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“An Analytical Study of Digital Marketing Inclination Among Loan-Providing Banks and NBFCs in Customer Acquisition”

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Abstract

In the face of growing rivalry and technological innovation, the Indian retail lending industry has embraced digital marketing more and more to improve customer acquisition. This study looks at banks' and NBFCs' propensity for digital marketing and how it helps them attract student borrowers. A random sample of 500 marketing and IT executives from banks and NBFCs involved in the education loan industry was used for the study, which was carried out in the Nagpur region. Using SPSS software, descriptive statistics were used to analyse the data. The results show that managers are very willing to accept new technologies, actively use a variety of digital platforms, and strongly prefer digital channels over traditional marketing strategies. For student borrowers, digital marketing was thought to be more successful and essential to client acquisition methods.

Keywords: Digital Marketing, Customer Acquisition, Inclination, NBFC

1.0 Introduction

The Indian financial services sector has undergone a significant transformation in recent years, especially in the area of retail lending. With rapid growth in internet penetration, smartphone usage, digital payments, and online financial services, customer expectations have shifted towards faster, simpler, and more personalized loan processes. As a result, loan-providing institutions such as Banks and Non-Banking Financial Companies (NBFCs) are increasingly focusing on digital platforms not only for service delivery but also for marketing and customer acquisition.

Traditionally, Banks and NBFCs relied heavily on branch-based promotion, direct sales agents (DSAs), tele-calling, print advertisements, and outdoor marketing to attract borrowers. Customer acquisition has become a critical strategic objective for both banks and NBFCs, particularly in highly competitive loan segments. In this context, the inclination of financial institutions towards adopting digital marketing strategies plays a major role in determining their market reach and conversion success. Inclination refers to the level of willingness, interest, readiness, and intent shown by an organization to invest in and implement digital marketing practices for acquiring new customers.

While both banks and NBFCs operate in the lending ecosystem, they differ in terms of operational structure, regulatory environment, customer base, risk appetite, and marketing flexibility. NBFCs often focus on niche or underserved segments and tend to adopt aggressive customer acquisition approaches, whereas banks may emphasize trust, stability, and compliance-driven communication. These differences influence how each type of institution approaches digital marketing strategy and integrates it into their customer acquisition model. Therefore, this study aims to analytically examine the digital marketing inclination among loan-providing banks and NBFCs and understand how it contributes to customer acquisition. The research focuses on identifying key digital marketing practices used, factors influencing adoption, perceived benefits, challenges faced, and comparative inclination levels between banks and NBFCs. The findings of this study will be useful for financial marketers, decision-makers, and strategists in designing effective digital customer acquisition strategies and improving competitiveness in the lending market.

2.0 Research Methodology

The study was delimited to Nagpur region. The design of the study was random group design, where the Marketing executives and IT executives of various banking & non-banking finance companies operational in education loan sector of Nagpur region were selected randomly. Analysis of data was done with the help of suitable statistical tests. The descriptive statistics, such as mean, standard deviation, percentage, minimum and maximum, etc. were determined

from the collected data. All statistical analysis of the data was done by using Statistical Package for Social Sciences (SPSS) 18.0 software.

3.0 Data Analysis and Interpretation

3.1 Digital channels are preferred over traditional marketing methods

Table 1: Response of the executives with respect to Digital channels are preferred over traditional marketing methods

Response	Frequency	Percent
Strongly agree	187	37.4
Agree	155	31.0
Neutral	51	10.2
Disagree	64	12.8
Strongly Disagree	43	8.6
Total	500	100.0

Above Table 1 shows response of the IT executives working in Banks and NBFC with respect to digital channels are preferred over traditional marketing methods. It is observed that 37.4% and 31.0% executives agreed that digital channels are preferred over traditional marketing methods while 10.2% executives were not sure about it. Further 12.8% and 6.0% executives disagreed about digital channels are preferred over traditional marketing methods.

3.2 Management is willing to adopt new digital platforms and technologies

Table 2: Response of the executives with respect to Management is willing to adopt new digital platforms and technologies

Response	Frequency	Percent
Strongly agree	201	40.2
Agree	168	33.6
Neutral	32	6.4
Disagree	59	11.8
Strongly Disagree	40	8.0
Total	500	100.0

Above Table 2 shows response of the IT executives working in Banks and NBFC with respect to management is willing to adopt new digital platforms and technologies. It is observed that 40.2% and 33.6% executives agreed that management is willing to adopt new digital platforms and technologies while 6.4% executives were not sure about it. Further 11.8% and 8.0% executives disagreed about Management is willing to adopt new digital platforms and technologies.

3.3 Multiple digital platforms (social media, YouTube, Google Ads, email) are actively used

Table 3: Response of the executives with respect to Multiple digital platforms (social media, YouTube, Google Ads, email) are actively used

Response	Frequency	Percent
Strongly agree	187	37.4
Agree	162	32.4
Neutral	45	9.0
Disagree	64	12.8
Strongly Disagree	42	8.4
Total	500	100.0

Above Table 3 shows response of the IT executives working in Banks and NBFC with respect to multiple digital platforms (social media, YouTube, Google Ads, email) are actively used. It is observed that 37.4% and 32.4% executives agreed that multiple digital platforms (social media, YouTube, Google Ads, email) are actively used while 9.0% executives were not sure about it. Further 12.8% and 8.4% executives disagreed about use of multiple digital platforms

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(social media, YouTube, Google Ads, email).

3.4 Digital marketing plays a central role in customer acquisition plans explored

Table 4: Response of the executives with respect to Digital marketing plays a central role in customer acquisition plans explored

Response	Frequency	Percent
Strongly agree	172	34.4
Agree	166	33.2
Neutral	45	9.0
Disagree	65	13.0
Strongly Disagree	52	10.4
Total	500	100.0

Above Table 4 shows response of the IT executives working in Banks and NBFC with respect to Digital marketing plays a central role in customer acquisition plans explored. It is observed that 34.4% and 33.2% executives agreed that digital marketing plays a central role in customer acquisition plans explored while 9.0% executives were not sure about it. Further 13.0% and 10.4% executives disagreed about digital marketing plays a central role in customer acquisition plans explored.

3.5 Digital campaigns are perceived as more effective for student borrowers

Table 5: Response of the executives with respect to digital campaigns are perceived as more effective for student borrowers

Response	Frequency	Percent
Strongly agree	181	36.2
Agree	155	31.0
Neutral	51	10.2
Disagree	59	11.8
Strongly Disagree	54	10.8
Total	500	100.0

Above Table 5 shows response of the IT executives working in Banks and NBFC with respect to digital campaigns are perceived as more effective for student borrowers. It is observed that 36.2% and 31.0% executives agreed that digital campaigns are perceived as more effective for student borrowers while 10.2% executives were not sure about it. Further 11.8% and 10.8% executives disagreed about digital campaigns are perceived as more effective for student borrowers.

3.6 Employees are motivated to work on digital initiatives

Table 6: Response of the executives with respect to employees are motivated to work on digital initiatives

Response	Frequency	Percent
Strongly agree	179	35.8
Agree	154	30.8
Neutral	55	11.0
Disagree	62	12.4
Strongly Disagree	50	10.0
Total	500	100.0

Above Table 6 shows response of the IT executives working in Banks and NBFC with respect to employees are motivated to work on digital initiatives. It is observed that 35.8% and 30.8% executives agreed that employees are motivated to work on digital initiatives while 11.0% executives were not sure about it. Further 12.4% and 10.0% executives disagreed about employees are motivated to work on digital initiatives.

4.0 Conclusions

In view of the study results it is evident that most of the Banks and NBFCs prefer digital

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channels and platforms such as social media, YouTube, Google Ads, email over traditional marketing and management are willing to adopt new digital platforms and technologies also are employees are motivated to work on digital initiatives. Further digital marketing plays a central role in customer acquisition plans explored and digital campaigns are perceived as more effective for student borrowers employees.

5.0 References

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