

A study and Analysis of Digital Marketing on Financial Sector

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Abstract:

Several problems have arisen in the banking sector as a result of globalisation in the commercial world. It specifies guidelines for the commercial sector's growth in the interest of increased user convenience customers and prospective readers. Paperless transactions have quickly replaced carbon-based ones in the Philippines' financial sector.

Online business deals with things like making inquiries, sending money, and promoting products using digital channels. Convenience and quick financial transactions have been welcomed by the widespread use of digital marketing methods. Based on quantitative analysis, this study shows that commercial banks may now reach a wider audience thanks to digital marketing, increasing the pool of potential customers for their goods and services. System failure and security concerns have also pushed digital marketing to its breaking point. Commercial banks have improved their ICT security to prevent these kinds of attacks and better safeguard their infrastructure and business partners..

Keywords: Digital marketing, Small business, Marketing trends, Traditional Marketing..

1.1. Introduction:

A new era in advertising, called digital marketing, has begun. Selling a product or service through only digital means is known as "digital marketing." In order to achieve this goal, it is necessary to deliver the products and services that the intended consumers want. Sales are the lifeblood of every company business models have moved from analogue to digital media.

Banks were able to better connect with their customers thanks to the marketing transmission strategy's 24-hour service platform, readily-available online technical support, prompt responses to customer inquiries, improved efficiency, lower dissemination costs, and enhanced product and pricing details.

It's difficult to pin down exactly what it is that makes a company "little" since the term may mean different things to different people. According to the World Bank, companies with between one and nine workers are considered micro enterprises, while those with between ten and forty-nine are considered small businesses.

In the financial services industry, "digital marketing" refers to any promotional activity that makes use of a digital device. With the aid of digital services, material may be distributed in a number of different ways. It consists of many electronic gadgets and online portals.

The term "digital marketing" refers to the process of advertising products or services via the use of digital mediums such as the web, mobile phones, and display ads.

Observers from all walks of life are stunned by technology's lightning-fast development. Technology has grown more important in many fields, including but not limited to politics, religion, education, and business. The never-ending quest to find new methods to simplify people's lives via technology has boosted attention from scholars in a wide range of fields. Therefore, digital marketing emerged in the business world as a result of all the novel resources that consumers would deem too important. From product development and pricing to public relations and even recruiting, digital marketing plays a crucial part in every major company decision, as stated by Kingsnorth (2019). For digital marketing to play a role in today's globalisation, the Internet's bandwidth has to be sufficiently robust. Marketing in the digital era entails a wide range of activities, including but not limited to website creation, SEO, and promotional campaigns (Charlesworth, 2018). What's even more fascinating about the idea of digital marketing is the way its technology has backed the important indications in marketing's history ever since its inception. As a result, several models have been created that provide the image of digital as a marketing strategy, and these models are not limited to online marketing but have far-reaching effects on all forms of marketing. With such powerful tools at their disposal, more and more financial institutions are turning to digital marketing in an effort to keep up with the worldwide marketing standards..

Literature Review:

However, the phrase "new era banking system" has shifted to Internet banking in recent years (Singhal and Padhmanbhan, 2008). The term "Internet banking" refers to the use of the World Wide Web for financial transactions such as transferring money, paying bills, checking account balances, making mortgage payments, buying stocks and bonds, and other similar transactions bonds and CDs (Singhal and Padhmanbhan, 2008; Ahasanul et al, 2009). Online banking, e-payment, and e-banking are all terms used to describe banking conducted via the Internet (Ozuru et al., 2010; Singhal and Padhmanbhan, 2008; Beer, 2006; Jun and Cai., 2001; IAMAI., 2006). E-payment, or electronic payment, is defined as the practise of conducting monetary transactions via the Internet or other digital networks using electronic methods and media such

as computers, mobile phones, fax machines, and prepaid debit or credit cards (Turban et al, 2006; Ozuru et al, 2010). Internet banking makes use of a wide variety of electronic communication channels, such as the web, email, digital books, databases, and mobile phones (Chaffey et al, 2006). In addition to, or instead of, Internet banking, cell phone banking is seen as the wave of the future (Fisher – French, 2007; Masocha et al, 2011).

Many forms of digital technology now available on the market have altered company practises (Ritter and Pedersen, 2019).

There has been an effect on product sales due to digitalization (ibid.). Technology-driven innovation in revenue generation is what digitalization is all about, according to Gartner (2012). (Gartner, 2012). According to Vargo and Lusch (2004), the market was previously dominated by products, but this conventional perspective has shifted from emphasising things to emphasising services. The majority of the products' value came from physical resources, or those that can be held in one's hands and examined closely. The fact that the exchanges were independent is seen as important to this perspective. In the service dominating approach, intangible resources like connections and interactions are seen as pivotal, while tangible resources like buildings and machinery are portrayed as supporting cast members. New concepts, the authors said, have been developing gradually over the previous decade, with an emphasis on relationships, the collaborative production of value, and intangible assets (Vargo and Lusch, 2004). Services, according to Grönroos (2006), are defined as a process in which the given resources interact with one another and the client provides support for the process so that value is generated. The author explains that luring clients in is all about offering guarantees about the value they can extract from the service. When it comes to services, however, consumers and providers work together to create value as they use the service (Grönroos, 2006).

Back in the 1970s, retail banks began heavily using the technology to set up branch networks, which is where the extensive literature in digital marketing can be traced. Then, in the 1980s and 1990s, they included call centres and the Internet; and most recently, they've added the mobile channel. Experts in banking technology have come to the most advantageous aspect of the network is electronic distribution, which makes banking transactions more appealing to customers. John Reed, CEO of Citibank, famously said, "Banking is simply bits and bytes" 30 years ago. His idea sees the obvious transition from manual paper and carbon billing systems to automated ones that handle billions of bytes of data each day, as seen with Visa, and understands that establishing and placing their banking system on automation is the way to go (Skinner, 2014). Over time, we've seen an increase in the number of banks engaging in internet marketing and eventually transitioning to digital marketing. As new social media sites have emerged, the reach of digital advertising has grown. With over 76% of the world's population online and over 90% in several countries based on Internet World Stats in 2018 (Kingsnort, 2019), digital marketing is now not only a necessary in electronic banking and digital marketing

but a fundamental requirement. In addition, mobiles, which lead the road to smart, and tablets, which have stormed the huge marketing scene, bring modifications and new applications to the market. The touchscreen is a universal feature now. Then there's Google, the global search engine that dominates in most nations.

This is only a small sample of the many potential threats posed by globalisation in the commercial sector to the expanding number of domestic financial institutions. With the use of digital marketing, a bank can check how its products stack up against the competition and make adjustments as necessary to ensure they remain at the forefront of their respective niches. The second "P" is "price," and it's important to know how much consumers are ready and able to pay for your goods and services by analysing the elasticity of demand and the competitive landscape. There are a number of aspects that go into determining a customer's "willingness to pay," including familiarity with the brand, positive online reviews, and the quality of the goods. Banks may increasingly use digital marketing to take advantage of features like instantaneous interest and savings rate comparisons, as well as the arrival of reward and coupon sites, to influence their customers' habits. Additionally, financial institutions might benefit from this through affiliate marketing schemes.

Affiliate marketing allows financial institutions to advertise their goods on third-party websites in exchange for a commission or free of charge. The third "P" is "place," or where a bank may find an ideal position to showcase its goods and services. With the use of digital marketing strategies like Search Engine Optimization (SEO), sponsored search, and most other digital acquisition channels, the bank's actual location may be more easily located. When the time comes to conduct banking business, a customer should be able to quickly and easily locate the relevant data and services they need. And then there's the raise. When most people hear the term "marketing," this is the first thing that pops into their heads. At this point, minds turn to the campaign, the ads, the banners across-the-board and below-the-line marketing is meant to reach certain groups of people or industries with a concentrated message.

Objectives

1. To bring to light the importance of digital marketing in the product description for online customers.
2. To provide optimal service to their target audiences and ensure repeat business.
3. To grasp the dynamics of digital marketing

Methodology

The goal of this research work was to examine the effects of digital marketing on Philippine commercial banking. The results of digital marketing were analysed by using quantitative

research methods, which include the collecting and analysis of numerical data (Ragab & Arisha, 2018). In addition, the author of Banks by Rashmi Sharma, whose questionnaire was used to compile the data for this article (2006). For the ease of the respondents, the survey was sent using Google Forms. In order to protect the anonymity of the respondents, the present research used a systematic random sampling technique to choose respondents from among the staff of major commercial banks in the nation. The researcher collected data using Google Forms and then utilised descriptive analysis to draw inferences about the respondents' perspectives on the effects of digital marketing based on those perceptions.

Discussions

Respondents disclosed that the number of customers at each commercial bank has been growing annually. According to the data provided, more than 8,000 customers (or 41%) choose to handle their banking needs entirely via their online accounts. The majority of their customers would rather embrace e-banking was first introduced in 2001 when companies began offering online services using their own domains. While technological advancements have made banking transactions simpler, it has been shown that this has done nothing to boost banks' client bases. And over half of respondents (52.9%) said that their needs for better customer care in online banking transactions have been addressed via online transactions.

Digital marketing has recently shown its limitations and hazards, with respondents disclosing expenditures owing to the rare incidence of system failure that adds to the worry of customers.

It was determined that digital marketing in the nation is at a point where it can provide more services while maintaining its price point. When it comes to winning customers over to the company's services, however, they agree that their technical customer relation managers' communication and management abilities have vastly improved in recent years. Despite certain problems, financial institutions admit that digital marketing has helped them provide better service to their customers by making it simpler for them to get their hands on important financial information via channels like online enquiry and transfers. Large account holders, such as corporations or wealthy people, now have the option of doing business without using physical paper documents. As technology has progressed, so has the importance banks place on protecting their customers' private data. All respondents agreed that top-notch information technology safeguards were in place to protect sensitive data and other IT infrastructure. Since smartphones and tablets are now integral to the online banking experience, all commercial banks work around the clock to ensure the reliability of their data systems. That's right, in order to prevent any kind of ICT system failure, the system has to be checked constantly, day and night. This further provides the utmost ease of doing business around the clock, regardless of location.

According to the data, these commercial banks mostly used local search marketing, local responsive site design, social media marketing, and email marketing as their digital marketing techniques.

Conclusions:

The effects of commercial banks' digital marketing efforts in the Philippines are the subject of this analysis. The banking industry in particular has been defined by the introduction of cutting-edge technology, which has made it more competitive on a worldwide scale. The proliferation of social media, user-friendly website layouts, and online banking has transactions, and related promotional tactics, have a significant effect on the Philippines' banking sector. Respondents indicate, through survey data, that a variety of digital marketing methods has directly led to an increase in customers for their financial companies. Moreover, it has urged users to purchase additional services in return for the ease with which they can track their assets online. Respondents said that they had reached every single Filipino in the world via internet marketing. There were a number of obstacles to online banking before the advent of technology, but now there are a plethora of ways to further fortify the safety of their ICT infrastructure.

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