

# E-Marketing Strategies Exploiting Social Media for Islamic Banking

Ahmad Roumieh

Information Technology Department – Applications  
Support Unit

Kuwait International Bank

Kuwait City, Kuwait

ahmad\_roumiya@hotmail.com

Lalit Garg

Department of Computer Information System

University of Malta

Msida, Malta

lalit.garg@um.edu.mt

**Abstract**—The concept of e-marketing is one which has gained increasing interest within Islamic businesses in recent years. Amin [3] asserts that one of the most critical issues to consider is the legal and moral aspects of e-marketing and the extent to which they fit comfortably within principle notions of Islam and Sharia law. He states that "e-business is a permissible means of doing business provided it is performed in the boundary of Shariah Islamiyyah". By this he means that any form of e-marketing must clearly demonstrate the key principles of Islam, meaning that marketing must be devoid of any contentious or exaggerated claims and there must be no excessive risk. Of course, one of the principal features of marketing as noted by Kotler and Keller [46] is that marketing is known for accentuating the benefits and features of products and services, and downplaying the negative attributes which potentially could lead to a consumer making an informed decision on the basis of this unbalanced presentation. Arguably, this presents a form of risk which may be at odds with the fundamental tenets of Islam. This paper presents a critical literature review of alternative e-marketing approaches.

**Index Terms**—*E-Marketing; Social Media Marketing; Financial Products; Islamic Banking*

## I. INTRODUCTION

Many organizations are turning to e-marketing strategies and social media in order to raise awareness of their products and services within their target market [27]. Traditionally, marketing strategies and adhered to the basic principles of identifying a target market and then developing a marketing strategy or advertising campaign directly aimed at the target market in an effort to raise awareness of a business's products

and services. However, as the popularity of social media has increased with the increased sophistication in the technology, social media and e-marketing strategies have moved to the forefront of contemporary best practices [9]. Not only does social media allow organizations to create an e-Word-Of-Mouth (e-WOM) discussion around their products, the technology available allows businesses to very carefully define their target market and to track and measure customer interest and conversion. This increased sophistication allows businesses to develop highly tailored marketing strategies and also to utilize their marketing budgets far more effectively [32].

There is a wealth of evidence which demonstrates that word-of-mouth recommendation and referral are two of the most powerful forms of marketing [43]. Moreover, the more personal the product or service, the more likely it is that potential customers will seek recommendations from friends and family. Social media offers an unrivalled opportunity for businesses to build their reputation in the marketplace and also to form strong relationships with existing and future potential customers [59]. Customer Relationship Management (CRM) is another fundamental aspect of successful e-marketing, as data gathered from e-marketing exercises can be used to apply CRM principles to future potential customers on a highly targeted and cost-effective basis. The key to successful e-marketing is to gather detailed and specific information about the target market, and then utilize this information to inform focused marketing strategies to engage with current and potential customers [44]. The benefit of social media is that it allows near instantaneous communication on a highly personalized basis, thus helping to build the foundation of a very strong relationship with customers.

Already there is evidence in the literature indicated that different products and services require differentiated social media approaches, and that cultural context is also an

influencing factor [12]. All of these considerations should be built into e-marketing strategies if organizations are launching into this format of marketing for the first time [33]. Too many businesses have a fragmented approach to social media marketing, and fail to appreciate that although social media offers an excellent way to connect with customers on an immediate basis, the communication which takes place via social media must support existing marketing messages and brand positioning [29]. Customers expect a seamless experience regardless of whichever channel and format an organization uses to communicate, which is why any social media marketing strategy must be seamlessly integrated into existing marketing approaches in order to provide a cohesive marketing experience.

## II. THE GROWTH OF E-MARKETING

E-marketing, and in particular social media, have become a staple of marketing strategies for many organizations as they strive to promote their products and services and to raise brand awareness in competitive marketplaces [27]. Until relatively recently, organizations utilized classic marketing principles of narrowly defining a target market and then utilizing direct and indirect marketing tools in order to attract and retain customers and grow market share [46]. However, the social media revolution facilitated entirely by technological development has meant that e-marketing strategies are now regarded as the best practice in marketing circles [9]. Reasons for this include the flexibility and responsiveness of e-marketing, as well as its cost effectiveness and ability to track and monitor consumer behavior. Furthermore, word-of-mouth (WOM) recommendation, widely acknowledged as one of the most powerful marketing tools translates particularly well to a social media environment [46]. Its implications are that e-marketing, and in particular social media marketing, are rapidly overtaking classical marketing techniques. In support of this, Hajipour *et al.* [32] reveal that improvements in technology and software also mean that businesses can use social media in particular to develop bespoke and highly defined marketing strategies which deliver a much better returns on investment and higher levels of customer conversion.

WOM recommendation (referred to as e-WOM in an online environment), leading to product and service referral is the most powerful and effective form of marketing [43]. They further explain that when a product or service is highly personalized or expensive then it is increasingly likely that customers will try to obtain a recommendation either from friends and family, or other people within their social network before purchasing. Obviously social media platforms present an excellent opportunity for existing customers to write referrals and recommendations, and organizations can use this to their advantage. Not only do social media platforms allow a business to create a brand personality, they can also be used to encourage customers to share recommendations thus spread the word about an organization, thereby helping brand

awareness [59]. Another benefit of e-marketing is that it can be used to form the foundation of effective CRM, because of business can use the information gathered from online interactions to build up a detailed picture of customer behavior [44]. This information can be used to help develop enhanced products and services, and also to create personalized opportunities for customers to strengthen levels of customer loyalty. The greater the level of detail about the customer, the easier it is to create highly focused and thus more successful marketing strategies which appeal directly to the target market and the wants and needs of consumers [44], [37]. Social media marketing in particular facilitates near instantaneous communication which simulates the way in which people would interact on a day-to-day basis. This strengthens the perception of brand personality is one of the fundamental aspects of success within e-marketing, leading to long-lasting and robust customer relationships [59].

Despite the wide application of e-marketing techniques, specific products and services benefit from differentiated approaches to social media marketing [33]. Furthermore, it is important to take account of cultural context as this is an influencing factor when determining not only the type and format of e-marketing, but also its content [12]. It is not safe to presume that marketing messages which work effectively in one particular context will necessarily translate to another [37]. To further complicate the role of e-marketing, customers now expect a seamless marketing experience meaning that whichever mode of communication they choose to utilize, they expect an organization to present a unified message [29]. For example, in a retail context a customer would expect the same level of service and communication regardless of whether they purchased online or in-store. Many businesses failed to appreciate this important factor, and thus are missing an opportunity in regards to utilizing e-marketing and social media communication [29]. Ultimately, consumers anticipate and demand a unified and seamless communication and marketing experience which is why adoption of any e-mail marketing techniques must be fully incorporated into any existing business or marketing strategies. Moreover, to be effective the marketing messages must be consistent with the brand positioning and consumer expectation within the context of the industry sector and its cultural setting [36].

## III. ISLAMIC MARKETING

Hafiz [31] explains that Islamic marketing represents an emergent academic discipline which amalgamates contemporary best practices in marketing theory, with the beliefs and requirements of Islam. This generates a number of interesting issues, not least of which because marketing as an industry sector has a reputation for exaggeration [46], as well as an increasing desire to shock a target market through contentious marketing practices and communications [43]. Neither exaggeration nor contentious behavior sits comfortably with the fundamental tenets of Islam, meaning that those organizations and marketing practitioners who wish to market

businesses successfully within Islamic cultural contexts must tread a careful path between the recommendations of marketing best practices and the social and cultural requirements of Islam. It is this which has given rise to the emergence of Islamic marketing which strives to help bridge the gap between the two bodies of knowledge. This has been achieved with some degree of success, because acknowledging the differences is a major step towards reaching an appropriate compromise [4]. However, it is also acknowledged that there is still a huge amount of research and work to be done. The cultural setting of this particular research study, therefore, demands inclusion of Islamic marketing principles, which, it is anticipated, will form the foundation of any future marketing strategy.

#### IV. E-MARKETING APPROACHES

In order for organizations to attract customers, it is necessary for them to market their products and services to raise awareness of their activity, and to promote their position in the marketplace [43]. Marketing is not a modern concept; however, Ahearne *et al.* [2] reveal that if organizations are to remain at the forefront of their industry sector, they must continually evolve and develop their marketing strategy and messages in order to demonstrate to their customers, and indeed the wider marketplace, that they are growing as a business. In recent years, technology has facilitated the rise of "e-marketing". This term specifically refers to the use of electronic methods of communication in order to market a business, such as websites, e-mails, social media platforms, and pop-up banners [14]. These represent just some generic examples of how a business can engage in e-marketing, although Best [11] points out that increasingly, organizations are developing innovative means of using technology to communicate directly and indirectly with customers, and these methods also fall within the remit of e-marketing strategies.

This literature review begins with a discussion as to a formulated definition of e-marketing, and then moves on to consider alternative formats of e-marketing and their specific issues and challenges. The discussion also considers the issues associated with e-marketing in the financial sector, which are specific because of the nature of the products and services which the financial sector offers, as well as consumer tendencies of loyalty due to inertia [19]. The literature review also considers some of the specific considerations associated with marketing Islamic banking and Islamic marketing as this has very explicit requirements [3], [27]. Finally, all of these considerations are brought together in a conceptual framework which will be tested through the course of the primary data analysis and interpretation.

##### A. Definition of Term: E-Marketing

Aaker and McLoughlin [1 p.202] assert that e-marketing is only distinguishable from traditional marketing in its medium of communication, and therefore they believe that e-marketing can be defined as "*the delivery of promotional messages using the internet*". They argue that at a fundamental level e-mail is no different from classical marketing other than the use of

technology. Strauss *et al.* [62 p.37] support this basic perspective, but extend the definition to suggest that e-marketing incorporates "*advertising and marketing efforts to direct sales from e-commerce activity*". They go on to explain that e-commerce can include websites, e-mails, and social media platforms. Solis [59] argues that the use of social media as a marketing tool is considerably more recent, and is more commonly used as a specific form of word-of-mouth (WOM) advertising. Referring to it as e-WOM, to identify its communication via online sources, Brynley-Jones [16] highlights that social media in particular is a specific means of e-marketing which not only has the benefits associated with WOM recommendation, but acts more quickly, and because of technology and software development, enables an organization to track and monitor how successful or otherwise any online marketing campaigns may have been. Thus, it can be suggested that whilst there are subtle differentiations which expand the definition of e-marketing, these relate to the specific modes of e-marketing as opposed to its fundamental use within the business. Therefore, for the purposes of this study, the definition of e-marketing will be taken to be that initially proposed by Aaker and McLoughlin [1 p.202].

##### B. Types of E-Marketing

Drilling down into the detail of e-marketing, contemporary practitioners suggest that there are four especially popular and effective formats of e-marketing. These are social media platforms such as Facebook, YouTube, and Twitter; pop-up and banner advertising, e-mail marketing and the use of interactive communication via websites such as QR-codes. This section of the literature review will consider the specifics of each of these approaches.

###### 1) Social Media Platforms

As a result of technological and software development in conjunction with societal change, social media platforms have become a hugely popular means of communication and interaction [17]. For good or for bad, social media platforms are heavily utilized by consumers as evidenced by the exponential growth of large-scale social media platforms such as Facebook and YouTube, and the rising use of social media platforms by organizations as a means of increasing brand awareness and communicating directly with target consumers. Hoffman and Fodor [35] explain that social media platforms have a number of benefits over other forms of e-marketing. These include the ability to target consumers with a reasonable degree of precision based on the behavior of social networks. Healy and McDonagh [33] also assert that social media platforms are the best way of delivering e-WOM recommendations, as social groups can see the behavior of their friends, and respond accordingly to the recommendations. Kaplan and Haenlein [40] indicate that there is no more powerful form of marketing than a recommendation, which is why social media platforms which can be used on a near instantaneous basis to spread the word

quickly and effectively are an extremely powerful tool in a marketing strategy.

Hirschman [34] also indicates that social media platforms can be used to raise brand awareness and generate brand value. Branding is itself a distinct branch of marketing (and indeed a distinct area of academic research), and social media platforms which allow consumers to discuss their perceptions of a product or service help to generate a "buzz" about a brand by raising awareness. The greater the level of awareness, the greater the brand value which creates a snowball effect amongst the target market. Canniford [18] also believes that branding and social media work, particularly effective because of the influence of "consumer tribes". Goulding *et al.* [28] have identified consumer tribe behavior as consumers who share similar tastes and opinions group together.

The implications for marketing are that if it is possible to gain brand traction amongst a consumer tribe in the social media context, this will of itself generate much greater awareness and brand value. As of yet there is little definitive research which identifies whether or not consumers attracted via social media are more loyal, but certainly technology makes it easier for organizations to track consumer trends and preferences [59].

### 2) Pop-up and Banner Advertising

Pop-up and banner advertising is specifically associated with websites and internet searches. As the term suggests, pop-up adverts appear in the middle of webpages, and banner advertising is to the side, top or bottom of websites. Pop-up banner advertising is now also commonly associated with mobile devices such as tablets and smart phones when consumers download as apps [8]. Pop-up and banner advertising is typically sponsored, into far as the organizations placing adverts there operate on a Pay per Click (PPC) basis every time a consumer clicks through on the link or advert. Organizations responsible for managing this format of advertising argue that it is a highly convective conversion rate based on "click-throughs", although Li *et al.* [51] challenge this suggesting that simply because someone has clicked on an advert, it does not mean that they have been converted to the product as quite commonly clicking on such a banner advertisement is inadvertent. Moreover, Becerra and Korgaonkar [8] challenge the presumed popularity and effectiveness of pop-up and banner advertising, revealing that many consumers find it to be particularly irritating.

More recently, developments in software allowed organizations to utilize the tracking of "cookies" which are specific reference to Internet searches [26]. Now organizations are able to capture and analyze this data in order to build up a picture of consumer behavior. It allows them to link adverts together in such a way that can be utilized in targeted pop-up and banner advertising which is becoming a commonplace nowadays [63]. For example, consumers who may have recently performed a generic internet search for "banks" may then find themselves viewing pop-up and banner advertising for particular banks who engage in this form of

marketing. Again, more research is required to establish whether this targeted approach utilizing cookies helps to increase the level of customer engagement rather than irritating customers and causing them to switch off.

### 3) E-mail Advertising

Direct e-mail marketing is considered by some marketers to be "old-fashioned" [17], although this does not diminish the popularity and volume of e-mail traffic containing advertising and marketing materials. Again, as the term suggests e-mail advertising is the practice of sending direct marketing communications to individual e-mails. It often takes the form of e-mail newsletters and flash advertising [47]. Michaelidou *et al.* [54] argues that for smaller or growing businesses, e-mail marketing is a cost-effective means of communicating with a large potential customer base on the basis that there is the ability to advertise new products and services to existing clients, and also to track levels of conversion and effectiveness of advertising in this manner. Whilst consumers will often consent to or sign up for e-mail marketing inadvertently, Okazaki and Taylor [56] reveal that, much like pop-up and banner advertising, increasingly consumers are finding this mode of e-marketing to be intrusive. Unscrupulous organizations have been known to sell on their lists of e-mail addresses, and there is also an increasing problem of fraud via e-mail with naive consumers being unaware of the risks associated with opening spam e-mails containing viruses [51]. As consumers become more aware of these problems, Okazaki and Taylor [56] believe that the popularity of e-mail marketing is likely to decline, especially amongst more technologically savvy consumers who prefer other forms of communication.

### 4) QR-Codes

QR-Codes is becoming an increasingly popular mode of e-marketing. QR-Codes are randomly generated binary images which can be scanned by a QR-code reader (typically a piece of software which can be downloaded as an app), which then takes the consumer straight to a particular web page [65]. These are popularly used by organizations as a means of generating awareness of unique products for special events, and a form of guerrilla marketing [21 p.1]. Popular amongst consumers because of the novelty value, they are also popular with organizations because they allow a very specific level of tracking of consumer behavior, and they are also found to attract high level of consumer conversion [65]. Consumers who are interested enough to scan the code are also likely to engage more with the organization and act upon the information contained in the webpage. A further benefit of QR-codes is that they can work well with mobile devices, making them more popular with younger consumers who make greater use of mobile devices in order to interact and communicate [58].

Atkinson [6] has found examples of organizations utilizing QR-codes in conjunction with social media platforms, particularly YouTube and Facebook, to raise awareness of competitions, events and promotions. Often QR-codes have

been used as a means of raising awareness of pop-up venues which have become increasingly utilized as a means of raising brand awareness and testing the viability of a product or service in a specific geographic marketplace. The transient nature of QR-codes aligns neatly with the transient nature of pop-up venues, and although such pop-up opportunities tend to be used by more fashion conscious organizations, Berger [10] has found evidence of professional services organizations utilizing the approach at events and exhibitions. Lee [49] argues that potentially this has implications for financial services firms wishing to attract a new generation of customers with targeted products and services.

#### 5) *Google AdSense and Google Endorsement*

Google has rapidly become recognized as the leading Internet search engine (ISE). Sparrow et al. [60] reveal that only 10 to 15% of people look beyond the first page of a Google search, and therefore utilizing tools such as Google AdSense and Google Endorsement can promote search rankings and the popularity of a website. Google AdSense is a means of providing and promoting targeted advertising and marketing content, based on the history of the user [50]. This history is identified via cookies, which track user activity, and allow those organizations who have utilized Google AdSense to ensure that their marketing message is reaching the right target audience. Vegh [64] explains that AdSense can take several forms, including content, search related, and domain rated links, depending upon what it is that a consumer is searching for. Therefore, careful use of AdSense with keywords can help to promote an organization in an online marketplace.

Google Endorsement is a Google sponsored platform for promoting and sharing personalized endorsements. Marketers have long known that personal word-of-mouth recommendation is one of the most powerful forms of advertising [30]. Moreover, social media accelerates the trend, in a concept known as e-WOM [30]. Google Endorsement is one example of this, as Google allows users to share their opinions and perceptions of products and services. Given that financial services require a high degree of trust between the service provider and the customer, utilizing Google endorsement as a form of e-WOM can be especially helpful [61].

#### 6) *Search Engine Optimization (SEO)*

Dwyer [22] explains that Search Engine Optimization (SEO) is a concept which has rapidly become recognized as vital in any online marketing campaign. The research of Sparrow *et al.* [60] revealed that only a small proportion of internet users would look beyond the first page of a Google search, and therefore it is vital that an organization takes the necessary steps to promote their websites and online advertising in order to position it as high as possible on a Google search [67]. It is estimated by Internet World Statistics [38] that the internet is used by over 2.4 billion people on a daily basis, and promoting

an organization's webpage or advertisements such that they rank on the first page of a Google search is widely proven to be a beneficial means of promoting organizational awareness [67]. Therefore, engaging in the practice of SEO has sound business principles.

As software has become more sophisticated, and Google has become aware of crude attempts to promote websites through heavy use of keywords, Google has sought to improve the filters which promote a website based on the actual number of clicks-through from users [7], [67]. Thus, although keywords are important, it is also necessary to ensure that the content of the website encourages traffic. Potts [57] indicates that this can be achieved through using media content such as videos and photos, and also linking websites to other forms of online communication such as social media feeds. Understandably, it is necessary to have a cohesive online marketing approach which draws together all of the online content and helps promote the ranking of a website on a Google search. Chung [20] also urges caution with firms who assert that they can promote SEO, as Google are constantly refining the sophistication of their search engines based on natural searches which mimic human behavior, and not attempts to manipulate SEO rankings using software programs. This is why content across all online platforms is medically important to promote reliable SEO.

#### C. *Marketing Management Information Systems (MMIS)*

According to Kotler and Keller [46], a Marketing Management Information System (MMIS) is a means of bringing together the benefits of technology and organizational information, and using this to identify customer habits and trends, in order to refine a target market. As customers utilize online communication channels with increasing frequency, it becomes easier to track and monitor consumer behavior and trends which an organization can then use to anticipate likely consumer behavior [27]. Moreover, as a new generation of customers comes forward who have been brought up with technology and online communications platforms, it is prudent for an organization such as the KIB to ensure that they have marketing communications in place which new customers will feel comfortable and confident with. This is especially important when dealing with personal finances, as this requires an enormous level of trust between an organization and a consumer, and the need to build a close relationship whereby a consumer feels that their bank understands their needs [61].

Kotler and Keller [46], assert that an MMIS is the most appropriate way for a marketing department to ensure that their marketing communications and content accurately reflects the products and services an organization wishes to promote, and also reflects the current and future potential needs of customers. By communicating regularly and frequently with customers this is an ideal way to monitor the behavior of the marketplace, and to partially deduce the behavior of competitors based on the responses of customers. Steyn *et al.* [61] indicate that with financial services in

particular, many customers have a degree of inertia and it can be extremely difficult to encourage switching behavior. Therefore, using an MMIS to accurately position an organization to appeal to a target market can help to facilitate such activity.

Laudon and Laudon [48] reveal that an MMIS should be an integrated and holistic approach, which draws upon organizational behavior from multiple areas of the business including operations, HR, finance, and marketing. This is to illustrate on an internal basis how the activities of different parts of the organization affect organizational success in the marketplace. For example, front facing marketers and customer service representatives are likely to face criticism if operational departments are not providing the products and services as promised. This is why utilizing a bespoke MMIS with internal metrics can help to provide meaningful organizational targets which monitor the success of marketing communications and advertising campaigns. Kotler and Keller [46] believe that the key to successful MMIS is regular monitoring and disseminating the findings from information digests from the MMIS so that employees in different departments can react appropriately. For the KIB, an MMIS would be especially useful tool to synchronize the activities of different departments so that they provide a seamless customer experience.

#### *D. E-Marketing in the Financial Sector*

There are specific issues associated with marketing in the financial sector, and although financial organizations share many of the challenges common to other businesses and industries such as raising brand awareness, they also face specific issues because the nature of the products and services that they offer [69]. Many financial services firms remain unaware of the potential associated with e-marketing, and as a result, they lack the necessary resources and experience to market successfully using electronic communication channels [69]. Financial institutions frequently fail to think laterally in their marketing approach and remain narrowly focused meaning that they inadvertently alienate large proportions of the future target market [23]. In order to improve the brand image of financial organizations and attract future generations of loyal customers, the financial sector as a whole must reconsider its image and how it chooses to position itself in the future [23].

##### *1) Benefits and Opportunities*

Epstein and Crotty [24] adopt a different perspective to many of their contemporaries, suggesting that the relative immaturity of E-marketing in the financial sector represents both a benefit and an opportunity to those firms who are prepared to engage with this mode of marketing. They believe that not only will they attract benefits associated with early entry; they can also use the early entry as an opportunity to position themselves differently from their competitors with brand personality and value. Taking into account the previous research and the importance of brand for many contemporary

organizations, this is an opportunity not to be missed by financial services businesses seeking to attract a new generation of customers [25]. Not only that, despite the tight restrictions associated with the financial sector, such is the image of banking that it would only require a relatively small innovation in marketing strategy for financial services provider to be highly differentiated.

Another practical benefit which financial organizations have compared to many other industry sectors is that they have greater financial resources which they can invest in their marketing strategy [66]. This means that they can draw upon best in class examples of social media marketing to communicate effectively with customers. One of the fundamental reasons for e-mail marketing is that it allows an organization to gather data from multiple channels in order to provide a seamless experience for consumers so that customers can switch from one communication mode to another with no disruption in service. In light of the growth of mobile technology, offering mobile platforms for interacting with financial service providers represents a huge growth opportunity [13].

##### *2) Challenges*

Although there are several benefits and opportunities available to financial services providers in terms of e-marketing, they face a greater number of challenges [53]. The first of these relates to the relative lack of awareness, resources and knowledge in respect of successful e-marketing amongst financial services institutions. Until relatively recently the financial services sector could be regarded as stable, and the practical requirement for day-to-day banking and financial facilities means that consumers typically regard financial services as a utility as opposed to a product or service [23]. From a marketing perspective, this creates a challenge because it means that consumers view their financial services and products in a different way and they are less inclined to engage with financial service providers because they are a necessity as opposed to a matter of choice. Whilst this can be regarded as an opportunity because there is consistent market demand, the reality of human behavior such that consumers demonstrate inertia with regard to financial products and this engenders a high level of what appears to be customer loyalty. Brush *et al.* [15] reveal that many consumers simply consider switching financial service providers to be too difficult, and so they remain with their initial provider but they are not in fact loyal. They merely remain with the provider because it is the lesser of two evils. Karimii, *et al.* [41] have stated that this has the potential to be extremely damaging for financial services organizations because such customers – who would be considered under ordinarily marketing principles be loyal brand ambassadors – are in fact undermining the organization's chances in obtaining potential new customers. The result from an organizational perspective is that these financial institutions have a huge amount of work to do in terms of improving their brand image and reaching out to new

consumers who will remain genuinely loyal to their financial services provider.

Many banks face technical challenges with regard to integrating their services and marketing offerings [42]. As previously noted, consumers expect a seamless experience regardless of how they choose to interact with their service provider, and it seems that many banks fail to appreciate the importance of this. Kaur *et al.* [42] also believe that in their haste to adopt contemporary marketing practices, a number of financial institutions are embracing a scattergun approach to e-marketing which is actually undermining their brand and their marketing message. Amin *et al.* [4] explain that because of the nature of financial services and products not all marketing techniques are appropriate and therefore financial institutions should think carefully about their desired target market and the message they wish to betray before they adopt some more informal approaches to marketing. From an organizational perspective, those financial businesses unaware of the potential problems of using inappropriate marketing may well find themselves at risk. This is why Wright and Watkins [69 p.69] advise to utilize the specialist knowledge in establishing fundamental principles of e-marketing, before “trying to get clever” by employing innovative marketing approaches.

### 3) Specific Consideration for Islamic Banking

Islamic banking is firmly guided by legal, religious and social conventions, meaning that when applying broader principles of marketing and e-marketing it is necessary to take these conventions into account [4]. For example, Amin [3] has observed that there are some potential challenges with regard to the legality of e-business from the perspective of Islamic law. He states that “*e-business is a permissible means of doing business provided it is performed in the boundary of Shariah Islamiyyah*” [3 p.1]. The practicalities of this are that e-business must be devoid of any form of deceit, and indeed any form of excessive financial risk which is expressly prohibited under the principles of Islamic banking. Unfortunately, marketing as an industry suffers from a reputation for making “*exaggerated or contentious claims*” [45 p.244], and this immediately sits at odds with the need for Shariah compliant business to be entirely transparent. Muhammed *et al.* [55 p. 1] also highlight the possible risks associated with Shariah compliance, such as online marketing campaigns which require consumers to utilize credit cards that is considered as an obvious violation amongst Shariah compliant business practices. Credit cards are obviously a product offered by financial services provider such as banks, and in many instances have been used as a means to strengthen consumer loyalty, obtain more information about consumer behavior, and also encourage consumers to spend money that they do not have [52]. All of these principles would sit uncomfortably with Shariah requirements.

Wilson [68 p.5] indicates that there is a growing body of research which focuses specifically upon “Islamic marketing”, which is described as the need to adopt Islamic principles within fundamental marketing approaches. Arham [5 p.149]

states that “*though not all of its elements could be applied in Islamic society, modern marketing theory will provide some elements which can be utilized in developing Islamic marketing*”. Hafiz [31] warns against the risk of manipulating classical marketing principles in order to make them compliant with the principles of Islam, without fully considering the implications of doing so. He explains that before it is possible to develop appropriate Islamic marketing techniques which are both effective and compliant, it is first necessary to understand the principal drivers. He states that “... *the danger here is that we may end up making an ends seemingly “halal” by making the means halal*”, which is an analogy for ensuring that any Islamic marketing practices take the best of both worlds. That is to say, they utilize the experience of classic marketing principles, whilst incorporating the required elements of Islamic law in order to develop a modern solution to an evolving marketplace. Jafari [39] concurs with this and believes that by bringing together the two perspectives, it is entirely possible to forge a new area of marketing research which crosses these cultural boundaries.

### REFERENCES

- [1] Aaker, J.L., and McLoughlin, D., (2010) *Strategic market management: Global Perspectives* (European edition) London: John Wiley and Sons.
- [2] Ahearne, M., Bhattacharya, C.B., Gruen, T.W., (2005) Antecedents and consequences of customer-company identification: expanding the role of relationship marketing *Journal of Applied Psychology* 90 (3), 574-85.
- [3] Amin, H., (2008) *E-Business from Islamic Perspectives: Prospects and Challenges*. *Journal of Internet Banking and Commerce* 13(3), 1-13.
- [4] Amin, M., Isa, Z., and Fontaine, R., (2013) Islamic banks: Contrasting the drivers of customer satisfaction on image, trust, and loyalty of Muslim and non-Muslim customers in Malaysia. *International Journal of Bank Marketing*, 31(2), 79-97.
- [5] Arham, M., (2010) *Islamic perspectives on marketing*. *Journal of Islamic Marketing*, 1(2), 149-164.
- [6] Atkinson, L., (2013) Smart shoppers? Using QR codes and ‘green’ smartphone apps to mobilize sustainable consumption in the retail environment *International Journal of Consumer Studies*, 37(4), 387-393.
- [7] Balanescu, E., and Darie, C., (2008) *Beginning PHP and MySQL E-Commerce: From Novice to Professional*, (Beginners/Beginning Guide). London: Apress.
- [8] Becerra, E. P., and Korgaonkar, P. K., (2010) The Influence of Ethnic Identification in Digital Advertising How Hispanic Americans' Response To Pop-Up, E-Mail, and Banner Advertising Affects Online Purchase Intentions. *Journal of Advertising Research*, 50(3), 279-291.
- [9] Becker, K., Nobre, H., and Kanabar, V., (2013) Monitoring and protecting company and brand reputation on social networks:

- when sites are not enough. *Global Business and Economics Review*, 15(2), 293-308.
- [10] Berger, S., Wagner, U., and Schwand, C., (2012) Assessing Advertising Effectiveness: The Potential of Goal-Directed Behavior. *Psychology and Marketing*, 29(6), 411-421.
- [11] Best, R. J., (2013) Market-Based Management: Strategies for Growing Customer Value and Profitability *Journal of Advertising Research*, 42(6), 327-356.
- [12] Buil, I., De Chernatony, L., and Hem, L., (2009) Brand Extension Strategies: Perceived fit, Brand Type and Culture Influences *European Journal of Marketing* 43 (11/12) 1300-1324
- [13] Bouvier, L., and Nisar, T. M., (2013) Changes in the marketing and operational capacity of retail sector firms through corporate securitization. *Journal of Financial Services Marketing*, 18(1), 53-64.
- [14] Brodie, R. J., Winklhofer, H., Coviello, N. E., and Johnston, W. J., (2007) Is e-marketing coming of age? An examination of the penetration of e-marketing and firm performance. *Journal of Interactive Marketing*, 21(1), 2-21.
- [15] Brush, T. H., Dangol, R., and O'Brien, J. P., (2012) Customer capabilities, switching costs, and bank performance. *Strategic Management Journal*, 33(13), 1499-1515.
- [16] Brynley-Jones, L., (2010), "Social media advertising: a second take", *We Are Social*, September 9, 2010.
- [17] Chaffey, D., (2010) "Back to direct marketing basics: how digital marketers can learn from DM", *Smart Insights*, April 26, 2010.
- [18] Canniford, R., (2011) How to Manage Consumer Tribes *Journal of Strategic Marketing* 19(7), 1-17.
- [19] Chang, H. H., Wang, Y. H., and Yang, W. Y., (2009) The impact of e-service quality, customer satisfaction and loyalty on e-marketing: Moderating effect of perceived value. *Total Quality Management*, 20(4), 423-443.
- [20] Chung, J., (2012) An Empirical Analysis on the Marketing Performance of Korean Exporting Companies by Major Industrial Classification using Search Engine Optimization. *Journal of Korea Trade*, 16(1), 79-110.
- [21] Coleman, J., (2011) QR Codes: What Are They and Why Should You Care? *Kansas Library Association College and University Libraries Section Proceedings*, 1(1), 16-23.
- [22] Dwyer, J., (2008) Search Engine Optimization. Pro Web 2.0 Application Development with GWT, (pp. 333-355). New York: Microsoft.
- [23] Ennew, C., and Waite, N. (2012) *Financial services marketing*. Bristol: Routledge.
- [24] Epstein, G., and Crotty, J., (2012) How big is too big? On the social efficiency of the financial sector in the United States. In *INET conference, Berlin*. Available at [www.ineteconomics.org](http://www.ineteconomics.org).
- [25] Ferdous, A. S., and Polonsky, M. J., (2013) Predicting Bangladeshi financial salespeople's ethical intentions and behaviour using the theory of planned behaviour: Implications for developing countries. *Asia Pacific Journal of Marketing and Logistics*, 25(4), 655-673.
- [26] Fjell, K., (2010) Online advertising: Pay-per-view versus pay-per-click with market power. *Journal of Revenue and Pricing Management*, 9(3), 198-203.
- [27] Garrigos-Simon, F, Ribera, T, & Alcamí, R 2012, 'Social networks and Web 3.0: Their impact on the management and marketing of organizations', *Management Decision*, 50, 10, p. 1880-1890, Scopus®, EBSCOhost, viewed 27 November 2013.
- [28] Goulding, C., Shankar, A., and Canniford, R., (2013) "Learning to be Tribal: Facilitating the Formation of Consumer Tribes", *European Journal of Marketing*, 47(5), 91-106.
- [29] Grönroos, CC 2011, 'Value co-creation in service logic: A critical analysis', *Marketing Theory*, 11, 3, p. 279-301, Scopus®, EBSCOhost, viewed 03 December 2013.
- [30] Gupta, P., and Harris, J., (2010) How e-WOM recommendations influence product consideration and quality of choice: a motivation to process information perspective. *Journal of Business Research*, 63(9), 1041-1049.
- [31] Hafiz (2013) The Concept of Tribes in Marketing and Islam. *The International Journal of Social Entrepreneurship and Innovation (IJSEI)*, vol. 2, no. 4, pp.374-389.
- [32] Hajipour, B., Bavarsad, B., and Zarei, S.E., (2013) Effect of Marketing Factors on Brand Relationship Equity and Affects the Customers' Purchase Intention *Journal of Management Research* 5(1) 11-19.
- [33] Healy, J.C., and McDonagh, P., (2012) Consumer roles in brand culture and value co-creation in virtual communities *Journal of Business Research* Volume 13 (1) 3-26
- [34] Hirschman, E. C., (2010) Evolutionary branding *Psychology and Marketing* 27(6), 1583-1594.
- [35] Hoffman, D. L., and Fodor, M., (2010) Can you measure the ROI of your social media marketing? *MIT Sloan Management Review*, 52(1), 41-49.
- [36] Hollenbeck, C, & Kaikati, A n.d., 'Consumers' use of brands to reflect their actual and ideal selves on Facebook', *International Journal Of Research In Marketing*, 29, 4, pp. 395-405, Social Sciences Citation Index, EBSCOhost, viewed 1 December 2013.
- [37] Hollensen, S., (2011) *Global Marketing: A Decision Orientated Approach* (5th Ed) London: Prentice Hall.
- [38] Internet World (30th June 2013) Internet User Statistics [online] available at <http://www.internetworldstats.com/stats.htm> Retrieved 15th Jan 2014
- [39] Jafari, A., (2013) The Principles of Islamic Marketing *European Journal of Marketing*, 47(10), 1-11.
- [40] Kaplan A.M., and Haenlein, M., (2011) Two hearts in three-quarter time: How to waltz the social media/viral marketing dance, *Business Horizons*, 54(3), 253-263.
- [41] Karimii, O., Maymand, M. M., Hosseini, M. H., and Ahmadinejad, M., (2012) Customer Switching Behavior: Developing model in the Iranian Retail Banking Industry. *Journal of Financial Services Marketing*, 17(2), 341-366.



## International Journal of Emerging Technology and Advanced Engineering

Website: [www.ijetae.com](http://www.ijetae.com) (ISSN 2250-2459, ISO 9001:2008 Certified Journal, Volume 4, Special Issue 2, February 2014)

- [42] Kaur, G., Sharma, R. D., and Mahajan, N., (2012) Exploring customer switching intentions through relationship marketing paradigm. *International Journal of Bank Marketing*, 30(4), 280-302.
- [43] Keller, K.L., Paramesanwaran, M.G., and Jacobb, I., (2011) *Strategic Brand Management: Building, Measuring and Managing Brand Equity* (3rd Ed) London: Financial Times Prentice Hall
- [44] Kim, H, & Kim, Y n.d., 'A CRM performance measurement framework: Its development process and application', *Industrial Marketing Management*, 38, 4, pp. 477-489, Social Sciences Citation Index, EBSCOhost, viewed 30 November 2013.
- [45] Kotler, P., and Keller, K., (2008) *Marketing Management: (International Edition)* London: Pearson Education.
- [46] Kotler, P., Keller, K.L., Brady, M., Goodman, M., and Hansen, T., (2012) *Marketing Management (2nd European edition)*, Harlow: Pearson Education.
- [47] Kozinets, R., Jay, V., and Handelman, M., (2004) Adversaries of Consumption: Consumer Movements, Activism, Ideology *Journal of Consumer Research* 31 (3), 691-704.
- [48] Laudon, K. C., and Laudon, J. P., (2012) *Management information systems: managing the digital firm (12th Ed)*. New Delhi: Pearson Education.
- [49] Lee, C. Y., (2013) The Effects of Experiential Marketing and Perceived Value on Purchasing Intention-Using Lifestyle as Moderating Factor *Journal of product and brand management*, 18(1), 27-37.
- [50] Lieberam-Schmidt, S., (2010) *Analyzing and Influencing Search Engine Results*. New York: Springer.
- [51] Li, X., Liu, Y., and Zeng, D., (2011). Publisher click fraud in the pay-per-click advertising market: incentives and consequences. In *Intelligence and Security Informatics (ISI), 2011 IEEE International Conference on* (pp. 207-209). IEEE.
- [52] Malik, S. A., Mushtaq, A., Naseem, K., and Malik, A. S., (2012) Examining the relationship among service quality, customer satisfaction and behavioral responses: Comparison between public and private sector banks of Pakistan. *International Journal for Quality Research*, 6(4), 365-380.
- [53] Mesly, O., and Racicot, F. É., (2012) A note on financial predation: a marketing assessment. *The Journal of Wealth Management*, 15(1), 101-103.
- [54] Michaelidou, N., Siamagka, N. T., and Christodoulides, G., (2011) Usage, barriers and measurement of social media marketing: An exploratory investigation of small and medium B2B brands. *Industrial Marketing Management*, 40(7), 1153-1159.
- [55] Muhammad, M. Amboala, T. Econ, M. and Hassan, Z., (2011) Comprehensive Approach for Sharia' Compliance E-Commerce Transaction. *Journal of Internet Banking and Commerce*. 16(1), 1-13.
- [56] Okazaki, S., and Taylor, C. R., (2013) Social media and international advertising: theoretical challenges and future directions. *International Marketing Review*, 30(1), 56-71.
- [57] Potts, K., (2007) *Web Design and Marketing Solutions for Business Websites*. London: Apress.
- [58] Shin, D. H., Jung, J., and Chang, B. H., (2012) The psychology behind QR codes: User experience perspective. *Computers in Human Behavior*, 28(4), 1417-1426.
- [59] Solis, B., (2010) *Engage; the complete guide for Brands and Businesses to build, cultivate, and measure success in the new web age*, New Jersey: John Wiley and Sons, Hoboken.
- [60] Sparrow, B., Liu, J., and Wegner, D. M., (2011) Google effects on memory: Cognitive consequences of having information at our fingertips. *Science*, 333(6043), 776-778.
- [61] Steyn, P., Wallström, Å., and Pitt, L., (2010) Consumer-generated content and source effects in financial services advertising: An experimental study. *Journal of Financial Services Marketing*, 15(1), 49-61.
- [62] Strauss, J., Frost, R., and Ansary, A. I., (2009) *E-marketing*. London: Prentice Hall.
- [63] Ur, B., Leon, P. G., Cranor, L. F., Shay, R., and Wang, Y., (2012) Smart, useful, scary, creepy: perceptions of online behavioral advertising. In *Proceedings of the Eighth Symposium on Usable Privacy and Security* (p. 4). ACM.
- [64] Vegh, A., (2010) *Search Engine Optimization. Web Development with the Mac®*, (pp. 221-239). London: Apex Web Media.
- [65] Walker, J. D., (2011) QR Codes Are the Next Marketing Wave. *Courier-Tribune*, the. [in print]
- [66] Webster Jr, F. E., Malter, A. J., and Ganesan, S., (2012) *The decline and dispersion of marketing competence*. Bristol: Image.
- [67] West, A. W., (2012) *Search Engine Optimization. In Practical HTML5 Projects* (pp. 357-376). London: Apress.
- [68] Wilson, J., (2012) The new wave of transformational Islamic marketing: Reflections and definitions. *Journal of Islamic Marketing*, 3(1), 5-11.
- [69] Wright, M., and Watkins, T., (2012) *Marketing Financial Services*. Bristol: Routledge.