

Presenting a Structural-Interpretive Model of the Impact of Internal Marketing Management on Customer Value Creation with the Mediating Role of Digital Banking Platform Quality in the Digital Transformation Era (A Case Study of Eghtesad Novin Bank of Iran)

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ABSTRACT

The Iranian banking industry has experienced a rapid acceleration toward digitalization in recent years; however, many banks still lack a precise understanding of how to convert their human capital into digital value for customers. The present study was conducted with the aim of presenting a structural model for explaining the impact of internal marketing on customer satisfaction while considering the mediating role of electronic service quality in Eghtesad Novin Bank. This research is applied in terms of purpose, descriptive-correlational in terms of nature, and quantitative with an emphasis on structural equation modeling in terms of approach. The statistical population consisted of all employees of Eghtesad Novin Bank branches in Tehran, totaling 380 people. Using Cochran's formula, a sample size of 192 individuals was determined and selected through stratified random sampling. The data collection instrument consisted of three standard questionnaires, whose validity and reliability were confirmed through content validity, construct validity, Cronbach's alpha, and composite reliability, respectively. The data were analyzed using partial least squares method with SPSS and Smart-PLS software. The findings showed that internal marketing has both a direct (0.256) and an indirect effect (0.556) on customer satisfaction with the mediation of electronic service quality. The coefficient of the effect of internal marketing on electronic service quality was 0.765, which was significant at the 99 percent confidence level. Among the four dimensions of internal marketing, motivation had the strongest effect on customer satisfaction (0.742), while training and development had the strongest effect on electronic service quality (0.682). The VAF index was calculated as 0.624, indicating that approximately 62 percent of the effect of internal marketing on customer satisfaction is transmitted through electronic service quality. The coefficients of determination (R^2) for electronic service quality (0.586) and customer satisfaction (0.739) indicated the strong explanatory power of the model. The most important innovation of the present study is the identification of the transmission mechanism through which internal marketing affects customer satisfaction via digital service quality—an issue that has received less attention in previous research conducted in Iran. The study recommends that managers of Eghtesad Novin Bank connect employee performance evaluation systems to electronic service quality indicators, design digital skills training programs for frontline employees, and establish internal-external feedback loops.

Keywords: Internal Marketing, Customer Satisfaction, Electronic Service Quality, Value Creation, Digital Banking, Structural Equation Modeling.



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Introduction

The banking industry has experienced profound changes over the past two decades as a result of globalization, technological innovation, increasing customer expectations, and the rapid expansion of digital platforms. Traditional banking models that relied heavily on face-to-face interactions have gradually evolved into digitally enabled service systems in which customers increasingly interact with banks through online and mobile channels rather than physical branches. This transformation has fundamentally altered the nature of customer relationships, service delivery processes, and value creation mechanisms within banking organizations. In the contemporary digital environment, banks are expected not only to provide reliable financial services but also to deliver seamless, secure, and customer-centered digital experiences. Consequently, achieving sustainable competitive advantage increasingly depends on an organization's ability to align its internal resources, employee capabilities, and technological infrastructure to create superior customer value (1-3).

Digital transformation has intensified competition among banks by lowering switching barriers and enabling customers to compare services more easily than ever before. Customers today evaluate banks not only based on financial products and branch services but also according to the efficiency, reliability, accessibility, and security of their digital platforms. As a result, customer satisfaction has become closely linked to the quality of digital banking experiences. Researchers have consistently demonstrated that customer satisfaction remains one of the most important determinants of customer loyalty, positive word-of-mouth communication, long-term profitability, and organizational performance in the banking sector (4-6). Therefore, understanding the organizational factors that contribute to customer satisfaction in digital banking environments has become a critical research priority.

Among the factors influencing customer satisfaction, internal marketing has attracted substantial scholarly attention. Internal marketing emerged from the recognition that employees represent an organization's first market and that customer satisfaction is largely dependent on employee satisfaction, motivation, competence, and commitment. The fundamental premise of internal marketing is that organizations must treat employees as internal customers and jobs as internal products. By satisfying employee needs and supporting their professional development, organizations can enhance service quality and customer-oriented behaviors, ultimately leading to improved customer outcomes (7-9). Internal marketing thus serves as a strategic management philosophy that integrates human resource management and marketing principles to align organizational goals with employee needs and customer expectations.

The importance of internal marketing has increased significantly in the digital era because employees continue to play a central role in creating customer value even when many services are delivered through technology-based platforms. Employees contribute to digital transformation by supporting customers in the adoption of digital services, providing technical assistance, communicating organizational values, and facilitating the effective utilization of banking technologies. Consequently, successful digital transformation requires not only technological investments but also internal organizational capabilities that encourage employee engagement, learning, innovation, and customer orientation (3, 10, 11).

Recent literature has highlighted the multidimensional nature of internal marketing and its contribution to organizational success. Internal marketing encompasses activities such as employee training and development, internal communication, empowerment, recognition, motivation, and organizational support. These practices help employees understand organizational objectives, develop necessary competencies, and maintain high levels of

commitment to customer service. Studies have demonstrated that effective internal marketing improves employee performance, organizational commitment, job engagement, innovation, and service quality across diverse organizational settings (12-14). Furthermore, organizations that invest in internal marketing are more likely to cultivate positive workplace environments characterized by trust, collaboration, and customer-centered behaviors.

The relationship between internal marketing and organizational performance has been extensively documented in previous research. For example, internal marketing has been found to enhance market orientation and organizational effectiveness in banking institutions (8, 15). Similarly, internal marketing practices contribute to employee development and organizational performance by strengthening employee competencies and engagement (13). Research conducted in Iranian organizations has likewise demonstrated that internal marketing positively influences customer satisfaction, organizational commitment, service quality, and innovative performance (16-18). More recently, scholars have emphasized the role of internal marketing in promoting employee happiness, innovative behavior, and organizational sustainability, highlighting its strategic importance in contemporary organizations (3, 11, 14).

The growing relevance of internal marketing in digital contexts has also led researchers to develop more comprehensive conceptualizations of the construct. Recent studies suggest that internal marketing should be viewed as an integrated organizational system involving human resource practices, organizational learning mechanisms, technological adaptation processes, and strategic alignment initiatives (19-21). Such perspectives recognize that employee-centered strategies are increasingly interconnected with organizational innovation, digital transformation, and customer value creation.

While internal marketing focuses on internal organizational capabilities, electronic service quality represents a critical external manifestation of these capabilities in digital environments. Electronic service quality refers to customers' evaluations of the efficiency, reliability, security, responsiveness, and overall effectiveness of electronic service delivery systems. As banking transactions increasingly migrate to digital channels, electronic service quality has become a primary determinant of customer experiences and satisfaction (4, 5, 22). Customers expect digital banking platforms to be easy to use, continuously available, secure, accurate, and capable of meeting their needs without requiring extensive effort or assistance.

Research consistently demonstrates that high-quality electronic services contribute significantly to customer satisfaction, trust, loyalty, and continued usage intentions. For instance, electronic service quality has been found to positively influence customer attitudes toward electronic banking services and strengthen long-term customer relationships (4, 6). Similarly, studies examining mobile banking adoption have emphasized the importance of trust, usability, and service quality in shaping customer perceptions and behavioral intentions (23). These findings suggest that electronic service quality functions not only as a technical attribute but also as a strategic mechanism through which organizations create value for customers.

The increasing integration of digital technologies into banking services further underscores the importance of understanding how internal organizational processes influence electronic service quality. Employees are often responsible for supporting digital systems, resolving customer concerns, communicating service information, and contributing to continuous service improvement. Consequently, the effectiveness of digital platforms may depend substantially on organizational practices that enhance employee motivation, knowledge, and customer orientation. Studies have shown that employee competencies and organizational learning capabilities are important

antecedents of innovation and service quality outcomes (13, 24). Therefore, internal marketing may serve as a foundational mechanism through which organizations improve electronic service quality.

Despite growing interest in internal marketing and electronic service quality, several gaps remain in the existing literature. First, many studies have examined the direct relationship between internal marketing and customer satisfaction without adequately investigating the mechanisms through which this relationship occurs (9, 16). Second, research on electronic service quality has primarily focused on customer perceptions and technological factors while paying relatively limited attention to organizational antecedents such as internal marketing practices (5, 22). Third, although digital transformation has fundamentally altered service delivery processes, relatively few studies have integrated internal marketing and digital service quality within a single explanatory framework, particularly in developing-country banking contexts (1, 3, 10).

The Iranian banking sector provides a particularly relevant context for examining these relationships. Iranian banks have invested substantially in digital banking infrastructure and electronic service platforms over recent years. However, technological investments alone may not guarantee superior customer experiences. The effectiveness of digital banking initiatives often depends on employee readiness, organizational support, internal communication, and customer-oriented organizational cultures. Grounded theory research in the Iranian banking industry has highlighted the importance of internal marketing indicators in enhancing organizational effectiveness and customer-related outcomes (21). Likewise, studies conducted in Iranian organizations emphasize that employee-focused strategies can improve innovation, performance, and service quality when effectively integrated with broader organizational objectives (18, 24).

Moreover, contemporary theories of value creation emphasize that customer value emerges through the interaction of internal organizational resources and external service delivery mechanisms. In digital banking environments, value creation depends not only on advanced technological platforms but also on employees who design, manage, support, and continuously improve these platforms. Internal marketing facilitates organizational alignment by ensuring that employees possess the motivation, capabilities, and commitment necessary to contribute effectively to customer value creation processes (2, 3, 11). Consequently, examining electronic service quality as a mediating mechanism between internal marketing and customer satisfaction can provide a more comprehensive understanding of how organizations generate customer value in the digital age.

Methodologically, investigating these relationships through structural equation modeling offers an opportunity to assess complex causal pathways and simultaneously evaluate direct and indirect effects among organizational variables. Structural equation modeling has become a widely accepted approach for examining multidimensional organizational phenomena and testing mediation effects in management and marketing research (25). Such an approach enables researchers to develop integrated models that reflect the complexity of organizational processes involved in customer value creation.

Given the increasing importance of digital banking, the strategic significance of internal marketing, and the need to better understand the mechanisms underlying customer satisfaction, further empirical investigation is warranted. Integrating internal marketing, electronic service quality, and customer satisfaction within a unified framework can contribute to both theoretical development and managerial practice by identifying pathways through which organizations can enhance customer value creation and competitive performance in digitally transformed environments.

Therefore, the aim of this study was to develop and test a structural model of the effect of internal marketing on customer value creation/customer satisfaction with the mediating role of digital banking platform quality (electronic service quality) in Eghtesad Novin Bank during the era of digital transformation.

Methods and Materials

This research is classified as applied research in terms of purpose, because its results can be directly used by managers of Eghtesad Novin Bank and other Iranian banks to improve human resource management practices and enhance electronic service quality, helping them solve real problems and issues. In terms of nature and execution method, this research is descriptive-correlational. It is descriptive because it systematically describes the demographic characteristics of the statistical sample, and correlational because it seeks to identify, measure, and explain the causal relationships between independent, dependent, and mediating variables. In terms of execution approach and data collection method, this research is a field survey that collected its primary data through distributing questionnaires among employees of Eghtesad Novin Bank branches.

The statistical population of this research included all employees of Eghtesad Novin Bank branches in Tehran. According to precise statistics and information received from the bank's human resources unit at the time of the research, the total number of branch employees in different areas of Tehran was 380 individuals. This number includes all organizational positions and different job levels, from senior managers and branch managers to vice branch managers, senior experts, experts, and frontline staff such as tellers, electronic service representatives, credit and loan experts, and other employees who interact in some way with customers. To determine the sample size, Cochran's formula for finite populations was used. Substituting the values into the formula yielded a sample size of 192 individuals. To compensate for potential incomplete questionnaires and non-returns, 210 questionnaires were distributed, of which 190 analyzable questionnaires were returned. The sampling method used in this research was stratified random sampling, whereby Eghtesad Novin Bank branches in Tehran were first divided into 6 geographical regions, and then individuals were randomly selected from each region in proportion to the number of branches and employees in that region.

The data collection instrument was a questionnaire. Given that the aim of the research was to test the relationships between theoretical constructs, the use of standard questionnaires whose validity and reliability had previously been confirmed in international and national research was prioritized. The final questionnaire consisted of four sections. The first section contained 5 demographic questions about gender, age, education, work experience, and employment type. The second section was the internal marketing questionnaire derived from Ahmed and Rafiq and localized by Iranian researchers such as Saeidi and Jamshidian. This questionnaire had 18 items measuring four dimensions: motivation (5 items), training and development (5 items), communication (4 items), and empowerment (4 items). The third section was the electronic service quality questionnaire derived from Zeithaml and colleagues and Parasuraman and colleagues. It had 13 items and four dimensions: efficiency (4 items), accessibility (3 items), privacy (3 items), and fulfillment (3 items). The fourth section was the customer satisfaction questionnaire derived from Parasuraman and colleagues and subsequent studies. It had 27 items measuring various dimensions of satisfaction with banking services. All items were scored on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Findings and Results

The findings from this table show that among 190 respondents, 124 individuals (65.3 percent) were male and 66 individuals (34.7 percent) were female. This ratio roughly reflects the gender composition of the Iranian banking industry, where the proportion of male workers remains higher than that of women. In terms of education level, the majority of respondents held a bachelor's degree, with 119 individuals (62.6 percent), and 47 individuals (24.8 percent) held graduate degrees. This finding indicates the relatively high scientific level of the human resources at Eghtesad Novin Bank and suggests that the bank's employees possess the necessary knowledge and expertise to understand the various dimensions of internal marketing and electronic service quality. In terms of age, the highest frequency was for the 30-to-39 age group with 72 individuals (37.9 percent), followed by the 40-to-49 age group with 58 individuals (30.5 percent). This distribution shows that bank employees are mainly in middle age and possess acceptable work experience. In terms of work experience, the highest frequency was for the 5-to-10 year experience group with 79 individuals (41.6 percent), followed by the 11-to-20 year group with 49 individuals (25.8 percent). This finding is important because it shows that the majority of employees have moderate work experience—they are sufficiently familiar with the bank's organizational procedures and still retain the dynamism and flexibility needed to accept and apply new technologies.

Table 1. Distribution of Demographic Characteristics of the Statistical Sample

Characteristic	Category	Frequency	Percentage
Gender	Male	124	65.3
	Female	66	34.7
Education Level	Diploma and Associate Degree	24	12.6
	Bachelor's Degree	119	62.6
	Master's Degree and PhD	47	24.8
Age	Under 30 years	34	17.9
	30 to 39 years	72	37.9
	40 to 49 years	58	30.5
	50 years and over	26	13.7
Work Experience	Less than 5 years	43	22.6
	5 to 10 years	79	41.6
	11 to 20 years	49	25.8
	More than 20 years	19	10.0

Table 2. Descriptive Indicators of the Main Research Variables

Variable	N	Mean	Standard Deviation	Skewness	Kurtosis
Internal Marketing	190	3.758	0.787	-0.568	-0.475
Electronic Service Quality	190	3.863	0.787	-0.703	-0.447
Customer Satisfaction	190	4.054	0.787	-0.446	-0.711

The mean score for internal marketing was 3.758 out of a maximum of 5. This value indicates that employees of Eghtesad Novin Bank have a moderately high level of positive perception regarding internal marketing practices, including motivation, training and development, communication, and empowerment. In other words, employees feel that the bank pays relatively good attention to their needs, trains them, and involves them in decision-making. The mean for electronic service quality was 3.863, indicating that bank employees rate the quality of electronic services provided by the bank as relatively good. The highest mean belongs to customer satisfaction at 4.054. This finding shows that customers of Eghtesad Novin Bank are relatively satisfied with the services provided by the bank. The standard deviation of the variables was about 0.787, indicating moderate and relatively uniform dispersion of

responses. The skewness values for all three variables were negative, ranging between -0.44 and -0.70, indicating that the data distribution is slightly skewed to the left. The kurtosis values were also negative for all three variables, indicating that the distribution has less kurtosis compared to a normal distribution.

Table 3. Factor Loadings, Convergent Validity, and Reliability of Research Constructs

Construct	Dimensions	Items	Lowest Loading	Highest Loading	AVE	CR	Cronbach's α
Internal Marketing	Motivation	5	0.712	0.854	0.62	0.892	0.874
	Training and Development	5	0.745	0.891	0.58	0.864	0.856
	Communication	4	0.698	0.832	0.64	0.843	0.801
	Empowerment	4	0.703	0.845	0.60	0.851	0.808
Electronic Service Quality	Efficiency	4	0.724	0.862	0.59	0.850	0.825
	Accessibility	3	0.687	0.838	0.57	0.824	0.795
	Privacy	3	0.692	0.841	0.61	0.841	0.768
Customer Satisfaction	Fulfillment	3	0.708	0.853	0.58	0.828	0.802
	-	27	0.534	0.727	0.64	0.912	0.894

The standardized factor loadings for all questionnaire items were above 0.50. The lowest factor loading belonged to one of the customer satisfaction items at 0.534, and the highest factor loading belonged to one of the training and development dimension items at 0.891. The AVE indices for all constructs and dimensions were above the threshold of 0.50, indicating that more than 50 percent of the variance of each construct is explained by its corresponding items, demonstrating appropriate convergent validity. The CR indices for all constructs were above 0.70 and in most cases above 0.80, indicating very good internal consistency among the items of each construct. Cronbach's alpha coefficients for all constructs and dimensions were above 0.70. The highest Cronbach's alpha belonged to customer satisfaction at 0.894, and the lowest belonged to the privacy dimension at 0.768, which remains within the acceptable range.

Table 4. Fornell-Larcker Matrix for Assessing Discriminant Validity

Construct	Internal Marketing	Electronic Service Quality	Customer Satisfaction
Internal Marketing	0.787		
Electronic Service Quality	0.481	0.768	
Customer Satisfaction	0.428	0.365	0.800

In this matrix, the values on the main diagonal are the square roots of the AVE for each construct, and the off-diagonal values are the correlation coefficients between constructs. For internal marketing, the square root of AVE was 0.787, which is larger than its correlations with electronic service quality (0.481) and customer satisfaction (0.428). For electronic service quality, the square root of AVE was 0.768, which is larger than its correlations with internal marketing (0.481) and customer satisfaction (0.365). For customer satisfaction, the square root of AVE was 0.800, which is larger than its correlations with internal marketing (0.428) and electronic service quality (0.365). Therefore, the condition for discriminant validity is met for all research constructs.

Table 5. Path Coefficients and t-values for Research Hypotheses

Code	Path	Path Coefficient (β)	Standard Deviation	t-value	p-value	Result
H1	Internal Marketing \rightarrow Customer Satisfaction	0.256	0.079	3.233	0.001	Confirmed
H2	Internal Marketing \rightarrow Electronic Service Quality	0.765	0.023	33.093	0.000	Confirmed
H3	Electronic Service Quality \rightarrow Customer Satisfaction	0.556	0.035	15.699	0.000	Confirmed

H1a	Motivation → Customer Satisfaction	0.742	0.025	30.269	0.000	Confirmed
H1b	Training and Development → Customer Satisfaction	0.689	0.033	20.698	0.000	Confirmed
H1c	Communication → Customer Satisfaction	0.722	0.030	24.189	0.000	Confirmed
H1d	Empowerment → Customer Satisfaction	0.701	0.029	23.889	0.000	Confirmed
H2a	Motivation → Electronic Service Quality	0.682	0.030	22.863	0.000	Confirmed
H2b	Training and Development → Electronic Service Quality	0.664	0.032	20.450	0.000	Confirmed
H2c	Communication → Electronic Service Quality	0.659	0.031	21.447	0.000	Confirmed
H2d	Empowerment → Electronic Service Quality	0.630	0.032	19.709	0.000	Confirmed

All research hypotheses were confirmed at the 95 percent confidence level. The strongest relationship in the model belongs to H2, the effect of internal marketing on electronic service quality, with a path coefficient of 0.765. This coefficient indicates that about 76.5 percent of the changes in electronic service quality are explained by internal marketing. The second strongest relationship belongs to H3, the effect of electronic service quality on customer satisfaction, with a path coefficient of 0.556. This finding shows that improvement in electronic service quality directly and significantly leads to increased customer satisfaction. The smallest path coefficient belongs to H1, the direct effect of internal marketing on customer satisfaction, with a value of 0.256. Although statistically significant, this coefficient has less strength compared to the other two paths. Among the four dimensions of internal marketing, motivation had the strongest effect on customer satisfaction with a path coefficient of 0.742, followed by communication (0.722), empowerment (0.701), and training and development (0.689). Additionally, motivation had the strongest effect on electronic service quality with a coefficient of 0.682, followed by training and development (0.664), communication (0.659), and empowerment (0.630).

Table 6. Coefficients of Determination (R²) and Predictive Quality (Q²) of the Model

Endogenous Variable	R ²	Status	Q ²	Status
Electronic Service Quality	0.586	Moderately high	0.394	Strong predictive power
Customer Satisfaction	0.739	Strong	0.349	Strong predictive power

The R² value for electronic service quality was 0.586, indicating that internal marketing alone explains about 59 percent of the variance in electronic service quality. Based on common criteria, values above 0.67 are considered strong, between 0.33 and 0.67 are moderate, and below 0.33 are weak. Therefore, the value 0.586 falls in the moderately high range. The R² value for customer satisfaction was 0.739, indicating that the combination of internal marketing and electronic service quality explains about 74 percent of the variance in customer satisfaction. This value falls in the strong range and indicates that the research model has very good explanatory power for predicting customer satisfaction. The Q² index for electronic service quality was 0.394 and for customer satisfaction was 0.349. Based on common criteria, Q² values above 0.35 indicate strong predictive power, between 0.15 and 0.35 indicate moderate predictive power, and below 0.15 indicate weak predictive power. Therefore, both endogenous variables have strong predictive power.

Table 7. Results of the Mediating Role Test for Electronic Service Quality

Indirect Path	Direct Effect (c')	Indirect Effect (axb)	Total Effect (c)	Sobel Statistic	p-value	VAF Index	Result
Internal Marketing → Electronic Service Quality → Customer Satisfaction	0.256	0.425	0.681	4.88	0.000	0.624	Partial and strong mediation

The indirect effect of internal marketing on customer satisfaction through electronic service quality was calculated as 0.425. The Sobel statistic was 4.88, which is much larger than the critical value of 1.96, thus confirming the significance of the mediating role. The VAF index was 0.624 (62.4 percent). Based on common criteria, if VAF is greater than 0.80, it indicates full mediation; if VAF is between 0.20 and 0.80, it indicates partial mediation; and if VAF is less than 0.20, it indicates weak and negligible mediation. With a VAF of 0.624, it can be concluded that electronic service quality has a partial but strong mediating role in the relationship between internal marketing and customer satisfaction. In other words, about 62 percent of the total effect of internal marketing on customer satisfaction is transmitted through electronic service quality, with the remaining 38 percent representing the direct effect.

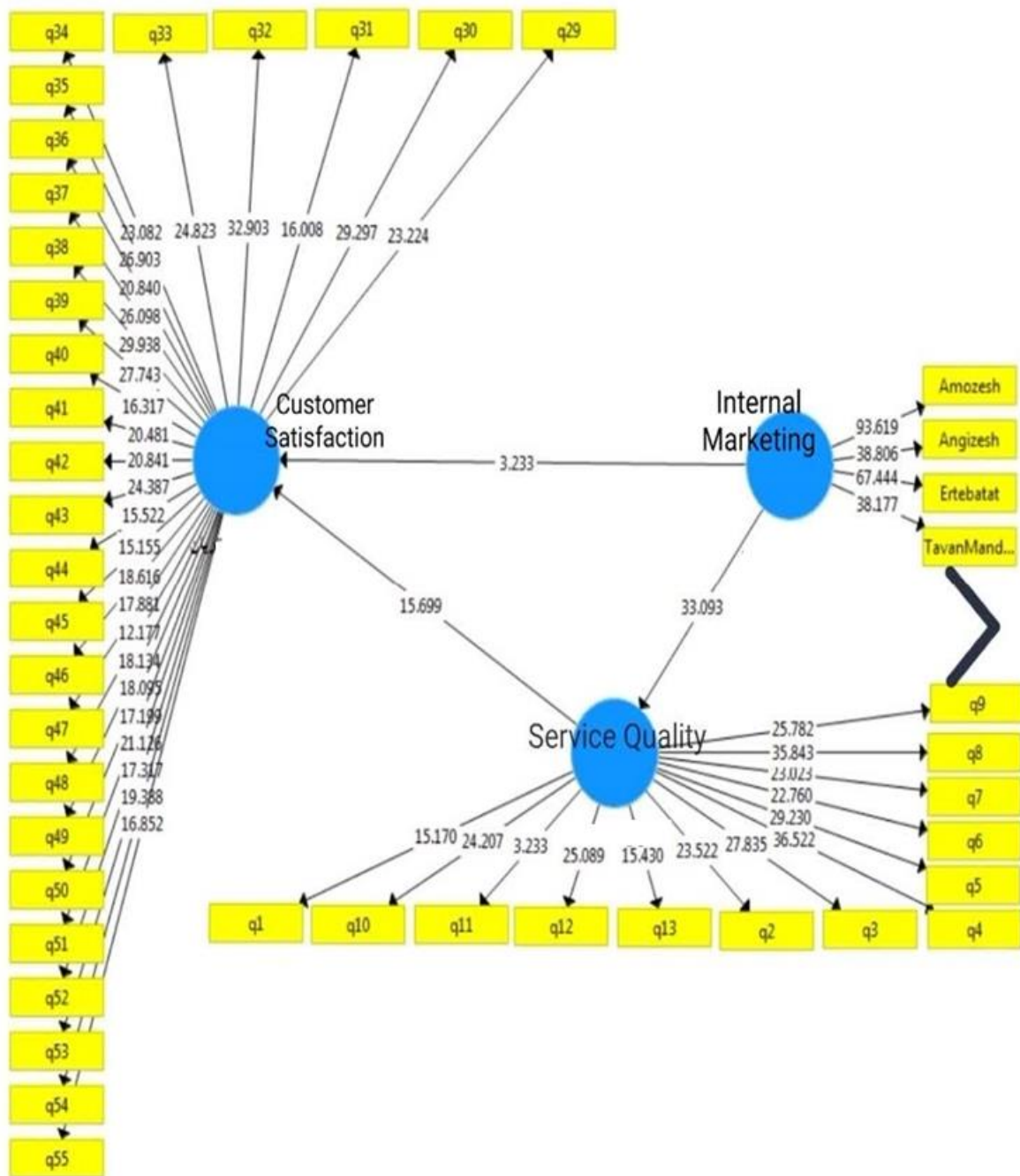


Figure 1. Final Structural Model of the Research with Standardized Path Coefficients

The figure presents the final structural model of the research. As can be seen, the model consists of three main parts. The first part is internal marketing, which has four dimensions and shows the strongest relationship with electronic service quality (0.765). The second part is electronic service quality, which mediates the relationship between internal marketing and customer satisfaction with a path coefficient of 0.556. The third part is customer satisfaction, which is influenced both directly (0.256) and indirectly (0.425) by internal marketing. The total effect of internal marketing on customer satisfaction is 0.681. The VAF index of 0.624 indicates that 62.4 percent of the effect is transmitted through the mediating variable. This model demonstrates that in the digital age, internal marketing and electronic service quality are not competing but complementary strategies for achieving customer satisfaction.

Discussion and Conclusion

The present study aimed to examine the effect of internal marketing on customer satisfaction with the mediating role of electronic service quality in the banking sector. The findings demonstrated that internal marketing exerted a significant direct effect on customer satisfaction and an even stronger indirect effect through electronic service quality. Furthermore, internal marketing significantly influenced electronic service quality, while electronic service quality significantly enhanced customer satisfaction. The mediating analysis revealed that electronic service quality partially mediated the relationship between internal marketing and customer satisfaction, indicating that a substantial portion of the impact of internal marketing on customer satisfaction is transmitted through improvements in digital service delivery. These findings provide empirical support for the view that successful customer value creation in contemporary banking environments depends on the simultaneous development of employee-centered organizational practices and high-quality digital service platforms.

One of the most important findings of the study was the significant direct effect of internal marketing on customer satisfaction. This finding suggests that employees who perceive higher levels of organizational support, motivation, training, communication, and empowerment are more likely to engage in customer-oriented behaviors that ultimately increase customer satisfaction. This result is consistent with the foundational assumptions of internal marketing theory, which emphasizes employees as internal customers whose satisfaction and commitment contribute directly to improved service outcomes. The finding aligns with the results reported by (16), who found that internal marketing significantly improved customer satisfaction through enhanced organizational alignment. Similarly, (15) reported that internal marketing contributes to improved market orientation and organizational performance in banking institutions. The current finding also supports the conclusions of (8), who demonstrated that internal marketing practices strengthen market orientation in commercial banks, thereby improving customer-related outcomes.

The positive relationship between internal marketing and customer satisfaction can be explained through several organizational mechanisms. Internal marketing creates an environment in which employees feel valued, supported, and aligned with organizational objectives. When employees perceive fairness in organizational practices and receive adequate support for performing their duties, they become more motivated to deliver superior service experiences. Such employees demonstrate greater responsiveness to customer needs, invest more effort in solving customer problems, and exhibit stronger commitment to service excellence. These outcomes ultimately contribute to higher levels of customer satisfaction and stronger customer relationships. Similar interpretations have been

offered by (9), who argued that internal marketing strengthens employee commitment and service quality, leading to favorable customer outcomes.

Another important finding was the strong positive effect of internal marketing on electronic service quality. This relationship represents one of the most significant contributions of the study because it demonstrates that the quality of digital services depends not only on technological infrastructure but also on organizational and human factors. The finding indicates that employees who receive adequate training, motivation, communication, and empowerment are better equipped to support, maintain, and improve digital banking systems. This result is consistent with the findings of (17), who reported a positive relationship between internal marketing and service quality. Likewise, (13) found that employee development mediates the relationship between internal marketing and organizational performance, highlighting the importance of employee competencies in achieving service excellence. The findings are also supported by (24), who demonstrated that internal marketing and organizational learning contribute significantly to employee performance and organizational innovation.

The strong influence of internal marketing on electronic service quality may be interpreted within the broader context of digital transformation. Modern banking systems require employees who possess both technical competencies and customer-oriented attitudes. Employees must understand digital platforms, assist customers in utilizing technological services, identify system weaknesses, and communicate customer feedback to organizational decision-makers. Consequently, organizations that invest in internal marketing create conditions that facilitate the effective implementation and continuous improvement of digital services. This interpretation is consistent with recent conceptual frameworks proposed by (10), who emphasized the strategic integration of internal marketing and human resource management in digitally transformed organizations. Likewise, (3) argued that sustainable value creation begins within organizations through the development of internal capabilities that support external service excellence.

The results further indicated that electronic service quality significantly influenced customer satisfaction. This finding confirms the central role of digital service experiences in shaping customer perceptions within the banking industry. Customers increasingly interact with banks through mobile applications, internet banking systems, automated service channels, and digital communication platforms. Consequently, perceptions regarding service efficiency, reliability, accessibility, security, and responsiveness directly influence overall satisfaction levels. This result is highly consistent with previous studies examining electronic banking environments. For example, (4) found that electronic service quality is a major determinant of customer satisfaction and behavioral intentions among electronic banking users. Similarly, (6) reported that electronic service quality positively affects customer trust and loyalty. The current finding also supports the conclusions of (5), who identified electronic service quality as a key predictor of customer satisfaction and loyalty in banking services.

The relationship between electronic service quality and customer satisfaction may be explained through expectation-confirmation processes. Customers enter digital interactions with specific expectations regarding system speed, convenience, reliability, and security. When digital banking platforms meet or exceed these expectations, customers experience positive evaluations that translate into higher satisfaction levels. Conversely, service failures, system interruptions, security concerns, or usability difficulties can generate dissatisfaction regardless of the quality of other banking services. The importance of electronic service quality has been extensively documented in the literature on digital service delivery and electronic commerce (22, 23). The current findings

reinforce the argument that electronic service quality has become a strategic determinant of customer satisfaction in digitally intensive service industries.

The mediation analysis revealed that electronic service quality partially mediated the relationship between internal marketing and customer satisfaction. This finding represents the most significant theoretical contribution of the study because it explains how internal organizational practices are translated into external customer outcomes. While internal marketing directly influences customer satisfaction, a substantial proportion of its impact operates indirectly through improvements in electronic service quality. This result extends previous research by identifying a specific mechanism through which internal marketing contributes to customer value creation in digital banking environments.

The mediating role of electronic service quality is theoretically meaningful because it integrates internal marketing theory with contemporary digital service literature. Previous studies have often examined internal marketing and customer satisfaction as directly related constructs without considering the role of digital service delivery mechanisms (9, 16). Similarly, research on electronic service quality has frequently emphasized technological determinants while overlooking internal organizational antecedents (5, 22). By linking these streams of research, the present study demonstrates that internal marketing enhances customer satisfaction partly because it improves the quality of electronic services experienced by customers.

The findings also contribute to emerging research emphasizing organizational alignment and integrated value creation. Recent studies suggest that successful organizations must coordinate internal capabilities with external service delivery processes to achieve superior performance outcomes (2, 20). The current findings support this perspective by showing that internal marketing practices create organizational conditions that facilitate effective digital service delivery and customer value creation. In addition, the findings align with evidence indicating that internal marketing contributes to employee engagement, innovative behavior, organizational learning, and sustainable organizational performance (11, 14, 18).

The significant effects of motivation, training and development, communication, and empowerment further emphasize the multidimensional nature of internal marketing. Employee motivation encourages proactive customer-oriented behavior, while training enhances technical and service-related competencies. Effective communication ensures alignment among organizational units and facilitates knowledge sharing, whereas empowerment enables employees to respond quickly and effectively to customer needs. Together, these dimensions create an organizational environment capable of supporting both service excellence and digital innovation. These findings support contemporary conceptualizations of internal marketing as a comprehensive organizational strategy rather than a collection of isolated human resource practices (19, 21).

Overall, the findings demonstrate that customer satisfaction in modern banking environments cannot be achieved solely through investments in technology or solely through investments in human resources. Instead, organizations must adopt an integrated approach that simultaneously develops employee capabilities and digital service quality. Internal marketing provides the organizational foundation upon which high-quality electronic services can be built, while electronic service quality serves as the mechanism through which internal organizational strengths are translated into customer value. The results therefore provide strong empirical support for integrated models of customer value creation in the era of digital transformation (1, 3, 10).

Several limitations should be acknowledged when interpreting the findings of this study. First, the study was conducted within a single banking institution, which may limit the generalizability of the findings to other banks and

service organizations. Second, the cross-sectional research design restricts the ability to establish definitive causal relationships among the variables. Third, data were collected using self-report questionnaires, which may be subject to common method bias and social desirability effects. Fourth, the study focused on employees' perceptions and did not directly incorporate customer responses regarding service quality and satisfaction. Finally, although the model explained a substantial proportion of variance in customer satisfaction, additional organizational and environmental factors may also influence customer outcomes and were not examined in the present research.

Future studies should examine the proposed model across different banking institutions, industries, and cultural contexts to assess the robustness and generalizability of the findings. Longitudinal research designs could provide stronger evidence regarding causal relationships and the dynamic effects of internal marketing initiatives over time. Researchers may also investigate additional mediating and moderating variables such as organizational commitment, employee engagement, organizational innovation, digital readiness, trust, and organizational culture. Comparative studies between public and private banks or between traditional and fully digital banks would provide valuable insights into contextual differences. Furthermore, future research should incorporate both employee and customer perspectives to develop a more comprehensive understanding of the mechanisms underlying customer value creation.

Bank managers should recognize internal marketing as a strategic investment rather than merely a human resource activity. Comprehensive employee training programs should be implemented to strengthen digital competencies and customer service capabilities. Organizations should establish transparent communication systems that facilitate information sharing and feedback across departments. Employee empowerment initiatives should be expanded to allow frontline staff greater flexibility in addressing customer needs and resolving service issues. Performance evaluation systems should include indicators related to digital service quality and customer satisfaction. Additionally, managers should ensure close coordination between human resource management, marketing, and information technology departments so that digital transformation initiatives are supported by appropriate organizational capabilities. By integrating employee development strategies with continuous improvements in electronic service quality, banks can enhance customer satisfaction, strengthen competitive advantage, and create sustainable customer value in the digital era.

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Authors' Contributions

All authors equally contributed to this study.

Declaration of Interest

The authors of this article declared no conflict of interest.

Ethical Considerations

All ethical principles were adhered in conducting and writing this article.

Transparency of Data

In accordance with the principles of transparency and open research, we declare that all data and materials used in this study are available upon request.

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