



DIGITAL FINANCE MARKETING BUSINESS STRATEGY AND MANAGEMENT

Dr. Manish D Rai ,

Designation: Assistant Professor Department: MBA Institute: Sanjivani College of Engineering,
Kopargaon. (Affiliated with SPPU, Pune) District: Ahmednagar City: Kopargaon

State: Maharashtra

Email: raiman2015@gmail.com

Dr. Sandeep Nandram Dive,

Designation: Assistant Professor Department: MBA Institute: Pune Vidyarthi Griha's COE & SSD
Institute of Management, Nashik District: Nashik City: Nashik State: Maharashtra

Prof. Kiran S ,

Designation: Assistant Professor Department: MBA Institute: CMR Institute of Technology, Bangalore
District: Bangalore Urban City: Bangalore State: Karnataka.

Ms.Radha.T

Designation: Assistant Professor Department: Commerce Institute: St. Claret College
District: Bangalore City: Bangalore State: Karnataka

Dr. Muzafar Ahmad Mir

Assistant Professor Commerce GDC Women's Pulwama Srinagar Jammu and Kashmir

inhaqmuzafar@gmail.com

Ms.Nidhi Jindal

Designation: Assistant Professor Department: Humanities Institute:COER University District: Haridwar
City: Roorkee/Haridwar State: Uttrakhand

nidhijindal956@gmail.com

Article History

Received: 08 Sept 2023

Revised: 29 Oct 2023

Accepted: 12 Nov 2023

Abstract

Introduction: The job of this research is to identify the process of digital finance marketing strategies and management systems. The objective in this study has been made on the basis of the goal and the questions have been prepared accordingly.

Literature review: The aforementioned advantages of digital marketing for financial services firms enable them to focus on individuals who have a higher probability of becoming clients. When compared to other marketing channels like print and television, the return on investment is extremely high in the case of digital marketing. Handling money matters is a tough job and attracting people in this process is also quite tough, however, the rise of digital marketing systems has helped increase awareness

<p>CCLicense CC-BY-NC-SA 4.0</p>	<p>among people to help them connect with the best finance service providers.</p> <p>Methodology: This study has collected secondary data and for that journals, articles and research papers have been a great help. It can be seen that the collection of secondary data is able to help in highlighting historical information</p> <p>Findings and analysis: This section included a thematic analysis of the collected data. Themes have been created to appropriately justify all of the material. This has aided in providing a solution to the research issue.</p> <p>Discussion Digital marketing in the finance field has helped banking, insurance and other financial services providing companies in raising concern for proper and better investments to get financial independence after a certain age. Insurance coverage has become attractive to people and the aggressive marketing strategy has increased the sales of many companies effectively. Market research and analysis are highly important in the case of digital financing where it is a must to rectify the target audience.</p> <p>Conclusion This section contains a description of the way this study has been carried out and completed the research. A thorough overview of the subject in this study can assist everyone in understanding the way digital financial marketing needs to be handled.</p> <p>Keywords: <i>Digital banking, financial services, safety maintenance, digital financing, online marketing</i></p>
--------------------------------------	---

Introduction

Marketing is an important and essential part of any business which can help in spreading awareness regarding company offerings and attract customers accordingly. In the age of fastest globalisation, digital dependency has increased rapidly, thus, the marketing strategy has evolved according to the digital landscape (Daud *et al.* 2022). Finance marketing in the digital medium is slightly different from other business's digital marketing strategies. In the case of digital marketing for financial matters, having a proper strategy is highly required. An effective financial management strategy can help boost business proficiency in the digital landscape and enable it to succeed in the competitive field accordingly. According to, Darma and Noviana (2020), market research and analysis are highly important in the case of digital financing where it is a must to rectify the target audience. Rectification of the target audience is able to help in understanding their financial needs, pain points and preferences efficiently.



Figure 1: Digital marketing stats for financial marketers

(Source: Influenced by Katsikeas *et al.* 2020)

In the age of digitalisation of most business prospects, understanding the marketing strategy has become a necessary matter. Here, Chen and Zhang (2021), stated, that digital marketing is a plan that needs to be implemented by a company to match predetermined targets and objectives in order to draw in a particular kind of client, or type of customer, through the use of a variety of marketing strategies. According to, Katsikeas *et al.* (2020), in the case of financial digital marketing targeting a specific demographic is able to help in saving the budget of marketing and improve the impact of digital marketing campaigns. It can be seen that, even when there is nothing wrong with the marketing campaign, sometimes the results of a digital marketing strategy do not materialise. The price of products needs to take into account the purchasing capacity of the intended market and a fair evaluation of the competition (Aziz and Naima, 2021). Apart from this, positioning and placement of products are additional crucial elements. In this context, Arner *et al.* (2020), stated every derivative ought to be positioned so that its distinctive characteristics are emphasised. The targeted market needs to be aware of the disparities between the offerings of a company and its competitors.

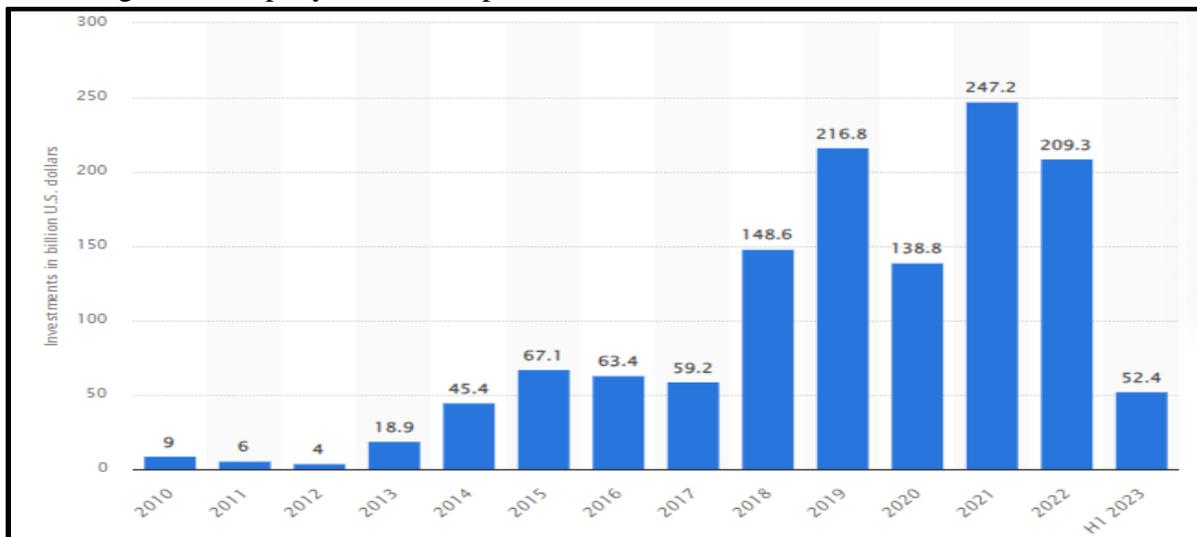


Figure 2: Investment in the fintech companies across the world from 2010 to 2023

(Source: Statista, 2023)

Between 2010 and 2019, the overall value of investments made in fintech companies globally expanded dramatically, reaching 216.8 billion US dollars as seen in Figure 2 (Statista, 2023). The investment value in Figure 2 shows a decrease in 2021 and an increase in 2022 indicating volatility of the market. The first quarter of 2023 witnessed a continuation of the declining investment trend, with the global funding value standing at 52.4 billion US dollars (Statista, 2023).

Aim

This study has determined to evaluate the digital finance marketing strategy and management procedures. Understanding the strategy in this field is able to bring success and competitive advantages accordingly.

Research objectives

RO1: To understand the importance of digital marketing for business management

RO2: To evaluate the role of digital marketing and management strategy in the field of finance

RO3: To rectify the challenges that can be seen in digital finance marketing

RO4: To recommend different ways of mitigating challenges in the digital finance management matter

Research Questions

RQ1: What is the importance of digital marketing for managing businesses?

RQ2: How digital marketing has helped in managing the strategy of finance businesses?

RQ3: What challenges can be seen in digital finance marketing?

RQ4: Which ways need to be followed to mitigate digital finance marketing challenges?

The growing technology has changed the course of businesses and the efficiency of marketing has improved immensely globally.

Literature review

Importance of digital marketing for business management

Digital marketing has changed the course of gathering people's attention to a certain business. In the matter, Olson *et al.* (2021), shared that dependence on the internet and online sources has increased immensely which has increased the search of people in online media for different products. Thus, marketing in digital mode has become effective as people become active on social media platforms even more than before. Besides that, digital marketing is more cost-effective than any other mode of marketing system (Hasan *et al.* 2022). This has made the process a lot more adaptive for businesses to draw the attention of potential customers. The use of digital marketing has improved the competitive advantages of companies as customers are able to compare different company offerings with a single click on their devices.



Figure 3: Strategy of digital marketing for companies

(Source: Influenced by Li *et al.* 2020)

Digital marketing helps companies to fulfil their long-term goals which can be either spreading brand awareness or increasing customers and profits. As opined by, Mhlanga (2020), management of resources for marketing has become easier with the digital marketing system. The content is the king in the process of digital marketing which reduces the load of investing in different sections to produce an ad. Here, Li *et al.* (2020), mentioned, that reaching customers overseas has become faster and easier with digital marketing management systems. Despite the location of a potential customer, digital marketing can attract people from any part of the world effectively. Thus, it can be said that digital marketing adds numerous benefits to managing marketing strategies for businesses globally.

The Role of Digital Marketing and Management strategy in the field of Finance

Digital marketing processes like SEO or search engine optimisation and PPC or pay-per-click have helped in increasing advertising processes for finance businesses which increases online brand visibility effectively. In this matter, Gabor and Brooks (2020) mentioned, that the aforementioned advantages of digital marketing for financial services firms enable them to focus on individuals who have a higher probability of becoming clients. When compared to other marketing channels like print and television, the return on investment is extremely high in the case of digital marketing. According to, Ahmad *et al.* (2021), high investment in returns indicates that compared to traditional marketing methods, digital marketing offers more advantages for every dollar spent. Targeting individuals based on their buyer characteristics has become simpler with the help of digital marketing tools. This indicates that, in contrast to traditional advertising, the audience viewing the company advertisement is more inclined to respond.

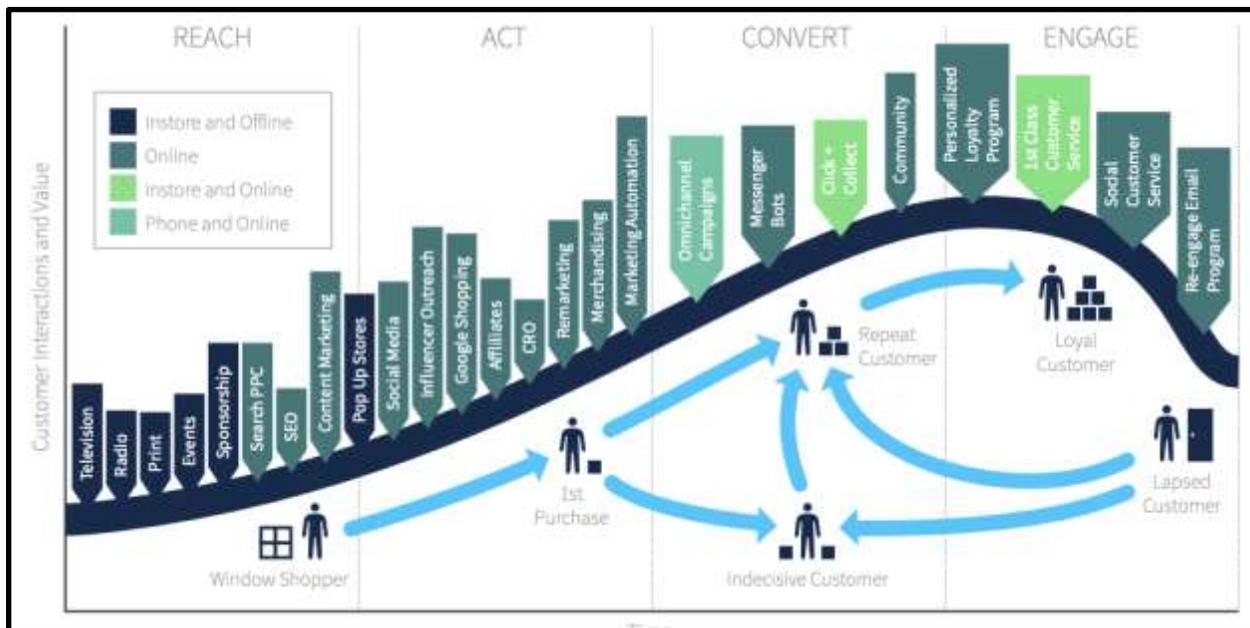


Figure 4: Marketing trend for financial service in the coming year

(Source: Influenced by Kangwa *et al.* 2020)

Different clients have different requirements for their financial management system, thus, online marketing helps them understand the right process of investing or saving money and a company that provides such help can flourish with positive responses. In this matter, Naumenkova *et al.* (2019), stated, that handling money matters is a tough job and attracting people in this process is also quite tough, however, the rise of digital marketing systems has helped in increasing awareness among people to help them connect with the best financial service providers. On the other hand, the digital marketing process of different companies currently follows a trend of gamification in their websites or applications which help them engage customers effectively (Kangwa *et al.* 2020). This process of digital marketing can help a company to understand the preferences of customers in detail and more accurately. Therefore, the role of digital marketing in financial service-providing institutes like banks, insurance firms and others has become a highly effective way of reaching customers.

Discussing the potential challenges in the digital finance marketing and management strategy

Despite all the benefits offered by digital marketing in the field of financial services, many challenges can be seen. According to, Daud *et al.* (2022) inspiration for the aggressive marketing strategy of companies, the penetration level of financial service providers in a competitive market with a huge customer base can be highly rough. The reason behind such complication is the trust issue of people in money matters.

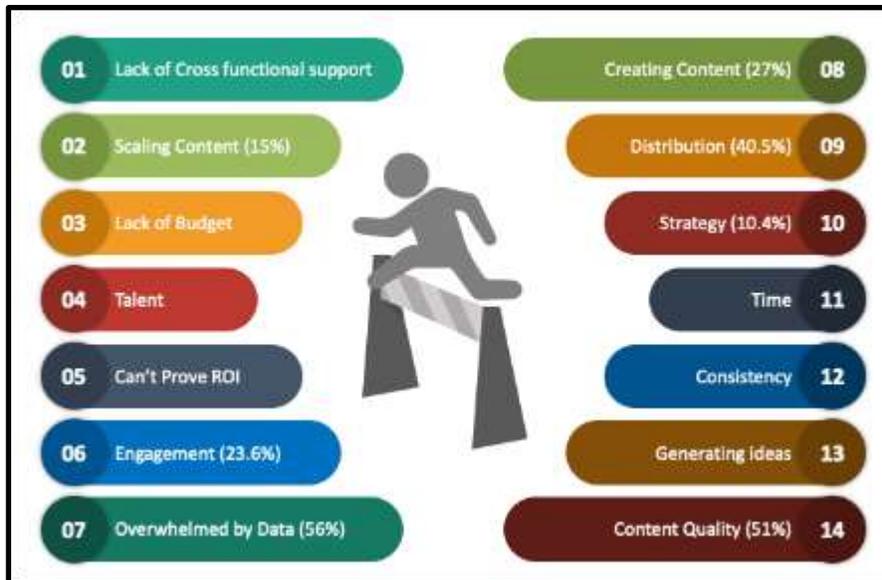


Figure 5: Challenges in digital finance marketing

(Source: Influenced by Feng *et al.* 2022)

The risk of fraud and losing money can hold back the customer from investing in the financial service-providing firms through the online engagement process. Apart from that, it can also be seen from the discussion of, Ozili (2020), that service providers often have lower knowledge in handling technological interfaces while connecting to the potential customer base. This is able to reduce the confidence of buyers or investors to spend money. In the case of financial service providing, the infrastructure of digital marketing is fragile and vulnerable. As stated by, Feng *et al.* (2022), the risk of hacking and bullying can increase the risk of losing the privacy of financial documents and money. The process needs to be tackled cautiously to prevent malfunction and increase customer safety. Thus, the rising challenges can be severe and need proper mitigation targets to provide proper financial services.

Literature Gap

This study has discussed the benefits of digital finance marketing strategies effectively and highlighted the challenges that can be seen in this process, however, a mitigation strategy is missing which is a gap in this literature. Apart from that taking into account secondary methods of data collection has helped in getting historical and peer-reviewed information, although the real-time information is lacking in this part which is also a gap in this research.

Methodology

Collection of data plays the most vital role in research and in the matter of collecting data to understand digital finance marketing strategy, incorporating efficiency is highly important. This study has collected secondary data and for that journals, articles and research papers have been a great help. It can be seen that the collection of secondary data is able to help in highlighting historical information (Roh *et al.* 2019). On the other hand, the peer-reviewed information is highly trustworthy and informative. This study, later, after the collection of data has done a thematic analysis of the collected information to answer the research question effectively.

Thematic analysis is a technique for examining qualitative data that entails going over a collection of data and scanning it for patterns in its interpretation to identify themes (Braun and Clarke, 2019).

Findings and Analysis

Theme 1: Financial service providers have been improving their marketing strategy to boost profit

The competition in the financial services business is rising rapidly and various companies are offering online trading, financing and banking options for people. This has become possible through the evolved marketing strategy where companies are taking responsibility for giving popper information reading financial benefits, losses, future plans and many more (Lin and Ma, 2022). This has become effective in drawing the attention of a large class of people starting from the elite group to the middle-class investors. Financial service providers thus, show a rapid improvement in their marketing strategy through managing resources, aligning accurate money and building better content to retain customers.

Theme 2: Digital finance marketing has increased the financial knowledge of people

le used to secure their money in manual shares or savings mode which can be less risky, also less beneficial. Through the increase of digital finance marketing, people get to know the potential of the share market and the value of money in investing it in proper funds (Hu *et al.* 2022). The opportunities insurance companies can provide can become clear to most people through the marketing strategies of financial service providers. Apart from that, the use of mobile apps has become effective in handling money matters better than before which reduces obstacles to visiting companies physically. Government-authorised companies are highly trust worthy and their aggressive marketing strategy has attracted the attention of youth in managing money in a better way (Wójcik and Ioannou, 2022). Thus, it can be said that digital marketing is able to increase awareness among people regarding financial product management.

Theme 3: The risk in digital finance marketing holds back the investing and earning opportunities of people in the digital world

Despite all the potential digital finance process holds, the risk of losing money and anonymous attacks can frighten people from being involved in online operations. It can be seen that many companies failed to secure their website while posting ads and marketing content (Moşteanu, 2019). This makes it easier for hackers to track down customer and employee information that can harm the company's reputation and privacy of people. Besides the threat of hackers, technical failures can also lead to some serious issues that reduce the interest of people in engaging with online financial service providers (Bizhanova *et al.* 2019). Thus, the management of digital finance marketing strategies needs to be strong and accurate to the preferences and safety of the individual customer.

Theme 4: Safety maintenance is a must in the case of digital finance marketing

The increased presence of people on social media and online platforms has increased the chance of unfair practices. It is a must for financial service providers to take proper precautions such as continuous monitoring, system upgrading, early detection of threats and clearing immediately

and many more for the betterment of their businesses (Pazarbasioglu *et al.* 2020). The role of digital marketing is to gather the attention of the potential customer, meanwhile, the increasing safety of customer data and employee information needs to be done.

Discussion

Financial institutions may reach any demographic population based on age, gender, occupation, preferences, geography, and more with the aid of digital marketing. Digital finance marketing has improved the knowledge of people regarding money matters and now people are aware of the investment patterns (Katsikeas *et al.* 2020). It can be seen that digital marketing in the finance field has helped banking, insurance and other financial services providing companies in raising concern for proper and better investments to get financial independence after a certain age. Insurance coverage has become attractive to people and the aggressive marketing strategy has increased the sales of many companies effectively (Darma and Noviana, 2020). Challenges can appear in the course of digital marketing where financial support-giving companies need to take proper precautions. KYC systems, provide encrypted company websites and unique login IDs and passwords that can reduce the chance of online threats and hacks (Arner *et al.* 2020). Thematic analysis in this study has helped in explaining the valuable concept of digital finance marketing and a short briefing of challenge-mitigation strategies is able to inform companies of the necessary steps to prevent threats and malfunctions effectively.

Conclusion

Digital marketing is an essential part of recent times which has helped in improving business statistics immensely. In the case of finance management, the role of digital marketing is significant. This study has discussed all the essential parts in brief where the potential digital marketing for financial management and challenges that can occur in this matter have been properly elaborated. The objectives have been set on the basis of the aim of this study. The thorough collection of secondary data has helped in conducting thematic analysis.

References

- Ahmad, M., Majeed, A., Khan, M.A., Sohaib, M. and Shehzad, K., 2021. Digital financial inclusion and economic growth: Provincial data analysis of China. *China Economic Journal*, 14(3), pp.291-310.
- Arner, D.W., Barberis, J.N., Walker, J., Buckley, R.P., Dahdal, A.M. and Zetzsche, D.A., 2020. Digital finance & the COVID-19 crisis. *University of Hong Kong Faculty of Law Research Paper*, (2020/017).
- Aziz, A. and Naima, U., 2021. Rethinking digital financial inclusion: Evidence from Bangladesh. *Technology in Society*, 64, p.101509.
- Bizhanova, K., Mamyrbekov, A., Umarov, I., Orazymbetova, A. and Khairullaeva, A., 2019. Impact of digital marketing development on entrepreneurship. In *E3S web of conferences* (Vol. 135, p. 04023). EDP Sciences.
- Braun, V. and Clarke, V., 2019. Reflecting on reflexive thematic analysis. *Qualitative research in sport, exercise and health*, 11(4), pp.589-597.

- Chen, S. and Zhang, H., 2021. Does digital finance promote manufacturing servitization: Micro evidence from China. *International Review of Economics & Finance*, 76, pp.856-869.
- Darma, G.S. and Noviana, I.P.T., 2020. Exploring digital marketing strategies during the new normal era in enhancing the use of digital payment. *Jurnal Mantik*, 4(3), pp.2257-2262.
- Daud, I., Nurjannahe, D., Mohyi, A., Ambarwati, T., Cahyono, Y., Haryoko, A.E., Handoko, A.L., Putra, R.S., Wijoyo, H., Ariyanto, A. and Jihadi, M., 2022. The effect of digital marketing, digital finance and digital payment on finance performance of indonesian smes. *International Journal of Data and Network Science*, 6, pp.37-44.
- Daud, I., Nurjannahe, D., Mohyi, A., Ambarwati, T., Cahyono, Y., Haryoko, A.E., Handoko, A.L., Putra, R.S., Wijoyo, H., Ariyanto, A. and Jihadi, M., 2022. The effect of digital marketing, digital finance and digital payment on finance performance of indonesian smes. *International Journal of Data and Network Science*, 6, pp.37-44.
- Feng, S., Zhang, R. and Li, G., 2022. Environmental decentralization, digital finance and green technology innovation. *Structural Change and Economic Dynamics*, 61, pp.70-83.
- Gabor, D. and Brooks, S., 2020. The digital revolution in financial inclusion: international development in the fintech era. In *Material Cultures of Financialisation* (pp. 69-82). Routledge.
- Hasan, M.M., Yajuan, L. and Khan, S., 2022. Promoting China's inclusive finance through digital financial services. *Global Business Review*, 23(4), pp.984-1006.
- Hu, Y., Dai, X. and Zhao, L., 2022. Digital finance, environmental regulation, and green technology innovation: An Empirical Study of 278 Cities in China. *Sustainability*, 14(14), p.8652.
- Kangwa, D., Mwale, J.T. and Shaikh, J.M., 2020. Co-Evolutionary Dynamics Of Financial Inclusion Of Generation Z In A Sub-Saharan Digital Financial Ecosystem. *Copernican Journal of Finance & Accounting*, 9(4), pp.27-50.
- Katsikeas, C., Leonidou, L. and Zeriti, A., 2020. Revisiting international marketing strategy in a digital era: Opportunities, challenges, and research directions. *International Marketing Review*, 37(3), pp.405-424.
- Li, J., Wu, Y. and Xiao, J.J., 2020. The impact of digital finance on household consumption: Evidence from China. *Economic Modelling*, 86, pp.317-326.
- Lin, B. and Ma, R., 2022. How does digital finance influence green technology innovation in China? Evidence from the financing constraints perspective. *Journal of environmental management*, 320, p.115833.
- Mhlanga, D., 2020. Industry 4.0 in finance: the impact of artificial intelligence (ai) on digital financial inclusion. *International Journal of Financial Studies*, 8(3), p.45.
- Moşteanu, N.R., 2019. International Financial Markets face to face with Artificial Intelligence and Digital Era. *Theoretical & Applied Economics*, 26(3).
- Naumenkova, S., Mishchenko, S. and Dorofiev, D., 2019. Digital financial inclusion: Evidence from Ukraine. *Investment Management & Financial Innovations*, 16(3), p.194.
- Olson, E.M., Olson, K.M., Czaplewski, A.J. and Key, T.M., 2021. Business strategy and the management of digital marketing. *Business horizons*, 64(2), pp.285-293.

Ozili, P.K., 2020. Contesting digital finance for the poor. *Digital Policy, Regulation and Governance*, 22(2), pp.135-151.

Pazarbasioglu, C., Mora, A.G., Uttamchandani, M., Natarajan, H., Feyen, E. and Saal, M., 2020. Digital financial services. *World Bank*, 54.

Roh, Y., Heo, G. and Whang, S.E., 2019. A survey on data collection for machine learning: a big data-ai integration perspective. *IEEE Transactions on Knowledge and Data Engineering*, 33(4), pp.1328-1347.

Statista, 2023 (Online) *Total value of investments into fintech companies worldwide from 2010 to H1 2023* Available at: <https://www.statista.com/statistics/719385/investments-into-fintech-companies-globally/> Accessed on 4th November, 2023]

Wójcik, D. and Ioannou, S., 2020. COVID- 19 and finance: market developments so far and potential impacts on the financial sector and centres. *Tijdschrift voor economische en sociale geografie*, 111(3), pp.387-400.