

# A STUDY OF DIGITAL MARKETING TECHNIQUES USED BY FINANCIAL INSTITUTES TO PROMOTE FINANCIAL PRODUCTS AND SERVICES

Authors Name: Ms. Vaishali Rajendra Patil  
Sadhu Vaswani Institute of Management Studies for Girls, Pune, India

## **Abstract:**

In this era of millennial there is huge competition, there are many options available for customer to compare and choose for any financial needs. Without reaching to customer, without giving detail product information, various competitor products comparison, offering easy accessibility, clearly up front telling to customer what benefit customer is going by choosing our products customer will not attract to our products and hence digital marketing is one of powerful tool to showcase companies offerings, benefits and how you are best to choose at the same time you can reach to million users at one go. The objective of this research paper is to know the preferred mode of digital marketing used by financial institutes in 2017-18 and to identify benefits of using digital marketing financial institutes companies and customers. Research methodology used in this paper is secondary data collected from journals, websites and research papers. Digital marketing techniques are helpful to financial institutions to increase their sales with less cost. Customers can get knowledge about financial products and services at any time 24hrs at any place without visiting place of financial institutions.

**Key words: Digital marketing, Digital marketing techniques, financial products and services**

## **INTRODUCTION:**

Traditionally before internet boom, there were many modes of advertising available for marketing of products and services. Advertisements were given on newspapers, magazines, on TV, radio as well as through pamphlets and cold calls. All these advertising through media involves huge cost, manpower and time.

In this era of millennial, where the virtual world dominates in the form of social media, these traditional methods of advertisements pose challenge of their effectiveness of reaching the masses. As the need of the hour, Digital marketing has proved to be a better mode of advertising than its counterparts opening vast 'Social Presence avenues' to the businesses. According to the Blog Wishpond

- i) More than half of the marketers who have been using social media for more than three years say that it has helped them increase sales.
- ii) More than 50% marketers have experienced increase in generating lead through these channels.
- iii) 62% of businesses with 10 or few employees agreed to have reduced marketing expenses.
- iv) Overall, percentage of marketers reporting has improved in all categories since 2013.

The growth of the financial sector has been an important bench mark for reviewing the health of an economy. Financial institutes cannot be alienated from the world of Digital marketing. This paper makes an attempt to understand how the financial institutes are using digital marketing to advertise their products and services, the benefits of the same.

## **Objectives:**

- I. To know the preferred mode of digital marketing used by financial institutes in 2017-18
- II. Identify the benefits of digital marketing for financial institutions and customers.

## Literature Review:

**A. DAJ and A. CHIRCA (2009)**, in their research paper it was mentioned that the next step is moving beyond one-off digital campaigns, increasing experimentation with digital tools and moving towards relationship marketing activities that build and maintain long-term customer retention. Of great importance is the integration of digital channels with traditional outlets like TV, radio, direct mail, and direct sales coupled with rigorous analysis for fully allowing marketers to understand the consumption patterns

**Understanding Financial Consumers in the Digital Era: A Survey and Perspective on Emerging (2014)**, In their survey it was revealed that in retail banking digital marketing plays a very important role now a days retail banks understand the power of digital marketing and banks know how it is essential for their success. They realize that “going digital” is more than a marketing strategy; it’s a fundamental change in how they learn about, interact with and satisfy their customers.

## Theoretical framework

### What is Digital Marketing?

“Digital marketing is a form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etc.” Kotler and Armstrong.

“Digital marketing that facilitates many to many communications due to its high level of connectivity and is usually executed to promote products or services in a timely, relevant, personal and cost-effective manner”.

### Bains

#### What are Financial Product and services?

Financial Services is a term used to refer to the services provided by the finance market. Financial Services is also the term used to describe organizations that deal with the management of money. Examples are the Banks, investment banks, insurance companies, credit card companies and stock brokerages. Defining Financial Services can also be termed as, any service or product of a financial nature that is the area under discussion to, or is governed by a measure maintained by a Party or by a public body that exercises regulatory or supervisory authority delegated by law.

## RESEARCH METHODOLOGY

The research is secondary based and to achieve the stated objectives, data was collected from websites, journals and research papers.

### The digital marketing strategies adopted by the financial institutions for increasing their social media presence were as follows:

- Search engine optimization (SEO)
- Email marketing
- Blogs
- Social Media: Facebook Newsfeed ad
- Content Marketing
- Location-based marketing
- Video content on you tube
- Participated in various forum like on twitter or promoted tweets
- Linked in premium ads, Instagram, pinterest are used to promote products
- Various app were developed to cater to the specific demands of the customer. Such as buddy, anywhere banking, mobile banking app.
- Green Pin initiatives for a paperless banking were initiated.

**Benefits of digital marketing for financial Institutions:**

1. **Huge customer Reach:** one of most benefit of digital marketing of financial products is one can approach many customers at one time within India and Abroad as well. Now a days most of the people using Internet. One can approach many peoples through face book, WhatsApp, twitter, email etc. for financial product selling.
2. **Less cost:** In digital marketing of financial products, one can use internet, internet cost is low as compared to other sources of medium. one can send all information regarding financial products through internet on mobile, on face book, account, twitter a/c and email. In digital marketing there is saving of transportation/travelling cost.
3. **Saving of Time:** In digital marketing one can approach customer through internet, there is no need to go personally to meet customer to provide information. Which results into save of time.
4. **Easy to access:** In digital marketing one can get all information through internet on mobile, email, and Facebook. Anybody can get all the information on his/her place means at home, at office, while travelling etc.
5. **Less Advertising cost:** Traditional Marketing and Telemarketing are too costly, which includes preparation of posters, banners, Radio /T.V advertising, newspaper advertising which involve cost. In digital marketing advertising can be done through internet which is of low cost.
6. **Higher Returns:** in digital marketing main medium is internet ,internet cost is low as compared to other type of selling ,which leads to higher profits .
7. **Personal touch:** In digital marketing one can provide information personally through mobile, email, on face book or any other social media .If there are certain doubts of the customer, it can be solved personally.
8. **Regular updating of information:** Regular updating of information is easier with the help of digital marketing. New information regarding financial products can be sent through social media and customer can be updated.
9. **Analysis of financial products:** Comparison of many financial products is possible through digital marketing .one can analyze the information of financial products on the basis returns, risk and period and can invest in best possible investment.

**Benefits of digital marketing to customers:**

1. Customer can easily find out any type of organization /business through online at any place at any time.
2. Customer can discover any financial products and services in the market with the help of internet.
3. Customer can do their financial planning with the help of online information without visiting actual places. They can solve their queries by asking questions online.
4. Customer can compare the features and cost of financial products and services with the help of online information
5. Now a day's customer use internet and read the reviews of financial products and services, they watch videos and understand the past feedback of other customers. With the help of these reviews they can take intelligence decisions related to their investment
6. With the help of customer support, community forum, click to call, Facebook business page and using chats options which are available on the website, helps customers to select financial products and services for their investment.
7. In digital marketing Facebook, YouTube. Twitter and Blog, play a very important role.it will help customer to update for future plans and arrivals of new products and services.
8. Digital marketing is helpful to educate customers. Through online marketing customer can get update knowledge about financial products and services

**Conclusion:**

Digital marketing techniques which are used by financial institutions are Search engine optimization (SEO), Email marketing, Blogs, Social Media: Face book News fed ad, Content Marketing, Location-based marketing, Video content on you tube etc. Digital marketing techniques are helpful to financial institutions to increase their sales with less cost. Customers can get knowledge about financial products and services through digital marketing at any time 24hrs at any place without visiting places of financial institutions.

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