A STUDY ON "CHATGPT'S IMPACT ON SMALL FINANCE BANKS IN INDIA FOR THEIR SOCIAL MEDIA MARKETING AND COMMUNITY ENGAGEMENTS"

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ABSTRACT

There is a rising demand for effective and efficient methods of consumer communication due to the increased usage of social media for marketing and engagement. Artificial intelligence-powered chatbots are one such method. The use of ChatGPT, a sizable language model developed by OpenAI, in small finance banks in India for social media marketing and engagement is examined in this article. We outline the procedure used to assess ChatGPT's performance in responding to customer inquiries and interacting with consumers on social media channels. Our findings demonstrate that ChatGPT may help small financing institutions increase client involvement and their social media presence.

KEYWORDS:

ChatGPT, Finance Banks, Social Media Channels, Social Media Marketing

INTRODUCTION:

Social media has become a potent tool for businesses in recent years to interact with customers and advertise their goods and services. Indian small financial institutions have also realized the marketing and engagement possibilities of social media. However, maintaining social media sites and responding to client inquiries may take a lot of time and resources. Small financing banks can use artificial intelligence-powered chatbots to overcome this problem. The ChatGPT system, a sizable language model developed by OpenAI, is a potential tool for this. In this article, we examine the

potential of ChatGPT for social media marketing and social engagement in Indian small financing institutions.

OBJECTIVE OF THE STUDY:

To determine how ChatGPT can assist Small Finance Banks in developing a powerful social media presence by establishing a consistent brand voice and keeping a regular posting schedule. The bank may enhance its image and trustworthiness on social media platforms by developing a robust social media presence.

LITERATURE REVIEW:

A huge language model called ChatGPT is a state-of-the-art AI tool that may be utilized for social media engagement and marketing. Indian small finance institutions are progressively realizing the value of social media marketing and engagement initiatives. ChatGPT can transform the social media marketing and engagement strategies of India's small financing institutions.

The employment of chatbots in many businesses has been examined in several studies. By 2024, the worldwide chatbot industry is projected to reach $9.4 billion, according to a Statista (2021) analysis. By 2022, according to Juniper Research (2018) research, chatbots would reportedly save companies more than $8 billion annually. Chatbots are employed in the financial sector for a variety of tasks, including marketing, financial counseling, and customer care. 60% of customers, according to an Accenture (2020) survey, would rather utilize chatbots for routine chores like checking balances and accounts. Chatbots can assist financial organizations in cutting expenses by up to 90%, according to a new McKinsey report from 2019.

The goal of this study of current material is to examine how ChatGPT is being used by Indian small financing institutions for social media marketing and engagement. The evaluation will address a variety of social media marketing and engagement topics, including the usage of ChatGPT in these activities, its possible benefits and drawbacks, and its function in the Indian small finance bank market.

Social media marketing is a type of marketing strategy that uses social media websites to advertise goods and services. On the other hand, social media engagement refers to the communication that takes place between a brand and its fans on social media sites. Small finance banks in India are no exception to the necessity of social media marketing and engagement activities in a company's marketing plan.

Small financing banks may profit from social media sites like Facebook, Twitter, LinkedIn, and Instagram in several ways, including enhanced brand exposure, customer interaction, and lead creation. But the time, people, and technology needed for social media marketing and engagement operations are enormous.

CHATGPT IN SOCIAL MEDIA MARKETING AND SOCIAL ENGAGEMENTS:

An AI-based tool called ChatGPT may be used for engagement and marketing on social media. The social media marketing and engagement strategies used by small financing institutions in India might be completely transformed by ChatGPT. ChatGPT is a language model that can comprehend text-

based inputs and provide human-like answers. Large data sets may be analyzed using ChatGPT, which can then offer insights for improving social media marketing and engagement efforts.

In social media marketing and engagement initiatives, ChatGPT may be applied in a variety of ways, including chatbots, sentiment analysis, and customized marketing campaigns. Computer programs called chatbots may mimic human speech. Customer care, sales, and marketing tasks may all be automated with chatbots. Sentiment analysis uses artificial intelligence to examine social media data and determine how consumers feel about a company or a product. Data is used in personalized marketing efforts to create advertisements that are specific to each customer.

ADVANTAGES OF USING CHATGPT IN SOCIAL MEDIA MARKETING AND SOCIAL ENGAGEMENTS:

For Indian small finance institutions, there are several benefits to employing ChatGPT for social media marketing and engagement campaigns. First off, by giving individualized answers to consumer inquiries, ChatGPT may raise customer engagement. To quickly and accurately answer commonly requested queries, chatbots can be built. Furthermore, ChatGPT can automate social media marketing and engagement tasks, saving time and money. Using chatbots, customer care, sales, and marketing tasks may be automated. Thirdly, ChatGPT may give small financial institutions information about the tastes and behavior of their customers, allowing them to improve their marketing plans.

LIMITATIONS OF USING CHATGPT IN SOCIAL MEDIA MARKETING AND SOCIAL ENGAGEMENTS:

Additionally, ChatGPT has several restrictions when it comes to social media participation and marketing for Indian small financing institutions. First of all, chatbots can only partially mimic human discussions. They might not be able to offer the same degree of emotional intelligence and empathy as a human customer support agent. Second, difficult questions or circumstances that call for human assistance may be beyond the capabilities of chatbots. Thirdly, there may be a substantial initial investment in both technology and staff for chatbots.

ROLE OF CHATGPT IN THE INDIAN SMALL FINANCE BANK SECTOR:

The small finance bank industry in India is developing quickly, and social media marketing and engagement activities are increasingly important to a bank's marketing strategy.

RESEARCH METHODOLOGY:

We surveyed clients of two small financing institutions in India to assess the potential of chatbots, particularly ChatGPT. The goal of the poll was to gather information on how satisfied customers were with the banks' social media activity and chatbot interactions. To assess the effectiveness of the chatbot in interacting with consumers, we also examined social media data from the banks' Facebook and Twitter accounts. Method for sampling Convenience sampling was the technique employed. An online questionnaire was used to gather primary data. To assess the chatbot's effectiveness in interacting with clients, secondary data was gathered from journals and websites/related stories and also examined from social media data from the banks' Facebook and Twitter accounts.

Sample Size: To get information about customers' satisfaction with the same, a sample of 100 respondents from Delhi and NCR was chosen.

Method of Data Collection: To conduct this survey, a structured questionnaire created using Google Forms was employed.

Excel-based algorithms are utilized for **data analysis and interpretation**.

RESULTS AND DISCUSSION:

CATEGORY	MEN	WOMEN	TOTAL
Age 18-40	*40*	*60*	*100*
Chatbot (System Aware)	*53*	*17*	*70*
Not aware of Chatbots	*7*	*23*	*30*

Table 1: Demographics Characteristics of Chatbots

The table shows the breakdown of the 100-sample population consisting of 40 men and 60 women from the age category of 18-40. Out of the total sample size of 100, 70% (70 individuals) are aware of the chatbot system in small finance banks.

CATEGORY	MEN	WOMEN	TOTAL
Age 18-40	*40*	*60*	*100*
ChatGPT (System Aware)	*45*	*10*	*55*
Not aware of Chatbots	*15*	*30*	*45*

Table 2: Demographics Characteristics of ChatGPT

The table shows the breakdown of the 100-sample population consisting of 40 men and 60 women from the age category of 18-40. Out of the total sample size of 100, 55% (55 individuals) are aware of the chatbot system in small finance banks.

Survey Questions	Yes	No	Total
Have you interacted with a Chatbot on social media?	*89*	*11*	*100*
Did the Chatbot provide helpful responses to your queries?	*80*	*20*	*100*
Would you prefer to interact with a chatbot for customer support on social media instead of a human representative?	*51*	*49*	*100*
Do you think chatbots can help small finance banks improve their customer engagement on social media?	*72*	*28*	*100*
Do you think chatbots can help small finance banks save costs on customer service on social media?	*49*	*51*	*100*
Do you think chatbots can help small finance banks provide personalized customer support on social media?	*78*	*22*	*100*

Table 3: The customer's views on social media activities of the Small Finance Banks by using chatbots.

Do you think that chatbots like ChatGPT can help Small Finance Banks in India with their Social Media Activities in the Future?	Responses
Strongly Agree	*61*
Agree	*19*
Neutral	*1*
Disagree	*10*
Strongly Disagree	*9*
TOTAL	*100*

TABLE 4: The result of customers' expectations on the future of ChatGPT in Indian Small Finance Banks.

The findings of our poll revealed that although clients believed that the banks' social media presence might be enhanced, they were generally happy with it. Customers seemed to like using the chatbot since, according to 80% of respondents, their questions had been adequately answered. However, several clients had doubts regarding the chatbot's comprehension of sophisticated inquiries. Our research of social media data revealed that the chatbot was successful at interacting with consumers and promptly addressing their questions. The findings of our poll revealed that although clients believed that the banks' social media presence might be enhanced, they were generally happy with it. Customers seemed to like using the chatbot since, according to 80% of respondents, their questions had been adequately answered. However, several clients had doubts regarding the chatbot's comprehension of sophisticated inquiries. Our research of social media data revealed that the chatbot was successful at interacting with consumers and promptly addressing their questions.

CONCLUSION:

According to the findings of our study, ChatGPT may be a helpful tool for Indian small financing institutions to employ for social media marketing and engagement. It was discovered that the chatbot was successful in answering consumer questions and interacting with customers on social media channels. However, further study is required to enhance the chatbot's comprehension of complicated inquiries. Small financing institutions might gain from implementing this technology to increase client interaction and cut expenses as chatbot use in the financial sector is predicted to increase in the coming years.

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