

DIGITAL MARKETING IN BANKING SECTOR-PROS AND CONS.

¹ K. Clarinda, ² Dr. R. Christina JeyaNithila

¹ Ph. D. Scholar (Reg. No. : 19231281062006), ² Assistant Professor,

XIBA Centre for Research, Xavier Institute of Business Administration,

St. Xavier's College (Autonomous), Palayamkottai, Tirunelveli – 627 002.

Abstract:

We live in a society where people satisfy their needs by accomplishing the things they need. These needed commodities are brought before the people through the process of marketing. Marketing of products enables the customers to choose those things that are needed for them. All most all the sectors around the world market their products to its customers. In today's technological era the process of marketing has become digitalized. The improvement of digitalization has made marketing more popular and reliable. Each and every forum come up with new ideas to advertise their products in digital medium as their future customers are going to be Digital Natives. Banking is one such medium that market its products and schemes through digital medium. Banking sectors are undergoing much progression to make its facilities digitalized to its customers. Bank offers measurable financial marketing solutions for search engine optimization (SEO), pay-per-click advertising (PPC), content marketing, and integrated marketing. Though its provide such offers still it has its own pros and cons. This paper is unveiling “Digital Marketing in Banking Sector-pros and cons.”

Keywords: *Digital marketing; banking; pros and cons; search engine optimization.*

I. INTRODUCTION

Money is the most precious materialistic possession owned by all. People keep it safe in as many ways possible. Bank is one such entity, where one can keep his or her money in a safe way. All the financial problems of a person can be met by bank. The Oxford Learner's dictionary defines bank as, "an organization that provides various financial services, for example keeping or lending money. “There are many banks in our nation satisfying the needs of its customers in various forums. The banks are also of different kinds, there are nationalized banks as well as private banks. The banks also have many schemes to meet the customers' requirements. The services provided by banks includes, Business loans, Checking accounts, Savings accounts, Debit and credit cards, Merchant services (credit card processing, reconciliation and reporting, check collection), Cash management (payroll services, deposit services, etc. The marketing in the bank is yet another service provided by bank which is to keep the competitors in check and at the same time offer the best facility to its customers.

Digital marketing in banking is a new milestone undertaken by the banks to meet the customers who belong to this digital era as digitalization has become the part and parcel of life. According to Business Dictionary, Digital Banking is, "The promotion of products or brands via one or more forms of electronic media. For example, advertising mediums that might be used as part of the digital marketing strategy of a business could include promotional efforts made via the Internet, social media, mobile phones and electronic billboards, as well as via digital and television and radio channels. “The service provided by banks in a digitalized ways includes services like; Search Engine Optimization (SEO). The goal of SEO is to provide information to customers as soon as they need it. Other services are Content Marketing, Digital Advertising and Email Newsletters.

1.1 Objectives

Objectives are the heart of any study and so objective plays an important role to understand the study as well as to arrive at the proper conclusion at the end. The objective of this study is to bring out the Pros and cons of Digitalization in Banking.

1.2 Statement of the problem

This is trying to unveil the pros and cons of Digitalized Marketing in Banking. Though digitization is an easy process and time saving one, it also has its own difficulties and problems. There may be chance that customers may fall prey to fraudulent activities related to digitalization. So this article, gives a clear cut idea on the advantages and disadvantages of Digitalization in banking sectors.

II. REVIEW OF LITERATURE

The Review of Literature adds valid justification on the study that has been taken place till now. "The Customer Perspective on Online Mobile Banking in India - An Emprical Study" by P.S.Aithal of Srinivas University gives the impression that Online Banking has brought a radical changes in banking industry. Computerization and networking, ATM and connection of customer of any bank in any branch with the customer of any other bank in the country has made banks customer friendly.

Yet another study "DIGITAL MARKETING FOR DIGITAL BANKS" made by B.Sudha, Associate Professor, Department of Banking Management, Alagappa University, Karaikudi suggests the idea that, social medias plays a vital role in digitalization in banking industry. The idea behind is to attract more customers.

III. METHODOLOGY

According to the Dictionary of Communication, Research Methodology can be defined as the, "The design of a particular research study: a set of procedures according to which it is undertaken, including techniques of data be gathering and data analysis (this may involve quantitative research and/or qualitative research)."

The Methodology under taken for this Paper Presentation is the collection of primary data in the form of questionnaire. The questionnaire contained a set of questions related to digitalization in banking. The questionnaire results were from the people living in Kalakkad. It is a Panchayat town in Tirunelveli district in the Indian state of Tamil Nadu. The questionnaire was given to both male and female from the age group of 18 to above 31. The result of the study is based on the answers given by each individual in the questionnaire.

IV. DATA ANALYSIS

Table4.1 correlation

		Bank application can prefer more	Digital marketing use is safe to bank
Bank application can prefer more	Pearson Correlation	1	.838**
	Sig. (2-tailed)		.000
	N	43	43
Digital marketing use is safe to bank	Pearson Correlation	.838**	1
	Sig. (2-tailed)	.000	
	N	43	43

** . Correlation is significant at the 0.01 level (2-tailed).

When the Correlation is used to the Relationship between two groups of Variables. In the above Table we can infer that Bank application can prefer more and Digital marketing use is safe to bank.

Hypothesis:

H0: There is no significant relationship between "Bank application can prefer more" and "Digital marketing use is safe to bank".

H1: There is significant relationship between "Bank application can prefer more" and "Digital marketing use is safe to bank".

Interpretation:

There was a strong, Positive Correlation between “Bank application can prefer more” and “Digital marketing use is safe to bank”. Which was Statically Significant ($r = .838$, $n = 43$, $P < .0005$).

Table 4.2 correlation

		Bank application can prefer more	Work is easy Because it using through Technology
Bank application can prefer more	Pearson Correlation	1	.920**
	Sig. (2-tailed)		.000
	N	43	43
Work is easy Because it using through Technology	Pearson Correlation	.920**	1
	Sig. (2-tailed)	.000	
	N	43	43

** . Correlation is significant at the 0.01 level (2-tailed).

When the Correlation is used to the Relationship between two groups of Variables. In the above Table we can infer that Bank application can prefer more and Work is easy because it using through Technology.

Hypothesis:

H0: There is no significant relationship between “Bank application can prefer more” and “Work is easy because it using through Technology”.

H1: There is significant relationship between “Bank application can prefer more” and “Work is easy because it using through Technology”.

Interpretation:

There was a strong, Positive Correlation between “Bank application can prefer more” and “Work is easy because it using through Technology”. Which was Statically Significant ($r = .920$, $n = 43$, $P < .0005$).

Table 4.3 correlation

		Bank application can prefer more	Mobile banking is useful and time saving
Bank application can prefer more	Pearson Correlation	1	.785**
	Sig. (2-tailed)		.000
	N	43	43
Mobile banking is useful and time saving	Pearson Correlation	.785**	1
	Sig. (2-tailed)	.000	
	N	43	43

** . Correlation is significant at the 0.01 level (2-tailed).

When the Correlation is used to the Relationship between two groups of Variables. In the above Table we can infer that Bank application can prefer more and Mobile banking is useful and time saving.

Hypothesis:

H0: There is no significant relationship between “Bank application can prefer more” and “Mobile banking is useful and time saving”.

H1: There is significant relationship between “Bank application can prefer more” and “Mobile banking is useful and time saving”.

Interpretation:

There was a strong, Positive Correlation between “Bank application can prefer more” and “Mobile banking is useful and time saving”. Which was Statically Significant ($r = .785$, $n = 43$, $P < .0005$).

V. RESULTS

From the study conducted, Digitalization in Banking has its own advantages and disadvantages. As the coin has two sides, the technological development in each sector has its own pros and cons. It is in our hands to use it wisely based on our needs. If one sees the advantages in Digitalization in banking it includes all the benefits which one can easily get from banks through technologies. The benefits range from providing enhanced customer services to facilitate cashless transactions. There are also benefits like, online banking can be done 24/7, and availability of online application on smartphones, access of any account can be done at any time and at any place. But in the same time it also has its cons. The main disadvantages get formulated by the same technology that serves the benefits also. The cons include technology and service interruption during the time of transaction and now a day's theft in ATMs had become a common crisis. Online banking is though convenient but not always faster as expected. It also has problems related to identity and security as anyone can use Net Banking if they knew the pin of a person. It also has a limitation on deposit unlike the normal deposit process done in a traditional way in banks. There is also a drawback of personal banker relationship. Thus, any technological development has its own benefits and defect and it is applicable to technological development in banks. The cons must be rectified to make it as pros.

VI. DISCUSSION

Discussion is a much-needed aspect to convey better result of a study. The discussion on Pros and Cons of Digitalization in Banking renders the result that Digital Banking has numerous merits like; an individual can transfer money to any banks with net banking by being anywhere and without tending towards any bank premises. Even in Post office digitalized transfer can be done with the help of post man. This is really useful in villages, where people don't have sound knowledge on technology. Similarly, Digitalization in Banking also has its drawbacks like technology can be misused or mishandled by some individuals for abducting money from others. Thus, technology in banks must be handled with care as it has both pros and cons.

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