

**The impact of cultural environment on banking  
marketing strategies in Algeria**

أثر البيئة الثقافية على استراتيجيات التسويق المصرفي في الجزائر

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**Abstract:** This paper highlights exploring the extent to which banks operating in Algeria are aware of their cultural environment, and how this environment influences the formulation of marketing strategy of them. Attain this aim,, the Hofstede model for cultural dimensions and components of banking marketing strategies was adopted in order to design research instrument which is a questionnaire including two sections or axes. The questionnaires were administered and delivered among a sample of 299 bank agencies out of 1328 representing the size population of all banks and branches operating in Algeria. This study concludes that the banks operating in Algeria do not a detailed portrait of its cultural environment; besides, there is a different correlation between the dimensions of the cultural environment and the formulation of marketing strategies of banks with a progressive influence. Further, the other correlation is the opposite of the different dimensions of the cultural environment on formulating this strategy.

**Keys words:** Cultural Environment, Cultural Dimensions, Banks' Marketing Strategy, Hofstede Model

**JEL classification codes:** C19 , G41 , M31

**ملخص:** تمحورت هذه الدراسة حول معرفة مدى إلمام البنوك العاملة في الجزائر ببيئتها الثقافية ، و مدى تأثير ذلك على صياغة الإستراتيجية التسويقية لهذه البنوك ، و من أجل معرفة ذلك تم إستخدام نموذج هوفستيد للأبعاد الثقافية و مكونات الإستراتيجية التسويقية للبنوك من خلال توزيع إستبيان يضم كلا المحورين على عينة مكونة من 299 وكالة بنكية من ضمن 1328 تمثل مجتمع الدراسة لمجموع البنوك و فروعها العاملة في الجزائر و قد خلصت الدراسة إلى أن البنوك العاملة في الجزائر لديها إلمام منخفض بأبعاد بيئتها الثقافية ، كمت إستنتجت أيضا وجود إرتباط متفاوت بين أبعاد البيئة الثقافية و صياغة الإستراتيجية التسويقية للبنوك مع تأثير طردي و آخر عكسي لمختلف أبعاد البيئة الثقافية على صياغة هذه الإستراتيجية

**الكلمات المفتاحية:** البيئة الثقافية، الأبعاد الثقافية ، الإستراتيجية التسويقية للبنوك ، نموذج هوفستيد

**تصنيف JEL:** C19 , G41 , M31

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### **1-Introduction**

One of the main characteristics of the modern economy is the major change expanding globalization through the liberation of the market and the increasing number of corporations and institutions characterized with globalism and internationalism such as the multinational corporations, banks and so. These entities are permanent rivals, so each one seeks to penetrate new markets in terms of cultural and ideological differences of new varied societies that require them to understand and review their policies, products in harmony with what is necessary for the new integration in the new cultural environment. This environment is also different from the original country's and in which these entities started to operate. In fact and based on the new cultural environment, these entities had to adjust their strategies, plans and means in marketing products, especially banks whose products are too sensitive and greatly complicated. Therefore, the study is conducted to demonstrate the significance of the role of the analytical survey of the cultural environment in which these banks operate and to what extent this will have an impact on the formulation of its marketing strategies.

### **1-2 The problem statement**

On the light of the previous studies, the problem statement will be as: To what extent do the dimensions of cultural marketing environment have effectiveness on the formation of aspects of marketing strategies of banks?

Based on this, several questions raised as follows:

- a. Do banks have sufficient knowledge about cultural marketing environment in which they operate?
- b. In Algeria, do banks form their marketing strategies with clarity and complementariness?
- c. Do factors of cultural environment of certain society have an influence on formation of marketing strategy of the bank?

### **1-3 The importance of the study:**

This study has a great importance as the cultural environment of a certain society has a great effect on determining the individuals' behaviors and to what extent they are going to effectively transact with the banks. Therefore, the banks should set their marketing strategies, policies, and plans that fit into social culture in highly competitive environment, or they will be threatened with losing their parts and positions in the markets. On the basis of this, it is required that renewed database about elements and dimensions of national culture in which it is settled should be provided in terms of suitability.

### **1-4 The Objectives of the Study:**

This study aims at:

1. Highlighting and demonstrating the theoretical concepts related to the cultural and the marketing environments as well as the components of banking marketing strategies.

2. Defining one of the most important dimensions to measure national culture. These are of Hofstede's model for cultural dimensions.

3. Exploring to what extent the banks in Algeria are aware of the cultural environment and they are able to analyze it.

4. Knowing the impact of cultural environment on planning the marketing strategy of the bank.

5. Providing suggestions that may permit Algerian banks to analyze its cultural structure, which serves its marketing strategy.

### **1-5 Study hypotheses:**

1- H<sub>1</sub>: Banks operating in Algeria have full knowledge of the dimensions of their cultural environment from the perspective of their managers.

2- H<sub>1</sub>: Banks operating in Algeria are formulating a clear and integrated marketing strategy from the perspective of their managers.

3- H<sub>1</sub>: The dimensions of the cultural environment affect the formulation of banks' marketing strategy

From this hypothesis, we can formulate the following Sub-hypothesis:

a- There is an effect between power distance index and banking marketing strategy.

b- There is an effect between Uncertainty avoidance index and banking marketing strategy.

c- There is an effect between individualism vs collectivism index and banking marketing strategy.

d- There is an effect between masculinity vs femininity index and banking marketing strategy.

e- There is an effect between long-term vs short-term orientation index and banking marketing strategy.

f- There is an effect between indulgence vs restraint index and banking marketing strategy.

## **2- Related Literature Review:**

### **2-1 Empirical Literature Review :**

- The study of (Ekeret, 2001) focused on the extent to which the cultural factors have effectiveness on operations of the multinational corporations through determination of large cultural aggregations and examination of marketing strategies that achieve the aims of these corporations. Therefore, a sample of 20 multinational corporations that operate Nigeria has been selected. To gather data, several research methods such interviews and questionnaires have been used. The findings resulted that culture has a great impact on the product, promotion, pricing and placement. Further, the cultural factors; as, language, religious beliefs, and racial values had greater influence.
- The study of (Acar, Premasara, & Glen, 2001) This study aims at knowing how cultural values influence on the selection of marketing strategies according to model of Hofstede. Thus, it occurred in zone of 17 Asian countries. This study resulted that managers with individual culture are

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inclined to opt strategy of differentiation and specific marketing strategies. Further, it was discovered that most Asians preferred strategy of Blue Ocean rather than strategy of direct competition (Red Ocean).

- The study of (Antunes, Hortênsia, & Vitorino Martins, 2013) This investigation aims at knowing the effectiveness of national culture on strategies of international marketing mix of the subsidiaries adhered to foreign enterprises. Four enterprises in different sectors have been studied based on the analysis of their cultural environment, in accordance to model of Hofstede. The results were that the national cultural differences have an impact on marketing strategy of the enterprise, hence, it would be adjusted in harmony with the cultural environment of the hosting country through product related to specifications of product, its design, and its brand name.

### **2-2 Theoretical Literature Review :**

#### **2-2-1 The concept of culture:**

The concept of culture has great importance, which is fundamentally based on the abundance and profundity of the previous studies that dealt with it decades ago. Thus, the intricacy of this concept resulted from the ideological and cognitive affinities and differences that created it. As a matter of fact, Kroeber and Kluckhohn have enumerated more than one hundred and sixty definitions of the concept “culture” and its relevant terms. (Djalabi, 2008)

On one side, Malinovsky defines it as:” In reality, culture is all that is concerned about the human organization of permanent groups.” (Alsouidi, 1991)

Robert Bristled defines culture as the whole complex that is composed of all that we think of, what we do, or what we possess in society. (Imaad, 2006)

However, Hofstede specified culture as common characteristics and values that distinguish one group of individuals from another.

The definition that the British scholar, Edward Taylor, is regarded as the first definition covering the concept – culture. He claims that: “culture or civilization in its broad concept is the whole complex that consists of knowledge, beliefs, arts, morals, law, conventions, capabilities, other traditions that human acquires since he is a social element.” (Cuche, 2004)

In the light of this, culture represents a set of accumulated common characteristics and a value acquired by an individual being a part of his society, shapes his thoughts, his behaviors, and distinguishes him from the other social groups.

#### **2-2-2 The cultural dimensions according to the framework of Hofstede:**

The Dutch social psychologist, Hofstede Geert established a framework about the cross-cultural communication in which he described how the culture of social community had an impact on values of its members and how these values were related to the individual’s behavior through the use of Hofstede’s framework by analyzing the cultural characteristics and factors of different people. (Adeoye & Lawrance , 2014)

The study of Hofstede resulted that there are cultural dimensions for measuring national culture.

**A .The dimension of power distance: PDI**

It summarized that individuals differ in acquiring power, but this distancing differs from a social community to another. This dimension is concerned about individuals accepting the absence of equality in distributing positions of power. There are social communities have wide gap in the acquisition of power. Thus, its organization is pyramidal and power is centralized in the hands of few individuals in the pyramid and the president is exemplary, however, there social communities which is characterized with an organizational pyramid with more elasticity in distributing the power equally among individuals. (Hofsted & Michael Harris, 1988)

**B .The dimension of uncertainty avoidance:UAI**

It denotes that to what extent a society is inclined to ambiguity and uncertainty because there are societies to which the degree of confusion increases due to ambiguity and uncertainty. As result, this society attempts to greatly legislate to restrict individuals and to create severe behavioral regulations punishing anyone deviating from social conventions. This occurs due to its irritated history. However, there are other societies accept the unexpected circumstances and regards them as spontaneous and accompanied with path of life. Thus, its individuals are more inclined to changes and tolerance. On contrary, they are more hateful to the official laws and procedures. To conclude, this dimension indicates that the extent to which individuals in certain society is able to approach and manage ambiguous cases. (J.House, Paul J, Mansour, Peter W, & Vipin, 2004)

**C .The dimension of individualism Vs collectivism: IDV**

It described how free an individual is in expressing himself in terms of being independent from his social group. The individualism indicates a weak correlation between people, whereas its decrease means there is a huge adherence to the social group with huge adherence and respect to teamwork. (Hofstede & Hofstede, 2005)

**D .The dimension of masculinity Vs Femininity: MAS**

It implies that females and males differ in taking roles within a society. He observes that the masculine societies re characterized with giving higher values to management, challenge, advance in which individuals compete each other for their own interests. On the contrary, the feminine societies are inclined to good relationships, cooperation, and service. Further, the masculine societies are inclined to the results and individuals are rewarded based on justice and performance. However, in the feminine societies, individuals are rewarded on the basis of equality, that is, based on a case not performance. (Hofstede G. , 2001)

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### **E .The dimension of long term Vs short term orientation: LTO**

This dimension reflects the extent to which individuals are encouraged on thinking about the distant future and estimating earnings in practical way and being greatly inclined to adaptation in the long term. However, other societies, which are associated with short term, are characterized with being inclined to the past where traditions and fulfilments of social obligations are sacred. (Minkov & Hofstede, 2010)

### **F .The Dimension of Indulgence Vs Restraint: IVR**

This measures the extent to which the society is inclined and it gives legitimacy of satisfaction of desires and needs to its individuals in more liberal form. Whereas there are other societies restrain needs and desires of its individuals by means of harsh regulations. On the contrary, there are some others who permit satisfying desires of its individuals without restrictions. (Hofstede G. , 2011)

### **2-2-3 The marketing environment:**

Was defined as a set of variables and external forces that has an impact on the performance and activities of marketing management that aims at satisfying necessities and desires of consumers. (Armestrong & Kotler, 2014)

However, it was defined by Asamidai as internal and external forces of an organization that influence the ability of marketing management in the implementation of activities and performances that aims at satisfying the customer's needs and desires. (Asamidai, 2007, p. 52)

The taxonomies of the variables of marketing environment have been varied due to the various perspectives. Therefore, they can be summed up as follows: (Assamidai & Rodaina, 2005)

1. From the point of establishment and this is divided into micro and microenvironments.
2. From the ability to control it and this is split into internal and external environments.
3. From the point of variation and this is devised into variable and constant environments.

### **2-2-4 The cultural marketing environment:**

represents one of the variables of external environment of organization and it is a set of the variables that governs an individuals' behavior and shapes their general behavior in daily life and transactions through their traditions, conventions, beliefs, movements and they greatly influence their consuming and buying decisions, their tastes and views on products. (Abdelhamid, 2015)

### **2-2-5 The banking marketing:**

From perspective of concepts and objectives, marketing of banking services is more different than concept of marketing and its objectives (Assamidai & Rodaina, 2005). It is defined by (Marsh & Wild, 1985) as the method through which the banks are able to achieve their objectives in satisfying

needs of the market by transforming these needs into real demand ( Marsh, 1985). However it is defined by (Hodges.H & Rollie, 1969) as finding, creating and performing banking services, which satisfy the profit recipient through earning, profits to the bank.

The banking marketing is a set of activities aimed at providing banking services to client in accordance to necessities and desires so the bank will achieve his goals.

### **2-2-6 Strategies of banking marketing:**

From the essential aspect, the concept of banking marketing strategy is not distinctive than the concept of marketing strategy which is regarded as the means through which marketing goals are attained in the short and the long terms, (Thompson.J, 1994) , however, the specification of banking function requires more clear details in :

1. Clear strategic visions based on the selection and application of banking strategies.
2. The ability to create an optimal marketing mix based on a global coverage of all surrounding factors and circumstances and to be adapted with the dynamics of market.
3. The ability to create goals of marketing strategy in the short and the long terms that serves the strategic visions.

On the light of this, the strategy of banking marketing can be seen as the vision that reflects method or procedure through which the marketing mix is greatly used. Thus, the marketing goals will be achieved in the short and long terms. (Assamidai & Rodaina, 2005)

There are six factors for testing the basic marketing strategy: (Blythe, 2006)

- 1- A successful strategy defines target customers and their need .this is relevant to customer centrality.
- 2- The strategy should create a competitive advantage.
- 3- It should incur acceptable risk.
- 4- It should be supportable in terms of resources and management.
- 5- It should achieve product/market objectives/
- 6- it should be internally consist-able

### **2-2-7 Components of a banking marketing strategy:**

The marketing strategy of banks consists of a set of variables and integrated steps that can be defined as follows:

**Fig.1. Components of a banking marketing strategy**

**Organizational mission, goal and corporate strategy**



**Organizational opportunities and capabilities**

- Environmental scanning.
- Customer and competitor analysis.
- Marketing opportunities.
- Capabilities and resources.



**Strategic objectives**

- Intense growth.
- Diversified growth.
- Integrated growth.
- Maintenance.



**Target market strategy and brand positioning.**

- Market segmentation.
- Priority target markets.
- Brand positioning.
- Differential advantage.



**Marketing objectives**



**Marketing programmers for implantation**

- Marketing mix tactics.
- Operational controls



**Performance assessment and bench marketing**

Source : (Dibb, lindon, william , & O.C, 2012)

**3- Methodology:**

**3-1 study approach:**

In our study, we followed the descriptive and analytical approach to understand the topic and know how the cultural environment is perceived by banks and how this affects the design of the bank's marketing strategy, through books, interviews, studies, and notes. As for the applied study in banks, the case study methodology was used to find objective answers to the questions raised by conducting interviews to answer the questionnaire and using statistical methods to collect data and to ensure the validity of the hypotheses. commenting on it in tables, interpreting it, and drawing statistical indications to identify the relationship between the study variables.



**3-2 study tool:**

The study was limited to a questionnaire, which is considered a tool for collecting data and information. To achieve the objectives of the study and to know the extent of banks 'awareness of the cultural environment and how this affects the formulation of their banking marketing strategy, we conducted the applied study on a random sample of various banking agencies operating in Algeria. By distributing 299 electronic and paper questionnaires to the individuals participating in the study in each bank, the terms of the form were divided into two parts:

The first part: includes the personal variables for the research category, which are gender, academic qualification, job and professional experience, age, and bank type.

Part Two: It includes the two areas of study

1 \_ Dimension of the cultural environment according to the Geert Hofstede model: It includes the following axes:

- Power Distance Index: (04) sentences
- Uncertainty Avoidance Index: (04) sentences
- Individual versus collective: (04) sentences
- Masculinity versus femininity: (04) phrases
- Long-term versus short-term trend: (04) sentences
- Indulgence versus self-control: (04) sentences

2 \_ The components of banking marketing strategies: (21) sentences

The Legcart scale was used to measure the degree to which respondents responded to the questionnaire data: it was used as one of the most common metrics that require research to determine the degree of their agreement with specific options, and this scale often consists of seven progressive options by which the research indicates that one has been identified. It is described as follows: **Table N 01** : shows the degrees of the Likert Seven

Response	Strongly Disagree	Disagree	Slightly disagree	neutral	Slightly agree	agree	Strongly agree
Degree	1	2	3	4	5	6	7
Stretch of Approval	1,00_1,85	1,86_2,71	2,72_3,57	3,58_4,43	4,44_5,29	5,30_6,15	6,16_7,00

**Source:** Preparation of the researchers

After we collect information from distributed e-questionnaires / questionnaires, we have completed and processed it through the Statistical Program known as the Social Science Statistical Packages SPSS edition 25, which is one of the most important statistical programs used in conducting statistical analysis in all its forms.

The following statistical treatments have been used:

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- Percentages, iterations, arithmetic averages, and standard deviations.
- Alpha Cronbach coefficient.
- Pearson correlation coefficient.
- Test the differences between averages using t-test.
- Simple linear regression analysis and ANOVA Monolony contrast analysis.

### **3-3 Area of the Study:**

The study was conducted randomly on banks operating across Algeria between 2019 / 2020.

### **3-4 The size population/sample:**

The size population consists of 1,328 banking agencies that are spread across the country and represent branches of 20 banks, of which 07 are local and 13 are foreign banks

The size of the search sample was calculated according to the Krejcie & Morgan table and the study sample was 299 in a 5% margin of error and 95% confidence level

## **4- RESULTS INTERPRETATION AND DISCUSSION:**

### **4-1 Threshing tool stability:**

The questionnaire is intended to give us the same results if it is reapplied to the same sample members in two different periods and under the same circumstances, the instrument has been stabilized using the Alpha Cronbach coefficient to ensure the overall stability of the questionnaire and the degree of internal consistency between its expressions. The results of the alpha-Cronbach test were as follows:

**Table N 02** : the alpha Cronbach coefficient of the different axes of the study

<b>N</b>	<b>Axes</b>	<b>Alpha Cronbach coefficient</b>
<b>01</b>	Power distance index	0,941
<b>02</b>	Uncertainty avoidance index	0,901
<b>03</b>	Individualism vs collectivism	0,897
<b>04</b>	Masculinity vs femininity	0,859
<b>05</b>	Long term vs short term orientation	0,715
<b>06</b>	Indulgence vs restraint	0,906
<b>A</b>	<b>The dimensions of the cultural environment</b>	0,921
<b>B</b>	<b>Components of Banking marketing strategy</b>	0,911
	<b>All sentences of questionnaire</b>	0,918

**Source:** Preparation of the researchers based on the results of the statistical program Spss

In view of the results recorded in the table above, we find that the value of the Alpha Cronbach coefficient for the most axes of the first part (cultural environment) were above 0,8 The value of the alpha - Cronbach coefficient for all the questionnaire statements was 0.918 and is a high stability, indicating that the questionnaire statements are internally consistent and reliable, making them suitable for study, analysis and debriefing.

**4-2 Statistical description of the sample study based on demographic variables:**

The following table shows the distribution of the demographic variables for the study sample.

**Table N 03 :** the distribution of the demographic variables for the study

Descriptive	Ranking	frequency	percent	total	
<b>Demographic variables</b>	<b>Sex</b>	Male	205	68,60%	299
		Female	94	31,40%	
<b>Functional level</b>	Bank Manager	07	02,30%	299	
	Bank Agency Manager	96	32,10%		
	Manager	196	65,60%		
<b>Educational level</b>	Secondary	75	25,00%	299	
	University	198	66,22%		
	Post-graduate	26	08,80%		
<b>Professional experience</b>	Less than 5 years	47	15,70%	299	
	5 to 15 years old	126	42,10%		
	15to 25 years old	104	34,80%		
	More than 25 years	22	07,40%		
<b>Age</b>	Less than 30years	40	13,40%	299	
	30to 40years old	100	33,40%		
	40to 50years old	119	39,80%		
	More than 50years	40	13,40%		
<b>Bank type</b>	Local	207	69,20%	299	
	Foreign	92	30,80%		

**Source:** Preparation of the researchers based on the results of the statistical program Spss

Table 3 shows that the majority of respondents were young men between the ages of 30, 40, and 50 years of age from university males, and about two-thirds of the total sample and most of them were highly experienced managers, meaning that the predominant category of managers from this segment gave their answers great credibility Because of their total knowledge of the topic and its variables.

The largest percentage of local banks were foreign, as they represent the largest mass of the Algerian market.

**4-3 Analyze the results of the answers for the study axes:**

Table 4 shows the direction, borders, and average of sample responses:

**Table N 04:** the results of the answers for the study axes

	Descriptive Statistics					
	N	Mini mum	Maximu m	Mean	Std. Deviation	Variance
<b>Banking marketing strategy</b>	299	1,00	7,00	4,5318	1,66885	2,785
<b>Culturel environment</b>	299	2,00	7,00	4,2241	1,26516	1,601
<b>PDI</b>	299	1,50	7,00	3,6773	1,81493	3,294

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<b>UAI</b>	299	2,00	6,50	4,1254	1,52611	2,329
<b>IDV</b>	299	1,00	6,50	3,0518	1,45162	2,107
<b>MAS</b>	299	1,00	6,50	4,4247	1,59072	2,530
<b>LTO</b>	299	1,00	6,00	4,2358	1,08549	1,178
<b>IVR</b>	299	2,00	7,00	4,8411	1,01533	1,031
<b>Valid N (listwise)</b>	299					

**Source:** Preparation of the researchers based on the results of the statistical program Spss

From Table 4 above, which shows the results of the arithmetic means and standard deviations of answers on the expressions of the study axes We see that the mean of answering the ax of the banking marketing strategy as 4,5318 with a standard deviation of 1,668 and is corresponding to the slight degree, so most respondents believe that their banking departments are formulating a marketing strategy but not enough to be integrated, transparent, and powerful

In contrast, most of the sample's responses to the cultural environment were in the middle of my calculation, except the MAS and IVR axes, which were in the field slightly degree (4,4247 and 4,8411) respectively, Although it shows knowledge of some of the variables of the cultural environment, it generally shows a foggy and ambiguous understanding of the dimensions of the surrounding cultural environment. This means that they see their administration insufficiently informed of its cultural environment.

**4-4 Test the correlation between axes:**

Based on Table 5 below and showing the Pearson correlation coefficient between the different study axes, we note: The results obtained indicate that there is a correlation between all study axes where the Pearson correlation coefficient between the energy distance index and banking marketing is estimated at 0.617, a mean correlation, then 0.825 between Uncertainty Avoidance Index and Banking Marketing Strategy, which is the highest rate which shows a high correlation and there is a medium to a weak correlation between the axes of the other cultural environment and the banking marketing strategy, with the significance value at the required level.

**Table N 05:** the Pearson Correlation

		<b>Correlations</b>						
		B.M.S	PDI	UAI	IDV	MAS	LTO	IVR
<b>Banking Marketing Strategy</b>	Pearson Corre	1	,617**	,825**	,251**	,301**	,469**	,054
	Sig. (2-tailed)		,000	,000	,000	,000	,000	,004
	N	299	299	299	299	299	299	299
<b>PDI</b>	Pearson Corre	,617**	1	,680**	,433**	,259**	,446**	,235**
	Sig. (2-tailed)	,000		,000	,000	,000	,000	,000
	N	299	299	299	299	299	299	299
<b>UAI</b>	Pearson Corre	,825**	,680**	1	,368**	,423**	,557**	,089
	Sig. (2-tailed)	,000	,000		,000	,000	,000	,124
	N	299	299	299	299	299	299	299
<b>IDV</b>	Pearson Corre	,251**	,433**	,368**	1	,138*	,405**	,444**
	Sig. (2-tailed)	,000	,000	,000		,017	,000	,000

	N	299	299	299	299	299	299	299
<b>MAS</b>	Pearson Corre	,301**	,259**	,423**	,138*	1	,552**	,203**
	Sig. (2-tailed)	,000	,000	,000	,017		,000	,000
	N	299	299	299	299	299	299	299
<b>LTO</b>	Pearson Corre	,469**	,446**	,557**	,405**	,552**	1	,215**
	Sig. (2-tailed)	,000	,000	,000	,000	,000		,000
	N	299	299	299	299	299	299	299
<b>IVR</b>	Pearson Corre	,054	,235**	,089	,444**	,203**	,215**	1
	Sig. (2-tailed)	,004	,000	,124	,000	,000	,000	
	N	299	299	299	299	299	299	299

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

**Source:** Preparation of the researchers based on the results of the statistical program Spss

**4-5 Testing hypotheses:**

1- The first principal hypothesis:

- H<sub>0</sub> : Banks operating in Algeria have no full knowledge of the dimensions of their cultural environment from the perspective of their managers.
- H<sub>1</sub>: Banks operating in Algeria have full knowledge of the dimensions of their cultural environment from the perspective of their managers.

2- Second principal hypothesis :

- H<sub>0</sub> : Banks operating in Algeria are not formulating a clear and integrated marketing strategy from the perspective of their managers
- H<sub>1</sub>: Banks operating in Algeria are formulating a clear and integrated marketing strategy from the perspective of their managers.

This hypothesis was tested by comparing the mean of the answers to all questionnaire statements about how well banks are satisfied with their marketing environment with the mathematical mean of the tool and is (4) on the scale of the Likert Seven

**Table N 06:** Shows the results of the single-sample t-test for the answer grades for both variables

<b>Descriptive</b>	<b>Mean</b>	<b>Std Deviation</b>	<b>Value of T</b>	<b>Level of Free</b>	<b>Probability value Sig</b>
<b>Variables</b>					
<b>Cultural Environment</b>	4,2241	1,26516	57,733	298	0,000
<b>Banking Marketing strategy</b>	4,5318	1,66885	46,955	298	0,000

\*the Correlation is significant at the 0.05 level

**Source:** Preparation of the researchers based on the results of the statistical program Spss

The value of the mean of all the questionnaire statements on the dimensions of the cultural environment is estimated at 4,2241 and a standard deviation of 1,26516. This corresponds to a neutral degree and a small bias toward slightly agree, which means that there is very little knowledge about the cultural environment. The value of the significance level is SIG=0.00 it is less than the level of significance adopted 0.005. so we reject the H<sub>0</sub> hypothesis and accept

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the alternative hypothesis  $H_1$  which means: Banks operating in Algeria have full knowledge of the dimensions of their cultural environment from the perspective of their managers.

Also, The value of the mean of all the questionnaire statements on the Banking marketing strategy is estimated at 4,5318 and a standard deviation of 1,66885. This corresponds to a slight degree which means that banks operating in Algeria are formulating a clear and integrated marketing strategy from the perspective of their managers, but to a lesser extent than expected and the value of the significance level is  $SIG=0.00$  it is less than the level of significance adopted 0.005, so we reject the  $H_0$  hypothesis and accept the alternative hypothesis  $H_1$ . Thus, the answer degree indicates that the respondents believe that banks operating in Algeria have a clear and realistic marketing strategy, as well as have a vision and knowledge of the variables of their marketing environment, even if it is to a weak and relative degree.

3- Third principal hypothesis :

$H_0$  : The dimensions of the cultural environment not affect the formulation of banks' marketing strategy

$H_1$ : The dimensions of the cultural environment affect the formulation of banks' marketing strategy

This hypothesis was tested by the simple linear regression analysis of regress and the contrast analysis of ANOVA

**Table N 07:** Shows the results of a simple linear regression test between cultural environment and banking marketing strategy

	Independent variable :cultural environment		
	R	R <sup>2</sup>	Régression coefficient
<b>Dependent variable : banking marketing strategy</b>	0,554	0,307	0,731

**Source:** Preparation of the researchers based on the results of the statistical program Spss

**Table N 08:** The contrast analysis model ANOVA between cultural environment and banking marketing strategy

Model	Sum of squares	D of free	Mean square	F	Sig
<b>Regression</b>	255,167	1	255,167	131,849	0,000
<b>Residual</b>	574,781	297	1,935		
<b>Total</b>	829,948	298			

\*the Correlation is significant at the 0.05 level

**Source:** Preparation of the researchers based on the results of the statistical program Spss

We can see from table (07) that the value of the correlation coefficient  $R=0,554$  shows that there is a medium correlation between the cultural environment and the banking marketing strategy, and that the value of the

coefficient  $R^2 = 0,307$  that 30.8% of the Bank’s marketing strategy go back to cultural environment. The regression coefficient  $B=0,731$  is also emphasizes a progressive relationship between awareness of cultural environment and formulation of banks' marketing strategy, but through the ANOVA variation analysis table the level of moral significance  $SIG=0.000$  and is less than 0.05 the level of certified moral significance, so we reject the  $H_0$  hypothesis and accept the alternative hypothesis  $H_1$  .

**Table N 09:** Shows the results of a simple linear regression test between cultural environment dimensions and banking marketing strategy

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	,882	,320		2,759	,000
	PDI	,117	,043	,128	2,760	,000
	UAI	,846	,054	,774	15,559	,000
	IDV	-,124	,047	-,108	-2,636	,004
	MAS	-,088	,043	-,084	-2,068	,001
	LTO	,106	,069	,069	1,541	,001
	IVR	,009	,061	,005	,145	,885

**a. Dependent Variable: Banking marketing strategy**

\*the Correlation is significant at the 0.05 level

**Source:** Preparation of the researchers based on the results of the statistical program Spss

Referring to Table (09) above, we are shown that most dimensions of the cultural environment have an impact on the ax of the banking marketing strategy, while the influence of both  $PDI=0,117$ ,  $UAI=0,846$  and is the highest compared to the rest and  $LTO=0,106$  was a progressive relationship, it was inversely for MAS and IDV except for the IVR axis that showed the level of evidence that there was no relationship.

With reference to the explanation of T-test analysis for independent samples, Single Sample Analysis ANOVA, no statistically significant differences due to demographic variables. Whether sex, functional level, educational level, professional experience, age or bank type on this basis, the results of the study are considered acceptable to a large extent.

## **5. Conclusion:**

After analyzing and discussing the results of research data, a number of conclusions were reached on the impact of the cultural environment dimensions on the formulation of the Bank's marketing strategy:

- The dimensions of the cultural environment have a much impact on the design of banks' marketing strategy
  - The modification of the banking marketing strategy in accordance with the cultural environment is one of the ingredients of an integrated and effective strategy
  - Banks operating in Algeria do not have enough knowledge about the cultural environment in which they operate
  - Banks operating in Algeria do not adequately and effectively analyze the dimensions and variables of their cultural environment
  - The formulation of the banking marketing strategy of banks operating in Algeria is not as clear, integrated and effective as is required
- From this standpoint, it clearly shows the extent of the importance and influence of the cultural environment on the marketing policies of banks and this plays a big role in formulating their marketing strategy. In this scope, the banks operating in Algeria, although they have some knowledge of their cultural environment, are still not up to the level of complete control. In its marketing strategy in full accordance with the variables of its cultural environment.

## **6. Recommendations:**

Based on the findings in the research, some recommendations and suggestions have been made:

- Banks operating in Algeria must formulate clear, integrated and effective marketing strategies to ensure sustainable market survival.
- Banks operating in Algeria should analyze their cultural environment comprehensively, either through models or by analyzing SWOT.
- Banks operating in Algeria in preparing their marketing strategy should rely on them to be appropriate to the cultural environment in order to clash with the prevailing culture of society
- Banks' marketing strategy must be dynamic with cultural environment variables, in order to stay competitive, especially with opening the door for foreign banks.



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