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Article

Smart Cards Reshape Iraqi Banking Service Quality

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Abstract: This research investigates the impact of smart card banking services on perceived service quality in Iraqi commercial banks, aiming to assess the level of adoption and its correlation with customer satisfaction. Key findings reveal shortcomings in ATM and POS infrastructure alongside deficiencies in technical and marketing aspects, urging a focus on service enhancement. Results indicate a positive relationship between smart card services and perceived quality, suggesting improvements in smart card offerings can positively influence customer perception. Recommendations include expanding ATM and POS networks, investing in technical expertise, and prioritizing market research for service innovation. Additionally, enhancing communication infrastructure and regulatory collaboration are crucial for overcoming existing challenges. These findings underscore the importance of adapting banking services to meet customer expectations effectively and highlight avenues for future research to explore long-term impacts and optimization strategies.

Keywords: Smart Cards, Perceived Service Quality

1. Introduction

Iraqi banks operate in the era of technological progress in the fields of information and communications technology, and smart cards are considered one of the most Important features of the modern era, as they achieve speed, ease and security in performing financial transactions between the bank and its customers instead of traditional means of payment, and in order for banking institutions to perform their functions efficiently and effectively. It must provide advanced banking services with a quality that suits customers' expectations, because of the resulting reputation among its customers and thus its market share. Therefore, Iraqi commercial banks must distinguish themselves from their competitors, by providing banking services via smart cards as a means that enables them to Achieving perceived service quality.

2. Materials and Methods

One of the most important things that banks seek is to provide high-quality banking products and services that are suitable for the customer. To remain in the competitive market, increase market share, and thus maximize profits, as perceived service quality is one of the critical issues in banking, as it is a major factor in determining the customer's behavior towards the bank, and to achieve this, new and innovative banking products and services must be provided that meet the needs and desires of the customer. Therefore, it is necessary to attract the attention of Iraqi commercial banks to adopt modern methods such as providing banking services via smart cards. From the above, the research problem can be formulated by raising the following questions:

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1. Have Iraqi commercial banks achieved tangible success in providing banking services via smart cards?

2. What is the level of perceived service quality provided by Iraqi commercial banks?

3. Is there a relationship between banking services via smart cards and perceived service quality?

4. Is there an influence relationship between banking services via smart cards and perceived service quality?

The importance of the research: The importance of the research is summarized in the following:

1. Knowing the extent of Iraqi commercial banks' interest and capabilities in employing banking services via smart cards in order to achieve perceived service quality.

2. Raising the motivations of Iraqi commercial banks to overcome the phenomenon of neglecting the importance of perceived service quality, as it leads to maximizing their returns and enhancing their reputation among other institutions.

3. Ease of financial transactions between the bank and the customer, by providing smart card services around the clock.

Research objectives: This research aims to:

1. Analyzing the extent to which the provision of banking services via smart cards is beneficial in achieving customer-perceived quality of service.

2. Identify the level of perceived service quality provided by Iraqi commercial banks.

3. Diagnosing the most prominent challenges facing Iraqi commercial banks, to keep pace with the rapid developments of information and communications technology.

4. Clarifying and interpreting the nature of the correlations and influence between banking services via smart cards and the perceived quality of service in Iraqi commercial banks.

Research hypothesis: The research is based on the following main hypotheses:

The first main hypothesis: There is a significant correlation between banking services via smart cards and perceived service quality at a significant level (0.05)

The second main hypothesis: There is a significant influence relationship between banking services via smart cards and perceived service quality at a significant level (0.05)

Fifth: Research population and sample: The research population is represented by the (16) Iraqi public and private commercial banks, according to the annual report issued by the Central Bank of Iraq for the year 2019. A random sample was chosen, representing four banks, and the (intentional) research sample included employees responsible for Providing electronic banking services in banks, the research sample/public administration, which numbered (125) individuals, which constitutes (75%) of the total research population, which amounted to (167) individuals, and a sample of the various customers who deal with these banks, and the beneficiaries of smart card services, which amounted to (167) individuals. Their number is (125) customers, and Table No. 1 shows this:

Table 1. Banks of the research sample

ratio%	research sample	research community	Bank name	ت
72	50	70	Rafidain Bank/ Governmental	1
65	40	62	Al-Rasheed Bank/Governmental	2
100	20	20	Al Khaleej Commercial Bank/Ahli	3
100	15	15	Iraqi Middle East Investment Bank/Ahli	4
75%	125	167	total	

Source: Prepared by the researcher.

2-2: Previous studies:

First: A study [1], entitled "The smart card and its impact on reducing some banking risks - an exploratory study of a sample of customers of Rafidain Bank - Al Khadra Branch": This study aims to explain the role, impact and importance of the smart card in reducing banking risks, One of the most important conclusions reached by the study is that there is an impact of the smart card in reducing banking risks, and it recommended the necessity of applying information technology tools in banking work in order to facilitate the process of using the smart card by a large number of individuals and institutions.

Second: A study [2] entitled "The impact of the quality of electronic banking services on customer satisfaction - a field study on the Jordan Islamic Bank in Amman - Jordan": This study aims to identify the impact of the quality of electronic banking services in its dimensions (ease of use, time saving, Confidentiality, security) on customer satisfaction, and one of the most important conclusions reached by the study is that the level of quality of electronic banking services in general was high, and the study recommended the necessity of maintaining the high level of the quality dimensions of these services and monitoring them from time to time.

3. Results

Banking services via smart cards.

First: The concept and definition of banking services via smart cards: These cards appeared after the problems that accompanied traditional credit cards with a magnetic stripe. They were invented by the French electronics engineer (Ronald Moreno) in 1974, and with them he invented the electronic fulfillment device (TPE) that is used by merchants who... They accept dealing with these cards, and their use began in 1980 by Philips, and then their use spread [3]. These cards are considered one of the latest types of non-cash payment tools, as they are distinguished by their versatility and ability to store a large amount of information, and the holder avoids the risks of fraud that face other cards [4]. They are known as: cards with an electronic chip that provide greater features and capabilities than traditional cards with a magnetic stripe. They contain advanced and complex encryption techniques that provide high protection against counterfeiting. They can also be used for multiple purposes and functions, such as a loyalty and credit card, storing value, and also as a repository for storing information. Personal cards [5] and Ahmed defined them as: plastic cards equipped with an electronic chip that have the ability to store specific amounts of data, and can be used to pay online and purchase from traditional markets [6]

From the above, the researcher believes that the smart card: is an electronic tool used for fulfillment, withdrawal and transfer of money, and it contains a type of electronic chip located on one side of the card that works as a microprocessor by passing it through the card reader, through which the data on the card is accessed.

Second: Types of smart cards: Smart cards are divided into several types according to the purpose of issuing them, as follows:

1. **Credit Card**: It is a magnetic plastic card that contains information such as the name of its holder, the date of its issuance, and the date of its expiration. The holder is given his own secret number, and it can be used to withdraw money and make purchases from the markets in which it deals [7]. It allows its holder to obtain a credit facility from its source, under which the customer obtains the required goods and services by presenting them to the merchant, and their value is paid from the issuing bank, and the card-issuing bank receives interest in exchange for providing financial credit to its holder. Banks grant these cards to the customer after verifying the validity of the card. Its financial solvency or in exchange for guarantees [8], and the customer must pay the value of the services he obtained to the bank within an agreed upon period from the date of his receipt of the list of purchases he made [9] and it is used as a tool of loyalty and credit. at the same time; Because it allows the bearer to obtain goods and services and pay their value in a later period [10].

   The most prominent types are:

   A - The Visa Card: It is one of the most widespread cards in the world. It is issued by the International Visa Organization, which is headquartered in San Francisco, California, in the United States of America. Financial and banking institutions participate in the membership of this organization, and contract with it in order to issue These cards are subject to the terms and conditions of their issuance, the most important of which is the gold and silver Visa card.

   • Visa Silver Card: It has relatively low credit limits, and is granted to customers who meet the minimum requirements for issuing a card.

   • The Golden Visa Card: It has high credit limits and is granted to high-net-worth customers, in addition to granting its holder life insurance, health insurance, and many international services, such as priority reservations in travel agencies and hotels.

   B - Master Card: These cards are less widespread than the Visa Card, and the headquarters for their issuance is located in St. Louis in the United States of America. They provide the same services as the Visa Card, and are somewhat similar to them in terms of organization and management. Financial and banking institutions participate in its membership and contract with them in order to issue them.

2. **Non-credit cards:** These cards are used to debit customers' credit accounts and do not give the customer any credit. They are only a fulfillment tool that enables the customer to fulfill the value of goods and services instead of cash, by passing them through a merchant's device connected to a center. The cards are with the issuing bank, and their data is read through the microprocessor. If the balance allows the deduction, it is done automatically and the value is added to the merchant's account. However, if it does not allow, this appears on the device and the process is not completed [11].

   It includes several types:

   A - Automated teller machine (ATM-Card): This card is issued by the bank itself or in agreement with a company, and allows the customer to carry out cash withdrawals within the limits of his credit balance with the bank, make deposits, inquire about the balance, and request a short balance statement through the bank's ATMs. In addition to the possibility of withdrawing cash from ATMs of other banks participating in the same network in exchange for a commission [12], these cards give their holder the ability to withdraw cash amounts from his account up to an agreed

upon maximum limit, and he is also entitled to withdraw more than the agreed upon limit. It is charged in exchange for a commission, and it is used by the customer inserting his card through the ATM, which asks him to enter the secret number (PIN). After verifying the validity of the number, the device asks the customer to select the service he needs via the keyboard and then press the accept key.

B - Prepayment card: This type of card allows the customer to purchase it and pay for it in advance without the need to have his own bank account in the bank that issued the card. It can be used internationally and has a specific amount with a certain ceiling [13].

T - Debit card: This card is used for purchases, and its use depends on the availability of the balance with the bank. It is linked to the customer's current account. It is rejected if the value of the purchase exceeds the balance of the customer's account with the bank. In the event of a sufficient balance, the value of the purchases is deducted from the balance. The card [14].

2-2: Perceived service quality:

First: The concept and definition of perceived service quality: The concept of service quality is closely linked to the customer's requirements and expectations, as the service provided must have characteristics that distinguish it from others, so that the customer can know through it the extent of this service's ability to meet his current and future needs and desires [15], and in light of the critical competitive environment, in order to gain and retain customers, banks must provide distinguished and high-quality banking services, and improving the quality of service can enhance customer confidence, satisfaction, commitment, loyalty and retention, and in order to adapt to threats and seize opportunities, they should Banks must be aware of the specific dimensions for evaluating service quality, then pay attention and provide performance according to these dimensions, as service quality is crucial to the success of any service organization, as it closely interacts with various aspects, and gives customers the opportunity to evaluate services from By comparing what they received with the services required versus what they were given, the quality of service therefore plays a crucial role in adding value to the customer's experience [16], and quality from the customer's perspective means "meeting or exceeding the customer's expectations" , and thus the quality of service is one of the main factors for building the customer's perceived value, and thus influencing the purchase intention, market share, and the level of profitability, which is one of the ultimate goals of every bank. In addition, the quality of service plays a major role in attracting customers and gaining their loyalty and profitability, quality from the perspective of the service provider (the bank) means conformity of the service to the standards previously set for it, while from the perspective of the beneficiary (the customer) it means the compatibility of this service with his expectations and uses [17]. Both (Baskar, Ramesh) perceived service quality as: a measure of the extent to which the level of service provided matches customer expectations [18]. Chieh also defined it as: the customer's perception of the overall quality or superiority of the product or service in relation to its intended purpose compared to other alternatives [19]

From the above, the researcher believes that perceived service quality is the degree to which the service is able to meet customers' expectations, such that it meets the needs and desires of customers with a high degree of effectiveness and efficiency.

Second: Criteria for measuring perceived service quality: The customer can judge the quality of the banking service provided, and form his perception of it through a set of criteria of relative importance to the customer, which are as follows:

1. **Dependency:** It is represented by the guarantees provided by the bank and the ability to adhere to the deadlines set for carrying out work, and thus the ability to rely on the bank.

2. Physical evidence: It represents the tangible material things in the work environment, such as modern technical devices, physical facilities that are appropriate for the type of service provided, and the design of buildings, as well as the presence of employees with tidy uniforms and good behavior [20]

3. Reliability: It refers to the bank's ability to fulfill promises correctly, and provide a service to the customer that is able to meet his needs and desires, and is as risk-free as possible.

4. Response: It refers to the bank providing the service's intention and enthusiasm to help customers by providing the required services, and this ability is determined by the bank's organizational flexibility and productivity [21].

5. Performance: The levels at which the service characteristics operate (low, medium, high, very high).

6. Ease of obtaining the service (Accessibility): Obtaining the required service without obstacles, which may constitute an obstacle to obtaining the service.

7. Timing: Speed in providing the service, and providing it at the right time, is one of the important criteria for the quality of banking service from the customer's point of view.

8. Efficiency: The bank's possession of employees who have knowledge, skill, and technical ability, and the extent to which the customer is convinced of the efficiency of the service provided and its effectiveness in conveying confidence to the customer [22].

2-3: The relationship between banking services via smart cards and perceived service quality:

Smart cards are the newest type of bank cards, and the most secure. They contain computer chips or a microprocessor, and store all the information about the holder, such as the name, address, phone number, card number, and the name of the issuing bank. The customer can load the card with the amount he wants from his account opened with the bank. And withdraw from it anytime and anywhere when needed using automated teller machines (ATM). It has a data storage capacity much larger than that of cards with magnetic stripes. It is also characterized by flexibility of use, as it combines the advantages of traditional paper money and electronic payment cards. Modern [23] and that the quality of the smart card service has an impact on customers' behavior towards the bank based on their assessment of the quality, so the bank's management must allocate the necessary resources to ensure the achievement of high quality in the performance of the smart card service [24], as the customer compares the perceived service that he actually received, and the service as he expected it. If the perceived service was less than expected, he would feel dissatisfied and dissatisfied, and if they were equal, his feeling would be acceptable, depending on the quality of service provided by competing banks. However, if the perceived Greater than expected, the customer's feeling is positive, and his loyalty to the bank increases [25].

From the above, the researcher believes that providing banking services via the smart card provides many advantages for both the bank and the customer, as well as for the merchants and society as a whole, including saving time and effort, security, reducing cost, ease of portability and use, and others, and banks must provide them with appropriate quality. And a reasonable price; To achieve customer satisfaction, and thus enable the bank to retain current customers, attract new customers, increase the number of smart card customers, and achieve maximum profits by providing high-quality smart card services to the customer.

The third topic: The practical framework for banking services via smart cards and the perceived quality of service:

3-1: An introductory overview of Iraqi commercial banks, the research sample.

First: A brief overview of Al-Rafidain Bank: Al-Rafidain Bank was established pursuant to Law No. (33) of 1941, and began its operations on 5/9/1941. Then it went through multiple stages of merger starting in 1964, which included the commercial banks that were operating in Iraq, where they were In 1974, it was unified with Al-Rafidain Bank, and it became the only commercial bank in Iraq at that time, as it continued to operate alone in the field of banking until 1988, which witnessed the establishment of another government bank, Al-Rashid Bank, and in 1998 it was transformed into a public company owned by the state according to In accordance with the provisions of Public Companies Law No. (22) of 1997, with the aim of contributing to supporting the national economy in the field of commercial banking, investing money, and providing financing to various sectors in accordance with development plans, and within the framework of the state's economic, financial, and monetary policies, the number of bank branches is currently (164) branches. Inside Iraq, in addition to (7) branches abroad, namely: Cairo, Beirut, Abu Dhabi, Bahrain, Sanaa, Amman, Jabal Amman (https://www.rafidain-bank.gov.iq).

Second: A brief overview of Al-Rasheed Bank: Al-Rasheed Bank is the second largest government bank in Iraq. It was established in 1988 pursuant to Law No. (52) and became a public company pursuant to Public Companies Law No. (22) for the year,

The bank has (151) branches spread throughout Iraq. Its mission is to contribute to the development of the Iraqi economy by providing integrated banking services of high quality according to leading international standards, and its vision

To be part of the leading integrated financial group in Iraq and to be trusted and respected by both its customers and competitors (http://rasheedbank.gov.iq/ar)

Third: A brief overview of Al-Khaleej Commercial Bank: Al-Khaleej Commercial Bank was established in 1999, and began practicing its business through the main branch on 4/1/2000, in accordance with the provisions of the Central Bank of Iraq Law No. (64) of 1976, for the bank to practice comprehensive banking activities. The number of the bank's branches reached (21), seven of which were distributed in Baghdad, and fourteen branches spread in other governorates [26].

Fourth: A brief overview of the Iraqi Middle East Investment Bank: The Iraqi Middle East Investment Bank was established in 1983, and the bank began conducting its business through the main branch on 5/8/1994, and the number of the bank's branches reached (18), including six branches operating in Baghdad. And twelve branches spread in other governorates [27].

3-2: Presentation and analysis of the questionnaire results:

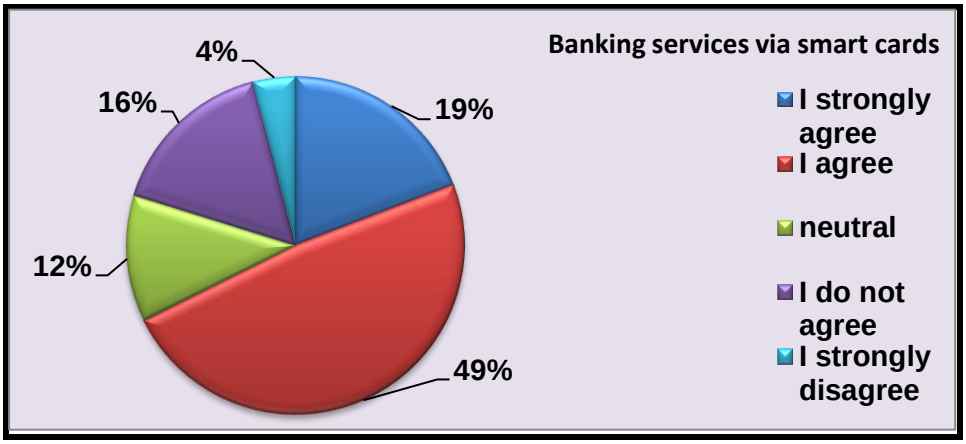
First: Descriptive analysis of the questions of the questionnaire axes: frequencies, percentages, arithmetic means, standard deviations, coefficient of variation, direction of the research sample and level of importance for all questionnaire items were extracted. The following tables show the results that were reached from the point of view of the research sample members, and they were as follows:

Table 2. Paragraphs of the first axis (banking services via smart cards)

Direction of the research sample	Coefficient of variation	standard deviation	Arithmetic mean	I strongly disagree _	I do not agree	neutral	I agree	I strongly agree	the scale	via smart cards services	T
agree I	20.18	0.83	4.10	1	16	20	133	80	Repetition	The use of smart cards increases the bank's efficiency in its financial transactions and reduces time, effort and costs for .the customer	1
				0	6.4	8	53.2	32	The ratio %		
do not I agree	46.71	1.17	2.50	50	103	31	55	11	Repetition	Automated teller machine)ATM and electronic ( ) point of salePOS (,services cover large areas facilitating the use of .smart cards	2
				20	41.2	12.4	22	4.4	The ratio %		
agree I	20.44	0.79	3.87	0	24	24	162	40	Repetition	Giving the bank different types of smart cards to its customers adds value to .the customer	3
				0	9.6	9.6	64.8	16	The ratio %		
agree I	22.89	0.89	3.90	2	20	41	125	62	Repetition	Providing the bank with the opportunity to obtain loan facilities through smart cards helped it retain existing customers and .attract new ones	4
				1	8	16.4	50	24.8	The ratio %		
agree I	25.75	0.96	3.72	1	40	33	130	46	Repetition	Smart cards provide greater freedom to their customers in choosing and .type of services	5
				0	16	13.2	52	18.4	The ratio %		
agree I	15.99	0.58	3.62	54	203	149	605	239	Repetition	The final result	
				4	16	12	48	19	The ratio %		

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-26.

From Table (2) above, the following results are clear for all items of the axis (banking services via smart cards) heading towards (agree) from the point of view of the research sample, with an arithmetic mean value of (3.62), and with very good harmony in the answers, and this is confirmed by the value of the deviation. The standard and coefficient of variation were valued at (0.58) and (15.99), respectively. The final result for the axis came in a general percentage of (67%), distributed between (strongly agree) and (agreed), which is the highest percentage of agreement, and the graph (1) shows this.



Figur 1. The final result of the variable (banking services via smart cards)

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-26.

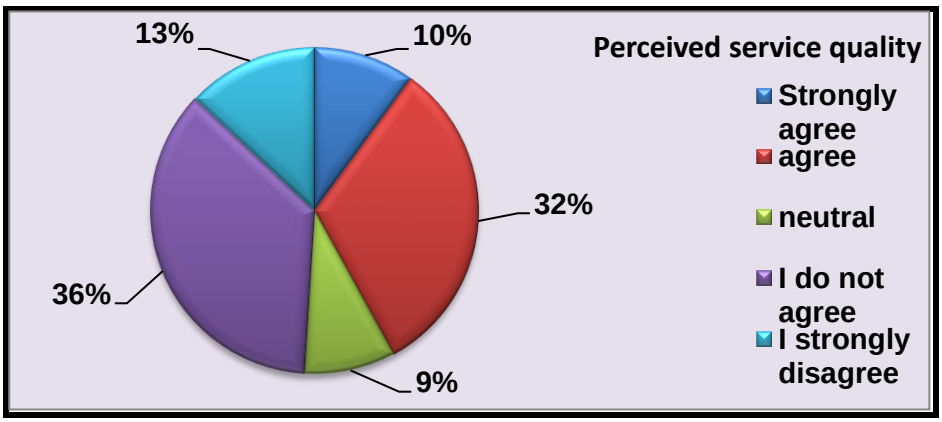
As for the frequencies, percentages, arithmetic means, standard deviations, coefficient of variation, and trend of the research sample for the items of the second axis - perceived service quality, as shown in the following table:

Table 3. Paragraphs of the second axis (perceived service quality)

Direction of the research sample	Coefficient of variation	standard deviation	Arithmetic mean	I strongly disagree	I do not agree	neutral	I agree	Strongly agree	the scale	Perceived service quality	T
I do not agree	53.2	1.33	2.5	53	106	15	65	11	Repetition	The bank's electronic products and services are designed based on the needs and desires of .customers	1
				21	42	6	25	4	The ratio %		
I agree	28.42	1.08	3.8	9	49	38	116	38	Repetition	The people working in the bank listen to the customer .well	2
				4	20	15	46	15	The ratio %		
I agree	30.41	1.08	3.55	8	47	38	114	43	Repetition	Electronic banking products and services are free of complexity and .routine	3
				3	19	15	46	17	The ratio %		
I do not agree	62.30	1.57	2.52	50	115	7	60	18	Repetition	The electronic banking services provided by the bank are consistent with .what is advertised	4
				20	46	3	24	7	The ratio %		
I do not agree	46.62	1.13	2.42	45	127	17	50	11	Repetition	The bank provides the required electronic service on the specified date .without any obstacles	5
				18	51	7	20	4	The ratio %		
neutral	41.9	1.24	2.96	165	444	115	405	121	Repetition	The final result	
				13	36	9	32	10	The ratio %		

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-26.

From Table (3) above, the following results are clear for all items of the (perceived service quality) axis, moving towards (neutral) from the point of view of the research sample, with an arithmetic mean of (2.24), and moderate harmony in the answers, and this is confirmed by the value of the standard deviation and the coefficient of variation. Their values are (1.24) and (41.9), respectively. The final result for this axis was (49%) distributed between (disagree) and (strongly disagree), as shown in the graph (2).



Figur 2. The final result of the variable (perceived service quality)

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-26.

3-4 Results of testing research hypotheses:

First - The first main hypothesis: There is a significant correlation between banking services via smart cards and perceived service quality at a significant level (0.05). To test this hypothesis, we will rely on the Pearson correlation between the independent variable (banking services via smart cards) and the dependent variable (perceived service quality), according to the following table:

Table 4. Pearson correlation between the independent variable (banking services via smart cards) and the dependent variable (perceived service quality)

Perceived service quality		Banking services via smart cards
Probability value	Link	
0.007	0.749	

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-21.

From Table (4) above, we note that the value of the correlation coefficient between the independent variable (banking services via smart cards) and the dependent variable (perceived service quality) is (0.749), which is a strong positive correlation, and that its probability value reached (0.007), which is less From the level of significance (0.05), that is, it is a statistically significant, significant correlation, which indicates that there is a strong, positive, significant correlation between the variable of banking services via smart cards and the variable of perceived service quality, and thus we accept the first main

hypothesis, meaning (there is a relationship A significant correlation between banking services via smart cards and perceived service quality at a significance level of 0.05).

Secondly - The second main hypothesis: There is a significant influence relationship between banking services via smart cards and perceived service quality at a significant level (0.05). To test this hypothesis, we will rely on simple linear regression analysis, as the independent variable is (banking services via cards). Smart) and the dependent variable is (perceived service quality), according to the following tables:

Table 5. ANOVA to test the relationship of the effect of the banking services variable via smart cards on the perceived service quality variable.

Probability valuesig	F value	The square of the coefficient of determination	Mean squares	Degrees of freedom	Sum of squares	Sources of variation
0.00	34.468	0.122	20.38	1	20.38	Regression_
			0.59	248	146.61	Residual residues
				249	166.99	Total_

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-26.

From Table (5) above, we notice that the arithmetic F value is (34.468), and the tabular F value is (3.89). We note that the arithmetic F value is greater than the tabular value, and the test probability value of (0.00) is smaller than the significance level (0.05). This indicates that the simple linear regression model is valid for measuring the causal relationship between the independent variable and the dependent variable, that is, we accept the previous hypothesis meaning (there is a significant influence relationship between banking services via smart cards and perceived service quality at a significance level of(0.05).

As for testing the simple linear regression coefficients related to the model, it can be reached through the following table:

Table 6. Testing the coefficients of the simple linear regression model

Probability valuesig	Calculated t- test value	Standard errorSt. Error	Standard) coefficients Beta (	Coefficient of the independent variable
0.00	3.94	0.31	1.22	Constant
0.00	5.87	0.08	0.49	Banking services via smart cards

Source: Prepared by the researcher, based on the results of the statistical analysis program SPSS-21.

From Table (6) above, we note that the value of the t-test for the variable (banking services via smart cards) reached (5.87), and its probability value is (0.00), which is smaller than the significance level (0.05), which indicates that the variable (services Banking via smart cards) has a significant impact relationship at a significant level (0.05) on the variable (perceived service quality) in the simple linear regression equation. The value of the beta coefficient reached (0.49), and this means that a change in the amount of one unit in banking services via

Smart cards will lead to a change in perceived service quality by (49%).

4. Conclusion

The findings of this research underscore the significant role of smart card banking services in enhancing perceived service quality within Iraqi commercial banks. Key discoveries reveal deficiencies in available ATM and POS infrastructure, coupled with weaknesses in technical and marketing domains, necessitating a focus on service redesign and development to meet customer expectations effectively. Importantly, the study identifies a positive relationship and influence between smart card banking services and perceived service quality, suggesting that improvements in smart card offerings correlate with enhanced service perception among customers. The implications of these findings emphasize the importance of allocating resources towards expanding ATM and POS networks, while simultaneously investing in technical expertise and market research to drive innovation and improve service quality. Additionally, enhancing communication infrastructure and collaboration with regulatory bodies are highlighted as crucial steps for overcoming existing obstacles. Moving forward, further research could delve into the long-term impacts of these recommendations and explore additional strategies for optimizing smart card banking services to better serve the needs of Iraqi bank customers.

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