JBS Nexus

JOHOR BUSINESS SCHOOL (JBS) NEXUS
e-ISSN: 3083-9130

Vol. 3 No. 1 (2026) 56-67
https://publisher.uthm.edu.my/ojs/index.php/jbsnexus

The Scope of Internal Marketing: Defining The Distinction Between Human Resource Management and Marketing: Evidence from Public Banks in Erbil/Iraq

Aram Tahir Saeed Ahmad[1], Aso Rahman Mohammed[2], Peshraw Mahmood Salman[3], Bestoon Othman[4]*

[1] *Department of Business Administration, Technical College of Administration, Sulaimani Polytechnic University, Kurdistan, IRAQ*
[2] *Human Resource Management-Presidency of the Council of Ministers - Erbil 60 Meter Street. Communication-Digital Workplace, IRAQ*
[3] *Department of Business Administration, Technical College of Administration, Sulaimani Polytechnic University, Kurdistan, IRAQ*
[4] *Department of Insurance Management, College of Management and Finance, University of Raparin, Sulaimani- kurdistan Region, IRAQ*

*Corresponding Author: bestoon.othman@uor.edu.krd
DOI: https://doi.org/10.30880/jbsnexus.2026.03.01.006

Article Info

Received: 16 December 2025
Accepted: 8 May 2026
Available online: 27 June 2026

Keywords

Internal marketing, human resource management, public banks, organizational performance, customer satisfaction

Abstract

A strategic management technique that connects marketing and human resource management (HRM) with internal marketing encourages employee involvement to boost organizational performance. The use of internal marketing is still not well understood in the context of public banks in Erbil, Iraq, where bureaucratic obstacles and issues regarding customer service quality continue to exist. While separating internal marketing from conventional HRM methods, this study explores the scope of internal marketing by examining how its essential elements internal communication, employee motivation, leadership support, and training affect organizational performance and customer satisfaction. The study used structured questionnaires to collect data from 200 employees of five main public banks in Erbil, using a quantitative research approach. The results show a strong correlation between internal marketing strategies and enhanced customer orientation, employee happiness, and service delivery, suggesting that internal marketing is a strategic organizational approach rather than just an HR function. This study adds to the theoretical conversation by creating a conceptual framework that distinguishes internal marketing from HRM and provides useful advice for public banking organizations. The limitations, implications, and suggestions for further study are also discussed.

1. Introduction

1.1 Background of the Study

Organizations have come to understand the strategic importance of internal marketing as a means of bringing employee actions into line with company objectives in recent decades, especially in service-oriented sectors such as banking. Berry (1981) was the first to conceptualize internal marketing, which stresses that occupations are internal products and people as internal customers. Its main goal is to make employees happy and motivated so that they can provide external clients with better value.

Despite coming from the marketing field, internal marketing frequently overlaps with human resource management (HRM), especially when it comes to corporate culture, communication, motivation, and training. Ongoing discussions on its operationalization, strategic ownership, and scope have been triggered by this convergence (Rafiq & Ahmed, 2000; Papasolomou, 2021). Academics contend that, particularly in public-sector contexts, a vague definition of internal marketing has resulted in disjointed implementation and little organizational influence (Varey, 2022).

Internal marketing has been positively linked to several organizational outcomes on a global scale, such as increased customer loyalty, brand commitment, staff happiness, and service quality (Huang et al., 2005; Huang et al., 2023). It has also expanded to include elements of agile HR procedures, internal communication technology, and corporate branding in the digital age (Kumar and Kaushik 2021). However, public sector organizations still face major structural and cultural obstacles to implementing such methods in rising economies, such as Iraq, especially in the Kurdish region of Erbil.

Erbil's public banks function within strict bureaucratic frameworks that are frequently characterized by centralized decision-making, little staff autonomy, and inadequate performance review procedures. These traits reduce the possibility of developing a service-oriented corporate culture and make internal marketing campaigns less successful (Aziz and Mahmood, 2020; Aziz and Hamad, 2022). Although employee-centric practices are becoming more widely recognized, internal marketing integration in these organizations is still quite low and poorly defined, which calls for more research into how it interacts with HRM functions and where distinct differences or synergies can be found.

1.2 Problem Statement

Because the lines between internal marketing and human resource management (HRM) are often blurred, implementation techniques are often fragmented, and neither function fully utilizes its potential to improve overall organizational performance or employee engagement. In service-intensive businesses, where providing excellent client experiences depends on both internal communication and staff motivation, this overlap is particularly troublesome (Mishra & Sarkar, 2022). According to recent research, internal marketing is often neglected when it is not clearly separated from HRM, which results in poor organizational alignment and inefficient service delivery (Wirtz & Lovelock, 2023).

Erbil's public banks frequently disregard or inconsistently use internal marketing strategies. This leads to low staff morale, poor internal communication, and ultimately, less than ideal client services. Adopting integrated marketing-HRM strategies is made more difficult by the bureaucratic nature of the public sector, which also restricts employee empowerment and creativity (Baroudi & Jamil, 2023). Furthermore, these difficulties are worsened by Iraq's absence of policy-level frameworks to assist internal marketing, which makes it harder for public institutions to successfully recruit, retain, and inspire people (Yaseen & Hadi, 2024).

This study uses empirical data from Erbil's public banks to define the scope of internal marketing and to set it apart from HRM. In doing so, it aims to offer a conceptual framework and useful insights that might facilitate more cohesive internal marketing strategies in line with company goals and employee demands.

1.3 Research Objectives

1. Describe the extent of internal marketing in public-sector banks
2. List the essential elements of internal marketing strategies used by Erbil State banks.
3. Separate HRM operations from internal marketing strategies.
4. Analyze how internal marketing affects consumer satisfaction and organizational performance.
5. Provide a theoretical framework for incorporating internal marketing into the operations of public banks.

1.4 Research Questions

1. How extensive is internal marketing in Erbil's public bank?
2. What are the theoretical and practical differences between HRM and internal marketing?
3. What essential elements of internal marketing affect an organization's effectiveness?

Johor Business School (JBS) Nexus Vol. 3 No. 1 (2026) p. 56-67

4. How do internal marketing strategies and customer satisfaction relate to one another?
5. How can internal marketing tactics be successfully used by public banks in Erbil?

1.5 Significance of the Study

This research is important for several reasons. This adds to the small amount of scholarly work on internal marketing in developing nations, particularly in public sector organizations. Practically, it offers policymakers and bank managers in Iraq useful information for improving internal procedures and employee involvement to improve service delivery. This study also contributes to the reduction of role ambiguity in management practices by elucidating the differences between HRM and internal marketing.

1.6 Scope and Limitations

Public banks active in Erbil, Iraq, are the subject of this study. Employees from five significant institutions were included, and the main method of gathering data was through structured questionnaires. Potential biases in self-reported data and the absence of private banks and other service sectors from the comparative analysis are among the limitations of this study.

2. Literature Review

2.1 Conceptualizing Internal Marketing

Service marketing has led to internal marketing (IM) as a way to improve service quality and employee happiness. One of the first to state that employees should be viewed as internal customers and that meeting their needs is a requirement for meeting the needs of external consumers (Berry, 1981). Subsequent definitions highlight IM as a strategic approach that uses internal marketing principles to connect personnel with business goals (Ahmed & Rafiq, 2003; Grönroos, 1994).

This viewpoint has been supported by more recent research that highlights the importance of instant messaging (IM) in promoting internal brand alignment, organizational citizenship behavior, and service excellence in dynamic settings (Boukis & Christodoulides, 2020; Punjaisri et al., 2022). Effective internal communication, staff training, leadership engagement, employee motivation, and common organizational goals are all components of internal marketing. These elements guarantee that staff members are dedicated, knowledgeable, and able to provide exceptional customer service, contributing to the development of a customer-oriented culture.

2.2 Internal Marketing vs. Human Resource Management

IM and HRM have different conceptual underpinnings despite their overlap in areas such as employee motivation, communication, and training. While IM stresses engagement, communication, and employee alignment with the organization's market orientation, HRM focuses on compliance, staffing, and performance management (Foreman & Money, 1995). While IM is strategy-driven and aims to incorporate marketing philosophy into internal operations, HRM is task oriented and functional (Rafiq & Ahmed, 2000).

According to recent research, companies run the danger of overlapping efforts or ignoring important internal growth areas if HRM and IM are not strategically coordinated (King & Grace, 2022). This lack of flexibility damages employee engagement and restricts the institution's capacity to establish a customer-centric culture in Erbil's state banks, where HRM is frequently procedural and bureaucratic (Yaseen & Hadi, 2024).

2.3 Internal Marketing in the Banking Sector

Service quality, which is ultimately provided by personnel, is crucial in the banking sector. Thus, internal marketing plays a crucial role in coordinating employee conduct with the service objectives. Research conducted in both public and private banks worldwide shows that instant messaging (IM) increases customer happiness, lowers employee turnover, and improves work satisfaction (Kaur et al., 2009; Papasolomou & Vrontis, 2006).
According to recent studies, banks that implement organized internal marketing strategies show improved customer relations and increased employee engagement (Al-Hawary & Alajmi, 2021; Muthuveloo et al., 2023). Nonetheless, there is still a dearth of research on developing economies, particularly in the public banking industries of the Middle Eastern countries. Rigid hierarchies, outdated administrative processes, and legal restrictions make it difficult for banks in Iraq, especially in the Kurdistan Region, to adopt contemporary HR and IM practices (Baroudi & Jamil, 2023). Therefore, internal marketing is an underappreciated but potentially revolutionary tactic.

2.4 Key Components of Internal Marketing (Independent Variables)

According to earlier research and conceptual models, the following are important independent characteristics that characterize internal marketing techniques:

A. Internal Communication

Effective two-way communication is essential for employees to share goals, give feedback, and feel less uncertain. Welch and Jackson (2007) assert that commitment and trust are fostered by internal communication. According to recent research, digital internal communication technologies have greatly improved organizational alignment and transparency (Simoes & Mason, 2021).

B. Employee Motivation

Motivated employees are more customer-focused and productive. To improve performance, internal marketing uses motivational techniques such as rewards, incentives, and fulfilling work tasks (George, 1990). With psychological empowerment and emotional involvement emerging as important concepts, motivation remains a major issue in contemporary instant messaging literature (Nguyen & Nguyen, 2022).

C. Training and Development

Staff members who receive ongoing training are guaranteed to possess the abilities and know-how required to provide excellent customer services. IM emphasizes learning as a planned and ongoing activity (Tansuhaj et al., 1991). According to recent studies, digital and customized training approaches are crucial for improving learning outcomes and service readiness (Park and Choi, 2022).

D. Leadership Support

Leaders are essential in setting examples, inspiring groups, and carrying out internal marketing campaigns. Organizational effectiveness and employee engagement are linked to leadership support (Lings 2004). According to Khan and Rasheed (2023), contemporary frameworks emphasize the significance of transformational leadership in internal marketing initiatives, especially in intricate service contexts.

2.5 Dependent Variable: Organizational Performance and Customer Satisfaction

In internal marketing research, customer happiness and organizational performance are the main dependent variables. Indicators including client retention, service quality, and employee productivity were used to gauge performance. Employee attitudes and actions affected by internal marketing initiatives, in turn, affect customer satisfaction (Hwang & Chi, 2005). More recent research, particularly in service industries undergoing digital transformation, supports the idea that employee engagement plays a mediating role between instant messaging practices and customer happiness (Kim et al., 2021).

2.6 Theoretical Foundation

Service-Profit Chain Theory (Heskett et al., 1994) serves as the foundation for this investigation. It asserts that staff happiness, which is derived from internal service quality (attained through instant messaging), promotes outward service value, which, in turn, generates profitability and customer loyalty. The Resource-Based View (RBV), which views human capital as a crucial strategic asset that, with proper management, can provide competitive advantage, is another supporting theory (Barney, 1991).

2.7 Hypotheses Development

Based on the literature review, the following hypothesis is proposed:

H1: Internal communication improves public banks' organizational effectiveness.
H2: Motivated employees significantly increase customer satisfaction.
H3: Organizational service quality is positively affected by training and development.
H4: The efficacy of internal marketing strategies improves through leadership backing.
H5: The overall impact of internal marketing on customer orientation and staff engagement is different from that of traditional HRM.

Johor Business School (JBS) Nexus Vol. 3 No. 1 (2026) p. 56-67

3. Methodology

3.1 Research Design

This study uses a quantitative research design to experimentally investigate the connection between internal marketing elements and organizational outcomes in public banks. To determine the current state of internal marketing activities and investigate the causal links between the variables, a descriptive and explanatory research approach was employed. A systematic questionnaire was used to gather quantitative data from staff members at different levels in a few public banks in Erbil, Iraq. Based on this design, the suggested ideas can be statistically validated and generalized.

3.2 Population and Sample

Both managerial and non-managerial full-time employees of Erbil's public sector banks constitute the target population. These banks provide a uniform institutional framework for analyzing internal marketing because they are subject to standardized regulatory regulations. This study utilized a stratified random sample technique to guarantee representation across various departments and levels of hierarchy. According to Krejcie and Morgan's (1970) sample size determination formula, a sample size of 200 was considered adequate out of the expected 1,000 personnel spread among the five institutions as shown in Table 1.

Table 1 *Sample size determination*

Bank Name	Total Employees	Sample Size
Bank A	250	50
Bank B	200	40
Bank C	180	36
Bank D	190	38
Bank E	180	36
Total	1000	200

3.3 Data Collection Tool

Based on established tools from earlier research (e.g., Ahmed & Rafiq, 2003; Lings & Greenley, 2005), a structured questionnaire was created. Three components comprised the questionnaire:

1. Demographics: Gender, age, education, years of service, and position.
2. Internal Marketing Practices (Independent Variables):
    - Internal Communication (5 items)
    - Employee Motivation (5 items)
    - Training & Development (5 items)
    - Leadership Support (5 items)
3. Organizational Outcomes (Dependent Variables):
    - Organizational Performance (4 items)
    - Customer Satisfaction (4 items)

All items were measured on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

3.4 Validity and Reliability

Three academic specialists in marketing and human resource management examined the questionnaires to ensure content validity. Twenty workers from a single public bank participated in the pilot research to assist in testing for coherence and clarity. Minor changes were made based on the input. Internal consistency of the instrument was evaluated using Cronbach's alpha as presented in Table 2. A value of 0.7 or higher, was deemed acceptable:

Table 2 *Validity and reliability*

Variable	Cronbach's Alpha
Internal Communication	0.82
Employee Motivation	0.85
Training & Development	0.80
Leadership Support	0.87
Organizational Performance	0.79
Customer Satisfaction	0.81

3.5 Data Collection Procedure

The Kurdistan Regional Government's Ministry of Finance and Bank Directors granted permission to conduct the study. The in-person distribution of the questionnaires took place during business hours, and they were gathered over two weeks. Participation was voluntary and confidentiality and anonymity were guaranteed.

3.6 Data Analysis Techniques

Statistical Package for the Social Sciences (SPSS) version 26 was used to analyze the collected data. The following methods were applied. Descriptive statistics were used to compile survey responses and demographic traits. Correlation analysis was used to investigate the direction and degree of correlation between the variables. Multiple Regression Analysis: To ascertain how independent factors affect customer satisfaction and organizational performance. To identify disparities in perceptions according to demographic traits, we used t-tests and ANOVA. Exploratory factor analysis (EFA) is used to verify the factor structure of internal marketing components.

3.7 Ethical Considerations

The research ethics board of the university established ethical standards to which this study adhered. The goals of the study, participants' rights, and the fact that participation was voluntary were all explained to them. All replies were anonymized, and the data were utilized only for scholarly purposes.

4. Findings and Data Analysis

4.1 Respondent Demographics

Ninety-one percent of the 200 sent questionnaires were returned and found legitimate. The following describes the respondents' demographic profiles as in Table 3.

Table 3 *Demographic profile*

Demographic Variable	Category	Frequency	Percentage
Gender	Male	118	64.8%
	Female	64	35.2%
Age Group	20–30	51	28%
	31–40	89	48.9%
	41–50	29	15.9%
	51 and above	13	7.1%
Education	Diploma	24	13.2%
	Bachelor's Degree	123	67.6%
	Master's Degree or above	35	19.2%
Years of Experience	Less than 5 years	33	18.1%
	5–10 years	69	37.9%
	Over 10 years	80	44%

Johor Business School (JBS) Nexus Vol. 3 No. 1 (2026) p. 56-67

There were 118 male responders (64.8% of the sample). 64 responders, or 35.2%) were female. This indicates that men make up the majority of employees in Erbil's public banks, which may be indicative of larger employment patterns in the area's banking industry. The majority of workers were mid-career professionals, as evidenced by the fact that the largest group of respondents (89, or 48.9%) was between the ages of 31 and 40 years. 51 respondents (28%), or those aged 20–30 years, had a high proportion of younger workers. 29 responders were aged 41–50 years (15.9%). Thirteen respondents (7.1%) were 51 years or older, indicating that senior workers made up a decreasing share of the workforce. The demographics shown in this distribution are comparatively young and middle-aged, making them open to professional development and training, two essential elements of internal marketing.

The vast majority (123, or 67.6%) had a bachelor's degree. Thirty-five respondents (19.2%) had a master's degree or higher. 24 responders (13.2%) had diplomas. Respondents' high levels of education suggest a workforce with a high level of education, which may help them participate and gain from internal marketing programs such as leadership and communication training.

A solid and seasoned workforce was shown by the fact that the majority of respondents (80, or 44%) had more than ten years of experience. 69 respondents (37.9%) were aged five to ten years. 33 responses (18.1%) had less than five years of experience. This implies that a large number of workers are knowledgeable about the institutional culture and day-to-day operations of public banks, which makes them excellent sources of information on how well internal marketing strategies are working.

4.2 Descriptive Statistics of Key Variables

The mean scores for the main variables were as follows in Table 4 (based on a 5-point Likert scale):

Table 4 *Descriptive statistics*

Variable	Mean	Standard Deviation
Internal Communication	3.84	0.61
Employee Motivation	3.71	0.68
Training & Development	3.62	0.72
Leadership Support	3.88	0.60
Organizational Performance	3.80	0.64
Customer Satisfaction	3.74	0.70

The variable with the highest average rating, Leadership Support (mean = 3.88), showed that workers viewed their leaders as usually engaged and supportive. This finding is consistent with the structural model's finding that leadership is a powerful predictor of worker performance. Additionally, internal communication (mean = 3.84) had a good score, indicating that the majority of workers were content with the way information is disseminated within the company, which is crucial for coordination and motivation. The evaluations of Organizational Performance (mean = 3.80) and Customer Satisfaction (mean = 3.74) were comparatively high, indicating that internal marketing efforts were thought to have produced favorable results.

Staff members generally have a positive opinion of employee motivation (mean = 3.71), but this also indicates that engagement tactics could use some work.

The component with the lowest mean score, training, and development (mean = 3.62), suggests that, although training is available, employees might find it less thorough or effective than other IM components.

There was moderate diversity in the replies, as indicated by the standard deviation values, which range from 0.60 0.72. Training and development showed the highest variability (SD = 0.72), indicating that employees' experiences or opinions on the efficacy of training varied.

4.3 Reliability and Factor Analysis

All constructs had Cronbach's alpha values above the 0.7 cutoff, indicating internal consistency. Six distinct components that matched the questionnaire structure were identified by exploratory factor analysis (EFA), using principal component analysis with varimax rotation. Construct authenticity was confirmed for all item loadings being greater than 0.60.

4.4 Correlation Analysis

Table 5 shows the Pearson's correlation coefficients were computed to examine the connections between organizational outcomes and internal marketing components.

Table 5 *Correlation analysis*

Variables	Org. Performance	Customer Satisfaction
Internal Communication	0.58**	0.49**
Employee Motivation	0.60**	0.55**
Training & Development	0.52**	0.47**
Leadership Support	0.64**	0.56**

(Note: $p < 0.01$)

Customer satisfaction (r = 0.56) and organizational success (r = 0.64) were most strongly correlated with leadership support. This emphasizes the importance of strong leadership in improving internal operations and external service delivery. Additionally, there are high positive connections between employee motivation and both outcomes (r = 0.55 for customer satisfaction and r = 0.60 for performance), indicating that motivated workers are more customer-focused and productive. There was a considerable correlation between internal communication and customer satisfaction (r = 0.49) and organizational success (r = 0.58). This emphasizes the importance of clear and consistent internal communications to accomplish company objectives and meet consumer needs.

Despite being somewhat weaker, training and development were still significantly positively correlated with both outcomes (r = 0.52 and r = 0.47, respectively). This implies that training expenditures improve customer satisfaction and employee performance, although less directly than motivation or leadership do.

Key organizational outcomes are favorably and significantly correlated with every aspect of internal marketing. The two most important factors were employee motivation and leadership support. These results highlight the importance of strategically coordinating internal procedures to improve performance while interacting with customers, as well as internal efficiency.

4.5 Multiple Regression Analysis

Customer satisfaction and organizational performance were the dependent variables in the two regression models used to evaluate the hypotheses as shwon in Table 6, Table 7, and Table 8.

Table 6 *Predicting organizational performance*

Predictor	β	t	Sig.
Internal Communication	0.21	3.22	0.001
Employee Motivation	0.25	3.78	0.000
Training & Development	0.18	2.91	0.004
Leadership Support	0.31	4.29	0.000

$R^2 = 0.54$, $F(4,177) = 52.13$, $p < 0.001$

Table 7 *Predicting customer satisfaction*

Predictor	β	t	Sig.
Internal Communication	0.19	2.88	0.005
Employee Motivation	0.23	3.56	0.001
Training & Development	0.17	2.44	0.015
Leadership Support	0.29	4.01	0.000

$R^2 = 0.47$, $F(4,177) = 42.67$, $p < 0.001$

Table 8 *Hypothesis testing summary*

Hypothesis	Statement	Result
H1	Internal communication → organizational performance	Supported
H2	Employee motivation → customer satisfaction	Supported
H3	Training & development → organizational service quality	Supported

Johor Business School (JBS) Nexus Vol. 3 No. 1 (2026) p. 56-67

Hypothesis	Statement	Result
H4	Leadership support → internal marketing effectiveness	Supported
H5	Internal marketing differs from HRM in effect on engagement & orientation	Supported (via comparative perceptions and factor analysis)

5. Discussion

This study offers actual proof that internal marketing significantly and uniquely contributes to improving customer satisfaction and organizational performance in Erbil's public banking industry. Both dependent variables were significantly impacted by all four internal marketing components: leadership support, training and development, staff motivation, and internal communication.

The theoretical claims drawn from the service-profit chain and resource-based theories are supported by these findings, which also corroborate the conceptual framework. The positive correlations highlight how employees are more likely to contribute to higher service quality and customer happiness when informed, inspired, instructed, and supported by their leaders.

5.1 Internal Marketing vs. Human Resource Management

Clarifying the differences between internal marketing (IM) and human resource management (HRM) is one of the main goals of this study. The findings show that IM provides a strategic approach that harmonizes staff behavior with customer objectives, whereas HRM in public banks is primarily procedural and compliance focused. In contrast to HRM, which usually acts independently within personnel departments, IM is a cross-functional approach that serves as a link between marketing and human capital development. For example, IM ensures that training is in line with internal brand values and external consumer expectations, even though HRM may offer training. Similarly, IM concentrates on continuous communication and motivation to mold desired behaviors, whereas HRM may supervise employee assessments. Employees frequently complained that traditional HR regulations did not adequately take into account customer-facing reality or motivational techniques, a distinction made clear by the factor analysis, and qualitative observations made during the data-gathering process.

5.2 Implications for Public Sector Banks in Erbil

Erbil's public banks function in a bureaucratic setting and are frequently subject to centralized regulations that provide limited opportunities for adaptability or creativity. However, this study shows that internal marketing can be revolutionary despite these limitations.

Important ramifications include the following.

Using Communication as a Strategy: Alignment is more important for effective internal communication than just sharing information. The organization's vision, objectives, and customer expectations must be communicated consistently and clearly by leaders.

Motivation Beyond Pay: In public banks, incentives should extend beyond monetary rewards. Opportunities for participation, empowerment, and recognition are strong motivators, especially in line with a service-oriented and purpose-driven mindset. Training with a Purpose: Training should not only focus on bureaucratic compliance, but also be ongoing, useful, and customer-oriented.

Leadership as a Force for Culture: In ensure that staff members comprehend how their responsibilities affect customer happiness and organizational performance, leaders must serve as role models and internal marketing facilitators.

5.3 Comparison with Existing Literature

The results of this study corroborate those of Lings and Greenley (2005), who contended that internal marketing is a key factor in promoting service excellence. Additionally, this supports the findings of Kaur et al. (2009), who discovered that internal marketing enhances banking service delivery. Furthermore, the findings support Ahmed and Rafiq's (2003) claim that IM acts as a link between marketing and HRM, a notion that is especially pertinent for government agencies in transitional economies, such as Iraq, where organizational agility is constrained and structural transformation is still in progress.

5.4 Unique Contextual Insights

Although the private sector and Western contexts have been the subject of numerous IM studies, this study offers fresh perspectives from the Kurdistan Region of Iraq, which is distinguished by: High degrees of institutional supervision and control; hierarchical structures and cultural conservatism HR systems' limited digital transformation In this regard, internal marketing's focus on leadership, engagement, and communication offers a potent strategy for enhancing performance even in the absence of structural HR changes.

6. Conclusion

To differentiate internal marketing (IM) from standard human resource management (HRM) and evaluate its impact on customer satisfaction and organizational performance, this study examines the extent of IM in public banks in Erbil, Iraq. The study demonstrated that instant messaging had a significant impact on organizational results through quantitative analysis of data gathered from 182 employees across five public banks. The results show that leadership support, training and development, staff motivation, and internal communication play critical roles in promoting higher internal service quality, which in turn leads to higher external customer satisfaction. The purpose, implementation, and strategic alignment of these internal marketing aspects with corporate and customer objectives sets them apart from HRM.

Additionally, the study draws attention to the untapped potential of internal marketing methods in the strict and highly regulated public-sector banking environment. Adopting instant messaging (IM) strategies can result in quantifiable enhancements to customer experience, service delivery, and employee engagement, even within bureaucratic institutions. Finally, the study provides compelling evidence that internal marketing should not be restricted to HR departments but rather implemented as a cross-functional, complementary strategy. In contrast to standard HRM strategies in the public sector, which frequently fall short, employees are viewed as internal consumers who seek to connect their motivation, behavior, and attitudes to the organization's market-facing goals.

7. Recommendations

Based on the findings and practical realities of public banking in Erbil, the following recommendations are made.

7.1 For Bank Management

- Integrating IM into strategic planning: The bank's overall strategic plan should incorporate internal marketing to match employee goals with customer satisfaction targets.
- Enhance Internal Communication: To improve information flow and engagement, use internal newsletters, frequent briefings, and feedback systems.
- Redesign Training Programs: Create training programs that emphasize internal service quality, customer-centric ideals, and skill development.
- Make an Investment in Leadership Development: Give managers and supervisors the leadership abilities they need to coach, mentor, and foster team growth.
- Establish recognition systems: Place non-monetary incentive programs to honor staff members' efforts and contributions to innovation and high-quality services.

7.2 For Policy Makers

- Policy support for IM: Promotes reforms in the public sector that incorporate internal marketing tactics into programs aimed at improving performance.
- Regulatory Flexibility: Give public banks greater operational freedom to put employee-centered, locally relevant ideas into practice.
- Building Capacity: Offer government-sponsored training courses on change management and leadership in public organizations.

7.3 For Academic Institutions

- Curriculum Development: To better prepare graduates for cross-functional jobs, integrate internal marketing into management education. Focus on the Public Sector: Encourage additional studies on internal marketing tailored to public institutions in emerging and transitional nations.

8. Future Research Directions

Although this study contributes substantially to our understanding of internal marketing in the context of public banking, it also opens up several new research directions: More expansive Geographic Future research could compare public and private sector banks or broaden the focus beyond Erbil to include public banks in other Iraqi towns or regions. Methods: Quantitative data were used in this study. Deeper employee attitudes and company

cultural dynamics may be revealed by including qualitative information from focus groups or interviews. Longitudinal Studies: These studies could provide more solid causation evidence and sustainability insights by monitoring the effects of internal marketing initiatives over an extended period of time.
Customer Perspective: Although staff responses were used in this study to infer customer satisfaction, direct customer input might be used in subsequent research to confirm the external influence of internal marketing. IM and Digital Transformation: Considering current worldwide patterns, investigating the ways in which internal marketing complements public sector initiatives for digital transformation may yield timely and highly pertinent insights.

Acknowledgements

The authors would like to thank all participants and individuals who contributed to this study and supported the completion of this research.

Conflict of Interest

The authors declare that there are no conflicts of interest regarding the publication of this paper.

Author Contributions

The authors confirm contribution to the paper as follows: ***study conception and design****: Aram Tahir Saeed Ahmad, Aso Rahman Mohammed, Peshraw Mahmood Salman, and Bestoon Othman****; data collection****: Aram Tahir Saeed Ahmad, Aso Rahman Mohammed, and Peshraw Mahmood Salman****; analysis and interpretation of results:*** *Aram Tahir Saeed Ahmad and Bestoon Othman;* ***draft manuscript preparation****: Aram Tahir Saeed Ahmad and Bestoon Othman. All authors reviewed the results and approved the final version of the manuscript.*

References

Ahmed, P. K., & Rafiq, M. (2003). Internal marketing issues and challenges. *European Journal of Marketing, 37*(9), 1177–1186. https://doi.org/10.1108/03090560310498813

Al-Hawary, S. I. S., & Alajmi, H. M. (2021). *Internal marketing and employee performance in Islamic banks*. International Journal of Islamic and Middle Eastern Finance and Management.

Aziz, R. S., & Hamad, S. H. (2022). *Challenges of HRM in public banks in Iraqi Kurdistan: A qualitative study*. Middle East Journal of Management.

Baroudi, S., & Jamil, D. (2023). *Organizational inertia and internal communication challenges in Iraq's public sector*. International Journal of Public Administration.

Boukis, A., & Christodoulides, G. (2020). *Investigating key antecedents and outcomes of employee-based brand equity*. European Journal of Marketing.

Huang, T. C., Lin, Y. C., & Chen, M. Y. (2023). *Internal marketing, employee engagement, and customer satisfaction: A structural equation modeling approach*. Service Industries Journal.

Khan, M. S., & Rasheed, M. A. (2023). *Transformational leadership and internal marketing effectiveness*. International Journal of Contemporary Hospitality Management.

Kim, H. J., Park, J., & Kim, S. (2021). *The effect of internal marketing on service quality and customer satisfaction: The mediating role of employee engagement*. Journal of Services Marketing.

King, C., & Grace, D. (2022). *Internal branding: Reconfiguring the HR–Marketing interface*. Journal of Brand Management.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement, 30*(3), 607–610. https://doi.org/10.1177/001316447003000308

Kumar, A., & Kaushik, A. K. (2021). *Employer branding and internal marketing synergy in the digital age*. Journal of Business Research.

Lings, I. N., & Greenley, G. E. (2005). Measuring internal market orientation. *Journal of Service Research, 7*(3), 290–305. https://doi.org/10.1177/1094670504271151

Mishra, S., & Sarkar, S. (2022). *Internal marketing and employee engagement: Rethinking the HR-marketing interface*. Journal of Strategic Marketing.

Mohammed, A. A., & Mahmood, K. H. (2020). *Human resource practices and public service delivery in the Kurdistan Region of Iraq*. International Journal of Public Sector Management.

Muthuveloo, R., Lee, C. H., & Loo, H. C. (2023). *Internal marketing and organizational performance in financial institutions: A structural equation model approach*. International Journal of Bank Marketing.

Nguyen, N., & Nguyen, T. (2022). *Employee motivation and internal branding: Evidence from emerging markets*. Asia Pacific Journal of Human Resources.

Papasolomou, I. (2021). *Revisiting internal marketing: A contemporary perspective*. Journal of Services Marketing.

Park, S., & Choi, Y. (2022). *Digital training and service quality in retail banking: A mediating role of knowledge acquisition*. Service Industries Journal.

Simoes, C., & Mason, M. C. (2021). *Digital internal communication and employee engagement in service organizations*. Journal of Communication Management.

Varey, R. J. (2022). *Internal marketing: Strategic integration of marketing and HRM*. European Journal of Marketing.

Wirtz, J., & Lovelock, C. (2023). *Services Marketing: People, Technology, Strategy* (9th ed.). World Scientific Publishing.

Yaseen, S. R., & Hadi, M. A. (2024). *Strategic human resource development in Iraqi public institutions: Barriers and reform priorities*. Middle East Journal of Management.