

Exploring the Impact of Omnichannel Marketing on Service Quality and Firm Performance in the Banking Sector within Society 5.0

Anthonius S. Hutabarat¹, Irawan R.D Budianto², Fajri Fajri³
Universitas Bina Nusantara¹, Universitas Mitra Bangsa², Bank Rakyat Indonesia³

Article Info	ABSTRACT
<p>Keywords: Omnichannel Marketing, Service Quality, Firm Performance, Banking, Society 5.0</p>	<p>In an era characterized by rapid technological advancements and evolving consumer expectations, the banking sector is increasingly adopting omnichannel marketing strategies to enhance service quality and improve organizational performance. Omnichannel marketing, defined as a seamless and integrated approach to consumer engagement across multiple channels, is particularly relevant in the context of Society 5.0, a vision that aims to create a human-centered society leveraging advanced technologies such as artificial intelligence, big data, and the Internet of Things. The interplay between omnichannel marketing and Society 5.0 presents unique opportunities for banks to redefine their customer service paradigms, offering personalized experiences that meet the demands of a digitally-savvy clientele. However, the implementation of these strategies is fraught with challenges, including the need for robust technological infrastructure and the integration of diverse communication platforms, which can hinder the realization of anticipated benefits. As the banking sector seeks to measure the impact of omnichannel marketing on service quality, it becomes critical to identify the key performance metrics that reflect improvements in customer satisfaction and operational efficiency. Furthermore, existing case studies illustrate successful applications of these strategies, providing valuable insights into best practices and the tangible benefits achieved through enhanced service delivery. Looking forward, this research paper aims to explore emerging trends in omnichannel marketing within the banking sector, offering strategic recommendations for institutions to optimize their approaches in alignment with the goals of Society 5.0. By critically assessing the effects of omnichannel marketing strategies on service quality and organizational performance, this study endeavors to contribute to the ongoing discourse on the evolution of banking in a technology-driven society, ultimately equipping financial institutions with the knowledge to thrive in a competitive landscape.</p>
<p>This is an open access article under the CC BY-NC license</p> 	<p>Corresponding Author: Anthonius S. Hutabarat Universitas Bina Nusantara anthonius.hutabarat@binus.ac.id</p>

INTRODUCTION

A pivotal component of omnichannel marketing is the personalized shopping experience, which significantly enhances consumer satisfaction within the framework of Integrated Marketing Communication (IMC) Omnichannel. By leveraging data-driven insights, companies can tailor their offerings to meet the unique preferences and behaviors of

individual customers, thereby fostering a more engaging and relevant shopping journey [1]. Furthermore, the seamless integration of various communication channels—such as online platforms, in-store interactions, social media, and mobile applications—plays a crucial role in shaping consumers' perceptions and satisfaction levels. This cohesive approach ensures that customers receive consistent messaging and service quality across all touchpoints, which not only elevates their overall experience but also builds brand loyalty [1]. Responsiveness to consumer needs is another essential element, as timely and effective responses to inquiries and feedback can dramatically improve customer satisfaction and trust in the brand [2]. The implementation of IMC Omnichannel strategies enables companies to create a comprehensive and consistent shopping experience, which is critical in today's competitive retail landscape [1]. By optimizing all points of contact with the customer, omnichannel marketing strengthens the relationship between the company and the consumer, ultimately leading to higher levels of satisfaction and retention [2]. Therefore, to maximize the benefits of omnichannel marketing, businesses must focus on delivering personalized, integrated, and responsive service across all channels.

Society 5.0 Influence Marketing Strategies in the Banking Sector.

In the era of Society 5.0, the influence of omnichannel strategies on marketing within the banking sector becomes particularly significant. As Society 5.0 integrates advanced technology with societal needs, it drives the necessity for banks to adopt omnichannel marketing strategies to remain competitive and responsive to consumer demands. Omnichannel marketing, which involves seamless integration of various customer interaction points, is essential for creating consistent and personalized consumer experiences [3]. This approach not only enhances customer satisfaction but also allows financial institutions to leverage digital platforms effectively, offering tailored services that meet individual needs [4]. By transitioning from single or multiple channels to a holistic omnichannel framework, banks can ensure they address the evolving expectations of consumers in a more interconnected and dynamic market [5]. Consequently, the banking sector must embrace these strategies to attract and retain customers, thereby ensuring long-term viability and growth in a rapidly digitizing society [6]. Thus, adopting omnichannel marketing is not just a trend but a strategic imperative for banks operating within the advanced framework of Society 5.0.

The anticipated benefits of adopting omnichannel marketing in Society 5.0 are multifaceted and interconnected across various domains. One of the primary advantages is the enhancement of customer satisfaction through a more integrated and seamless shopping experience. In the context of Society 5.0, where technological advancements are paramount, redefining customer satisfaction to include unorthodox styles and engagement methods is essential. This redefinition is crucial as it caters to the evolving needs and expectations of customers who are increasingly seeking personalized and consistent interactions across multiple channels. Furthermore, brands that effectively implement omnichannel marketing strategies tend to have higher brand equity compared to those that do not prioritize such integration. This is because omnichannel marketing ensures that all customer touchpoints are harmonized, leading to a more cohesive brand presence and stronger customer loyalty. Additionally, the transition from Industry 4.0 to Society 5.0 places significant emphasis on the

adoption of an “Omni Channel” strategy, which is designed to leverage the full spectrum of digital and physical marketing avenues. By doing so, businesses can not only meet but exceed customer expectations, thereby fostering a more robust and sustainable relationship with their clientele. As marketing enters the next level with Marketing 5.0, the focus on enhancing user experience through strategic omnichannel approaches becomes even more critical. Therefore, it is imperative for businesses to invest in intuitive omnichannel systems that cater to the diverse needs of customers, ensuring that they remain competitive and relevant in the rapidly evolving digital landscape of Society 5.0.

Impact of Omnichannel Marketing on Service Quality in the Banking Sector

Omnichannel marketing significantly enhances customer service quality by creating a seamless and consistent service experience across multiple channels. This integration not only accommodates customer preferences and behaviors by allowing them to use various channels for a single purchase but also ensures a cohesive experience that boosts satisfaction [7]. The inclusion of interactive channels such as social media and review sites enriches the brand experience, making customers feel more engaged and valued [7]. High-quality omnichannel integration (IQ) directly correlates with increased perceived value (PV) of the service, which in turn positively impacts customer satisfaction [8]. This enhanced satisfaction fosters customer loyalty, encouraging long-term relationships and contributing to a more profitable customer portfolio [8][9]. By consistently integrating all service elements, such as price, promotion, product assortment, information, and transactional data, companies ensure that customer interactions are uniform and reliable [7]. This consistency is crucial in building trust and reliability, further enhancing the overall quality of customer service [7]. In essence, a well-executed omnichannel strategy not only meets but exceeds customer expectations, ultimately leading to higher levels of customer satisfaction and loyalty.

However, the implementation of omnichannel marketing in the banking sector faces several significant challenges that need to be addressed to optimize service quality and customer satisfaction. One of the primary hurdles is integrating various channels seamlessly to provide a consistent and high-quality customer experience. Banks often struggle with technological barriers and the complexity of aligning multiple platforms, which can lead to discrepancies in service quality and customer frustration [8]. Another critical challenge is the need to adapt to rapidly changing consumer expectations and preferences. As customers become more technologically savvy, their expectations for real-time, personalized interactions across all channels increase, placing additional pressure on banks to innovate and upgrade their systems continuously [10]. Additionally, ensuring data security and privacy is paramount, as the increased use of digital channels elevates the risk of cyber threats and breaches. Banks must invest heavily in robust cybersecurity measures to protect sensitive customer information and maintain trust [11]. These challenges underline the necessity for banks to adopt a strategic approach in implementing omnichannel marketing, focusing on technological integration, customer-centric innovations, and stringent security protocols to enhance overall service quality and customer satisfaction [9][12].

To comprehensively assess service quality improvements attributable to omnichannel marketing, several metrics are instrumental. For instance, the Net Promoter Score (NPS) has

emerged as a vital metric due to its ability to gauge customer loyalty and overall satisfaction. This is particularly significant in sectors like banking, where personalized experiences and improved service quality can drastically enhance customer perceptions and brand image [13]. Furthermore, the use of mobile apps and customer experience metrics such as NPS not only elevates the perceived service quality but also fosters a better relationship between customers and the brand [14]. The Quality Performance Measurement Framework (QPMF) also plays a crucial role by improving operational efficiency and providing a structured way to track and evaluate each step of the service delivery process [15]. This framework ensures that companies can systematically monitor and enhance various facets of their omnichannel strategy, thereby delivering a more cohesive and satisfying customer experience. Overall, the integration of these metrics provides a robust mechanism for companies to continuously improve their service quality and maintain a competitive edge in the market.

Organizational Performance Metrics in the Context of Omnichannel Strategies

One primary performance metric significantly impacted by omnichannel strategies is the accuracy of demand forecasting. By integrating data from various channels, companies like Luxottica can achieve a more nuanced understanding of customer preferences and purchasing behaviors, which in turn facilitates more precise predictions of product demand [16]. This enhanced demand forecasting is not solely a quantitative improvement but also qualitative, as it incorporates insights from customer interactions across multiple touchpoints [16]. For instance, the data collected from e-commerce activities provide detailed information on which products customers are interested in, enabling Luxottica to streamline its product range by focusing on the most popular items [16]. Furthermore, tracking customer journeys on e-commerce platforms helps identify potential areas for pricing adjustments, particularly for products that attract many clicks but few purchases, thereby optimizing pricing strategies and improving overall sales performance [16]. The holistic view offered by omnichannel strategies thus not only refines demand forecasting but also enhances various other aspects of the business, such as product development and promotional campaigns [16]. Consequently, companies must leverage these strategies to remain competitive and responsive to market demands.

To accurately measure the success of their omnichannel marketing efforts, banks conduct a comprehensive analysis of the entire sales funnel. This thorough examination involves assessing the cost of sales, which includes not only the direct costs associated with customers who have completed transactions but also any losses incurred throughout the sales funnel cycle [17]. Furthermore, banks evaluate the costs related to the development and maintenance of information systems, alongside the expenses for marketing and promotion [17]. By centralizing the analysis and control of customer interactions, banks can enhance targeting and service flexibility, which in turn, provides a more precise measure of marketing success [17]. This multifaceted approach ensures that banks can identify areas for improvement, streamline processes, and ultimately reduce the time to market for new products, serving as a key indicator of the effectiveness of their omnichannel strategies [17]. To comprehensively understand the role of technology in tracking and improving organizational performance, it is essential to consider the synergistic effects of integrating

blockchain technology with logistics systems and omnichannel strategies. Blockchain technology, while beneficial in enhancing logistics management and supporting omnichannel operations, cannot independently resolve last mile delivery challenges or significantly boost performance without effective integration with other technological and strategic practices [18]. A robust logistics system is fundamental in managing the last mile efficiently, ensuring that products are delivered timely and accurately, which directly impacts organizational performance [18]. When blockchain is combined with a well-structured logistics system and omnichannel solutions, it can significantly enhance transparency, coordination, and data reliability throughout the supply chain, thereby reinforcing organizational performance [18]. Additionally, blockchain technology's capability to verify, record, and track actions across multiple channels not only augments omnichannel strategies but also contributes to superior economic performance by optimizing logistics operations [18]. Thus, a holistic approach that integrates blockchain with existing logistics and omnichannel practices is crucial for achieving measurable improvements in organizational performance, particularly in managing the complexities of the last mile.

Case Studies of Omnichannel Marketing in the Banking Sector

One of the most successful examples of omnichannel marketing in banks can be observed in the case of Agriculture Bank of Iran. This bank has effectively integrated multiple channels to create a seamless customer experience, demonstrating the significant benefits of an omnichannel strategy. By aligning their services across both physical and virtual platforms, the bank has facilitated a more personalized and efficient service delivery, meeting the varied needs of their diverse customer base [19]. This approach not only enhances customer satisfaction but also fosters trust and loyalty, which are crucial elements in the competitive banking sector [20]. Additionally, the synchronization of service delivery across multiple channels has allowed the bank to streamline operations, reducing redundancies and optimizing resource allocation, thereby improving overall business efficiency [21]. The success of Agriculture Bank of Iran underscores the importance of a well-coordinated omnichannel strategy in driving customer-centric growth and operational excellence in the banking industry.

The influence of case studies on service quality and organizational performance is multifaceted, particularly when considering the integration of omnichannel strategies. For instance, the empirical findings indicate that service quality significantly influences customer satisfaction, which in turn enhances organizational performance [22]. A crucial aspect of this relationship is the integration of online and offline channels, which harmonizes the customer experience across various touchpoints, thereby improving operational efficiency [15]. Additionally, omnichannel integration facilitates the seamless flow of information and services, which is essential for maintaining high standards of service quality [23]. This is particularly evident in industries like banking, where the shift to omnichannel strategies has led to more efficient service delivery and higher customer satisfaction [11]. Moreover, the emphasis on trust and assurance as facets of service quality demonstrates that these elements are integral to the effectiveness of omnichannel attributes [20]. Collectively, these case studies underscore the necessity for organizations to adopt holistic and integrated

approaches to service delivery, ensuring that every customer interaction is optimized for quality and efficiency. Therefore, continuous investment in omnichannel capabilities and service quality improvements is imperative for achieving superior organizational performance. One of the crucial lessons for future implementation is the importance of holistic strategic planning that integrates multiple business domains rather than developing plans in isolation. For instance, decisions made in one area, such as pricing strategies, can significantly impact other areas like inventory management and overall company performance [24]. Strategic planning should encompass a variety of elements, including pricing cycles, promotions, and category-specific discounts, to ensure a cohesive and effective approach [24]. Furthermore, beyond just order management, companies must consider additional factors like financing, taxation, channels, and inventory variety. These interconnected aspects are critical for developing a comprehensive and robust strategic plan [24]. Effective stakeholder availability is also pivotal for the successful execution of omnichannel market strategies, as it ensures that all relevant parties are aligned and can contribute to the project's success [24]. Therefore, future implementations must emphasize an integrated approach that addresses multiple facets of the business to achieve overall success.

Future Trends and Recommendations for Omnichannel Marketing in Society 5.0

One of the most significant emerging trends in omnichannel marketing within the banking sector is the seamless integration of digital distribution channels, a hallmark of Banking 5.0. This integration is fundamentally reshaping customer experiences and organizational strategies, ensuring that banks can meet the evolving and demanding needs of their customers [25]. Central to this trend is the multiaccess strategy, which allows customers to interact with their bank through various touchpoints—be it online, mobile apps, or even embedded banking solutions—without compromising the quality or consistency of their experience [25]. This strategy is particularly effective as it acknowledges and caters to the diverse preferences of modern customers, who expect flexibility and convenience in their financial transactions [25]. Moreover, a significant advancement in this realm is the ability for customers to reuse previously entered data across different channels, thereby reducing redundancy and enhancing user convenience [25]. This feature not only streamlines the user experience but also reinforces the interconnectedness of the various access points, making the omnichannel approach even more robust [25]. As banks continue to innovate and adapt to these trends, it becomes imperative to focus on creating cohesive and integrated customer journeys that leverage the strengths of each digital channel while maintaining a unified and consistent user experience.

To effectively prepare for the advancements expected in Society 5.0, banks must strategically enhance their technological capabilities and systems. One of the primary steps involves upgrading their financial and banking technologies to boost efficiency and creativity in customer service [26]. This technological evolution will not only streamline operations but also position banks to provide a wider array of services tailored to the evolving needs of Society 5.0 [26]. Moreover, enhancing transparency in banking processes is essential, as it will build trust and ensure customer loyalty in an increasingly digital landscape [26]. A robust and efficient banking system is also critical for sustaining economic growth, which in turn

supports the broader objectives of Society 5.0 [26]. As banks transform, they must view themselves more like technology companies, necessitating close collaboration with technology and knowledge-based firms to introduce innovative operating methods and accelerate the overall transformation [26]. This holistic approach will ensure that banks are not only prepared for future advancements but also play a pivotal role in fostering a sustainable and advanced economic environment.

In optimizing omnichannel marketing strategies, banks must first indigenize their value propositions to resonate with local customer needs and preferences. This approach ensures that the services and products offered are not only relevant but also culturally aligned, thereby fostering customer loyalty and satisfaction [27]. Complementing this strategy is the development of a robust information and technological infrastructure to support seamless interactions across multiple channels. Such an infrastructure is indispensable for integrating various touchpoints, ensuring real-time data synchronization, and providing a cohesive customer experience [27]. Additionally, leveraging qualitative insights from customer interviews can significantly inform strategy development, ensuring that the bank's offerings align with customer expectations and preferences [27]. This alignment helps in crafting personalized experiences that are essential in today's competitive banking landscape. Ultimately, these strategic recommendations—indigenizing value, strengthening technological frameworks, and utilizing qualitative insights—collectively enhance the bank's ability to deliver superior, customer-centric omnichannel experiences, thereby achieving higher customer satisfaction and loyalty.

CONCLUSION

The findings of this research underscore the critical role of omnichannel marketing strategies in enhancing service quality and organizational performance within the banking sector, particularly in the context of Society 5.0. By integrating advanced technologies with consumer-centric approaches, banks can deliver personalized experiences that resonate with the evolving expectations of modern consumers. This study reveals that a cohesive omnichannel framework not only fosters higher customer satisfaction but also significantly contributes to brand loyalty and trust. As customers increasingly seek consistent interactions across various platforms, the seamless integration of communication channels becomes paramount. However, the study also highlights several challenges that banks face in implementing these strategies, such as the need for robust technological infrastructure and the ability to indigenize value propositions to cater to local preferences. These challenges must be addressed to optimize service quality and ensure a competitive edge in an increasingly digital landscape. Furthermore, while this research provides valuable insights, it is essential to acknowledge its limitations, such as the potential biases in qualitative insights derived from customer interviews and the need for broader empirical studies to validate the findings across diverse banking environments. Future research should explore the long-term impacts of omnichannel strategies on customer loyalty and performance metrics, as well as the integration of emerging technologies, such as artificial intelligence and machine learning, to enhance personalization further. By addressing these gaps and continuing to refine

omnichannel practices, financial institutions can better position themselves to thrive in the dynamic context of Society 5.0, ultimately contributing to sustainable economic growth and enhanced customer experiences across the banking sector.

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