

Integration of Digital Financial Services in E-Commerce- A Transformational Study

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Abstract: Digital Finance is the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium. Digital Finance's development since the 1990s and 2000s has changed the way brands and businesses use technology for marketing. As digital platforms are increasingly incorporated into marketing plans and everyday life, and as people use digital devices instead of visiting physical shops, Digital Finance campaigns are becoming more prevalent and efficient. The majority of a paid search engine is run on a commercial search engine such as Google, Yahoo, Bing, etc. The search engine algorithm will determine the rank of the advertiser's ad based on their bid and quality score. This paper mainly focuses on conceptual understanding of Digital Finance, how Digital Finance helps today's business and some cases in the form of examples.

Keywords: Media, key performance indicators, mail, search engines.

I. INTRODUCTION

Digital Finance is often confused with online marketing. Digital Finance is the process of promoting a brand, service, or product on the Internet. Put simply, Digital Finance differs from traditional marketing in that it involves the use of online channels and methods that enable businesses and organizations to monitor the success of their marketing campaigns, often in real-time, to better understand what does and doesn't work. The 21st century has witnessed the development of a web presence in most companies. E-mail was commonplace and there was technology allowing people to manage this fairly easily. Customer relationship management (CRM) systems had been in place for some time to manage databases. Some companies were placing banners on websites with a similar approach to press advertising. Forward-thinking companies were working on their search

engine strategy and even working with some affiliates. The most common form of Digital Finance is the website of the organization and the epicenter of all its online activities. To drive qualified traffic to a website, or encourage repeat visitors and sales, savvy marketers include a combination of email marketing, search engine optimization (SEO), pay-per-click (PPC) advertising, and social media in their strategy. Digital Finance encompasses all marketing efforts that use an electronic device or internet. Businesses leverage digital channels such as search engines, social media, email, and their websites to connect with current and prospective customers. This can also be referred to as 'online marketing', 'internet marketing', or 'web marketing'. Digital Finance is defined by the use of numerous digital tactics and channels to connect with customers where they spend much of their time: online. From websites to business's online branding assets - digital advertising, email marketing, online brochures, and beyond -- there's a spectrum of tactics falling under the umbrella of "Digital Finance."

II. DIFFERENCE BETWEEN TRADITIONAL MARKETING AND DIGITAL FINANCE

Many small businesses struggle with deciding which kind of marketing to do because their budget will only stretch to one or the other, not both. The decisions that must be made are not easy: which method of marketing will give me the most amounts of sales and profits? How do I know if my marketing is working? Who should I trust with my marketing? Should I do it myself? To clarify the terms, the use of print ads in newspapers and magazines is a simple example of traditional marketing. Other examples include flyers that are put in mailboxes, commercials both on TV and radio, and billboards. On the other hand, when a business invests in building a website and advertising

the brand name through different social media such as Facebook, Twitter, and YouTube, this kind of strategy is called Digital Finance. Source: <http://blog.bearfoxmarketing.com/differen>

THE MAIN OBJECTIVES OF THIS REVIEW PAPER ARE THE FOLLOWING:

- 1.Understand the various channels of Digital Finance
- 2.Comparison of traditional marketing and Digital Finance
- 3.Importance of Digital Finance
- 4.Advantages and disadvantages of Digital Finance
- 5.Challenges digital marketers face

III. VARIOUS CHANNELS OF DIGITAL FINANCE

Digital Finance consists of various channels which are mediums used by the marketer to promote their products or services. As an advertiser, the main aim is to select the channel that is best for communication and give maximum return on investment (ROI) The lists of important Digital Finance channels are given below:

A.SOCIAL MEDIA

In the current era, social media marketing is one of the most important media in Digital Finance. It is the fastest-growing digital channel. Social media marketing is the process of gaining traffic or sites through social media sites. According to Neil Patel, "Social media marketing is the process of creating content that you have tailored to the context of each social media platform to drive user engagement and sharing" The number of internet users by population has increased from 16.6 to 62 percent in 15 years and social media marketing has benefited the most in that

B.EMAIL MARKETING

When a message is sent through email about any product or service to any potential customer it is known as email marketing. It is a simple Digital Finance channel to understand. Email marketing is used to sell a product using discounts and event ads, increase brand awareness, and direct people to their business websites. In an email marketing campaign, the types of emails that can be sent are blog subscription newsletters, welcome email series, seasonal campaigns, post-purchase drip, cart abandon campaigns, follow-up emails when website visitors download something, holiday promotions to loyal

members, re-engagement campaigns, etc. The biggest advantage of email marketing is that it is very cheap compared to other marketing mediums. It is generally used to build loyalty among existing customers rather than gaining new customers. The company can get a customer's attention by creating graphic and visual ads and linking product images to the website.

C. AFFILIATE MARKETING

In affiliate marketing, the company rewards subsidiaries for every customer or visitor they bring to the company's website by their marketing efforts or strategy on behalf of the company. According to Pat Flynn's Smart Passive Income, "Affiliate marketing is the process of earning a commission by promoting other people's (or company's) products. You find a product you like, promote it to others, and earn a piece of the profit for each sale that you make" There are 4 different parties involved in affiliate marketing:

- 1.The Merchant: Sometimes it can be the seller, the brand, or the retailer. This party produced a product to sell. It can be an individual startup or a big fortune company.
- 2.The Affiliate: This party is also known as a publisher. It also can be an individual startup or a big fortune company. They take a commission from the merchant for every service or product they sell. The affiliate brings customers to the merchant.
- 3.The Customer: The customer or consumer is an important part of the whole system. They go to affiliates and the affiliate redirects them to merchants by taking their commission. Without a customer, the affiliate cannot earn a commission.
- 4.The Network: The Network works as an intermediate between affiliate and merchant. Affiliates require a network to promote products or services.

D. SEARCH ENGINE MARKETING

A search engine is a web-based tool that helps the user to find the information they are looking for. Examples of search engines are Google, Yahoo, Bing, Yandex, CC Search, Gibriu, Wiki.com, etc. Search engine marketing refers to any activity that increases a user's website rank in any search engine. There are two types of Search engine marketing search engine optimization (SEO) and paid search.

According to Neil Patel, Search engine optimization is the art of ranking high on a search engine in the unpaid section. It is also known as organic marketing or

organic listing. In general, the higher the rank of the webpage in the search engine more visitors will visit that webpage. When it comes to SEO it consists of a search engine and a searcher. And 67 percent of all searches happen on Google. So Google is the most important search engine in the world.

In paid search, one needs to pay to get a higher rank in search engines. In paid search, one will have the same kind of keywords as on their organic ad campaign. The majority of a paid search engine is run on a commercial search engine such as Google, Yahoo, Bing, etc. The search engine algorithm will determine the rank of the advertiser's ad based on their bid and quality score. Many advertisers prefer paid search rather than SEO in the short term due to its ability to give a faster result.

E. ONLINE DISPLAY ADVERTISING

In traditional marketing, there is a poster or billboard of any company on both sides of the road or an ad in a magazine/newspaper to promote their product or

service. Online display advertising is a digital version of that. Today, a marketer can use online display advertising to achieve the same thing. There are different types of display advertising such as video ads, banner ads, interactive ads, rich media, etc. Display advertising is great for catching the eye due to graphic ads. An online display advertising marketer can target an audience based on website content, geography, gender, age, device type, etc. So the marketer can show a suitable ad to the relevant customer which helps in decreasing the budget and increasing sales. Traditional marketing is the most recognizable form of marketing. Most people are used to traditional marketing due to its longevity. Some examples of traditional marketing include tangible items like ads in a newspaper or magazine. It also includes a billboard, brochure, commercial on TV or radio, poster, etc. It is a non-digital way of marketing. Whereas Digital Finance uses various digital channels to reach customers.

Some comparisons are given below:

Traditional Marketing	Digital Finance
Example of traditional marketing includes a Poster, Brochures, magazines, Newspapers, Broadcasts, Telephone	Examples of Digital Finance include a website, social media platforms, affiliate marketing, email marketing, search engine optimization
With a traditional marketing approach, only limited or local customers can be targeted	With a Digital Finance approach customers around the world can be targeted
Advertising campaign takes a long period to plan	Advertising campaigns take a short period to plan
It is costly and time-consuming	Relatively cheap and faster
A physical relationship is shaped while conveying merchandise	No physical relationship is formed due to the digital nature of Digital Finance
One campaign stays for a long time and change is expensive	A campaign can be changed very easily
For the promotion of product posters, paper, and billboards many various types of materials are used	No physical stuff is required because Digital Finance is done on a website, social media platforms, or through online videos
Due to the physical nature of traditional marketing, its cost is high	Digital Finance is cheaper compared to traditional marketing because it is done on websites and social media
For market analysis traditional marketing depends on surveys or experimentation, it is complex to analyze the results and does not provide accurate data	Facts and data available on various analytic tools make it very convenient to analyze the data and interpret it
24/7 marketing is not possible	24/7 marketing all around the globe is possible
Only one-way communication can happen	Two-way communication can happen
No capacity to go viral	Capacity to go viral
Customers can feedback only during the working time	Customers can give feedback at any time

IV. IMPORTANCE OF DIGITAL FINANCE

Based on the above discussion summary of the importance of Digital Finance that every marketer should follow is written below:

- Internet marketing is endlessly more moderate than any offline marketing technique. It can reach a wider audience easily
- In Digital Finance results can be followed and monitored easily with the help of various tracking software. Rather than leading costly client

research, organizations can rapidly see client reaction rates and measure the achievement of their promoting effort continuously, empowering them to design all the more adequately for the following one

- Collecting feedback from customers is easy to compare to traditional marketing mediums such as TV, radio, or billboard. They can easily give feedback on any product using a website in online marketing which helps a businessman to redesign themselves in their specific domain.
- It helps in advancing a business through the online medium like the web or portable subsequently arriving at a large number of clients in a second. Numerous little and huge organizations are following the methodologies of web-based showcasing to underwrite themselves globally. Digit advertisers screen things like what is being seen, how frequently and for how long, what substance works and doesn't work, and so forth. While the internet is maybe, the channel most firmly connected with Digital Finance, others incorporate remote content informing, portable applications, advanced TV, and radio channels.
- Digital Finance is moderate, targetable, and quantifiable and thus organizations do it and advertisers love it.

FIGURE 1 DIGITAL TRANSFORMATION IN FINANCIAL SERVICES



V. ADVANTAGES OF DIGITAL FINANCE

Technology is changing rapidly and it also has affected consumer's buying behavior. Below are some advantages Digital Finance brings to the consumer:

- In the year 2020 consumers can access the internet at any time from any place in the world. And due to the digital nature of Digital Finance consumers can stay updated about any product or service 24/7 times.
- Due to the internet consumers can do various activities like going to the company's website, reading the information, buying products, etc. This has increased consumer engagement and improved their experience.
- In traditional marketing, there is little chance that consumers can be misinformed by salespeople, but in Digital Finance, consumers get clear and accurate information about any product or service. The internet gives exhaustive item data that clients can depend on and settle on a buy choice.
- Many different companies promote their product through Digital Finance, so it becomes convenient to compare the products of the different companies for the consumer. They don't need to visit various retail stores to compare products
- The Internet is available all day so there is no restriction on time and customers can buy the product at any time.
- Due to the digital medium viewer can share information and characteristics about products or services with others.
- The organization shows the costs of items through digital channels and this makes costs extremely understood and straightforward for the consumer. The company also changes its prices on any holiday or festival to give a discount and is very transparent to the consumer.
- In traditional marketing first consumers watch advertisements through posters, TV, or any traditional way and visit a retail store to buy them. But in Digital Finance when consumers see advertisements they can buy the product instantly through digital media.

VI. CHALLENGES FACING DIGITAL MARKETERS

There are numerous advantages of using Digital Finance for promoting products and services yet a digital marketer needs to face some challenges. The difficulties are as follows:

- Consumers use different digital devices and various digital channels and those devices have various digital channels that lead to the proliferation of digital channels. Marketers face difficulty in choosing medium and audience
- Digital Finance is extremely cheap compared to traditional marketing and it covers every small business which leads to intense competition.

Consumers leave behind a gigantic amount of data in digital channels every time they visit the channel. It's amazingly hard to understand such data, just as locate the correct data inside detonating information volumes that can assist you in making the right choices.

FIGURE 2 CHALLENGES FACING DIGITAL MARKETERS



VII. CONCLUSION

It can't be rejected that the world is quickly moving from a simple to a digital world. Individuals are investing more in online content and companies that find it hard to digest this fact in their advertising strategy need to adjust quickly. The more time individuals spend on the internet every year, the more digital platforms they use play an ever-developing function in their lives. The main aim of Digital India is to promote digital media. Because people can use digital platforms any time anywhere in the world companies need to change their marketing strategy

from traditional to digital. On the off chance that the companies don't utilize the digital platform to advertise their product and services then they cannot compete with competitors and will eventually shut down.

When customers want to buy any product online, they can easily get product information and can compare it with other products without visiting any retail store or shopping mall. It shows that consumers are more inclined towards online buying rather than visiting a retail store. As consumer buying behavior is changing companies also need to change their advertising strategy and embrace digital platforms for marketing.

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