

Digital Marketing Channels In Fintech: A Comparative Analysis Of Whatsapp, IVR, And RCS Effectiveness In Personal Loan Customer Acquisition

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Abstract

This study examines the comparative effectiveness of three digital communication channels—WhatsApp, Interactive Voice Response (IVR), and Rich Communication Services (RCS)—in customer acquisition for personal loans within India's rapidly growing fintech sector. Adopting a mixed-method descriptive research design, the study integrates both quantitative and qualitative data collected from 120 respondents across Tier 1 and Tier 2 cities. Statistical tools, including the Chi-square test and One-way ANOVA, were employed to analyse relationships between demographic variables and communication preferences, as well as differences in comfort levels across channels.

The findings reveal that communication channel effectiveness varies significantly based on user preferences, trust, and experience. Email and WhatsApp emerged as the most preferred channels due to their convenience, personalization, and clarity, whereas IVR systems were least preferred due to usability challenges such as complex menus and lack of human interaction. The Chi-square test indicated a significant relationship between gender and customer support channel preference ($p < 0.05$), while ANOVA results confirmed significant differences in comfort levels across communication channels ($p < 0.001$).

The study highlights that trust, transparency, and human support are critical determinants of customer engagement in financial services. It concludes that fintech firms should adopt an integrated multi-channel strategy that balances automation with human interaction to enhance customer acquisition and satisfaction. These insights provide practical implications for optimizing marketing investments and improving communication strategies in the digital lending ecosystem.

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I. Introduction:

Over the past ten years, India's digital lending market has undergone an unparalleled metamorphosis that has radically changed how consumers obtain financial services and how fintech businesses recruit new clients. Finding and optimizing the best digital marketing channels to reach and convert potential borrowers in a highly competitive environment is a complex challenge for fintech companies as the alternative lending market grows toward an estimated \$9.51 billion in 2024.

In the context of acquiring new personal loan customers, this study fills a significant knowledge gap regarding the relative efficacy of three crucial digital communication channels: Rich Communication Services (RCS), Interactive Voice Response (IVR), and WhatsApp. India's digital lending sector has shown impressive growth, disbursing INR 1.46 lakh crore in FY 2023, a significant 49% increase from the previous fiscal year. This highlights the importance of this investigation. Fintech companies must use data to inform their marketing channel investments rather than relying solely on gut feeling or industry presumptions as a result of this exponential growth.

With many traditional banks and cutting-edge fintech startups fighting for market share in the personal loan sector, the modern digital lending ecosystem is marked by intense competition. In this context, the cost of acquiring new customers has emerged as a crucial element influencing the viability and expansion prospects of businesses. Marketing teams must use empirical data to inform their choices about channel selection and resource allocation when they are working under strict financial constraints and aggressive growth goals. The need for cost-effective acquisition strategies is further highlighted by the average personal loan amount of INR 12,648 in the Indian market, where the unit economics of each customer relationship must justify the marketing investment necessary to secure it.

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need for cost-effective acquisition strategies is further highlighted by the average personal loan amount of INR 12,648 in the Indian market, where the unit economics of each customer relationship must justify the marketing investment necessary to secure it.

This research is unique from other academic studies and theoretical frameworks because it is grounded in practical utility and real-world application. To provide insights that capture the intricacies and subtleties of real market conditions, this study examines campaign performance data and real customer feedback rather than depending only on conceptual models or lab-controlled experiments. With this method, the results are guaranteed to be both immediately applicable to marketing professionals dealing with actual business issues and rigorously academic.

The research methodology includes a thorough comparative analysis that looks at each communication channel from a variety of angles, including technical implementation considerations, customer preference patterns, conversion effectiveness, engagement rates and quality, reach and penetration capabilities, and cost effectiveness. This study offers a comprehensive understanding of how various communication strategies function across different stages of the customer acquisition funnel, from initial awareness generation to final loan disbursement, by assessing these channels holistically rather than in isolation.

Based on customer demographics, loan requirements, and communication preferences, preliminary results indicate that the efficacy of these digital marketing channels varies considerably. Using its well-known interface and multimedia features to produce individualized communication experiences, WhatsApp stands out as being especially successful at managing intricate, multi-touch customer interactions and fostering relationships. IVR systems' broad reach and instantaneous customer response capabilities show their ongoing relevance; they are especially useful for time-sensitive loan offers and preliminary customer screening procedures. RCS is the newest technology in this comparison, but its rich media capabilities and improved user experience show promise. However, its market impact is currently limited by adoption barriers and technical limitations.

The most important finding from this study is probably how crucial trust is to attracting new personal loan clients. Communication channels' perceived credibility and dependability frequently surpass their technical sophistication or novelty in the financial services industry, where clients are making decisions that have a direct impact on their financial well-being. This research has significant ramifications for the way fintech companies should approach their marketing channel strategy, indicating that developing relationships based on trust should take precedence over merely increasing reach or cutting expenses.

The study also shows that developing an integrated, multi-channel strategy that capitalizes on the distinct advantages of each communication channel is more important for successful customer acquisition in the digital lending sector than figuring out a single good channel. Fintech businesses are able to maximize the overall effectiveness of their marketing expenditures while catering to the varied preferences and communication styles of their target clientele thanks to this strategic integration.

This study offers useful information for marketing experts and fintech company executives that goes beyond straightforward channel suggestions. It provides guidelines for budget allocation across various channels, a framework for comprehending customer communication preferences, and doable tactics for putting integrated marketing strategies into practice that optimize reach and conversion effectiveness. Companies that operate in emerging markets, where digital adoption patterns may differ significantly from those in more developed economies, will find the findings especially pertinent.

The research's implications go beyond its immediate tactical applications to help guide more comprehensive strategic choices regarding organizational capabilities, competitive positioning, and technology investments. Businesses who can successfully use data-driven insights about customer communication preferences will be better positioned to achieve long-term growth and sustainable competitive advantages as the digital lending market develops and matures.

Problem Statement

Fintech organizations require comprehensive empirical analysis comparing WhatsApp, IVR, and RCS channel effectiveness for personal loan customer acquisition to optimize marketing investment allocation in India's expanding digital lending ecosystem. The absence of systematic comparative studies hinders strategic decision-making, potentially resulting in suboptimal resource deployment and reduced competitive positioning in this rapidly evolving market.

II. Literature Review:

Review Of Literature

These days, drawing thousands or even millions of users to a platform and making money depend heavily on marketing communication. Almost all forms of marketing communication have developed and changed over time, and some consumers feel that these messages are rapidly violating their privacy. To put it

another way, marketing communications focus on the attitudes, behaviours, strategies, tactics, and tools of the audience (consumers and organizations) who deal with the presentation, consideration, and use of the product, service, and brand. (Yusuf et al., 2022)

This market has changed significantly in the last ten years, mostly as a result of shifting consumer preferences and advances in technology. Because both traditional and new-generation financial institutions, particularly fintech's, have entered the market, it is imperative to identify the most effective marketing strategies. Considering this context, the main objective of this research is to assess and contrast the marketing strategies used by banks and fintech businesses in relation to the market trend for changing consumer behaviour and the current regulatory requirements. Financial services marketing was once based on well-understood traditional business models that conveyed relationships, trust, and strategies for face-to-face communication. To engage with their customers, banks used a variety of communication strategies, such as mailing, personal selling, and advertisements in print media. However, with the introduction of mobile devices and the internet, this environment has undergone significant change. (Wali, G. 2025)

Increasing product sales requires WhatsApp's marketing features, which include groups, direct messaging, and status updates. Using written content, product images, videos, and brochures—all of which are very helpful for marketing—WhatsApp status updates are used to promote and market products. (Badik, Gerhani and Redjeki, 2025)

Since more and more consumers prefer digital interactions, insurance companies need to use digital marketing to boost client engagement and retention. Using a range of tactics, such as email marketing, social media marketing, content marketing, and search engine optimization (SEO), digital marketing seeks to effectively and quantitatively engage potential customers. (Kumar and D.Shobana Dr, 2025)

Organizations and businesses depend on their capacity to understand consumer behavior. The extensive use of social and mobile platforms has compelled them to develop technological innovations to enhance their customer relations. Because they provide both engagement and immediacy, mobile technologies can dynamically change customers' purchase goals based on the impact of their own motivations in real time. Moreover, digital marketing is a crucial strategic instrument that facilitates the participation of a wider target audience and encourages a company's growth. The rapidly expanding technical sector makes it challenging for businesses to adopt and use digital marketing. It is not enough for businesses to merely adopt new digital tools because the market is constantly evolving; they must be used properly and effectively to boost output and market position. (Panchal et al., 2025)

Interactive Voice Response (IVR) systems are a crucial part of customer service and can be used by businesses to handle many client interactions. Pre-recorded responses and preset menus are common features of these systems, which occasionally may come across as impersonal and bothersome. More intelligent solutions are needed to meet the increasingly personalized and natural interactions that consumers now expect. (Vigneshwaran Jagadeesan Pugazhenth, Singh and Pandey, 2025)

The consumer experience in contact centers has changed significantly since they started in the early 1900s. Lawton claims that contact centers have evolved from simple telephone-based operations to intricate multi-channel engagement hubs that manage thousands of client interactions daily. This evolution has been marked by ongoing technological advancement. One important innovation was Interactive Voice Response (IVR) systems, which used menu-driven interfaces to automate routine customer inquiries. Traditional IVR systems have become increasingly less capable of meeting the needs of modern consumers, despite their operational efficacy. Aisera cites data showing that 61% of consumers are unhappy with typical IVR encounters and 57% say they would prefer alternative communication channels due to these systems' shortcomings. With their structured, menu-driven approach, which usually requires navigating through multiple levels of alternatives before arriving at appropriate resolution paths, conventional IVRs restrict client expression. (Reddy, 2025)

To stay competitive, operators that have traditionally relied on SMS/MSS messaging revenues are looking for ways to integrate RCS and legacy messaging into social networks. Though there isn't currently a single framework that could potentially combine the capabilities of all social networks with the telco layer, these trends have a huge potential to bring in money for telcos. This solution adds a social network component to the RCS story. Without the Social Network add-on, RCS faces the risk of having very little user acceptance; however, this solution bridges the gap and makes it possible for RCS to be used widely. (Singh and Goyal, 2011)

Rich Communication Services (RCS), based on GSMA requirements, has been established as the official message system for 5G. Providing "any network, any device" messaging is its goal. Services provided by several mobile carriers. Both users and organizations can utilize it to replace text-based SMS with richer material in group conversations, voice, video, and photos. RCS service is offered by carriers and has been implemented in the built-in messaging software on mobile operating systems like Android, in contrast to Instant Messaging (IM) apps like WhatsApp that need user installation]. As of right now, 90 mobile operators across 60

countries have 1.2 billion active consumers. RCS also claims to improve user experiences and provide business prospects. (Zhao et al., 2022)

Research Gap

Critical research gaps exist in understanding digital marketing channel effectiveness within the fintech context. While individual studies examine WhatsApp, IVR, or RCS capabilities separately, no comprehensive comparative analysis evaluates these channels for financial services customer acquisition, leaving marketing teams without empirical guidance for channel selection and budget allocation decisions.

Research Objectives

1. To evaluate and compare the customer acquisition effectiveness of WhatsApp, IVR, and RCS channels in personal loan marketing campaigns.
2. To analyse customer preferences and behavioural patterns across different digital communication channels throughout the personal loan journey.
3. To assess the operational efficiency and scalability of WhatsApp, IVR, and RCS channels for fintech customer acquisition.
4. To develop an integrated multi-channel communication strategy framework for optimizing personal loan customer acquisition in the fintech sector.

III. Research Methodology

This study adopts a **comparative descriptive research design** to evaluate the effectiveness of WhatsApp, IVR, and RCS in fintech personal loan customer acquisition. A **mixed-methods approach** is used, combining both quantitative and qualitative techniques to gain comprehensive insights.

A **stratified random sampling** method is applied to ensure fair representation across different demographic groups such as age, occupation, and communication preferences. The sample consists of individuals aged 21–60 years from Tier 1 and Tier 2 cities who have interacted with Rupy.Money through digital channels in the past six months. The study includes a sample size of approximately 100–150 respondents to ensure meaningful analysis.

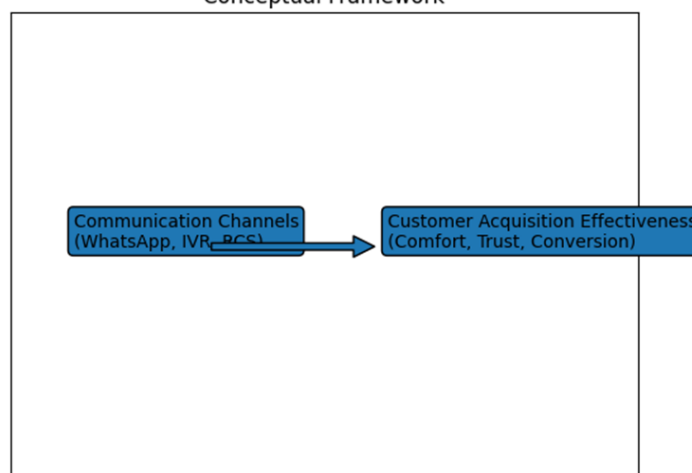
Data for the study is collected from both **primary and secondary sources**. Primary data includes structured questionnaires, campaign performance metrics, and customer interaction data obtained from the company’s CRM systems. Secondary data is gathered from industry reports, academic literature, and company records related to fintech marketing trends.

For data analysis, statistical tools are used to draw meaningful conclusions. The **Chi-square test** is applied to examine the relationship between gender and customer support channel preference, while **One-way ANOVA** is used to analyse differences in comfort levels across various communication channels.

Conceptual Framework

The conceptual framework proposes that communication channels (WhatsApp, IVR, RCS) influence customer acquisition effectiveness through mediating variables such as trust, comfort level, and perceived credibility.

Figure 1
Conceptual Framework of Communication Channels and Customer Acquisition
Conceptual Framework



Data Analysis:

Table 1: Demographic Profile of Respondents

Variable	Category	Percentage (%)
Age Group	18–25	41.7
	26–35	19.2
	46–55	20.8
Gender	Male	55.8
	Female	44.2
Occupation	Salaried	65
	Student	25
	Others (Self-employed, Freelancer, Homemaker)	10

Table 2: Usage of Fintech Loans

Response Category	Percentage (%)
Used multiple times	25.8
Used once	18.3
Considering using	22.5
Not interested	33.3

Table 3: Preferred Communication Channels

Communication Channel	Preference Level
Email	Highest
WhatsApp	High
SMS with buttons/images	High
Automated voice calls (IVR)	Low
Regular SMS	Low

Table 4: Trust Factors in Communication

Trust Factor	Percentage (%)
Links to official websites	31.7
Do not trust WhatsApp	21.7
Verified badges	—
Company details	—

Table 5: Major User Frustrations

Issue	Percentage (%)
Too many menu options	31.7
Delay in reaching human agent	31.7
Robotic voice	—
Call disconnection	—
Limited interaction options	—

Table 6: User Reaction to Loan Messages

Action Taken	Percentage (%)
Read carefully	45.8
Search online	40
Delete immediately	38.3
Click immediately	8.3

Table 7: Preference for Human Interaction

Stage of Interaction	Percentage (%)
At the start	37.5
During loan review	25
Fully digital	10

Table 8: Important Features in Loan Process

Feature	Importance Level
Clear explanation of charges	High
Real-time status updates	High
Multiple repayment options	High
Video call verification	Low
Local language application	Low

Table 9: Red Flags Identified by Users

Red Flag	Observation
Asking for advance fees	High (>37%)
Guaranteed approvals	High (>37%)
Pressure to apply immediately	High (>37%)
Poor grammar	Moderate
Very low interest rates	Moderate

Table 10: Verification Behaviour

Verification Method	Percentage (%)
Check RBI registration	59.2
Check interest calculation	44.2
Check physical office presence	44.2
Rarely verify	5.8

Table 11: Preferred Customer Support Channel

Channel	Percentage (%)
Visit physical branch	41.7
Phone support	25.8
Email	15
Mobile app	Least preferred

Table 12: Preferred Communication for Updates

Mode	Percentage (%)
Email	20.8
SMS alerts	20.8
Personalized calls	20
App-only notifications	Less preferred

Data Analysis

Chi-Square Test

Ho: There is no significant relationship between gender and preference for customer support channel.

H1: There is a significant relationship between gender and preference for customer support channel.

Observed Frequency						
Preference of communication						
Gender	WhatsApp chat support	Phone call to customer service	Email support	Visit physical branch/office	Through the mobile app	Total
Male	9	23	11	21	3	67
Female	3	8	7	29	6	53
Total	12	31	18	50	9	120

Expected Frequency						
Preference of communication						
Gender	WhatsApp chat support	Phone call to customer service	Email support	Visit physical branch/office	Through the mobile app	Total
Male	6.7	17.30833333	10.05	27.91666667	5.025	67
Female	5.3	13.69166667	7.95	22.08333333	3.975	53
Total	12	31	18	50	9	120

Alpha value= 0.05
p value= 0.017

Data Interpretation:

The chi-square test examines whether gender affects customer support channel preferences. The p-value is 0.0177, which is less than the significance level of 0.05, indicating a statistically significant relationship between gender and support preference. From the observed data, males prefer phone calls, while females are more inclined to visit a physical branch. Since the p-value is low, we reject the null hypothesis. Thus, there is a significant relationship between gender and preference for customer support channel.

One Way Anova Hypothesis

H₀: There is no significant mean difference in comfort level across different communication channels for loan.
H₁: There is a significant mean difference in comfort level across different communication channels for loan.

Data Interpretation

The ANOVA analysis compares user preferences across six communication channels. Email received the highest average rating (3.13), while IVR had the lowest (2.37). The p-value (0.000491) is much smaller than 0.05, indicating a statistically significant difference in user preferences. Since the F-value (4.49) exceeds the F critical value (2.23).

We reject the null hypothesis. Thus, there is a significant mean difference in comfort level across different communication channels for loan.

Anova: Single Factor				
SUMMARY				
Groups	Count	Sum	Average	Variance
WhatsApp	120	320	2.666666667	2.005602241
Phone call	120	352	2.933333333	2.01232493
IVR	120	284	2.366666667	1.645938375
Res	120	306	2.55	1.947058824
SMS	120	323	2.691666667	2.114215686
Email	120	375	3.125	2.043067227

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	44.02777778	5	8.805555556	4.489497173	0.000491	2.226649
Within Groups	1400.416667	714	1.96136788			
Total	1444.444444	719				

Method

A mixed-method descriptive research design was adopted. Data were collected from 120 respondents using structured questionnaires. Chi-square and one-way ANOVA were applied at a significance level of .05.

IV. Results

The chi-square analysis revealed a significant relationship between gender and channel preference (p = .017). ANOVA results indicated significant mean differences in comfort levels across communication channels (F = 4.49, p < .001).

V. Discussion

The findings of the study highlight important insights into customer behaviour and preferences in fintech communication channels. A significant portion of respondents belongs to the younger age group (18–25 years), indicating that digital-native users form a major segment of fintech consumers. This explains the higher inclination toward digital communication platforms such as email and WhatsApp.

The study reveals that while digital channels are widely used, **trust remains a critical concern**. Features such as official website links, verified badges, and transparent company details significantly influence user confidence. At the same time, a notable proportion of respondents expressed scepticism toward WhatsApp-based communication, indicating that familiarity does not always translate into trust.

User preferences clearly indicate a strong demand for **non-intrusive and informative communication**. Email emerged as the most preferred channel, followed by WhatsApp and interactive SMS formats. In contrast, IVR systems were least preferred due to issues such as complex menus, robotic responses, and delays in reaching human support.

The statistical analysis further strengthens these observations. The Chi-square test confirms a **significant relationship between gender and customer support preferences**, with males preferring phone-based support and females showing a higher preference for visiting physical branches. Similarly, the ANOVA results indicate a **significant difference in comfort levels across communication channels**, with email being the most comfortable and IVR the least.

Another key insight is the importance of **human interaction in financial decision-making**. A majority of respondents prefer human assistance at the initial stage or during critical steps such as loan review. This suggests that while automation improves efficiency, human support remains essential for building trust and clarity.

Additionally, users demonstrated cautious behaviour when engaging with loan-related messages. Most respondents prefer to verify information before taking action, reflecting growing awareness about digital fraud. Common red flags such as advance fees, guaranteed approvals, and urgency tactics were widely recognized.

VI. Conclusion

The study concludes that while digital communication channels play a vital role in fintech customer acquisition, their effectiveness largely depends on **trust, transparency, and user experience**. Among the channels analysed, **email and WhatsApp emerge as the most effective**, whereas IVR systems require significant improvement to meet user expectations.

The research also establishes that **customer preferences vary across demographic factors**, particularly gender, and that there is a statistically significant difference in comfort levels across communication modes. Therefore, a **one-size-fits-all approach is not effective** in fintech communication strategies.

Furthermore, the findings emphasise that **human support remains indispensable**, especially in high-involvement financial decisions like personal loans. Fintech companies should adopt a **hybrid approach**, combining automated digital channels with accessible human assistance to enhance customer trust and satisfaction.

In conclusion, fintech firms can improve customer acquisition and engagement by focusing on **clear communication, secure and verifiable platforms, simplified processes, and timely human support**, thereby building long-term customer relationships in an increasingly digital ecosystem.

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