certain attachment to the bank (average score 3.13). However, the willingness to make additional efforts to use the bank's services (average score 2.72) and to continue using the services even when tariffs are increased (average score 2.61) is relatively low. This indicates that although customers have a positive attitude towards the bank, their loyalty is not too strong and the bank can improve its offers and strategies to strengthen the emotional commitment of customers. The level of customer loyalty of PJSC "BANK VOSTOK" is 0.674, which corresponds to the "average loyalty" category at specified intervals. This shows that the bank's customers have a moderate level of loyalty, but there is room for improvement to increase loyalty to the level of "absolute loyalty".

9. It is proposed to improve customer loyalty of PJSC "BANK VOSTOK": provide bonuses or cashback for transactions through the mobile application, implement point accumulation programs, discounts on commissions and preferential conditions for young people; reward for regular use of mobile functions and for bringing new customers; offer bonuses for participation in environmental programs and special products for active customers; improve mobile banking, provide current news about products and services, clear information, inform about new opportunities; regularly

thank customers, create platforms for sharing experiences and organize special events for loyal customers. To attract new customers and retain existing ones, it is worth implementing a demo version of online banking for FOPs through educational programs with trainings for students of specialty 076 "Entrepreneurship and trade". This will allow students to gain hands-on experience and improve financial literacy while making connections with future entrepreneurs. The implementation of such measures will increase the motivation of customers for new transactions, strengthen their loyalty and positively affect the general perception of the bank, which can contribute to the growth of its profitability and competitiveness.

The obtained results are of practical importance, since the theoretical propositions, conclusions and proposals of the research are transformed into methodological developments that can be directly implemented in the practice of banks to improve the process of managing consumer behavior.

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