

**AN EMPIRICAL ASSESSMENT OF THE EXTENT OF PRACTICE OF
EXTERNAL, INTERNAL AND INTERACTIVE MARKETING:
THE CASE OF FINANCIAL SERVICE FIRMS IN GHANA**

ARMAH- BEMPONG ERIC

Lecturer, Perez University College Open University of Malaysia

ABSTRACT

The elements of the service marketing triangle model are empirically found to influence the level of practice in various service sectors. In this paper, an empirical assessment of the effect of practice of external, internal and interactive marketing in the financial services sector of Ghana were examined. Probability sampling techniques were used to select 384 each of customers and employees from banks, non-bank financial institutions, microfinance institutions and insurance companies. Data analysis was done using Pearson's correlation test, partial correlation test and Stepwise Multiple Linear Regression analysis. Findings revealed that interactive market practice is significantly positively related to customer retention ($r = .845$, $p < .05$) in the financial services sector of Ghana. Also, external market orientation ($r = .857$, $p < .05$) and internal market practice ($r = .843$, $p < .05$) highly positively relate to customer retention. Moreover, interactive market, external marketing and internal marketing significantly predict customer retention ($p = .000$) and account for 90.4% of variance on it. Therefore, each of the three sides of the service marketing triangle impacts customer retention in the financial services sector of Ghana. It is therefore recommended that financial service providers in Ghana deliver services that are structured based on principles of the services marketing triangle model.

KEYWORDS: Service Marketing, Service Triangle Model, Internal Marketing, External Marketing, Interactive Marketing, Practice