The Impact and Importance of E-Marketing on the Quality of Service Provided to Customers (A Study on Telecommunications Companies Providing Mobile Services in the State of Kuwait)

Shebaib Fahad Shebaib

Business administration teacher- Public Authority for Applied Education
shebaib@hotmail.com

Prof: Said Ali Hussein
Professor of Business Administration- Lebanese University
Said_hussein@hotmail.com

المجلة المالية والتجارية
العدد (25) – العدد الثالث – يوليو 2024

رابط المجلة: https://jsst.journals.ekb.eg/
Abstract:

This study focuses on the telecommunications field and how it has utilized e-marketing to meet customer needs and achieve their satisfaction by enhancing customer service quality. The study aimed to identify the level of general e-marketing policies followed by telecommunications companies in the State of Kuwait, as well as the main aspects that constitute these policies. This was done by examining the relationship between e-marketing and the quality of customer service provided by Kuwaiti telecommunications companies. Additionally, the study investigated the impact of demographic factors on the general e-marketing policies followed by telecommunications companies in the State of Kuwait and their main pillars.

The results of the study showed that there was no significant difference in the scores of the pillars: providing a database - research and development - security - customer service quality, attributed to demographic factors (gender - age - educational qualification - income). The only pillar that showed significant differences in the scores attributed to the educational qualification variable was the marketing strategy pillar. Half of the sample indicated that the prevailing level of the general e-marketing policy followed by telecommunications companies in the State of Kuwait is the average level. And that telecommunications companies have low marketing strategies.

Key words: E-Marketing, Quality of Service, & Telecommunications Companies Providing Mobile Services in the State of Kuwait.
1-Introduction:

The world is undergoing rapid changes, leading to new trends and approaches in business operations. However, challenges and opportunities have emerged in equal measure and the telecommunications sector is one of the most sensitive to these changes and challenges. It has leveraged technology not only to withstand competition in the business world but also to provide services in the right way to achieve customer satisfaction. E-commerce has become one of the most important features of the telecommunications sector in the State of Kuwait.

Information technology has entered all aspects of our lives, making it easy for individuals to access the internet at any time, whether at work, home, or school, to obtain information, perform government services, or even shop for goods - in short, anything we need. As a result, information influences individuals' purchasing or subscription decisions. At the same time, companies use the internet to gather information about their customers to understand their purchasing behavior, which helps them plan their strategies better and make decisions based on clearer and more detailed information. (Lin & Ho, 2006).

The incorporation of activities such as website quality, privacy protection, and confidentiality of personal information into e-marketing strategies is crucial for supporting the company's objectives. (Reedy, Schullo & Zimmerman, 2000).

It is well-known that online marketers rely heavily on information that helps them market their products and services, such as customer behavior in choosing products and brands. However, they often overlook services and goods that do not generate profit for them (Rihame, 2001).

It is worth noting that online customers are primarily interested in purchasing processes, information gathering, investments, and electronic payment transactions. (Lain & Lin, 2007).

Numerous factors determine customer perception of the quality of products or services offered online, ultimately impacting their purchasing decisions. (John, 2004).
However, there is a lack of research that clearly addresses the factors that influence the customer's decision to purchase online, as well as the customer's ability and knowledge of using the internet, promotional offers from companies, and the privacy and confidentiality of personal information standards. Hence, there is an urgent need to understand and identify online customer behavior, and we hope that this study will contribute to some knowledge regarding online customer behavior and how to achieve online consumer satisfaction in relation to e-marketing services in the State of Kuwait.

2-Conceptual framework and Previous Studies:

2-1-Conceptual framework:
2-1-1-Quality Standards:

With the rise of e-services, monitoring the quality of service delivery has become increasingly important. Quality standards have become one of the most important topics in the research literature. Research on online services has identified seven dimensions of service quality that are used to assess the quality of a service. These standards include website design, delivery, ease of use, site management, and the level of entertainment during site use. The aesthetic design of the site, the level of interaction between the site and the user, and the speed of information processing are also among the most important of these standards.

2-1-2-The Relationship between E-Marketing and Service Quality:

Customer purchase rate is considered one of the most important indicators for measuring customer satisfaction. Customer satisfaction can be achieved by providing high quality service and products, delivering products on time, and confirming the sending and receipt of the product through electronic messages. Customer satisfaction can also be measured through customer comments and opinions on the level of service delivery. Therefore, service quality is one of the most important factors that lead to the spread of e-marketing around the world.

Customer trust in websites is one of the most important factors that drive online shopping. For example, Google is considered one of the most important and reliable websites that browsers visit to search for everything they want. In this regard, we would like to emphasize that building trust between the consumer and the website is one of the most difficult things, given the many obstacles and barriers that e-commerce faces.
2-1-3-E-marketing and customer trends:

Studies have shown a correlation between customer brand choice and customer trends. Understanding the factors that influence customer preference for e-marketing over traditional marketing requires an explanatory model. One study found a link between customer behavior and their attitudes. Several factors affect the type of product purchased, the reason for purchase, and the timing of purchase. These factors include customer gender (male/female), the level of online competition, and a number of other non-personal factors. Additionally, product features, website quality, and demographic factors influence customer trends. The extent of the suitability that the customer obtains from using the Internet in the purchase process, as well as the customer's confidence in the site and his awareness of the potential risks resulting from this use, are among the most important factors affecting customer or consumer trends. Similarly, the extent of time available to the customer for online shopping and the availability of internet service to the customer as well as the customer's or consumer's skill in dealing with the internet to obtain the goods and services they desire are influential factors in customer trends. Finally, the extent to which the e-marketing website secures customer information and personal data, as well as the security of their bank account data, are influential factors in a customer's judgment of an e-marketing website.

2-1-4-The Impact of E-Marketing on Customer Service Quality:

E-marketing has witnessed a remarkable surge in recent years, and numerous companies operating in the e-marketing sector have successfully gained customer trust through the quality of their electronic services. This necessitates further scrutiny in favor of the customer (Oxford Business Group, 2008).

The relationship between service quality and customer trust has been observed to be similar to what critics have said about the relationship between quality concepts. This means that customer satisfaction is a prerequisite for trust in the product. It is clear that there is no study that has addressed the relationship between customer satisfaction and their trust in the product. However, customer satisfaction is considered an important factor in maintaining high sales rates. It is also clear that the service that the customer receives from the store will encourage them to continue dealing with that store, which means that the better the service, the easier it is to achieve profit (Oxford Business Group, 2008).
This should be the goal of e-marketing, as if the product advertised online satisfies the customer, the customer will tell his/her friends about the product, and then the sales percentage of the product will increase (Oliver, et al, 2009).

But let's ask ourselves, what is service quality? Service quality can be defined as a mental attitude that creates a distinction between expectations and performance in the dimensions of quality. When a customer evaluates the service they receive from a place, there are a number of elements that make up the required service quality from the customer's point of view. These standards are: Reliability, Responsiveness, Product Value, Communication, Credibility, Respect, Security and Efficiency.

Therefore, quality means the level of service expected by the customer and the customer's perception of the service actually provided. Rebranding has become a common practice among telecommunications companies. Old names used to work successfully, but with the rapid growth of the market, old names have faded to be replaced by new names that are more competitive and capable of growth (OECD 2007).

Every project involves inherent risks, and renaming a product is no exception. It requires significant financial investment to rebrand and implement strategies that support the company's growth objectives. Moreover, rebranding could alienate existing customers who may be hesitant to adopt the new name, as they may perceive it as a potential risk of loss.

Telecommunications in Kuwait have become a necessity, as evidenced by the emergence of several telecommunications companies in the country, such as Zain, Wataniya, Viva, and Umniah, which have offered lower tariffs and pricing systems in an increasingly competitive market due to the large number of telecommunications companies in the region. However, despite this competition, no more choices have been offered to customers (Limam, 2003).

Despite the limited choices available to the customer, awareness has increased, and as a result, the customer chooses the lowest prices and the most suitable service. Customer satisfaction results from the good service they receive from company employees. When company employees provide good service to customers, it encourages customers to continue dealing with the telecommunications company. Therefore, company employees should be motivated to have the intrinsic motivation to satisfy customers, which leads to increased company profits (Krishnamurthy, 2006).
2-2-Previous Studies:
2-2-1-study (Al-Sabaei and Al-Jalhami, 2010):
Evaluating E-Marketing Activities: This study aimed to identify the trends of Saudi companies towards the use of e-marketing and to investigate the impact of e-marketing motivators, e-marketing practices, benefits, and challenges on Saudi joint-stock companies. The information for the study was collected from a random sample of 21 joint-stock companies in the Kingdom of Saudi Arabia using a convenience sampling method. The study employed a descriptive approach to describe the data using percentages, frequencies, and charts. The study found that there is a good and reasonable understanding of the concept of e-marketing among 90% of the companies.

One of the motivations of electronic marketing is to promote the brand and increase market share, and one of the actual practices of electronic marketing is to create a website. The study recommended overcoming the difficulties facing electronic marketing and that companies should support electronic marketing practices. Companies should also establish integrated and cooperative administrative units to engage in activities such as computer management, and universities should teach some courses that include electronic marketing and ensure the development and training of employees in the company and invest in successful commerce in specialized companies.

2-2-2- study (Lituchy&barra,2008):
This study examined how international website design, and its implementation and influence. Some considerations were taken from analyzing the websites of airlines and hotels, such as language, cultural differences, and creating special rooms for development in both industries. There is a local policy using them in marketing, transportation, and telecommunications, in both levels theoretically and practically as well as in application, including language conversion, currency conversion, and payment.

Study results: There was a great diversity in e-commerce through the website and its application are varied also the matter which affect the it’s work. It is not necessary for the tasks to be easy, but the more difficult tasks require increase usage of the global customer base, and that most companies tested and showed the results of standard and spatial strategies, but e-commerce and for its location Online, these problems have proven good use for international online clients (Elsevier.com, 2007).
2-2-3- study (Cheng & Dogan, 2007):

This study aims to Develop a theoretical framework to test consumer focus in Internet coupons marketing. And concluded that: development and analysis of various strategies for Internet coupons from oligopolistic establishments for a single products. Study results: It was concluded that using online coupons brings more profit for two reasons: 1. The facility’s ability to collect the largest possible amount of important information. 2. When coupons are used with the same information for the targeted consumer at different times, it leads to lower cost. (Elsevier.com, 2007).

2-2-4- study (Al-Astal 2007):

This study aimed to identify the reality of applying and practicing e-marketing in banks operating in the Gaza Strip, from the point of view of the administrative levels in light of marketing practices that aim to know the actual practices and the benefits it achieves for the bank, the staff and the customers. It is achieved the availability of the database, trust and security, privacy and confidentiality, senior management support, and research and development when using e-marketing. The researcher used the descriptive analytical method in the research. The sample of the study was from the category of senior, middle, and lower levels in banks operating in the Gaza Strip, represented by the general manager, branch managers and their deputies, officials, department heads, controllers, and senior management employees. The researcher used the stratified random sampling method. The questionnaire was relied upon as a tool for collecting data, as 202 questionnaires were distributed. The study concluded that there is actual electronic marketing practices used in banks operating in the Strip, as well as the availability of elements for using electronic marketing, represented in the database, trust, security, privacy, confidentiality, senior management support, and research and development. To a high degree, exceeding 80%. There are no statistically significant differences between the opinions of sample individuals due to demographic factors (gender, age, academic qualification, university major, job title, average monthly income, number of years of experience, duration of Internet use). The researcher recommended enhancing the use of electronic marketing to benefit from its advantages, and enhancing consideration to focusing on customers and working to enhance the use of the latest technological means to practice banking work and enable bank employees to use modern e-marketing methods and applications provided to banking services to customers.
2-2-5- study (Al-Jouhari, 2007):

On the impact of e-marketing on the marketing performance of small business enterprises, the study aimed to develop a theoretical model to understand and explain the use of electronic marketing by small business enterprises in the United Kingdom and Egypt, and to explore and analyze the level and form of electronic marketing used by Egyptians and British nationals and its contribution to marketing performance as measured by operational and financial performance. Its most important hypotheses: 1- The application of electronic marketing by SBE depends on internal factors related to SBE. 2- It is a form of electronic marketing used by SBE that is not largely related to the company’s marketing performance. Questionnaires and interviews were used to address different levels of discussions, and different methods were used in studying the phenomenon. He took into account the methodologies and methods used in other studies, where he used triangulation.

2-2-6- study (Shah and Siddiqui, 2006):

This study aims to: clarify the current and rapid growth of online banking services and what is meant by electronic banking services. It is considered a recent study and was designed for regulatory purposes that must be adapted to it. In this study, two basic questions were asked for this research. First: What is the experience of business organizations in adopting electronic banking? Second: What are the organizational factors that are considered critical for the success and adoption of electronic banking? Study results: It was found that the most important factors for achieving success in electronic banking services are the following: customer understanding, organizational flexibility, availability of resources, the security system that establishes the brand, and the presence of integrated channels. System integration of electronic marketing channels, systems and methodology integration. Change management system, support from senior management, and improvement of the services it provides to its customers. The study concluded that banks need change management to enable the network itself to function. These changes include re-engineering business processes, modifications in the administrative structure to accelerate decision-making processes and thus providing services to customers, enhancing e-commerce within the organization, and integrating electronic banking channels with other channels. Providing good services and maximizing the benefit of electronic banking services.
channels. Providing good services and maximizing the benefit of electronic banking services. Among the results of the present study: the need to apply variable regulatory standards for the website on the Internet, and to focus on the e-commerce strategy and integration it with the bank’s electronic strategies, which must be integrated with the bank’s electronic channels in order to deliver the other services with maximum possible benefit. Study recommendations: The need to promote electronic commerce with the organization, whose approval will help the administrative staff, and identify the critical factors that contribute to the success of the electronic bank, which provides a great benefit to electronic commerce, and partly participates in the adoption of electronic banking. The main factor for organization success is the positive relationship toward successful bank’s services provided to clients (Elsevier, 2006).

In general, the topic of the impact of e-marketing on customer service has not discussed by globally sufficient research and study. There are a small number of studies that have directed their attention to customer satisfaction and a number of others that have focused on the technical and technological aspects. In Kuwait specifically, there are no studies on the impact of e-marketing on customer service in the field of telecommunications. Therefore, this study is considered one of the pioneering studies in this field, as it is an important addition to the relevant research literature. However, there are many studies conducted on value, customer attitudes, and consumer behavior related to electronic marketing and a number of other fields, and there is a focus to different degrees on different issues. Therefore, there are no homogeneous studies on the issue of e-marketing, and this is the challenge that this study faced. Previous studies have also paid attention to the factors affecting marketing. Electronic marketing in the field of banking in Kuwait, but did not address the level of the field of telecommunications. Therefore, while this study is one of the valuable studies in providing information in this field, its importance is greater in bridging the gap related to the impact of electronic marketing in telecommunication sector.

3-Research Problem:

3-1-Overview of the Telecommunications Sector in Kuwait:

In the past, the government held a monopoly on the telecommunications sector in Kuwait. However, with the liberalization and privatization of this sector in 1999, Zain, Wataniya Telecom, and later Viva emerged from the private sector. Their entry into the field
has contributed to raising the efficiency of mobile phone services as well as internet services provided to customers in an environment of commercial competition.

However, the telecommunications sector in Kuwait is still considered an emerging sector, as it recorded only 150% in the third quarter of 2012. It is important to note that the State of Kuwait is the only country in the Gulf Cooperation Council countries that needs a regulator for the telecommunications sector. However, it was one of the first countries to realize the importance of liberalizing this sector, which was achieved through privatization and ensuring fair competition, which ultimately benefited the customer. The government provides regulatory services and also provides land-line telecommunications services, in addition to its organization and control of international telecommunications, as international telecommunications are only carried out by the government.

3-2-The Research’s problem:

The internet has eliminated the natural barriers and geographical boundaries between countries around the world, and many individuals spend a lot of time using the internet for work, entertainment, or exploring products or services. E-marketing is one of the important tools in providing the required service to the customer. In general, the internet has helped the growth of many business sectors, especially in the face of market competition. Consequently, customers have developed a growing feeling of the need to meet their requirements and needs. The telecommunications sector must ensure that these needs are met and that the service is provided quickly and efficiently. This leads us to ask: Can e-marketing lead to improving the efficiency and quality of customer service?

4-Research Objectives:

This study focuses on the telecommunications industry and how it has utilized e-marketing to meet customer needs and achieve customer satisfaction by enhancing customer service quality. The specific objectives of this study are as follows:

4-1- To identify the level of general e-marketing policies followed by telecommunications companies in the State of Kuwait, as well as the level of the main aspects that constitute these policies.
4-2- To examine the relationship between e-marketing and the quality of customer service provided by Kuwaiti telecommunications companies.
4-3- To investigate the impact of demographic factors on the general e-marketing policies followed by telecommunications companies in the State of Kuwait and their main aspects.
4-4- To contribute to providing information that can help officials in Kuwaiti telecommunications companies develop their e-marketing policies in line with customer needs.

5-Research Hypotheses:

5-1- There is no relationship between the knowledge base and customer service quality.
5-2- There is no relationship between R&D and customer service quality.
5-3- There is no correlation between the level of confidentiality and privacy and customer service quality.
5-4- There is no relationship between e-marketing strategies and customer service quality.
5-5- E-marketing does not affect customer service quality.
5-6- There are no statistically significant differences between the responses of the study sample on customer service quality due to demographic factors.

6-Research methodology:

This chapter deals with the research design, the study sample, the sample design, date sources, the method of collecting and analyzing it, as well as the method of using it in the research, and also the obstacles that faced in the study.

6-1-Research Design:
This is a quantitative design, as the study aims to discover the impact of electronic marketing on the consumers of telecommunication sector in the State of Kuwait. The purpose of the research is to examine the ways in which electronic marketing has helped increase the consumer experience.

6-2-The study sample:
The study sample is customers of telecommunications companies operating in the State of Kuwait, which number (3) companies.
6-3-Sample design:
Sample selection techniques:
The purposeful selection technique was used to select members of the research sample, and the condition was that the sample members be subscribers to one of the three telecommunications companies in Kuwait who are over 18 years old.

6-4-Sample size:
The equation from the study of Fisher et al. 1999 was used to determine the sample size, and the sample size was set at 190 individuals.

6-5-Data collection tool:
In collecting data and information for the study, the questionnaire was designed to achieve the objectives of the study. The questionnaire may consist of two parts:
The first part: aims to identify the personal information of the sample members, such as gender, age, educational level, monthly income limits, and whether or not they use the Internet to complete their transactions.
The second part: aims to measure the impact of electronic marketing on the quality of services provided, and includes (37) statements divided into five variables:
1st variable: availability of a database, includes (9) statements.
2nd variable: research and development, includes (7) statements.
3rd variable: Security, which includes (7) phrases.
4th variable: Marketing strategy, includes (6) statements.
5th variable: quality of customer service, includes (8) statements.
A 5-points Likert scale was adopted to evaluate the answers of the sample members, and the scores were calculated on the basis of giving the number (5) for the “strongly agree”, (4) for the “agree”, (3) for the “neutral”, and (2) for the “disagree”, and (1) for a “strongly disagree”.

7-The applied Statistical Methods:
Achieving the objectives of the current study requires choosing statistical analysis methods that are appropriate for the variables of the study and using statistical programs to extract results. Therefore, in processing the data, the study relied on the Statistical Package for the Social Sciences (SPSS), and used the following statistical methods:
7-1-Using some data summarization methods, such as graphical presentation and some descriptive statistics, to describe the general e-marketing policy offered by telecommunications companies in the State of Kuwait, as well as its components.
Using some statistical analysis methods for multiple variables, including:
- Standard Multiple Regression, with the aim of determining the relationship between the group of variables that constitute electronic marketing and the variable of customer service quality.
- Multivariate analysis of variance:
  [Multivariate Analysis of Variance - MANOVA], with the aim of identifying the presence of variation in the scores for the variables that constitute the electronic marketing policy of telecommunications companies due to the personal variables of the sample members (gender - age - educational level - income).

8-Conclusions:
8-1- More than half of the studied sample (51.5%) reported that the predominant level of the general e-marketing policy followed by telecommunications companies in the State of Kuwait is the medium level.
8-2- More than a third of the studied sample (38.2%) stated that the marketing strategy followed by telecommunications companies in the State of Kuwait are low level strategies.
8-3- “Security” and “quality of customer service” are the two variables that received the highest percentages among the percentages listed in front of the high level (approximately 32% for each) (approximately one-third of the sample’s members).
8-4- The results showed that the variables of marketing strategy and the security have the greatest contribution in explaining the variable related to the quality of customer service, followed by the least contributing variable, which is the research and development.
8-5- The results also showed that the variables: marketing strategy, security, and research and development, all had a significant contribution to predicting the variable of customer service quality, while the variable of availability of database did not have a significant contribution to the same.
8-6- It also became clear that the variables: security, marketing strategy, and research and development explain 21.8%, 21.1%, and 14%, respectively, of the variance in the scores of the customer service quality variable.
8-7- The results of the multivariate analysis of variance showed that there are no significant differences in the scores of the variable that expresses the general policy followed by telecommunications companies due to the variables: gender, age, and income, and that the educational
qualification variable is the only variable that shows significant differences in the scores of this variable.

8-8- The results of the study of the elements that constitute the applied electronic marketing policy of each element, also showed that there is no significant difference in the scores for such element: availability of a database, research and development, security and quality of customer service, attributed to demographic factors (gender - age - educational qualification - income), and that the marketing strategy element is the only element that showed significant differences in its scores due to the education qualification variable.

9-Recommendations:

9-1- The results of the study showed that the educational qualification variable is the only variable that shows significant differences in the scores of both: the variable that expresses the general policy applied by telecommunications companies, and the marketing strategy variable. Therefore, officials and decision-makers in Kuwaiti telecommunications companies must reformulate the general policies of applied electronic marketing policy. As well as the electronic marketing strategies pursued by these companies in light of the different education levels of their customers and the study of marketing and promotional tools that are appropriate for each category of these customers.

9-2- Working to develop electronic marketing strategies pursued by Kuwaiti telecommunications companies, keeping pace with rapid and successive technological developments, and conducting studies that aim to identify customers’ capabilities in dealing with modern electronic means and their needs in this aspect, as well as identifying the attraction factors which are induced them to purchase, and utilizing the result of these studies to determine the paths that must be followed for easy access to different categories of customers within the framework of available modern technology. The results showed that more than a third of the respondents of the sample under study indicated in their answers that the marketing strategy applied by Kuwaiti telecommunications companies a low level strategies.

9-3- The results showed that the dominant level of the general e-marketing policy of telecommunications companies is in the average level, and therefore Kuwaiti telecommunications companies must reconsider those policies, address the weak points of its components, enhance the strengths, and benefit from the successful general e-marketing policies followed by other telecommunications companies in other similar societies.
9-4- It is necessary for Kuwaiti telecommunications companies to analyze the reasons of database provided by these companies through the electronic marketing policy does not have a moral impact on the quality of customer service provided by them, and to work toward developing database and make it at the level that can meet the customer wish and brings its benefit, advantages, and utility. This database is one of the means of attracting the customer to request the service.
10-References:


Cheng, Hsing Kenneth,& Dogan, Kutsal, 2007, Customer-centric marketing with Internet coupons, USA www.elsevier.com/locate/dss
