

The Impact Of Electronic Marketing On Improving The Quality Of Electronic Banking Service In Commercial Banks In The Hashemite Kingdom Of Jordan

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ABSTRACT

The study aimed to identify the effect of electronic marketing on improving the quality of electronic banking services in commercial banks in Jordan from the point of view of their employees. The researcher adopted the descriptive approach, and the study sample consisted of (202) employees in commercial banks in Jordan, and to achieve the objectives of the study, the researcher developed a questionnaire that included eight dimensions and the study data were analyzed. The study reached a set of results that the total mean of the study's dimensions reached (3.96) with a high degree. The results also showed that the quality of banking service in Jordanian commercial banks came at a high level according to the responses of the sample members. The results indicate that there is a statistical correlation between e-marketing and improving the quality of banking service in commercial banks in Jordan.

INTRODUCTION

The world today is witnessing many changes in all fields, whether economic, political, and social and others. Globalization has imposed the freedom of movement of material and human capital, as well as information and technology, without there being any restrictions that limit this freedom. This has called many beneficiaries and those who are interested in the services sector to looking for service institutions that are famous for the quality of the services they provide, so it is important to realize that quality in services is a process and not a program, as the program has a beginning and an end, but the process has no end, it is continuous; That is, services should be initiated, provided, evaluated, improved and monitored on an ongoing basis.

Accordingly, electronic marketing using the Internet and information technology contributes to increasing and improving traditional marketing functions, influencing customer attitudes and trends in an attempt to reshape them, and thus directing their decisions that determine the nature of their behavior, thus increasing their bargaining power and opening broad horizons for marketers to establish direct relationships with their customers at the lowest costs (Labanauskaitė et al, 2020).

It should be noted that electronic marketing is a commercial transaction based on the interaction of the parties to the electronic exchange instead of direct physical contact, and the process of selling and buying goods and services is done via the Internet (Gazi, 2020). From this angle, e-marketing involves a state of uniting the changing needs of customers and modern, renewable technologies, leading to a revolution in the way business is conducted (Shabani, 2018).

Therefore, we can consider e-marketing to be a technology of change, because of the fundamental changes that have occurred, as the traditional exchange process begins with marketers and ends with them. However, in the era of technological development, customers are the ones who determine the information they need and suit their needs and desires, so the term e-marketing was called Inverse marketing (Alrousan et al, 2020).

Based on all of the above, the research on knowing the effect of electronic marketing on improving the quality of electronic banking service in commercial banks in the Hashemite Kingdom of Jordan has its justification, in light of the marketing exchanges that revolve around satisfying the needs and desires of providing customers with value-added products, in addition to identifying the most important opportunities and benefits that e-marketing achieves for both companies and customers in light of technological development.

PROBLEM OF THE STUDY

It has become known that electronic marketing, like other economic activities, must have legislation that protects investors and users, and therefore the availability of a legislative and legal structure is considered an imperative for the continuity and sustainability of the work of commercial banks in Jordan, as well as a commitment to transparency in the application of such legislation related to the operations of E-marketing to provide high quality banking services.

If we look closely at the changes that occurred during the past two decades, we find that computers, technological development and business networks have united to become the place of work and activities that need labor intensity in production and service organizations (Elston et al, 2018). Consequently, the sudden and rapid transformation in trade, with the shift from relying on labor-intensive activities to capital intensive activities, which became a feature of this era after the emergence of the world wide web, the Internet, which became one of the most important means of e-marketing strategy. Due to its reliance on digital technology that has transformed marketing processes (Zahid et al, 2021).

Based on the above, the problem of the study is to clarify the methods and mechanisms of using electronic marketing and technology to improve the quality of electronic banking service in commercial banks in Jordan, and from here the problem of the study can be summarized in the following main question:

What is the impact of electronic marketing on improving the quality of electronic banking service in commercial banks in the Hashemite Kingdom of Jordan?

QUESTIONS OF THE STUDY

1. What is the effect of electronic marketing on the process of improving the quality of electronic banking services in commercial banks in Jordan?
2. What is the level of quality of electronic banking service in commercial banks in Jordan?
3. Is there a correlation between electronic marketing and improving the quality of electronic banking service in commercial banks in Jordan?

OBJECTIVES OF THE STUDY

1. Identifying the impact of electronic marketing on the process of improving the quality of electronic banking services in commercial banks in Jordan.
2. Identifying the level of quality of electronic banking service in commercial banks in Jordan.
3. Identifying the correlation between electronic marketing and improving the quality of electronic banking service in commercial banks in Jordan.

SIGNIFICANCE OF THE STUDY

1. Shedding light on the quality of electronic banking service in commercial banks in Jordan in terms of Reliability, Responsiveness, Competence Access, Communication, Credibility, Security, Knowing the Customer, Physical Assets.
2. Exposing the processes of linking electronic marketing to improve the quality of banking services.
3. Highlighting the role of electronic marketing in developing the work of commercial banks in Jordan.
4. Presenting new recommendations and proposals within the results of the current study that benefit the work of commercial banks in Jordan.

TERMS OF STUDY

E-marketing: E-marketing is defined as a strategy applied to regulate methods of modern technological communication, by replacing the traditional market with the virtual market and making it a tangible practical reality using electronic media (Marjolein et al, 2018).

The concept of e-marketing is also defined by developing better relationships with customers and continuous interaction with respect to privacy to some extent, and it encourages business organizations to win new customers, maintain old ones, override limits, open marketing spaces for the individual and the company alike, or reduce costs (Shamykamboj et al, 2018). On the other hand, the quality of the electronic product, the promotional budget, experience, skill and continuous development are the most important methods of success for e-marketing and it has multiple types such as websites, blogs, videos, forums and pages, mail campaigns, and other applications (Schultz & Peltier, 2013). Electronic marketing has many advantages, the most important of which are high profits, low cost, ease, information protection, openness, identifying strengths, and it serves individuals, groups and companies alike (Wang & Zhang, 2012).

Quality of banking service: It is defined as actions, activities or performance provided by one party to another, and these activities are considered intangible and do not entail the transfer of ownership of anything, and the provision of the service may be linked or not related to a tangible, physical product (Al-Habil et al, 2017). Hammoud et al (2018) defines them as activities, benefits, or gratifications provided by one party (the seller) to another party (the buyer), which are by their nature intangible, and their sale does not result in the transfer of ownership of something, and its production and provision may or may not be linked to a tangible product (Pakurár et al, 2019). It is also defined as a measure of the degree to which the level of service provided to customers meets their expectations, and accordingly, providing a service of excellent quality means that the actual quality level matches the level of the actual quality of the service level and the expectations of the customers for the quality of service. (Habil et al, 2017).

Jordanian commercial banks

The Jordanian Banking Law No. 24 of 1997 defined commercial banks as “companies that have been licensed to take on banking business in accordance with the provisions of this law” and the same law defined banking business as “all banking services, particularly accepting deposits and using them with the bank’s other resources to invest in whole or in part by lending or in any other way permitted (Pakurár et al, 2019).

DELIMITATIONS OF THE STUDY

Spatial Delimitations: The Jordanian commercial banks in Hashemite Kingdom of Jordan

Temporal Delimitations: 2021

Human Delimitations: Employees in Jordanian commercial banks

Objective Delimitations: The study was limited to identifying what is the effect of electronic marketing on improving the quality of electronic banking service in commercial banks in the Hashemite Kingdom of Jordan through a set of dimensions that will be studied and analyzed in the field side of the study.

BACKGROUND

The criteria used to evaluate the performance of marketing activities are now occupying a higher position in the technological development in terms of searching for high quality products with reasonable prices and faster and better services (Alhelou et al, 2017). Based on the foregoing, the marketing exchanges revolve around satisfying the needs and desires of providing customers with value-added products (Monferrer et al, 2019). In light of the above, it is possible to identify the most important opportunities and benefits that electronic marketing achieves for both companies and customers in light of technological development, which is represented in:

- a) Access to global markets in terms of expanding markets and increasing the market share of companies in proportions ranging from 3 to 22 due to global spread (Areyiqat et al., 2019).
- b) The provision of goods and services according to the needs of customers through diversification in the portfolio of goods and services provided to customers in a manner consistent with the specifics of each client (Al-Dmour et al, 2020).
- c) Obtaining feedback on product development in terms of the ability of technological development to respond to changes that occur in markets and technologies in a way that achieves the integration of customer needs with technological developments (Abbas & Riaz, 2018).
- d) Reducing costs and using flexible pricing is achieved through electronic marketing mechanisms, as it provides techniques that enable the buyer to search for and find the best prices available through many electronic platforms (Alafeef, 2020).
- e) Finally, the introduction of new forms and channels of distribution, as e-marketing provided a new perspective on the electronic market in which interaction is between the two parties to the exchange process without the need for intermediaries, which led to the emergence of the term non-mediation (Kreituss et al, 2020).

On the other hand, there are major dimensions for the quality of banking services, represented as the following: **the first dimension: Reliability**, which means stability of performance, proper delivery of the service and better than the first time, and the bank's fulfillment of what was promised to the customer, and this includes the accuracy of accounts and files, the absence of errors, and the provision of banking service correctly, and finally providing the service on the specified dates and at the time designed for it, and the stability of the level of service performance. **The second dimension is the speed of response by employees, Responsiveness**, as it indicates the willingness and readiness of the bank's employees to provide service, help customers, respond to their inquiries, speed up service performance, and respond immediately to customer's request. **The third dimension is the ability or competence**, which means that the bank's employees possess the skill and knowledge necessary to perform the service, and train them on the best methods of communication and understanding of the customers. **The fourth dimension is the ease of obtaining the service; Access**, this includes the ease of communication and the facilitation of obtaining the service from the customer's side, with a short waiting period for obtaining the service, the client's working hours are adequate, and the availability of a sufficient number of service access points. **The fifth dimension is Communication**: It requires providing customers with information and in the language that they understand, sharing the necessary explanations about the nature of the service and its cost, the benefits of the service, the possible alternatives. **The sixth dimension Credibility**, which includes the bank's observance of honesty and honor in dealing with customers, which creates trust between the two parties because the banking work is based on trust. **The seventh dimension is security**, and this reflects the absence of suspicion and risk in transactions with the bank, and includes physical and financial security and confidentiality of transactions. **The eighth dimension is Knowing The Customer** which means exerting effort to understand the customer's needs and knowledge of his own needs, individual interest in the customer, knowledge of the bank's permanent customer, and providing the necessary advice and guidance. **The ninth dimension: Physical assets**: It includes the physical facilities used in the work, starting with the external appearance of the bank and its preparation from the inside, the devices and means used in performing the service (Alhelou et al, 2017) & (Alafeef, 2020), (Pakurár et al, 2019).

Accordingly, the researcher believes that whenever commercial banks in Jordan are able to control these dimensions, they can provide high quality banking services, and they can develop services and achieve competitive advantage, as the quality of banking service is related and depends on the needs and expectations of customers

THE FIELD STUDY

Methodology

The researcher adopted the descriptive and analytical approach by investigating the opinions of employees in commercial banks to know the impact of electronic marketing on improving the quality of electronic banking service in commercial banks in Jordan.

Sample of the Study

The study sample consisted of (202) employees in commercial banks in Jordan. The size of the sample was determined based on the law of the minimum sample for selecting samples. The commercial banks in Jordan have been identified as it is mentioned in the following table:

Table (1) Distribution of the research sample of employees according to the bank to which it is affiliated

Bank	Number	Percentage%
Arab Bank	14	7%
Arab Banking Corporation (Jordan)	13	6%
Bank of Jordan	16	8%
Cairo Amman Bank	22	11%
Jordan Money Bank	10	5%
Jordan Commercial Bank	17	8%
Jordan Kuwait Bank	19	9%
Jordan National Bank	13	6%
The Housing Bank for Trade and Finance	19	9%
Arab Jordan Investment Bank	18	9%
The investment bank	15	7%
SocieteGenerale Bank (Jordan)	14	7%
Union Bank	12	6%
Total	202	100

Instrument of the Study

To achieve the objectives of the study, the researcher developed a questionnaire that included eight dimensions with the aim of identifying the impact of electronic marketing on improving the quality of electronic banking service in commercial banks in Jordan.

Validity questionnaire

The validity of the questionnaire was calculated using an internal consistency method, thee questionnaire was distributed to a survey sample of (50) individuals in Jordanian commercial banks, after which the correlation coefficients were calculated between the total score of each dimension and the total score of the questionnaire The following table explains the procedures for calculating the validity of internal consistency.

Table (2) Pearson Correlation Coefficients

Dimension	Correlation Coefficients	Value of Significance
Reliability	0.741**	0.000
Responsiveness	0.809**	0.000
Competence Access	0.672**	0.000
Communication	0.729**	0.000
Credibility	0.802**	0.000
Security	0.695**	0.000
Knowing the Customer	0.729**	0.000
Physical Assets	0.811**	0.000

It can be seen from the previous table that the correlation coefficients are high, and they are statistically significant at the level of significance (0.05).

Reliability of the questionnaire

To confirm the reliability of the questionnaire, the researcher used Cronbach's Alpha method, which is a method that requires calculating the correlation of items with each other. Table (3) shows the reliability coefficients of the questionnaire and each of its dimensions using Cronbach's Alpha equation.

Table (3) Cronbach's Alpha stability coefficients

Dimensions	Cronbach's Alpha
Reliability	0.693
Responsiveness	0.722
Competence Access	0.781
Communication	0.832
Credibility	0.692
Security	0.841

Dimensions	Cronbach's Alpha
Knowing the Customer	0.791
Physical Assets	0.706
Total Reliability	0.872

It is evident from the previous table that the total reliability coefficient of the questionnaire reached (0.872), which is a high reliability coefficient indicating that the questionnaire has a high degree of reliability and can be relied upon in the field application of the study.

RESULTS AND DISCUSSION

The first question: What is the effect of electronic marketing on the process of improving the quality of electronic banking services in commercial banks in Jordan?

In order to answer this question, the researcher conducted the descriptive statistical treatment of calculating the arithmetic means, standard deviations, the degree of agreement and arrangement of the responses of the sample members, on the impact of electronic marketing on improving the quality of banking services in commercial banks in Jordan from the viewpoint of their employees, and the following table shows that.

Table (4) the arithmetic means and standard deviations of the respondents' responses about the impact of e-marketing on improving the quality of banking services in commercial banks in Jordan

μ	Dimensions	Mean	Standard Deviation	Rank	Degree of Agreement
1	Reliability	4.09	1.07	1	High
2	Responsiveness	4.07	0.98	2	High
3	Competence Access	4.01	0.82	3	High
4	Communication	3.98	1.16	4	High
5	Credibility	3.95	0.97	5	High
6	Security	3.91	1.83	6	High
7	Knowing the Customer	3.88	0.92	7	High
8	Physical Assets	3.82	1.17	8	High
Total Mean		3.96			High
* Arithmetic mean of 5 degrees.					

Table (4) shows that the arithmetic means of the dimensions of electronic marketing to improve the quality of banking services in commercial banks ranged between (3.82 - 4.09) between the lowest and highest arithmetic mean. The total mean came in the value of (3.96), which is a mean of a high degree. The researcher explains this result to the fact that commercial banks in Jordan strive to achieve reliability and respond to customer requests. Commercial banks also take the principle of confidentiality and credibility in dealing with customers in order to be able to improve the quality of their banking services. The researcher attributes this result also to the ability of Jordanian commercial banks to achieve a good level of quality of banking services through efficiency at work, in addition to the quality of communications with customers, and the way of protecting customer information.

The second question: What is the level of quality of electronic banking service in commercial banks in Jordan?

To answer this question, the researcher conducted the descriptive statistical treatment of calculating the arithmetic means and standard deviations of the level of quality of banking service in commercial banks in Jordan, and the following table shows that.

Table (4) the arithmetic means and standard deviations of the quality of banking service

μ	Dimension	Mean	Standard Deviation	Coefficient of variation
1	Reliability	3.892	0.990	25.44
2	Responsiveness	4.432	1.040	25.34
3	Competence Access	3.708	1.002	27.02
4	Communication	3.904	0.845	21.64

5	Credibility	3.801	1.023	20.32
6	Security	3.736	0.792	22.33
7	Knowing the Customer	3.227	1.192	24.71
8	Physical Assets	3.424	0.673	20.98
Mean- Standard Deviation-Coefficient of Variation		3.766	1.086	20.40
* Arithmetic means of 5 degrees.				

It can be seen from Table (4), and through the values of the arithmetic means, we find that the opinions of the sample members have all tended towards the approval of the items of the dimensions of the questionnaire, where the values of the arithmetic mean ranged between (3.227 - 4.432) between the highest and the lowest mean. As for the quality of banking service in Jordanian commercial banks, the total mean was (3.766), a standard deviation (1.086), and a coefficient of variation (20.40%). The results indicate that the opinions of the sample members tended towards fully agreeing that there is a high level of banking quality at commercial banks in Jordan.

The third question: Is there a correlation between electronic marketing and improving the quality of electronic banking service in commercial banks in Jordan?

To answer this question, the researcher conducted the descriptive statistical treatment of establishing the relationship between electronic marketing and improving the quality of banking services, and the following table shows that.

Table (5) transactions of the e-marketing relationship model with improving the quality of banking services

Model	Non-Standard Transactions		Standard Transactions	T- Test	Significance	Coefficient of variation
	B	Standard error	Beta			
Constant	0.010	0.123		0.081	0.936	
E-Marketing	0.136	0.046	0.0134	2.959	0.003	3.669

It is evident from Table (5) that the beta coefficient of e-marketing in the model is less than the level (0.05) with a standard regression parameter (0.0134), and accordingly there is a significant relationship between e-marketing and improving the quality of banking service in commercial banks in Jordan.

The equation of the regression model to improve the quality of services = 0.010 + 0.136 (e-marketing), and this indicates that the more e-marketing increases by one unit, this means that the level of improving the quality of banking service increases by (0.136) with each increase of one unit. Hence, the sub-hypothesis that there is a statistical relationship between e-marketing and improving the quality of banking service in commercial banks in Jordan was accepted.

Recommendations

1. Working to develop electronic marketing means and to develop Internet programs.
2. Linking the training plans to the results of e-marketing in Jordanian banks of all kinds.
3. Reliability: The commitment of commercial banks to provide services in a timely and correct manner from the first time.
4. Responsiveness: By the bank providing assistance to customers when needed, and responding promptly to their inquiries and complaints, while always preparing to cooperate with them.
5. Guarantee: It is achieved through clients' confidence in the expertise, skills, and qualifications of the bank's employees, as well as politeness and good treatment of customers.
6. Tangible things: the bank enjoys a convenient location and is easily accessible quickly, and its possession of modern technical equipment, devices and equipment, and the availability of physical facilities and attractive facilities.
7. Empathy: It is achieved when the customer's interest is placed at the forefront of the management and employees' concerns, and is characterized by the sense of humor and friendship in dealing with customers.

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