

## **Banking Marketing Mix with a Strategic Planning Approach and Its Relationship with Performance-Based on BSC Case Study: Ghavamin Bank**

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### **ABSTRACT**

*In this study, considering that Ghavamin Bank's approach is to design and implement a strategic marketing plan based on the bank's transformation document, using previous research and field studies, the relationship between banking services marketing and performance was investigated based on a balanced scorecard. The purpose of this study was to develop existing knowledge about the research topic and use it to improve bank performance. This research was an applied study based on a descriptive-survey method. The instrument used was a questionnaire and the statistical population was all customers of Ghavamin Bank in Iran. The statistical sample size was determined using the Krejcie-Morgan table and finally resulted in receiving 523 questionnaires. In the descriptive and inferential statistics section, SPSS and SMART PLS software was used, and regression and correlation coefficient were used to analyze the hypotheses. The results showed that the components of banking services marketing have a significant relationship with the performance of Ghavamin Bank and its most important components are staff, processes, promotion, physical evidence, place, and product. The bank can use them to improve performance.*

*Keywords: marketing mix, banking services, performance appraisal, Ghavamin Bank customers*

### **Introduction**

The question of what the service marketing mix is for an organization has long been on my mind. Today, organizations, companies, and banks are facing many scientific, technological, social, and cultural changes. Only efficient and successful organizations, in addition to adapting to recent changes, can anticipate future risks and threats to steer those changes to the desired conditions and improve the future. Changes that occur in organizations can be different from changes planned by members of the organization (Mansouri et al. 2015). In particular, in the banking and services industry, the marketing mix of service in customer-seller communication, in addition to the linear logic of understanding, producing, and delivering value to the customer, includes other priorities and sensitivities.

Which have not been discussed so far. In today's society, economic issues have special importance and position, and banks can provide valuable services to the society by reducing costs and boosting transactions, as well as equipping and allocating resources optimally. On the other hand, successful organizations are well aware that the secret of their success and survival in a highly competitive environment is to identify and best meet the needs of customers. Under these circumstances, a bank is more successful in using more effective marketing techniques than its competitors. "Marketing" is the process of adapting a company's capabilities to the needs of customers. Creating and delivering unique value to potential customers and gaining a lasting competitive advantage is paramount in marketing. Also, the "marketing mix" has been an effective marketing tool for decades (Londhe, 2014). The marketing mix is a model for creating and executing strategy. The elements of the marketing mix are product, price, place, and promotion (Supaartagorn, 2017). Kotler (2006) argues that the marketing mix is a set of marketing tools to pursue marketing goals in a target market. When McCarthy (1964) introduced the concept of 4P, it became more popular. 4P indicates product, price, place, and promotion. This is one of the most common categories of the marketing mix. Over the decades, several marketing models have emerged (Paul, 2014). In 2010, Rotschedl changed the 4P model to 7P by adding three physical evidence variables, tools, and people or individuals. Strategic planning in this context is a series of management activities that are used to determine various items, including prioritization, concentration of resources and energy, ensuring that employees and stakeholders move toward organizational goals, determining an agreement on results and outputs, and evaluate and adjust the movement of the organization in the most appropriate direction to adapt to environmental changes (Smith, 2017). The business strategy in this study means an integrated set of banking services to increase the performance and capability of the bank concerning its competitors. Business strategy research is basically related to understanding what makes an organization effective in the environment in which it is located and refers to discovering the processes needed to improve the effectiveness of the organization (Zarei Matin, Jam Prazmi, Yazdani, And Biriari, 2010). From a theoretical point of view, at the international level, there are many and good discussions about marketing mix in different industries (Data et al., 2017; Ostad et al., 2018; Bluet et al., 2018; Liu et al., 2017; 2016; Wu et al., 2018). However, little has been done on issues related to the "banking services marketing mix" and considerable theoretical development potential. Also at the international level, good studies on marketing mix in industries such as information technology (Hosseini et al., 2018), food industry (Mohammadi et al., 2017), pharmaceutical industry (Dadich et al., 2017), agricultural industry (Macaque et al., 2017), health industry (Salehzadeh et al., 2019), energy (Arafa, 2018), automotive industry (Sam, 2017) and so on. However, little work has been done on related issues in the "banking industry" and it has a considerable theoretical potential for development. In domestic sources, topics related to the marketing mix in industries such as detergent, health, and beauty industry (Ebrahimi, 2013), education industry (Hosseini Chegini et al., 2013), tourism industry (Nouri et al., 2019), sports industry (Ashoghi et al., 2019), clothing industry (Mousavi et al., 2019), etc. have been studied. However, little work has been done on issues related to the "marketing mix in the banking industry". Given that no significant studies have been conducted in domestic and international sources on the marketing mix of banking services, there is considerable potential for theoretical development in these areas. From an operational point of view, the issue of this research was considered at two levels: "case" and "country". At present, we are witnessing a recession in all industries, especially in the banking industry. The problem that almost all activists in the banking industry, including Ghavamin Bank, the face is that they can not attract customers with the usual marketing methods and are looking for new ways to market their services. Therefore, considering that the concept of banking services marketing mix with strategic planning approach is a new concept in the scientific literature and less research has examined the banking services marketing mix with strategic planning approach and its relationship with performance-based on BSC, explaining and developing this concept will help to enrich the literature, and also doing this research will fill the operational gap for the case study and banking industry activists and provide them with operational solutions. Therefore, conducting such research is very important. Also, it is necessary to study how and how the elements of the marketing mix create value for the bank, which has received less attention so far. Considering that in recent years, Ghavamin Bank's approach is to design and implement a strategic marketing plan based on the bank's transformation document, in this study, using previous

research conducted by researchers and field studies, the relationship between service marketing mix (7P) with performance was investigated. In the performance evaluation discussion, the Balanced Scorecard (BSC) method was used, which examines the issue from the perspective of customers, internal processes, growth and learning, and finance. Accordingly, this research has two key objectives: (1) development of existing knowledge on "Explaining the relationship between marketing components and the performance of Ghavamin Bank using the BSC method", (2) explaining the relationship between marketing mix components and customer satisfaction of Ghavamin Bank.

## **The theoretical background of the research**

### **Marketing mix**

The marketing mix is a set of marketing tools that the organization uses to try to achieve its goals in the target market. The concept of the marketing mix was first introduced in the 1950s by Nile Borden and became known as 4P. Botton and McManus (1999) argue that when discussing strategies used to market manufactured goods, market managers often refer to four strategic elements, namely product, price, place channels, and methods. In addition to these four elements, other strategic elements in the field of services can be considered. To achieve this goal, they proposed a mixed marketing model of services consisting of seven decision variables (Doaei, Kazemi, and Hosseini Robat, 2011). Thus, the marketing mix is a set of controlled marketing tools, in which the company tries to meet the target market by combining them. In other words, the marketing mix includes all activities that the company can do to affect the demand for its products (Rusta et al., 2007, p. 69).

### **Product**

Offering new products should be based on the needs and desires of customers and should be able to provide more comfort and convenience for them. The utilization of advanced tools and technology has made it possible to provide new banking services today. In this section, decisions should be made about the specific characteristics of the service, brand, process, and tangible features, packaging, and quality of service (Soleimani Bashli and Akbari Asl, 2012, p. 15).

### **Price**

Equivalent to Rials (or any currency) paid for the use of a good or service. Concerning banking services, the fees received by the bank or the interest rate of banking facilities are included in this section (Soleimani Bashli and Akbari Asl, 2012, p. 15).

### **Place**

Distribution means that customers have easy access to products. In this section, in addition to deciding on the number of banking service locations (branches), whether virtual or non-virtual, their exact places must be decided in such a way that both customer satisfaction is achieved in terms of easy access and that the locations of choice are economical. In this section, decisions are made about the appearance of branches, facilities, and internal equipment, etc. (Soleimani Bashli and Akbari Asl, 2012, p. 16).

### **Promotion**

It includes all activities that increase demand and increase the use of banking services. Promotional activities create a lot of costs for organizations, but the logic behind these types of activities and offsetting these costs by offsetting revenue from increased sales offsets these costs (Soleimani Bashli and Akbari Asl, 2012, p. 15).

### **People (individuals or employees)**

For most services, people are the most vital component. In this service sector, there is the most direct communication with people. Accordingly, it is necessary to define personnel policies in service organizations and how they interact and deal with people. In this regard, a precise definition of the standards of employment, training, motivation, and rewarding of staff in terms of the vital role and continuous interaction with people is necessary (Soleimani Bashli and Akbari Asl, 2012, p. 16).

### **Physical tools, facilities, and equipment**

Intangible services are provided using physical tools, facilities, and equipment. Facilities and equipment that can be effective in increasing the quality of services. For example, providing a brochure related to banking services in the branch where customers are waiting to receive the required banking services and raising the level of awareness and information can make the customer more satisfied. Placing a cash

register inside the branch and available to customers can be effective in customer satisfaction with the bank's services (Soleimani Bashli and Akbari Asl, 2012, p. 16).

### **Process**

The process of providing services and the amount of time the customer spends to receive services as well as the steps he goes through are examined in this section. The simple, fast and defined service delivery process plays an important role in increasing customer satisfaction. The simplicity of the forms, customer-related banking operations, and other similar cases are examined in this section (Soleimani Bashli and Akbari Asl, 2012, p. 16).

### **Balanced Scorecard (BSC)**

In the early 1990s, Robert Kaplan, a professor at Harvard Business School, and David Norton began a research project to investigate the reasons for the success of the top 12 American companies. The study was motivated by the growing belief that financial performance indicators are not effective enough for modern business enterprises. The study team looked at various possible gaps but agreed on the idea of a balanced evaluation, characterized by performance indicators covering the entire organization. A balanced scorecard helps managers to improve the performance of the relevant unit by showing the level of performance of organizations. The BSC approach in determining the position of the organization makes it possible to use this tool to diagnose complications in organizations. In this regard, one should only try to define and apply appropriate criteria for measuring performance (Valmohammadi and Firoozeh, 2010). Now each of the components of the Balanced Scorecard is described:

#### **Financial perspective**

Financial indicators are one of the important components of the balanced valuation method. These indicators tell us how the implementation of the organization's strategy, the details of which are given in the selected indicators in other perspectives, will lead to the desired results in the final financial figures (Valmohammadi and Firoozeh, 2010).

#### **Customer perspective**

According to this view, managers should translate the general statement of their customer mission into specific indicators that are truly relevant to customers; For example, the index of customer satisfaction or the number of complaints raised by customers (Valmohammadi and Firoozeh, 2010).

#### **Perspectives on internal processes**

According to this view, organizations need to determine what processes and competencies they excel at to continue to create value for customers and win over their shareholders. Also, the indicators of each of them should be determined for measurement based on which the manager can easily judge that there is a relationship between internal processes and competencies and the amount and importance of operations that employees perform to achieve the overall goals of the organization (Valmohammadi and Firoozeh, 2010).

#### **A perspective of growth and learning**

According to this view, and given the fierce competition in business environments, organizations, in addition to making continuous improvements to their current products and processes, must be able to introduce processes with broad capabilities. This view also points to the importance of fundamental change in organizations (Valmohammadi and Firoozeh, 2010).

### **Experimental background**

Arab (2018) stated in his research that there is a significant relationship between the dimensions of brand equity and marketing mix. The most important dimension for Coca-Cola is the brand, and the least effective dimension is customer loyalty. Besides, the most effective marketing tools for Coca-Cola are product strategies and pricing. Gayathri (2017) concluded in his research that service marketing plays an important role in the banking sector, the banking sector plays a key role in economic development, and the service marketing mix plays a major role in the banking sector. Pradeesh Kumar and Prasad (2016) in their research stated that the variables of promotion, process, product, location, and physical evidence are 1 to 5, respectively, when marketing services in the banking industry. Pogorelova (2016) concluded in her research that 7P plays a crucial role in technology and e-commerce for the supply of goods and services. Ismail et al. (2015) concluded in their research that marketing mix is related to customer satisfaction and all elements of the service marketing mix including product, location, promotion, price, people, process

and physical evidence are about 75% effective in changing customer satisfaction. Fathian et al. (2015) stated in their research that the nature of the service, the price of the service, the distribution of the service, the promotion (highest value), the physical evidence and processes (second value), individuals (third value) are among the 7 elements of the marketing mix. Amofah (2015) concluded in his research that the process has the greatest impact on the customer's decision to repeat the purchase and all other features, except distribution, significantly affect the decision to repeat the purchase. Islam et al. (2015) concluded in their research that among the combined elements of service marketing, product (service) and price have the greatest impact on the marketing performance of the bank. Tavahodi et al. (2015) stated in their research that there is a positive and significant relationship between the marketing mix and the use of bank customers' offers, quick access to the bank, the bank's appearance, bank credits, the speed of banking activities, the use of new technologies, how the bank's employees work, interest payments on deposits, and costs. Table 1 summarizes the results of previous research on the marketing mix and its impact on performance.

**Table 1.** Results of previous research on marketing mix and its impact on performance

Row	Author	Topic	Results
1	Arab, 2018	Investigating the relationship between brand equity and marketing mix (product, price, location, promotion) in Coca-Cola	The findings showed that there is a significant relationship between the dimensions of brand equity and marketing mix. The most important dimension for Coca-Cola is the brand, and the least effective dimension is customer loyalty. Besides, the most effective marketing tools for Coca-Cola are product strategies and pricing.
2	Gayathri, 2017	The role of service marketing in the banking sector with special reference to the State Bank of India	Service marketing plays an important role in the banking sector. The banking sector plays a key role in economic development. The service marketing mix plays a major role in the banking sector.
3	Pradeesh Kumar & Prasad, 2016	Measuring marketing service strategy using 7P	The result of the new model states that the variables of promotion, process, product, location, and physical evidence are priority 1 to 5, respectively, when marketing services in the banking industry.
4	Pogorelova & Yakhneeva & Agafonova & Prokubovskaya, 2016	Marketing mix for e-commerce	7P has a significant influence on the decisive role of technology and e-commerce for the supply of goods and services.
5	Ismail & Mubarak & Thulkify, 2015	Impact of service marketing mix on customer satisfaction	The marketing mix is related to customer satisfaction and all elements of the service marketing mix including product, location, promotion, price, people, process and physical evidence are about 75% effective in changing customer satisfaction.
6	Fathian, Islam Bolchi, and Hamidi, 2015	The effect of service marketing mix elements on brand equity from customers' point of view (Case study: Bank Melli Hamadan)	The results of this study show that the nature of services, service prices, service distribution, promotion (highest value), physical evidence, and processes (second value), individuals (third value) are among the 7 elements of the marketing mix.
7	Amofah, 2015	Evaluating the effect of service marketing mix on restaurant customer choice in Kumasi	The process has the greatest impact on the customer's decision to repeat the purchase. All other features, except location, significantly affect the decision to repeat the purchase.
8	Islam and Rahman, 2015	Service Marketing Combination and Its Impact on Bank Marketing Performance: A Case Study on a Limited Liability Bank Jonata, Bangladesh	Among the mixed elements of service marketing; Product (service) and price have the greatest impact on the marketing performance of the bank.
9	Tavahodi, Mohebbi and Zare, 2015	Investigating the relationship between marketing mix and customer preferences in choosing a state-owned bank	A positive and significant relationship between marketing mix and use of bank customers' offers, quick access to the bank, bank appearance, bank credits, speed of banking action, use of new technologies, how the bank employees work, payment of interest on deposits, and expenses There is the desired.
10	Haruna Isa & Mohammad, 2015	A mix of marketing and customer satisfaction of retail banks in Northeastern Nigeria	The elements of product, process, and physical evidence are more relevant to variables such as price, promotion, location, and people. Also, the element of the process has the most impact and price has the least impact.
11	Belobo Ateba, Maredza, Ohei, Deka & Schutte e, 2015	Marketing mix: its role in customer satisfaction in South African retail banking	The marketing mix is an essential tool in satisfying and retaining banking customers, and the price is the most influential element in customer satisfaction.

12	Kushwaha & Agrawal, 2015	About 7P Marketing Service to an Indian Customer	Physical evidence, process, location, and people have the most impact on product, price, and promotion, respectively, and physical evidence has the greatest impact on the customer.
13	Mahmoud and Mohammad Khan, 2014	The Impact of a Service Marketing Blend on Customer Perception: A Study at East Bank, Bangladesh	Elements of price, promotion, people, and physical evidence have a positive effect on customer perception while elements of the product, location, and process have no significant effect on customer perception.
14	Kaura, 2013	Blending service marketing with a special focus on Indian banking	Mixed elements of service marketing with a fair price and transparency variables, proper distribution of banking services, employee behavior, customer education, agility, and processes through technology; Banks play an important role in differentiating banking services from their competitors.
15	Zanganeh, Amini Lari, 2013	Analysis of the relationship between marketing mix dimensions and brand equity (Case study: Genaveh Bank)	There is a significant relationship between the dimensions of the marketing mix in the studied banks and brand equity.
16	Nazari, 1390	The effect of marketing mix factors on customer attraction (Case study of Saderat Bank of Kermanshah)	The factors of the marketing mix have a positive and significant effect on the process of attracting customers in Bank Saderat.
17	Ayanda & Joseph Adefemi, 2012	Practice marketing mix as a determinant of performance	To improve the business, the marketing program and marketing mix should be intensified.
18	Stanciu, 2010	Objectives for creating and re-implementing the marketing mix in government agencies	Product elements, distribution, and promotion have a significant and important relationship in public (government) organizations and the price element is the least important in these organizations.
19	Kim & Hyun, 2011	A model for examining the impact of a combination of marketing efforts and company image on brand value in the IT software sector	All marketing mix efforts generally affect the overall value of brand equity, which plays a positive role in market performance through three dimensions of brand equity. The organizational image focuses on the effect of mixed marketing efforts on three dimensions of brand equity.

### Research Methodology

Because the purpose of the research was to understand people's human actions regarding the marketing mix of banking services, to develop knowledge about their working lives, and to discover how they form their meanings of the marketing mix of banking services in real conditions, the paradigm used in this study was interpretive. This research is applied research because it was done for the practical application of knowledge and application of the results of the findings to achieve the objectives set out in this research for Ghavamin Bank. Because in this research, using general information and establishing a relationship between them, a general sentence was inferred and observations were made on specific events in an example of industry (banking industry) and then based on the observation of events or happenings, inferences are made about all members of the industry, the research approach is inductive, i.e. reaching from the component to the whole. The research method used in this research was a descriptive-survey and according to the objectives, it can be called applied. In terms of information review and analysis, the research is correlational. The strategy of this research is quantitative using SPSS and SMART PLS software. Because this research was done in Ghavamin Bank, it examined the phenomena in their real-life context, did not manipulate them, and studied things that happened in a real and natural way, this research is of the field type. Because this study seeks to grow knowledge about the marketing mix of banking services, the purpose of this research was exploration and data collection was done through a questionnaire. Due to a large number of customers of Ghavamin Bank throughout Iran, the statistical population of the present study was the customers of Ghavamin Bank in all provinces of the country. By distributing the designed questionnaire among 25 senior and expert bank managers and 6 university professors with related specialties, its content validity was evaluated quantitatively using two relative content validity coefficients (CVR) and content validity index (CVI), and the necessary corrections were made.

A) Marketing mix: To confirm the reliability of the questions related to this section, two indicators of Cronbach's alpha and combined reliability were used. Regarding the convergent validity of the questions, the AVE index was used, the results of which are given in the table below:

**Table 2.** Cronbach's alpha and hybrid reliability of the marketing mix and its dimensions

Variable	Cronbach's alpha	Combined reliability	AVE
Marketing mix	89/0	94/0	65/0
Promotional	71/0	79/0	54/0
Distribution	84/0	89/0	63/0
Physical evidence	76/0	80/0	59/0
processes	72/0	78/0	54/0
Price	75/0	79/0	60/0
the product	72/0	78/0	59/0
Staff	78/0	83/0	55/0

Cronbach's alpha and combined reliability for the underlying factors and its dimensions have been greater than 0.7 and thus its reliability was confirmed. Also, in the AVE indicators reported in the table above, no items less than 0.5 can be found. This confirms the convergent validity of the questions posed for the marketing mix and its dimensions. Then, Fornell-Larcker matrices were used to evaluate divergent validity. It is observed that all numbers on the main diagonal of the Fornell-Larcker matrices are larger than their lower numbers, and this confirms the divergent validity.

**Table 3.** Divergent validity matrix by Fornell-Larcker methods

	Promotion	Distribution	Physical evidence	Processes	Price	Product	Staff
Promotion	73/0						
Distribution	005/0	79/0					
Physical evidence	15/0	61/0	77/0				
Processes	01/0	11/0	01/0	73/0			
Price	40/0	30/0	42/0	009/0	77/0		
Product	009/0	004/0	008/0	13/0	02/0	77/0	
Staff	25/0	006/0	20/0	42/0	32/0	002/0	74/0

B) Performance: To confirm the reliability of the questions related to this section, two indicators of Cronbach's alpha and combined reliability were used. Regarding the convergent validity of the questions, the AVE index was used, the results of which are as follows:

**Table 4.** Cronbach's alpha and the combined reliability of structural factors and their dimensions

Variable	Cronbach's alpha	Combined reliability	AVE
Function	78/0	83/0	67/0
Internal processes	84/0	90/0	55/0
Financial	72/0	78/0	63/0
Customer	77/0	83/0	62/0
Learning and growing	71/0	77/0	54/0

It is observed that Cronbach's alpha and combined reliability for its performance and dimensions is more than 0.7 and thus its reliability is confirmed.

Also, in the AVE indicators reported in the table above, no case is found less than 0.5, and this indicates the convergent validity of the questions raised for its performance and dimensions.

The Fornell-Larcker matrix was used to evaluate divergent validity. It is observed that all numbers on the principal diameter of the Fornell and Larcker matrices are larger than their lower numbers, and this confirms the divergent validity.

**Table 5.** Divergent validity matrix by Fornell-Larker method

	Internal processes	Financial	Customer	Learning and growing
Internal processes	74/0			
Financial	48/0	79/0		
Customer	62/0	54/0	78/0	
Learning and growing	05/0	06/0	07/0	73/0

Using the Krejcie-Morgan table and considering the proportional stratified sampling method, a questionnaire assigned to each province was determined. Then, in each province, using a simple random sampling method, questionnaires were distributed and collected in cooperation with the respected staff of Ghavamin Bank, and the completed questionnaires were used for statistical analysis of the research. The population size at the time of the study was 4,334,665 and according to the Krejcie-Morgan table, the minimum sample size was 384. For more assurance, 550 questionnaires were distributed among customers in a stratified-random manner, and in return, 523 acceptable questionnaires were used. The questions of the questionnaire are on the 5-point Likert scale. Regarding the marketing and performance mix from the perspective of Ghavamin Bank customers, in terms of compliance with the bank's strategic marketing planning and its impact on the bank's performance according to the components of the balanced scorecard, the bank's customers have been asked to determine their compliance. The questionnaire was distributed among all provinces of the country based on proportional stratified sampling and a simple random sampling method was used in each province. Finally, the output of the questionnaire was analyzed as a number and the results were extracted and reported.

## Research Findings

### Data analysis process

As mentioned, in this study, the data collected through questionnaires were analyzed using SPSS and SMART PLS software. Therefore, in the descriptive statistics section, demographic information is explained and in the inferential statistics section, the results are described using correlation tests and multivariate regression analysis to examine the research hypotheses.

Main Hypothesis: This hypothesis states that the components of marketing banking services have a significant relationship with the performance of Ghavamin Bank.

**Table 6.** Spearman correlation coefficient between marketing mix components and performance

Performance	Test statistics	Variable
716/0	The correlation coefficient	Product
000/0	The significance level	
630/0	The correlation coefficient	Price
000/0	The significance level	
683/0	The correlation coefficient	Distribution
000/0	The significance level	
597/0	The correlation coefficient	Promotional
000/0	The significance level	
720/0	The correlation coefficient	Staff
000/0	The significance level	
749/0	The correlation coefficient	Physical evidence
000/0	The significance level	
813/0	The correlation coefficient	Processes
000/0	The significance level	

According to Table 6, the intensity of the relationship between all components of the marketing mix and the performance of Ghavamin Bank is strong and its direction is direct. On the other hand, the level of significance for all components of the marketing mix is zero, which indicates the significance of these relationships. Therefore, according to the significant confirmation of the mentioned relationships, all components of the marketing mix can be included in the regression model and the relevant regression coefficients can be extracted.



**Table 7. Regression coefficients (dependent variable: performance)**

	Regression coefficients	Standard error deviation	Standard regression coefficients	t statistics	The significance level
Fixed	053/0	055/0		957/0	339/0
Product	074/0	036/0	074/0	036/2	042/0
Price	056/0	030/0	063/0	891/1	059/0
Distribution	084/0	031/0	089/0	727/2	007/0
Promotional	128/0	022/0	171/0	735/5	000/0
Staff	292/0	032/0	285/0	181/9	000/0
Physical evidence	090/0	032/0	097/0	792/2	005/0
Processes	255/0	031/0	297/0	153/8	000/0

According to the table above, regression coefficients related to product variables, distribution, promotion, employees, physical evidence, and processes have become significant (because their significance levels have been 0.042, 0.007, 0.000, 0.000, 0.005, 0.000, respectively, which are less than 0.05). That is, these independent variables have played an influential role in the dependent variable (performance) changes. Therefore, the regression model can be considered as follows:

$$(Processes) + 0/255 (Physical Evidence) + 0.090 (Employees) + 0.229 + (Promotion) + 0.128 (Distribution) + 0.04 / (Product) 0.074 + 0.053 = Performance$$

In the following table, the significance of the fitted regression model is tested.

**Table 8. Significance test of the regression model**

	Sum of squares	Degrees of freedom	Average of squares	Statistics F	The significance level
Regression	738/211	7	248/30	938/251	000/0
Residue	832/61	515	120/0		
Total	571/273	522	average of squares		

Considering that the significance level is reported to be 0.000 which is less than 0.05, it can be concluded that the proposed regression model is good and can explain the changes in the performance of Ghavamin Bank.

The correlation coefficient and regression model determination coefficient are given below. According to Table 9, the correlation coefficient of the set of independent variables with the dependent variable is 0.88, which is strong in terms of intensity and direct in terms of direction. Also, the coefficient of determination of this model is 0.774, which indicates that this regression model can explain 77.4% of the changes in the dependent variable (performance).

**Table 9. Correlation coefficients and model determination**

	The correlation coefficient	The coefficient of determination	The adjusted coefficient of determination
Model	0.880	0.774	0.771

### Conclusions and Suggestions

The results obtained from customer surveys show that the intensity of the relationship between all components of the marketing mix except price and the performance of Ghavamin Bank from the customer perspective is strong and direct. According to the results, the components of employees, processes, promotion, physical evidence, distribution, and product have an impact on the performance of Ghavamin Bank, respectively. One of the innovations of the present study is to provide new methods for the practical application of marketing concepts in the banking industry. Numerous researches have been done on marketing mix in different industries (Data et al., 2017; Ostad et al., 2018; Bluet et al., 2018; Liu et al., 2017; Izorit, 2016; Wu et al., 2018). However, very little research has been done on the topic of "banking marketing mix". Previous research has not addressed the strategic planning approach and its relationship to performance based on BSC. In contrast, the present study has fully introduced this approach. Although a lot of research in the field of marketing mix focuses on information technology (Hosseini et al., 2018),

food industry (Mohammadi et al., 2017), pharmaceutical industry (Dadhich et al., 2017), agricultural industry (Macaque and et al., 2017), health industry (Salehzadeh et al., 2019), energy (Arafa, 2018), automotive industry (Sam, 2017), etc., none of the research has mentioned the banking industry so far. The results of this study were consistent with the results of previous studies in that marketing mixes are related to performance, but in terms of the order of priority of marketing mix components are different, which is influenced by the statistical community and the industry. For example, the most effective marketing tools for Coca-Cola are product strategies and pricing (Arab, 2018), while in this study the product had the sixth priority and the price component had little effect because in the Iranian banking industry, the prices are similar and the rates are slightly different and are ordered (notification of the Central Bank of the Islamic Republic of Iran). Gayathri (2017) stated that the service marketing mix plays a major role in the banking sector. Pradeesh Kumar and Prasad (2016) state in their research that the variables of promotion, process, product, place, and physical evidence are 1 to 5, respectively when marketing services in the banking industry. Pogorelova (2016) in his research showed that 7P has a significant influence in creating a decisive role in technology and e-commerce for the supply of goods and services. Ismail et al. (2015) in their research showed that the marketing mix is related to customer satisfaction. The results obtained in the research of Fathian et al. (2015) showed that the nature of services, service prices, service distribution, promotion (highest value), physical evidence, processes (second value), and people (third value) are mixed among the 7 elements. Islam and Rahman (2015) in their research showed that among the mixed elements of service marketing, product (service) and price have the greatest impact on the marketing performance of the bank. Haruna Isa (2015) stated that the elements of the product, process, and physical evidence were more relevant than variables such as price, promotion, location, and people. Also, the process element has the most impact and the price has the least impact. Belobo Ateba (2015) considers the marketing mix as an essential tool in the satisfaction and maintenance of bank customers and states that price is the most effective element concerning customer satisfaction. Therefore, to improve the performance of the bank, senior managers should study, plan and implement the components of the marketing mix (7P) more carefully and sensitively to be able to achieve better performance by implementing it accurately and gaining customer satisfaction, improving internal processes, staff growth, and learning, and improving financial indicators. Therefore, according to the results of the research, the following suggestions are provided to improve the bank's performance based on the components of the banking services marketing mix and in order of their importance:

- 1) Considering that the "employees" component is the most effective variable in improving the bank's performance, it is suggested that the bank be more careful in selecting employees when hiring employees and provide in-service and in-service training to improve the scientific and professional level of employees. Also, in paying salaries and benefits to employees, the level of payment of the country's banking industry should be considered to obtain satisfaction with working conditions. Also, in appointing people, meritocracy should be considered and they should be instilled to be important through the participation of employees in doing things. It is also suggested that cohesive and successful work teams be formed at the level of units, especially branches.
- 2) Regarding the second variable "processes", it is suggested that the forms related to account-opening and contracts be aggregated and summarized, the speed of employee response and the speed of computer software be increased.
- 3) Regarding the third variable of "promotion", it is suggested that appropriate budgets and authorities, especially in the payment of facilities to branches, be given to appreciate and encourage special customers, and that the customer club be created and ranked. Also, appropriate promotional items and gifts should be used to celebrate customers on different occasions, and cyberspace should be used more favorably to inform customers.
- 4) Regarding the fourth variable "physical evidence", it is suggested that the interior and exterior of the branches be always neat and orderly and be ready to serve and serve customers and that employees appear in the customers' eyes with appropriate and adorned clothing. It also seems necessary to have a cash register for customers and a suitable customer waiting space.
- 5) Regarding the fifth variable "place", it is suggested that the branches be located in such a way that customers can move there easily and their car can be parked. This should also happen in areas with high

commercial density and access to public transportation services. Also, the expansion of electronic services and tools to provide customers with access to new banking services such as access to Internet banking, mobile banking, etc. seems necessary.

6) Regarding the sixth variable "product", it is suggested that by conducting field marketing research, to assess the needs of customers and predict their future needs to design competitive products. The bank should always offer newer and more competitive plans than competitors for different segments of society (businessmen, businessmen, farmers, employees, doctors, retirees, etc.).

Finally, one of the limitations of this research is that considering that the main purpose of this study was to "explain the relationship between the marketing components of banking services and the performance of Ghavamin Bank using the BSC method", customer satisfaction variables, internal processes, growth, and learning, and financial indicators were examined and analyzed only in terms of marketing mix elements (product, price, distribution, promotion, staff, process, physical evidence) with a strategic marketing approach and other indicators that may be relevant were not considered. Also, the higher priority of this research was to collect data through the distribution of questionnaires rather than reviewing the documents of the organization or studying the performance of the organization in a long time process. Doing so can be expected to provide a more complete and in-depth insight into the subject matter. Since the strategic planning approach was used in this research, it is suggested that future research focus on the strategic management approach, long-term goals of the organization, and the medium-term goals of the organization and their classification. Also, since this research was conducted on the marketing mix of banking services, future researchers are advised to examine the marketing mix in other industries, especially in an emerging industry, and compare the results. Besides, the study of regulatory processes used in the development and implementation of the marketing mix in the industry can be considered as useful future research in this field.

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