

**UNIVERSITY  
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**Abstract**

Enhancing workforce productivity has fascinated organizations for ages. To find more effective measures to improve customer experience as well as to reduce idle time. This is also the case for the case company, as they want to reduce the amount of idle time from their workforce. As gamification has been an effective asset in productivity increasing in other industries, studying gamification within business environment may unearth new knowledge in the ways of performance increasing. Not only this, but as insurance industry is not considered as an interesting workplace by millennials, gamification's interactive characteristics may solve this recruitment issue as well. However, as gamification is only a part of the bigger picture, it needs aid from another concept focused on communication and creating knowledge for the gamification to utilize – internal marketing.

The purpose of this thesis was to discover gamified internal marketing's ability to improve work performance by motivating and engaging employees through gamified internal marketing processes and by gamifying their everyday activities. Another purpose was to show the case company their current situation within their customer service department and how well the employees understand the goals and the vision of the company.

In order to attain these purposes, a literature review was conducted in order to find out more about the two concepts and commonalities within them, that could allow them to be combined to create the new concept of gamified internal marketing, presented as a theoretical framework. Based on the requirements, the research questions were made and with them, semi-structured in-depth interviews. Qualitative approach allowed the thesis to find deep information about the interviewee's insights of motivation, recompensing and department's situation.

The findings indicated that internal marketing can be gamified, and that gamified internal marketing can boost productivity. Gamification as well as gamified internal marketing can be applied within the department's work environment.

Key words	gamification, internal marketing, motivation, recompensing, workforce productivity
Further information	-





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#### Tiivistelmä

Työtehokkuuden kasvattaminen on kiinnostanut organisaatioita jo kauan, jotta asiakaskokemusta saataisiin parannettua ja passiivista työntekoa vähennettyä. Tämä on myös tavoitteena tapausyrityksessä, joka tahtoo vähentää passiivista työntekoa organisaatiossaan. Koska pelillistäminen on todettu tehokkaaksi työkaluksi muilla aloilla, sen tutkiminen liiketoimintaympäristössä voi tuoda esille uutta tietoa toiminnan tehostamiseksi. Tämän lisäksi milleniaalit eivät koe vakuutusalan työtehtäviä mielenkiintoisiksi, joten pelillistämisen interaktiiviset piirteet voivat ratkaista myös työnhakuhaastetta. On kuitenkin otettava huomioon, että pelillistäminen vaatii tuekseen kommunikaation ja tiedonkeruuseen erikoistuneen käsitteen – sisäisen markkinoinnin.

Tutkimuksen tavoitteena oli saada selville pelillistetyn sisäisen markkinoinnin kyky kehittää organisaation työntekijöiden työtehokkuutta motivoimalla ja innostamalla työntekijöitä pelillistetyn sisäisen markkinoinnin prosesseilla ja pelillistämällä päivittäisiä työtehtäviä. Toisena tavoitteena oli osoittaa case-yritykselle heidän tämänhetkinen tilanteensa asiakaspalveluyksikössä ja kuinka onnistuneesti organisaation toimintasuunnitelma on työntekijöillä tiedossa.

Jotta näihin tavoitteisiin päästäisiin, kirjallisuuskatsaus suoritettiin tiedonkeruuta varten, jotta käsitteistä ja niiden yhtymäkohdista saisi tarvittavat tiedot pelillistetyn sisäisen markkinoinnin teoreettisen viitekehyksen tekoon. Tätä varten muodostettiin tutkimuskysymykset ja niiden avulla luotiin puolistrukturoitu haastattelurunko. Kvalitatiivinen tutkimustapa valittiin, jotta haastateltavilta saatua tietoa motivaatiosta, palkitsemisesta ja osaston tilanteesta voitaisiin tutkia syvällisesti.

Löydökset osoittavat, että sisäinen markkinointi voidaan pelillistää, ja pelillistetyllä sisäisellä markkinoinnilla voidaan luoda ja kasvattaa motivaatiota, jonka kautta työtehokkuutta saadaan tehostettua. Löydösten mukaan pelillistämisen sekä pelillistetyn sisäisen markkinoinnin implementointi osastolle on mahdollista.

Avainsanat	pelillistäminen, sisäinen markkinointi, motivaatio, palkitseminen, työtehokkuus
Muita tietoja	-









**UNIVERSITY  
OF TURKU**

Turku School of  
Economics

# **GAMIFICATION IN INTERNAL MARKETING**

**Interactive work environment as productivity booster**

Master's Thesis  
in Marketing

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1.6.2020  
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The originality of this thesis has been checked in accordance with the University of Turku quality assurance system using the Turnitin OriginalityCheck service.

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# 1 INTRODUCTION

This study will focus on the theme of internal marketing, phenomenon of gamification and gamified internal marketing in workforce productivity. This introduction chapter describes the background and the reasoning of the study. Topics, such as research context, design and key concepts will be discussed. Furthermore, the research questions as well as the structure will also be introduced.

## 1.1 Context

Through the history of business, workforce productivity has been an important factor in maintaining and optimizing company's chances of success, as it is considered the key performance indicator by considering how much a certain effort yield in return. By being able to assess this, companies can advance in their strategy and evaluate their advantages on the market. (Demeter et al. 2011, 2.) Although productivity calculations have not always been done with the employees' health and lifestyle in mind, companies around the world understand that the less time an employee uses on something else than work, the more they create value for the company. Companies have become data-driven, constantly looking at metrics and creating assumptions of success based on this information. Key performance indicators (KPI) are commonly mentioned when discussed individual's or a team's organizational success and they are measured actively. However, many organizations are failing in seeing the big picture and simply focus on the KPIs. (Parmenter 2015, 3–4, 7–8.) Although this system is effective and highly flexible, it does not come from the employees themselves. Thus, by only looking at numbers, this approach misses a vital part of the workforce productivity, individual motivation. Due to this miss, numerous upcoming changes are going to negatively affect the old methods. Work itself has had its fair share of changes in many industries due to technological changes and megatrends, such as globalization and technological advancements. Due to these changes it is no longer as simple to evaluate employee efficiency with input to output ideology as it was before. In the past, employee efficiency could be seen from the number of products employees created or calls a salesman had made. However, now digitalization has altered employee's responsibilities in many assignments. Now things such as consumer relationship are important as the consumer can search all the information from company's website before ever making a purchase. Without a relationship there is no reason for the

consumer to stay with a specific company. Employees themselves have also changed over the years. The ideology of staying in the same workplace until pension has been replaced by the idea of purpose, the desire to work in an environment that's best suited for them.

According to Appel-Meulenbroek et al. (2019, 4–5), this is especially relevant with millennials, who are rather working for other external purposes, such as work relationships, than compensation or other work-related aspects. This is because millennials are more networked, value networks more than other older generations of employees and want to feel connected. This aspect needs to be taken into consideration because in 2025, 75 per cent of employees are millennials. The effects from this change will echo into every industry, creating either opportunities or problems, depending on the industry's level of preparedness. (Richards, 2018.) Millennials are a different generation of employees and have different preferences and skills than their predecessors. According to Pyöriä et al. (2017, 9–10), millennials have a higher sense towards individuality and non-materialistic values as their older counterparts. They are also more interested in gainful employment. As being the first “digital native” or “tech-savvy” employees, they can understand new system faster. They also do not see anything wrong with job hopping in order to experience the different industries, which causes stress to companies attempting to retain them. For millennials, work commitment varies by work content, which in tow means that the company must create interesting assignments and a positive environment. However, although millennials are perceived to have certain characteristics that contrast with the older generations, that is not always the case. According to Noble et al. (2004, 1034–1035, 1040), individuals within generations have differences within them due to external effects, such as cultural differences and past experiences. Because of this it is not feasible to claim that all the values and attitudes within a work environment have manifested from generational aspects. Thus, an organization should not categorize millennial employees as a certain type of an employee but instead understand potential underlying tones within them. With this, organizations can direct their efforts more fluently and gain more from them in return.

As the millennials are becoming the major part of the workforce, the older workforce is shifting towards retirement. As birth rate continues to decline in western countries, the competition of the remaining employees becomes fierce. As these two factors combine, talent crisis looms in the horizon. According to Kwon (2014, 173–175, 181–183), insurance industry is at risk due to the steadily aging population as well as the lack of interest among the millennials. Although the insurance industry has been present for a long time

in the world, it has not been the most interesting place to work in. Insurance itself requires time and effort to understand and the products are not constantly on someone's mind. Now, insurance industry is facing a downward shift in human capital retention, as there are now fewer young employees to replace the retiring workforce. This shortage of talent is the reason behind the so called "talent crisis" and could have serious repercussions to the industry. Insurance industry is not the only one suffering from this, as many other industries are struggling, needing to fill the gap with foreign employees. There are many reasons behind this crisis, but one of the largest ones is the industry's reputation. As said previously, the concept of insurance is not well understood and tends to have a negative tone. In fact, people tend to think of insurance as an additional expenditure rather than an investment for the future. Kwon (2014, 185) goes on to say that industry's crisis is a multi-pronged challenge, which consist of factors such as social, demographic, and economic. Having a negative tone to begin with, young people feel that the industry will not give them the purposeful career that they seek and go somewhere else.

Only four per cent of millennials in US were interested in creating a career in insurance, according to Hartford's (2015, 1) study. This is a worrying trend, which needs to be solved as soon as possible. As the insurance industry is mostly based on highly skilled employees, finding suitable replacements is even more challenging. Replacement challenges are especially high in actuarial, technology and executive positions, and these difficulties persist yearly. 10 per cent of the companies within the survey claimed that their staffing is decreasing as well. Jacobson Survey (2019, 1, 9.)

Due to these factors, insurance companies, such as this thesis' case company, seek out new ways to boost workforce productivity as well as to improve employee retention. According to Kwon (2014, 185), the insurance companies favours the use of lateral moves such as new roles, task force integration and personal outreaches to retain their highly skilled employee, while avoiding payment increases or retention bonuses. However, these attempts do not work for everyone and in most cases, the majority are uninterested. Thus, new innovations are needed to conserve the talented workforce and to acquire new ones. In the thesis, gamification is studied in order to discover new potential ways to improve employee productivity via internal marketing communication. The workforce productivity is an important factor to research, as the old concept of workforce productivity has become blurry. Nowadays employees are looking for purposeful work and companies need to find out new ways to present themselves as the best workplace to ensure they

obtain the best employees. Now the company's message is just as, if not more attractive than just the paycheck.

As companies create marketing strategies for their consumers, they should also create them for their other stakeholders in the form of internal marketing. Internal marketing is external marketing's supplement. It also means communication focused around the company's employees. The goal of internal marketing is to market management knowledge and to create a positive working environment – a shared feeling of belonging. Internal marketing also aims to improve training and information sharing, as it fine-tunes existing processes, and thus, improves employees' actions towards customers. This type of marketing creates a boundary between internal and external marketing. Companies need to be aware of that these two marketing sides affect each other – if the employees do not fully grasp the company ideology, they cannot pass it on to the customers. Internal marketing has another effect, as it also transforms employees to an “internal customer”, that the company needs to manage. As the internal customers get pleased and do their work more optimally, pleased external customers are also created. Thus, internal marketing is an important part of the company's success. Lewis and Varey (2000, 27–28.) However, if the internal marketing is not effective or has not been assessed properly, multiple mixed signals confuse the organization and can have a negative impact. Thus, internal market research allows the company to discover important employee segments with specific needs and create targeted strategies to specifically cater those needs. Together with effective communication, the whole organization has a clear understanding of the situation and the actions are transparent. This in turn will increase the employee's faith and loyalty towards the company, as they are not being kept in the dark. (Kadic-Maglajlic et al. 2018 292–293.)

Due to the changes in business organizations, companies must find ways to please both the old internal customers, as well as the new millennial internal customers. Internal marketing has been studied in workforce knowledge management before. According to Vuori's (2013, 9–11, 147–149) findings internal marketing suffers from ambiguity, as there are multiple different types of theories and findings about it. Although her studies agree with Lewis and Varey's research, her findings also show that without a cohesive internal marketing strategy, internal marketing cannot succeed. Her research shows that internal marketing is especially important in service industries, where employee motivation and retention are difficult. These are the same topics the case company struggles with. As employee productivity and motivation are linked with internal marketing, it can

be assumed, that internal marketing needs to be improved within case company to optimize employee productivity.

During the last decade, gamification has become an interest to many researchers and industries. Gamification is steadily increasing as a tool for companies to optimize their employee efficiency and engagement. Although gamification has been around for a while, it has lied dormant for years. The first company who used gamification with consumers was S&H Green Stamps by Sperry & Hutchinson company in 1896. (Bullock, 2019.) The aim of gamification is to alter employee behaviour towards a desired goal, which could be productivity, learning, efficiency, or some other goal, by changing the work environment with game elements. These elements can be leaderboards, badges or other rewards, given with certain positive outcomes as instant feedback. This in turn increases the individual's motivation to perform tasks set in front of them. These tasks can be educational tasks, such as company's vision, new products, or a certain way to approach customers. However, there has been criticism about the effects of gamification. As individuals are different and are interested in different types of game elements, effects of any single game element vary heavily. Due to this criticism, gamification research has been focused on certain personality groups in order to predict results better. (Lopez – Conrad 2019, 333–334.) According to Chou (2016, 12, 129–131), gamification is a human-focused design and can be even claimed to be a form of manipulation because it affects behavioural change in people. However, it is not mind control, meaning that individuals have a choice to use it or not. but a form of creating desired actions and cuts down passive work by motivating employees through analysis. The important factor in gamification comes from the company itself and how they apply the gamified aspects into the work environment. If there is no emotional or physical value, the results will not be good. Thus, the internal marketing of the case company needs to be gamified in a way that suits the employees or “the players” well, whether they are groups or individuals.

Literature review showed promise. While using Google Scholar (22.11.2019) to analyse the previous research of marketing, 3 950 000 results were found. “Gamification” provided 113 000 results. “Internal marketing” provided 41 200 results and “gamification marketing” provided 198 results. “Gamification” and “internal marketing” search resulted in 252 results, but the research done focused around gamification tools, app technology, social experiments, and game social realities. However, “gamified internal marketing” provided zero results. This means that even though internal marketing and gamification have been studied separately, they have not been thoroughly studied together. This

suggest a knowledge gap, which this thesis will aid to fill, providing an academic reasoning behind this study. Gamification researchers such as Mekler et al. (2017, 531) and Chou (2016, 29) agree that internal communication is an important element to make sure gamification attempts succeed. However, there has not been a strong theoretical connection between the two concepts. This is interesting, as both concepts seem to aim for similar goals, such as engagement and productivity. Further research can help discover new ways of motivating the workforce, and thus, reduce passive working or “idle-time”, which is the key interest of the case company. After all of the context mentioned above, a conclusion can be made that the study of this area has the potential to create something new both for theory and for the case company.

## **1.2 Research purpose**

Due to its nature, the thesis has two main purposes, theoretical for the research gap as well as functional for the case company. Both purposes have numerous joints and the research found is used for both of these purposes. In one sentence, the theoretical purpose of this thesis is to create more knowledge about the theme of internal marketing, the phenomenon of gamification and thus, to evaluate how gamified internal marketing benefits employee’s working efficiency. The theoretical framework is created from two theoretical research areas: gamification and internal marketing. These research areas are evaluated through several viewpoints, such as employee, employer, motivation, and communication to find out the best suitable approaches for the empirical studies. Literature review will be utilized to form a theoretical framework to connect the two concepts, gamification, and internal marketing. This method will naturally also be used to find out more about the two concepts as well as to discover additional connections. The two promising connection points, motivation and communication are studied briefly in the theoretical background. This will also set the stage for the future studies and calibrate the theme and phenomenon for the case company’s interests on the matter. As mentioned in the context, motivation and communication are both important themes for the research areas in question. Without researching them, the study would lose vital connection points between the two concepts.

In addition to the theoretical purpose, the study’s functional purpose is to reduce the amount of passive work or “idle-time” in the workplace, which is the case company’s key interest as well as to find new innovative ways to make insurance industry an interesting



workplace. The case company has seen a decrease in employee efficiency and is searching new ways to rejuvenate the efficiency as well as creating a better working environment for the company. Inspiration, communication, and motivation are important elements, which the thesis will focus on alongside its key concepts gamification and internal marketing. Furthermore, this also helps the company to increase the general employer image of the company by utilizing new workplace. By accomplishing in these commission's assignments, thesis can create value for the company in terms of knowledge and a foundation for plans of action. The thesis shall propose a general example of gamification for the company to use in future projects.

To fulfil both purposes, empirical part will focus on understanding factors surrounding gamification and internal marketing. The empirical part will also evaluate the importance of interaction and communication in the processes. The data discovered will be used to create theoretical conclusions, as well as to aid the case company in creating organizational changes through functional conclusions, which could boost productivity.

### **1.3 Research overview**

This thesis is defined as an evaluative thesis, as it focuses on critically evaluating and organizing present studies and approaches in order to discover new knowledge. This new data is in the form of connections between gamification and internal marketing, and it is utilized to improve productivity. However, it is also descriptive as it attempts to create understanding in gamified internal marketing, as well as creating a better foundation for gamification in business. It will do this by creating a theoretical framework as well as a plan for the case company. Thus, it is suitable for both types of literature review, and will utilize them accordingly. In a way, this thesis can be defined as the first of its kind, as it is studying gamified internal marketing. The thesis' literature review will also include a concept analysis, where concepts are described, evaluated, and utilized within the theoretical framework. The thesis will use business books, former academic research, scientific articles, and the company's own material.

For this thesis's purpose, literature review is the most efficient method to move forward in order to discover information. Literature review is a method to analyse previous written research of the chosen topic. Aspects such as viewpoints, ideals, knowledge, and approaches will be evaluated from each piece in order to figure out the topic's weaknesses and strengths, as well as finding research gaps. It also allows the study to identify and

separate theoretical, empirical, and methodological themes, allowing flexible use with the research questions. They go on explaining that there are two different types of literature reviews: evaluative and descriptive. (Eriksson – Kovalainen 2008, 43–44, 47.)

According to Grix (2002, 177–179), ontology means the image of social reality in which the theory is based. As all research begins from ontology, epistemology or methods cannot be logically chosen without it. For phenomenological research, ontological distinction shows how the studied concept is qualitative. Epistemology is the claim of how existence is able to be known and understanding the ways to achieve this knowledge. The ontology of this research is anti-foundationalist and epistemology is interpretivism. The thesis is an abductive study, as it contains both inductive and abductive traits. The empirical study's questionnaire and other materials for the interviews will be formed by utilizing gamification and internal marketing research and the created theoretical framework, company's perceived values, key interests as well as already known challenges within the organization.

#### **1.4 Research questions**

Due to gamification being mostly used in learning, the theoretical base around gamification and business is scarce. As the literature review showed, gamified internal marketing has not been properly studied, as gamification itself is not vastly researched topic itself. As business focused gamification literature is scarce, it is important for this thesis to act as a base for that knowledge. With this in mind, the thesis can potentially be used as reference to further study gamification in other business areas.

Therefore, the main research question is as follows:

- “How can gamified internal marketing improve employee efficiency in the workplace?”

In order to answer this question, sub-questions are required. The sub-questions are as follows:

1. What is gamification in business?
2. Which factors motivate case company's employees?
3. Have previous gamification studies seen any improvements in the success of internal marketing?
4. Which gamification methods can be used to increase internal marketing's efficiency as well as employee's efficiency?

In other words, this thesis focuses on understanding gamification as thoroughly as possible with the current knowledge available, and how it can be used within internal marketing in such way, that employees are more committed to the case company business and its vision. To do this, the research must find out the key motivation elements within the organization and utilize them to create a gamification plan, based on previous knowledge.

## **1.5 Key concepts**

### **1.5.1 Internal marketing:**

Internal marketing is a process, in which the company's vision and values are sold to the employees to improve customer service, and therefore, customer experience. As the employees understand and respect the values, they fulfil organization's set goals. Internal marketing will in turn increase the job commitment and creates a more meaningful working environment, because the employee better understands what his position and purpose in the workplace is. Internal marketing's, or IM's, aim is to create a sense of belonging, and make the employees feel, that their supervisors as well as the entire management board cares for them and is concerned for their well-being. (Tsai – Wu 2011, 2–4.)

Internal marketing can also be described as a leadership strategy. According to Kadic-Maglajlicm et al. (2018, 291–292), IM is a goal-oriented activity, which applies human resource and management practices. These include practices such as training, motivational activities, and transparent communication. All these practices share the goal of acquiring desired behavioural patterns within the employees or “internal customers”. For this to work, the company needs comprehensive information of their employees, such as their characteristic traits and how they respond to feedback. Thus, by leading your internal customers towards certain behaviour and engagement, the results are shown towards the external customers. As an example, case company is focusing on creating customer-oriented behaviour through training and communication. These customer-oriented employees will then provide better customer service. Thus, through IM, company can enhance customer experience through collaborative exchange between management and customer service personnel.

### 1.5.2 Gamification:

Gamification is commonly known as a practice, in which motivational elements of gaming are applied to non-gaming content in order to boost engagement and in turn, alter employee behaviour. As it affects human psychology, gamification has risen as an interesting topic due to its potential for motivational appeal and promoting behaviour. (Mekler et al. 2017, 525.) Gamification is a form of goal-oriented process, in which employees are given approachable rewards, that they can go towards at their own pace and at their own choosing. As traditional goal setting aims towards a certain concrete reward (such as a bonus), gamification presents multiple forms of rewards and multiple avenues to get them. This can be done by allowing multiple rewards and each with a certain amount of points or with leaderboards, showing the top achievers in the organization. Thus, it also creates behavioural change from within the employee, as most want to climb on top of the ranking or earn certain rewards. These two types are the most used forms of gamification.

However, gamification can also be used in different ways, such as in training and achievement encouraging. Gamification applies goals in a non-optimal way, usually by letting the employee have ability to choose their path. This will also form a more subtle way of changing the said behaviour, when compared to the traditional version. Given this approach, there is also a non-concrete form of rewards, such as encouragement from supervisor or public congratulations. The difficulty in gamification and goal setting in general is the individuality of employees. Each employee handles rewards and gamified content differently, and some are more prone to it than others. Thus, companies need to be able to form either segment or have thorough knowledge of the individuals in order to create tempting rewards. (Landers et al. 2017, 508–510.)

## 1.6 Research structure

The thesis will be divided into eight parts. The first chapter will be the introduction, where context, research purposes, questions, overview, key concepts, and the structure are described.

Chapters two, three and four will consist of theoretical concept analysis as well as the literature overview. Second chapter focuses on describing internal marketing in business. Concept will be evaluated; theories from numerous researchers will be presented and the importance of internal marketing will be explained. The chapter will also briefly

discuss marketing communication as well as motivation. The end of chapter will consist of a summary as well as an internal marketing model.

Chapter three will focus on gamification in business. This chapter will evaluate gamification as well as its key benefits and challenges. The phenomenon will be explained in depth. Matters such as how it appears, which factors affect it and how previous researchers have defined it will be shown. Motivation will also be discussed within this chapter together with the Octalysis-model, which is based around human motivation and gamification. A summary will be presented in the end of the chapter.

Chapter four will be the final theoretical chapter, combining the previous two chapters' theoretical knowledge in one. In order to do this, two frameworks will be presented. The first model unifies the internal marketing model as well as the gamification model. With this, the thesis attempts to present a clear connection between the two concepts. The second frame allows the empirical studies in the organization by explaining the importance of motivation, recompensing and feedback and why they need to be understood before the first framework can be used.

Chapter five will discuss the empirical part of the thesis. In this chapter, the case company will be presented in depth. The reasons behind the study as well as the company's status will be discussed, and the study will delve deeper into the research methodology. The chapter will also narrate the study's proceedings and how it was made. Chapter includes the employee's organizational attributes which might impact the study. Trustworthiness will also be mentioned in this chapter.

Chapter six is focusing on the results of the empirical findings. Findings for both employees and management will be explained through qualitative analyses. Seventh chapter will provide theoretical and functional conclusions based on the theoretical literature as well as empirical findings. Each of the research questions will be a concrete suggestion will be presented for the case company. Final chapter consists of a summary as well as further research suggestions.

## 2 INTERNAL MARKETING

### 2.1 Overview of internal marketing

The term internal marketing was coined in 1976 by Berry et al. as a way of resolving the challenges of customer service and the constant demand of better service quality and more cohesive processes. However, internal marketing did not have any form of proper definition at that time, leading to various interpretations and definitions around customer service, service encounter and organizational development. Although the theory is suffering from ambiguity, internal marketing has been commonly described as marketing within the organization. The organization's management decides the way of promoting its vision, values, and strategy, which are then communicated transparently and coherently to the employees, considered as "internal consumers". At the same time, the employee positions are treated as "internal products", that need to be evaluated and improved like the products purchased by external customers. The aim is to ensure employee's understanding of their position in the company and that their work generates ideal customer experiences, and thus, meeting the company's goal. Although internal marketing is considered to affect all the organization's departments, the most vital part is human resources and the management handling it. (Farias 2010, 100–103.)

Internal marketing can also be described as the organization's tool to distribute and generate knowledge within itself. By exchanging existing knowledge with every member of the organization, the discussions generated provide new ideas. This new knowledge will be passed on and with it, the cycle continues. During the process, staff's knowledge as well as their understanding increases, resulting in a more positive work environment and better customer service. Knowledge sharing also prevents a stable state, where all the information has been shared, due to the reframing of knowledge by organizational groups. Internal marketing is an important process, which evaluates, develops, and if necessary, terminates critical internal relationships for the good of the company. (Varey – Lewis 2000, 54, 250–251) According to Proctor (2010, 257), internal marketing may be considered as a prerequisite for successful external marketing and should precede marketing attempts for products and service. This is a fascinating claim, as there is also discussions that external and internal marketing should have links between them to monitor the satisfaction levels on both fronts for optimal effect. This would incline that internal marketing

would not be a prerequisite, but instead the other half of the quality monitoring process. (Vel et al. 2018, 20.)

The problem with internal marketing is that, in most cases, plans remain as theoretical constructs instead of becoming proper company guidelines or management objectives. Internal marketing's planning and the reality of the workplace can be completely different. (Muedo 2003, 1263.) According to Varey and Lewis (2000, 57–58), internal marketing's methods are not always applicable, as they are dependent on the company's work environment and culture. Interaction inside the organization's network is crucial for internal marketing to work. For example, one department's ideas may be lost or scrambled when they reach another department due to communication problems. This creates tension within the organization and can cause damage towards the management. Another issue is with potential rival agendas. If the management has different opinions of the company's approach, the implementations will not be made. As internal marketing's strength comes from the cooperation of others, Everyone must work together for the common good. New ideas, knowledge and tools require trustworthiness, the willingness to collaborate, and the sense of obligation to be formed. Although flexible, internal marketing is created and executed by the individuals within the firm, and it is dependent on the company culture to succeed.

### 2.1.1 Meaning of internal marketing

As a broad concept, Internal marketing's meaning can be explained in several ways. The most common description is that through predetermined actions, empowered employees increase productivity and create better customer experience. Farias (2010, 112) goes as far as claiming that internal marketing's ultimate goal is to motivate employees to achieve excellence. However, that only scratches the surface. Internal marketing's intention is to increase employee's level of commitment towards the company's aspirations by treating them as internal customers. By accumulating an increase in motivation through purposeful work, the company gains more productive employees, happy to advance the company's goal. However, this time it is not solely for monetary gain, but for individual fulfilment as well – employee's understand why they have been chosen and what they can do to improve the company. This understanding will in turn forge a stronger bond between the employee and the company and will resonate to external customers through better

customer service. Unfortunately, companies are yet to understand the difference between a satisfied employee and a truly productive one. (Mudie 2013, 1261–1263.)

Tsai and Wu (2011, 1–3) explain internal marketing's meaning through the company's image, which tends to be based on the consumer's idea of that company. Thus, service encounters are crucial, as one bad service encounter can devastate the company's image. However, it is also important to understand service employee's power in this exchange. If they are willing to perform exceptionally, the quality will most likely be exceptional. Therefore, companies should make sure to take care of their employees. If a company takes care of its workforce, the employee satisfaction will increase in turn. This will prove effective in day to day promotional activities, where satisfied employees treat the customers with exceptional service quality. In an optimal setting, employee caring will also create a virtuous cycle, increasing staff commitment which will again in turn improve employee motivation and service quality. As positively attuned companies attract new employees, internal marketing will impact company's employee acquisition quality as well. In short, by managing and executing effective internal marketing, the company's image and service quality will improve.

Internal marketing encourages employees to perform better by making sure that the company's visions and goals, as well as the meaning of the company's existence are understood. In a sense, internal marketing is the bridge between the organization's strategic planning and the employee's purpose - an information process across the entire organization to make sense of the operations within it. It embeds the concepts into the employees by helping them to identify their place within the company through common values. After all, if employees are unable to grasp the reasons behind the company's existence and the reason they were hired, they cannot truly be a part of the company. (Varey 1995, 42–43.) Internal marketing also empowers employees by giving them responsibility and accountability, allowing them to make decisions in their workplace. A great example of this is a hospital waiting room – If the employees have an idea to improve the seating arrangements, they should be able to do it without asking the supervisor's opinion. After all, they work in there every single day and they see the faults. As the decision made focuses on a single waiting room within the hospital, the potential for negative impact is miniscule. A storm in a teacup, so to say. However, this empowerment gives employees validation. They not only cogs in the machine, but actual members of something bigger than themselves. By being valued, healthy organizational culture will have a better chance to flourish and integrate with the needs of the employees. (Pescaru, 2019.) However, the largest



benefit of internal marketing is in its ability to aid non-marketing staff to work with a marketing focus in mind. After all, every single employee is a covert marketer of the business. The way they talk, serve customers, develop products, and consider new approaches are all focused on the same thing – the company's strategy and the reason the company was founded in the first place. By succeeding in this, everyone is working together for the common goal, improving development as well as information flow between departments. This will also be visible in customer retention, as employees are transformed into brand ambassadors, a visual representation of the company's values. (Pescaru, 2019.) All in all, the meaning of internal marketing is to aid the company to succeed by transforming employees as brand ambassadors. As employee goals are aligned with the organization's goals, motivated employees boost revenues through customer experience, productivity, and employee retention. In short, internal marketing's meaning is to align the employee's purpose with the company's goals through an interactive, transparent relationship.

### 2.1.2 Internal marketing and management

Although marketing has been an important element in modern day companies, internal marketing remains a mystery. Some companies have ventured in internal marketing, but results are rarely effective due to confusion and everchanging status of management. Thus, this chapter is focused around unveiling the mystery of internal marketing and how management can see it as an opportunity.

The confusion with internal marketing is understandable. After all, internal marketing sounds that it focuses solely on employees instead of customers, which has traditionally been primary target of external marketing. However, this comprehension could not be further from the truth. As previously mentioned, every company has both external and internal customers. As external marketing focuses on the external customers, internal marketing takes care of the internal customers through managerial activities and with its own strategic approach. An important factor is the management themselves, who acts as both an internal customer as well as the face of internal marketing actions. If the management's skills are not appropriate, the inefficiency will dramatically weaken the process and lower its chances of success. (Lewis – Varey 2000, 80.) Like external marketing, internal marketing can be utilized to strategically affect targeted groups in order to improve customer satisfaction. However, this time the customers are the backbone of the

organization's success, company's employees. According to Tsai and Wu (2011, 3–4, 11), management should exercise internal marketing through communication, training, and rewarding. Internal marketing provides the tools for a manager to develop all of these forms as long as the development is done interactively. By understanding and respecting the employee's aspirations, training can be tailored to be more fitting, and thus, more effective.

## 2.2 Elements of internal marketing

Much like the theory of internal marketing, the elements and functions are ambiguous as well with multiple scholars having their own element suggestions. The reason behind it is that each organization implements internal marketing differently in their strategies with different results due to the differences in the workforce. Thus, accurately defining internal marketing processes is difficult. (Ahmed – Rafiq 2000, 3.) This chapter will observe two different takes on internal marketing mixes and the elements within them.

### 2.2.1 Internal marketing mix 1

Mix presented by De Bruin-Reynolds, et. al. (2015, 3, 26–27) consists of similar key concepts as the traditional external marketing mix, making it easier for companies who have adapted the external mix to understand it. The internal mix consists of:

- Internal Product
- Internal Price
- Internal Promotion
- Internal Distribution.

**Internal product** is the decision-making process in which the company evaluates necessary differences within the organization. This includes items such as the staff that the organization has, the employee's assignment which they will undergo, and their appearance within the organization. In order to increase employee's effectiveness, they must first fully understand the reason why they were selected to this position and what are the responsibilities and the effects of that assignment. The idea behind this is, that satisfied internal customers (employees) will yield satisfied external customers. (Jones 1986, 2.) According to De Bruin-Reynolds et al. (2015, 3), the company cannot expect the

employee to give their customers optimal service if the assignment has not been sold to them first. An employee, who understands the meaning and importance of their work will give customer service that better mirrors the company's vision. This "selling of the job" will require long-term planning, development, training, and two-way communication between the employee and the employer. It is also important to give the employee some form of power and responsibility within the company, that power granting the employee a way to independently make decisions that affect their work. The responsibilities should be linked to the power, as employees will better understand organization's expectations of them. This understanding is further improved with clear roles for each employee and a way to communicate to their colleagues and superiors. Clear roles also reduce uncertainty within the organization, as the chain of command is easy to understand.

**Internal price** may sound peculiar at first but understanding the meaning behind it is vital for any organization undergoing internal marketing plans. It pertains all of the efforts an internal customer spends, both reactive and proactive, as well as the resources company itself uses in developing internal customer's assignment. (Keller et al. 2006, 117.) Internal price means costs the employees, not the employer, pay in order to work in the organization. These costs are not just in monetary value, but emotional burden as well as opportunity and psychological costs. Opportunity cost means the sacrifices the employee must make in order to work in the organization. This can mean sacrifices such as moving to another city, buying a car or other adjustments they have to make in their own private life. Psychological costs imply work environmental impacts directed to the employee. Factors such as work culture, colleagues, and performance pressure affect the employee every single day and, in worst cases, lead to burnouts and resignations. Lastly, emotional burden means the constant level of control the employee needs to maintain in the workplace. For example, customer service employees need to keep their cool with all sorts of customers. If an unfriendly supervisor with berating comments is added into the mix, work environment becomes incredibly emotionally straining. (De Bruin-Reynolds et al. 2015, 26.)

**Internal promotion** means the overall communication between the employees and the management within the company. This is an important aspect for internal marketing, as it facilitates all understanding within the company. Much like advertising to the potential external customers, the company has to, in a sense, advertise the vision as well as the strategy by face-to-face communication, internal social media messages and other sales promotions. Without these actions, the employees are unable to get the full picture of

what the organization is up to and where it wants to proceed. Internal marketing has the capability to enforce these actions and can yield a great impact to the overall employee understanding. (Jones 1986, 201.) An effective way to use internal promotion is to have reward mechanisms to motivate and excite the employees. Through rewards and recognition, employees feel a sense of respect and notice that the company values them. If the company uses social media within the workplace, communication encourages collaboration between employees and the management. In order to create a healthy work environment, people need to be able to see and connect with other people. By collaborating, ideas, innovation and potential problems can be shared, increasing general satisfaction with the company. (De Bruin-Reynolds et al. 2015, 26–27.) According to Keller et. al (2006, 118), internal promotion's main mission is to motivate employees to connect with others, open up to one another and find the company interesting through maintaining a positive image and healthy communication. Especially management has to be vigilant in cheering employees on, encourage them and enable connections with others. This was also confirmed in Ali's (2012, 247–248) research findings, where internal communication gave employees a sense of empowerment and felt more motivated to work. This was especially effective in smaller organizations, where managers knew the employees better.

**Internal distribution** is internal promotions' external counterpart. In order to ensure that the external consumer gains the appropriate items they need, there needs to be channels to deliver the items through those channels. A similar situation is in full effect at the workplace environment, as organizations tend to have means to internally distribute items. In this case, the items are values, beliefs, and assumptions of better or worse. In distribution, it is crucial that the right item comes to the right place at the right time. Internal distribution is no different. Organizational culture must be carefully built, with the correct understanding of beliefs and values in the right place at the right time. This is how the culture is slowly built, as employees forge together clan-like teamwork, resulting in commitment. However, poorly created culture can also implode into war-like status, with employees merging into smaller groups, excluding others. Management needs to ensure, that the organizational structures allow the responsibilities, work assignments and other activities to be allocated effectively. In short, internal distribution is a combination of organizational structure and culture, aiming to create employee commitment and satisfaction through effective allocating. Configuring company's stakeholder as well as employee-employer relationships. (De Bruin-Reynolds et al. 2015, 27.)

### 2.2.2 Internal marketing mix 2

According to Ahmed and Rafiq (2003, 1222–1225), internal marketing mix can be observed as internal activity evaluation factors, which improve competitiveness as well as further structures the company's internal market activities. In this marketing mix, internal marketing is defined as a strategy to create high-performing individuals with the marketing mix elements (or tools) to improve the overall performance of the company. Each of these need to be implemented in order to develop and execute an effective strategy. All these elements are controllable and can be used as influential tools. The elements within the mix are:

- Strategic reward
- Internal communications
- Training and development
- Organisational structure
- Senior leadership
- Physical environment
- Staffing, selection and succession
- Interfunctional co-ordination
- Incentive systems
- Empowerment
- Operational or process changes.

Although similar, strategic rewarding and incentive systems are not the same. As incentive systems focus on basic payment and company's culture, strategic rewards are used only when specific actions have been done. They should only be rewarded in order to improve one's motivation to replicate those actions. The internal marketing mix is a mix because all of the controllable elements need to be used correctly to blend them for the optimal effects. The desired effect in this case is the ability to influence specific internal customers much like the traditional marketing mix influences the external customers. If the organization succeeds, the results yield internal commitment which in turn yield external success. It will also be able to differentiate itself with its environment and outperform the competitors with motivated and cooperating employees. (Ahmed – Rafiq, 2003 1222–1225.)

## 2.3 Challenges in internal marketing

As any other concept, internal marketing faces challenges. These emerge especially during its implementation as well as in maintaining it. As the concept focuses on employees, human relationships can become volatile and unpredictable rapidly. This chapter will focus on the challenges of internal marketing and how to avoid them.

### 2.3.1 Managerial challenge

Internal marketing poses challenges and undergoing internal marketing plans may stretch the company's capabilities in managerial interactions. According to Ristic et al. (2018, 383-384), influencing individuals is very difficult because of diverse and complicated motives, and that internal integration needs to be done by the management. Individuals require more than just reasoning, and management needs to find what it is. Therefore, management should practice internal marketing at different levels, depending on the target audience. After all, employees on different levels also work differently and understand their positions differently. This practice will also make negotiations easier, as consensus can be achieved faster. For there to be a "perfect" agreement, the internal marketing plan needs to have a long-term perspective and must be adoptive throughout all the levels individually. Thus, it proves a challenge for the organization and planning process must include everyone necessary. However, this is only possible if the organization has empowered the individuals to make decisions and they understand the responsibilities in making them. This becomes even more prevalent as the organization evolves, managers change their positions within the company, as well as when company adapts to external factors changes. If the planning is done poorly, the company's internal marketing disrupts, communication halts and evolution stops. This is the challenge of internal marketing and why management may have difficulties in understand it, especially if the company keeps rapidly adapting to changes. As internal marketing happens within the organization's employees, changes in those employee positions create fractures. Thus, companies undertaking internal marketing must understand and plan well ahead to ensure the stability of organizational networks. (Lewis – Varey 2000, 75–78.) For example, if an employee's assignment changes, they must share their knowledge with their successor.

As shown previously, an alignment between organization's and employee's goals must exist for improvement to take place. In order to do this, employer-employee

relations, where creation of internal structures are facilitated, must be enabled. Internal marketing allows the management to establish two-way communication. This needs to be done to ensure that departments are discussing changes and teach each other. This in turn aligns the departments, clearing previous misunderstandings. This is especially prevalent when changes are developed, as managers may not have a clear picture of the entire department's culture. By having clear discussion between departments, potential resistance to change and undermining will be reduced. (Lewis – Varey 1995, 46–48.)

### 2.3.2 Barriers of change

Lewis and Varey (2000, 78–79) introduce the four barriers of internal marketing, which will be explained in detail in this chapter. The barriers are the following:

1. Resistance to change
2. Inter-functional conflict
3. Intra-functional conflict
4. Lack of individual responsibility.

**Resistance to change** is a common phenomenon in workplaces, and a deeply rooted resistance can hurt the company's future endeavours, as employees are not willing to change in fear of the unknown. Resistance can also reside within the management, causing managers to reluctantly go through the upcoming changes with as little effort as possible, potentially creating negative emotions towards the change. Mostly it is the case of trying to hold an organizational structure, which they have spent time to form. Power-hungry management must be effectively dealt with and each branch of the organization must have a clear vision of what their responsibilities are. Fear of the unknown is strong, and new situations can be intimidating, but they are necessary for company's success and to remain competitive. In order to crumble the resistance, managers need to be involved in making the changes and both them as well as other employees must be actively listened to. If people learn about the upcoming change, and transform their feelings of fear to curiosity, excitement begins to form. In companies where the management is far away from the frontline employees, excitement can prove to be difficult to form. (Varey – Lewis 2000, 78.)

**Inter-functional conflict** is a situation, where senior management is unaware of the organization culture, negatively affecting the overall productiveness. These conflicts are especially typical in functional conflicts where different parties, like finance and R&D,

have different priorities, but are not recognizing those differences. In these cases, the employees and managers within these parties are aiming towards different goals, potentially working against themselves and/or cannibalizing work effort from each other. (Varey – Lewis 2000, 78–79.) According to Xie, Song and Stringfellow (1998, 193–198), inter-functional conflict research is contradictory, as conflicts can have both beneficial as well as harmful results. Conflict's beneficial result is innovation, as multiple parties share their opinions and points of view between one another, arguing over which is the best way to go on. Thus, the company can harness multiple perspectives in order to respond the competition as well as get information mobilized between its employees. However, conflicts tend to be costly, creating emotional issues and friction within the company. Furthermore, overall organizational integration can negatively impact development projects, causing them to fail. Thus, although company can obtain spikes of information through conflicts, the negative emotional effect as well as organizational impact can be a heavy price to pay.

**Intra-functional** conflicts are conflicts between organization's and its employee's personal goals. These conflicts are dangerous, as they are usually hidden in thought and interactions, manifesting at the worst times, and affecting the employee's overall performance and behaviour. For example, these types of conflicts may occur when rewards are given to select members of a larger group, creating distance and a sense of favouritism. Sometimes this will manifest into healthy rivalry between others, but can also turn into something malicious, such as not giving necessary information to others, withholding ideas, or spreading rumours about the reward's context. If left unchecked, manifestation may evolve into a culture of opportunism where individuals are only taking care themselves, undermining others and eventually halting the development altogether. (Varey – Lewis 2000, 79.)

According to Harris and Ogbonna (2008, 455–456, 459), these conflicts are separated into two forms: functional and dysfunctional. Functional conflicts are dynamic interactions and usually discuss ideas and other positive and important subjects. This interaction is the spawning pool of stronger innovations, better commitment between employees, higher productivity, and transformative processes that increase the competitiveness of the organization. On the other hand, dysfunctional conflicts are a threat to the organization's future. These conflicts portrait the negative attitudes that destroy organization's functions by creating opportunistic behaviour within the employees and negatively impacting marketing activities. Both functions are created from within team spirit, which drives the common purpose. If the spirit is weak, so is the commitment between the



employees, and thus, the drive forward. Strong team spirit will also help to reduce the amount of uncertainty within the organization.

**Lack of individual responsibility** is straightforward. This barrier arises when management is weak, or the skills managers have are lacklustre. Most of the management problems arise from lack of communication, which is crucial for internal marketing to work. Without proper communication, uncertainty will rise within the organization, affecting employee's as well as the management's behaviour towards responsibilities. Actions are needed and decision need to be done in the organization, but managers are not willing to take the plunge, resulting in them mimicking previous years in hopes of having the same effect with less effort. (Ristic et al. 2018, 387–388.) According to Varey and Lewis (2000, 79–80), organizations should strive to hire individuals who are determined in planning and finishing tasks for management positions. By finding these individuals, implementing company's action plans will be easier. However, it is also important to remember that manager's work is also a process which should be taken care of. This must also be embedded into the mind of the managers themselves in order to negate resistance to change. After all, they need to change if they wish to improve. The more responsibilities the manager has, the greater the need of having a dynamic improvement process is. Thus, managerial competence and careful quality control in are the keys in breaking this barrier and will also have impact on other barriers.

## **2.4 Motivation and internal marketing**

Motivation is necessary for an individual to perform their tasks at their fullest. According to Akroush et al. (2013, 307–308), motivation can be considered as the driving force that allow us to give it our all and find the best ways to reach our goals. Company can harness this driving force by introducing various incentives as well as changing the working environment to better suit the employee's needs. Motivation's concept can also be defined in an organization's point of view as development processes within an individual to succeed in their tasks for the sake of the company's goals. In other words, employees can also have motivations that solely help the company and not only themselves, although the latter cannot exist without the former. There are two types of motivation: intrinsic and extrinsic. Intrinsic motivation relates to individual's needs on an essential level. These needs include subjects such as physiological, security, and self-actualization. Thus, they are highly personal and embedded deep within one's identity. Extrinsic motivation is the

individual's relationship between the organization and motivational subjects within this environment, such as rewarding and encouragement. Both motivation types must be used to reach the employee's maximum capability. However, long-lasting effects are different between the types. While extrinsic motivation processes are faster, the effect tends to end once the task is done. Intrinsic motivation process takes much longer, but the effect lasts.

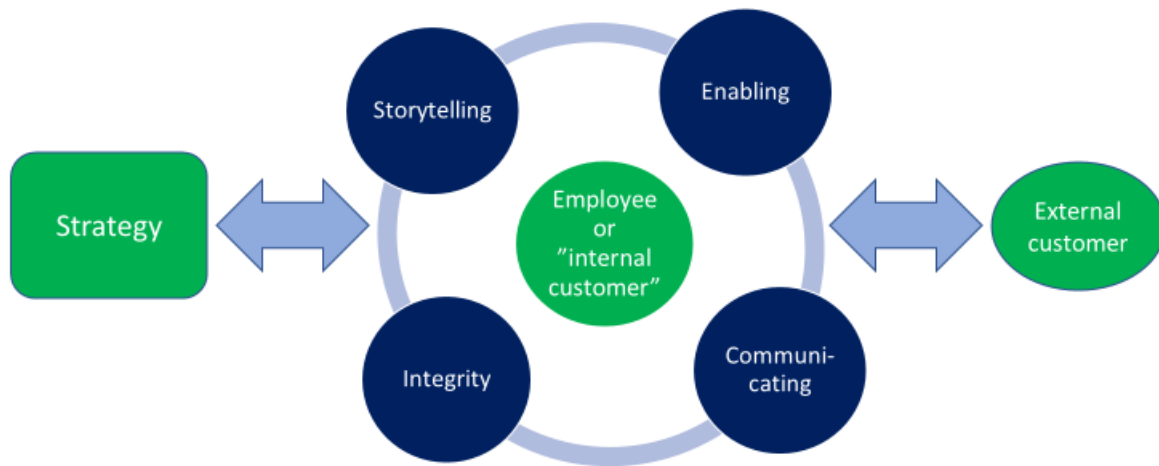
Thus, organizations should motivate their employees through both ways in order to have them at their best. Motivating employees via internal marketing is a way to make employees more customer oriented. This can be done via human resource management as well as similar marketing tactics that are used with external consumers, such as advertisement and storytelling. (Farias 2010, 105–106, 110.) Internal marketing is an important tool to motivate employees (or internal customers), as it is an employee-based concept. Internal marketing is a prerequisite for any organization to structure their capabilities and to facilitate their employee's skills through motivation. By motivating an individual with internal marketing, employee's core values can enhance, and they can find new joy in their work as well as provide better quality service. Thus, motivation is one of the keys for organizations success. The company can demand excellence from their employees if the company is also doing everything in their power to enable the employee performance. (Vasconcelos 2008, 1252–1253, 1256.) Motivation theories are intertwined with internal marketing, as both are working with humans and their processes help each other. Internal marketing tools are used to motivate employees through understanding and a sense of satisfaction, which is then seen as better customer service or as better teamwork within the organization. Therefore, internal marketing and motivation are related and must be accounted for in internal marketing studies and action plans. Lewis and Varey (2004, 241) go on agreeing on this claim, mentioning that motivation and satisfaction are crucial for internal marketing, are one of their main objectives, and thus, are considered as the primary market. As internal marketing considers employees as internal customers, satisfying their needs enhanced external customer experience as well as organizational innovation.

## 2.5 Summary

Internal marketing is a concept which contributes to company's work environment in terms of motivation, engagement and with it, customer experience, productivity, and profit. The ideology behind internal marketing is to consider employees as internal customers, which the company must inform and win to their side through similar procedures as external customers. By creating satisfied internal customers, innovative work environment as well as external customer benefits will be obtained.

The internal marketing mix consists of four parts: Internal product, internal price, internal promotion, and internal distribution. Each of these parts are important for the company in order to create optimally designed internal marketing programs. Shortly, internal product means the meaning behind employment. Why was this person employed and why should they stay with the company? Internal price means the burden and sacrifices the employee needs to do in order to work in this company, such as moving to another city and changing family matters. Internal promotion means how the organization communicates with the employees and how effective it is. Internal distribution is internal promotion's external counterpart, in which organization must measure how they are promoting their internal marketing and culture towards external factions as well as stakeholders.

Internal marketing also has challenges. These challenges are commonly known as the four barriers of change: resistance to change, inter-functional conflict, intra-functional conflict, and lack of individual responsibility. Resistance to change is the natural reaction individuals do, as change is usually unnerving and scary. This must be handled through communication, by clearly showing which steps everyone must make. Inter-functional conflict focuses in clashes between the organization's management and the rest of the organization, where management does not know the current situation of the work environment. Intra-functional conflict is a clash between an individual's and an organization's goal, that can vary from a situational problem all the way into a moral dilemma. Lastly, lack of individual responsibility means the managements unwillingness to take responsibility and act due to an ulterior motive. The following model describes how internal marketing affects external customers through communicating and enabling internal customers, and how it is created through strategy as well as how it affects future strategy creation:



**Figure 1. Internal marketing model (adapted from De Bruin-Reynolds et. al 2015, 3, 26–27; Lewis – Varey 2000, 78–79)**

It is important to note that this model is based on the traditional marketing mix and shows how internal marketing can be utilized after the company has already understood their internal marketing mix. Storytelling, enabling, integrity and communicating are manifestations of internal marketing mix, but they are not one-to-one of the mix itself. For example, storytelling is a combination of internal product and internal promotion because it demands the company to create the reason behind the employment and then to create the narrative for the employee. Naturally, for the internal marketing model to work, the barriers of change must be overcome by creating transparent communication with adequate management.

### 3 Gamification

*“If you wanted to impact a million people’s lives 200 years ago, you had to be an emperor. 20 years ago, you had to be a prime minister. Today, you can affect those people in your pyjamas, on a toilet. “John Sanei, 2017.”*

#### 3.1 Overview of gamification

Gamification has seen a surge in popularity lately, as games have become more mainstream and familiar to the working class. Companies are now trying to find ways to incorporate gamification into their organizations to boost company profits by “gamifying” their services. Furthermore, culture of gaming is rapidly rising amongst teenagers, for whom digital tools are natural. As teenagers are the world’s future workforce, corporations must be ready to answer their needs. (Angeslevä 2014, 40.) The term “gamification” was first coined in 2008 by Brett Terrill. Generally, gamification has been defined as applying game elements into non-game environments such as sales and learning, although several opinions and descriptions are presented. In 2010, the term got into the mainstream media and to where it is today. Although the term found popularity among industry and scholars, the research surrounding it has been slow-paced. Because of this, only a handful of peer-reviewed definitions have been made, which in turn makes it difficult to connect the phenomenon to other theoretical frameworks. (Hamari – Huotari 2016, 21–22.) This is also the reason behind gamification’s several definitions and surrounding ideas.

According to Deterding et al. (2011, 2), gamification’s defined as “the use of game design elements in non-game contexts”. This definition was not final, as they merely presented a potential definition candidate for the literature to follow. Groh (2012, 39–41) continues their work, presenting the importance of understanding the difference between games and play and to define the two related terms. While both of the terms have their own meanings behind games and gamifying, there are strict differences between them. While play describes expressive and anarchistic behaviour through the lack of rules, games are rule-based with predetermined goals. As gamification in business is made with predetermined rules due to the organization’s strategy, it tends to not have the qualities of traditional “play”. However, an argument can be made that in some gamification elements playfulness is expected. For example, creative problem solving needs to be made with as little rules as possible for the individual to “think outside the box”. Gamification

is separated from playing and gaming, making its own concept of “gameful design” as it is different from actual games or playful designs. (Deterding et. al. 2011, 10–13.)

However, gamification’s definition has moved away from this strict version of only using game elements as it can occur in a variety of forms – The aim is more important for the management than the form it manifests into. Thus, gamification does not mean to create games for the organizations, but to use the engaging and exciting elements from games to improve something. Gamification can improve motivation, user engagement, productivity, build relationships and create value. (Dymek – Zackariasson 2016, 3–5.)

Angeslevä (2014, 52–54) defines gamification as a method to entice employees to perform important and serious, yet mundane activities by incorporating fun elements from games. For example, employee’s engagement can be increased by adding points, rewards and encouraging messages into the work activities. This element of surprise combined with tokens of gratitude enhance the perception of daily activities and their potential entertaining qualities. At the same time, the rewards lead the employee’s down a predetermined path, altering their behaviour and benefiting the company.

Hamari and Huotari (2016, 24–26) define gamification as “a process of enhancing a service with affordances for gameful experiences in order to support users’ overall value creation.” This definition is focusing on gamification’s aim to generate better experiences rather than its methods. The reasoning behind the definition is that gaming elements are problematic to evaluate as a set of mechanics behind gamification. Therefore, gamification could be understood with a broader scope by defining gamification as a process. They go on mentioning that the term affordance generally means a potential action made possible by environment or an object. They have the capability to provide experiences for the users, such as employees. Affordances are highly compatible with the idea of gamifying business methods, as focuses on providing users choices rather than must-do objectives. By this logic, any system can be gamified if it uses affordance, which enable the user to perceive the value of a system. For example, by using motivational affordance, users are stimulated towards certain pre-determined actions but are not forced into them.

According to Hamari and Huotari (2016, 24–25, 28–29), gamification is a part of service marketing. As gamification has yet to be anchored to any form of marketing, service marketing has potential to serve as an anchor for gamification in the marketing literature. The reasoning behind connecting service marketing and gamification is that with service marketing’s theoretical foundation, every game can be seen as some form of service. As service marketing’s key concepts contain “customer contributing to the

development and “value-in-use”, literature has grown ambiguous. As customer is considered a developer via participation, gamification aspects can be used within it – as a customer uses a gamified process, they provide necessary data to develop the process. This co-production is done each time the game is played or discussed by creating subjective experiences and personal connections. Multiple perspectives are included in the feedback, as each customer experiences the services differently. This in turn, makes future development more efficient. However, more perspectives lead to more complex decision making. Thus, the company needs to follow their strategy’s guidelines in order to make the most of the feedback.

The other concept, value-in-use, is more finicky. As the experiences gained from gamification should direct the customer towards the core product, the experience itself must be constructed with this in mind. If it only delights or excites the customer, the gamification project has failed. Therefore, a clear distinction between the core, enabling, enhancing and the new gamified service needs to exist. Thus, the company goal is to have a gamified service that encourages the customers to use the gamified process, yielding more value-adding data to the company without creating a distraction from the core itself. Thus, interactive gamified processes can be defined as “service systems”, a systematic collection of services created for a certain purpose. (Huotari – Hamari 2016, 24–25.)

Grönroos (2015, 206–210) divides service systems into three components: Core, enabling and enhancing. These components are needed for a service system to function accordingly and to optimize organization’s customer service. Core service is the heart of the system and the sole reason the system exists. For example, core system in a hotel is accommodation. If they cannot offer beds to the customers, their service is unnecessary. Enabling service allows the core service to exist in its own form. For example, reservation and room key cards would be enabling services. Lastly, enhancing services make the core service more appealing and introduces enabling services. This could include services such as free transport from the airport or chocolates on the pillow. (Grönroos 2015, 388.)

Gamification can be offered by four unique providers. These providers are the core service producer, third-party, the user (customer) and another user or consumer. The providers can act all at once or individually to form the enhanced, gamified service. For example, a progression meter will enhance the service by showing the consumer why it is important to fill in all the blanks with details. This is made with just one provider and their core product. The customer can also create their own gamified service, such as taking a drink whenever an actor misses their line in a theatre play. This adds nothing but

self-inflicted humour to the play but has a positive effect to their evening, and thus, improves the experience. With these examples, it can be said that some gamified services enhance the product or service itself directly, while others work more discreetly. In gamification design, it is important to not solely focus on creating behavioural changes but instead design the process by taking all matters into account, such as user experience, value creation and overall flow of the process. If the design is only focused on a few parts, designers can find themselves stuck and with no proper value. (Hamari – Huotari 2016, 26–29.)

### **3.2 Gamification elements**

There are numerous elements in gamification, which tie concept ideas and executing of those ideas together. Gamification mechanics are inherent to individuals, as we can turn mundane exercises into interactive events, “tricking” our minds. Elements, such as goal tracking, feedback and progress tracking are everyday functions we do, whether it’s a company deadline or a morning routine. Mechanics and elements are the core parts, which we use to create these fun and engaging transformations. Thus, gamification and motivation are connected, gamification elements needing motivating factors to succeed. (Sanei, 2017.) According to Angeslevä (2014, 104–105), gamification starts by separating the gamification elements. These are:

- Rules
- Repetition
- Depth or challenge
- Motivation or storytelling
- Voluntarism
- Rewarding or feedback
- Structure or interaction
- Long- and short-term goals.

These elements are crucial to make gamification function optimally. As rules, repetition and rewards are common in most work environments, the rest are much harder to find. Elements such as depth and storytelling require creativity, which is often something the corporate world lacks. Because of this shortage of fresh and innovative ideas, motivation as well as structure are frail concepts. With frailty within the company, goals cannot be set in stone. Therefore, all of the pieces must be in place for the gamification to



work. Just like a game, a workplace sets up rules and presents their assignments and abilities to the employees. Through this they understand what must be done to complete their daily objectives and how self-expression can be achieved. The true experience comes after - through encounters, side tasks or the overall course of the workday. However, in most cases, gamification ventures fail to do just this and instead of adjusting the rules, strip them out entirely. According to Mekler et al. (2017, 527, 531–533), gamifying elements, such as badges and leaderboards, have potential to become positive information agents, which guide the employee to do assignments in a certain manner. This in turn positively affects motivation, as it provides clear and challenging tailor-made goals. However, the motivation increasing effects need clear communication and monitoring between all parties. Employee's motivation will not increase nor will any form of need satisfaction be achieved if the elements are not offering feedback on different types of performance (good, average, bad), giving a feeling of competence, be visually or audibly attractive, and be meaningful or engaging. Without utilizing most of these elements in the system, gamification process will be severely weakened or in some case, made impossible to progress on.

### **3.3 Benefits and challenges**

The benefits of the gamification towards organization's goals are numerous. However, there are multiple factors that affect in the effectiveness of those benefits. These factors include age, gender, past familiarity to games, time spent using the gamification service as well as the time spent between the service usages. As with other processes, gamification too has an excitement period and that feeling of excitement fades over time, unless it is altered in some way. (Huotari – Hamari 2014, 181.) However, during that time of excitement, the employees show signs of increased motivation and deeper engagement. Thus, they learn new objectives faster and also enjoy them more than before. (Hamari et al. 2014, 3028.) However, the most important benefit is the behavioural change gamification achieves if the gamification system is created according to the employee's interests. This benefit is weakened severely or even transformed into a negative feeling, if the system is standardised without any room for customization. Thus, behaviour surveillance and change are the things gamification thrives in, as each time the player uses the system, their data is being stored for future use. (Xu et al. 2013, 5.)

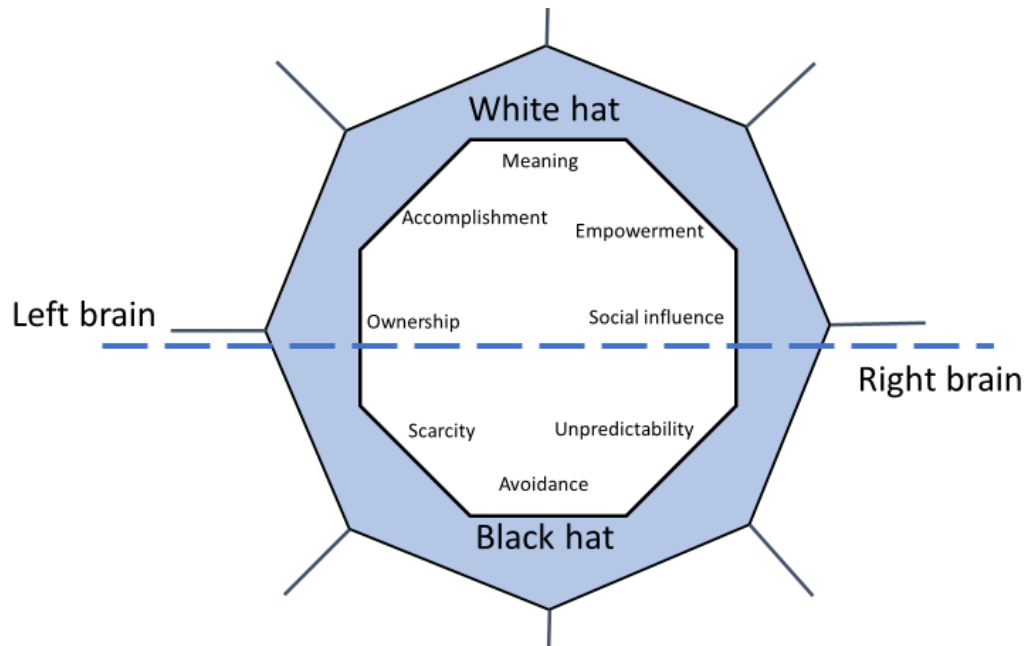
According to research conducted by Landers et al. (2017, 512–513), gamification elements yield larger benefits the lesser complexity gamified tasks possess. For example, sales performance leaderboards are more effective than developer coding, as the simpler nature makes tracking easier. Gamification also improves the individual's commitment towards the gamified subject, as long as the process fits with them. Unless they believe in the gamification, the effects will not exist. Thus, the company must “sell” gamification to the employees.

Gamification is effective in motivating stakeholders as well. The gamification processes have potential to improve the company's image, since they impact the business as a whole and give the consumer a sense of ease, enjoyment, and usefulness. Furthermore, gamification increases the overall engagement of the stakeholders, which in turn increases business success chance. (Rodrigues et al. 2016, 393, 404.) According to the research conducted by Looyestyn et. al (2017, 14), gamification increases engagement and enhances outcomes such as learning, and thus, giving a positive outcome on teaching employees within the company. This can be especially useful while directing their behaviour towards the strategy's goal. In Kingsley and Grabner-Hagen's (2015, 52, 59) research, they concluded that gamification has potential in teaching. They saw positive results in critical thinking, communication, collaboration, and general creativity. Thus, gamification can provide motivational benefits through its engaging content and with it, better learning results.

However, gamification also poses challenges. The most difficult part in adding gamification to workplace is the stigma of gaming itself. Considered as a waste of time, employees may want to avoid it completely. In order to avoid this, companies must make it clear why gamification is implemented and educate what it means for them. (Angeslevä 53.) Another big challenge gamification has is motivating the stakeholders to use the gamified process. As previously mentioned, individuals are motivated about different things. Thus, companies must tailor the processes as much as possible. However, the time and money this would take is far more than the potential gain. Therefore, company's should compromise by creating profiles about their employees in order to give them tailored processes without overkilling it. At the same time, they will not be in the risk of boring gamification – creating gamification just for the sake of it. Furthermore, the company applying gamification must be careful of not incentivising negative behaviour, such as extreme competition. This is especially important, as individuals experience different forms of encouragements differently. (Hamari et al. 2014, 3028, 3030.)

### 3.4 Octalysis-model

Chou (2016, 5–8) describes gamification elements and their potential within the Octalysis-model, that has been inspired by the human motivation and how each of us reacts to different stimulants:



**Figure 2. Octalysis-model (Chou, 2016, 5–8)**

The model consists of eight core drivers, which every successful gamification process requires. Although each process uses different number of drivers, they are used every time. Everything individuals do is based onto these core drivers, and its these drivers that can direct our behaviour, and thus, are ideal for gamifying purposes. If there are no drivers present, there is simply no motivation. As stated before, individual's motivation can be extrinsic or intrinsic and as each of us experience motivational factors differently, the processes differ as well. Some emphasize more on the short-term decisions and others long-term, requiring fine-tuning. Thus, motivation is both a blessing and a curse for the company – It needs to be maintained, but the costs to maintain motivation must also be controlled. (Chou 2016, 5–7.). According to Karać and Stabauer (2017, 34–44), the framework is also beneficial in locating connection points within the drivers and with it, facilitate their coordination. In gamified environment with the drivers considered, process of playing will take the individual on a journey, and thus, increases engagement. As the individual continues with the gamified process, they find more elements that help sustaining the engagement level. These elements can be any of the previously mentioned

drivers, that have been baked into actions along the journey. However, it is important to understand that individuals experience these journeys differently.

The reason behind the Octalysis model's shape and the locations of each drive is, that certain drivers have similar nature. Some of them are more intrinsically attuned and some extrinsically. Thus, there is a "left brain" for extrinsic and a "right brain" for intrinsic. There are also upper "white hat" and a lower "black hat" drivers, which represent positive and negative motivational factors. Although it would be easy to consider white hat as the carrot, and black hat as the stick, it rarely is so. White hat is something that you wish to get, while black hat is something that you fear to lose. Company's tend to do the mistake that only extrinsic rewards and programs are developed. Without taking care of the intrinsic side, extrinsic rewards will fracture the intrinsic motivations, as individual only focuses on the prizes. (Chou 2016, 6–8.)

### 3.4.1 Drivers

The drivers are the following:

1. Epic meaning and calling
2. Development and accomplishment
3. Empowerment of creativity and feedback
4. Ownership and possession
5. Social Influence and relatedness
6. Scarcity and impatience
7. Unpredictability and curiosity
8. Loss and avoidance.

**Epic meaning and calling-driver** is the individual's belief that what they are doing is right and that they are the right person for that job. Some might even say that they are "the chosen one" and they need to be in that position. This can come into view as a strong intrinsic motivation to work in a certain field, for example as a doctor. It can also appear as dedication towards something that provides no monetary value, but instead a sense of fulfilment. For example, working with a charity organization. In games, this driver can also be seen as "beginner's luck" where an individual feels that they have a knack for the game since they did so well immediately. This driver's potential is vast, as everyone has their own calling. However, the callings themselves can be similar. Therefore, the company can search for and pre-profile these callings during the interviews and after

employment via communication. After the profile, they can adjust their motivational plans in order to gain the best results. Companies can also use the “beginner’s luck” by making sure that employees are encouraged and praised in the very beginning of their journey, boosting their motivation towards the job. (Chou 2016, 2.) This driver’s key metric is its ability to motivate an individual towards something grand, in which they will spend their resources to attain that special something. For example, a company project could be something that makes an individual spend a significant amount of time in order to maintain its status or to help creating something new within it. (Karać – Stabauer, 2017, 44.)

**Development and accomplishment-driver** is straightforward. We all have an internal desire to increase our abilities, to grow wiser and to improve compared to others. This is based on our need to overcome challenges. “Challenge” is the part where the company comes in. The company hands out assignments, each with different challenges. However, if the challenge is not fit for the individual, their drive weakens. Thus, company must make sure that the assignments have enough adequate challenges for the individual to keep the work interesting and give the employee a chance to develop. According to Chou (2016, 3–4), this driver is the easiest one to gamify, as accomplishments can be concrete in the form of badges, trophies or even as a raise. Within this drive, mastering something that has been granted to the individual and the level of satisfaction from mastering it becomes a key metric. For example, showing a simple progress bar and watching it fill to max can give a greater satisfaction than just applying a new congratulatory badge or a message. Thus, internal drive towards the progress is also important. (Karać – Stabauer, 2017, 45.)

**Empowerment of creativity and feedback-driver** is where creative process is at its finest. According to Karać and Stabauer (2017, 44–45), this driver is simply the brain entertaining itself by harnessing interest and data in order to create something completely different. The created item can be anything, but it needs to have a mixture of pre-existing elements that the individual has already seen. It is here, where individuals perform trial and error with every process. However, the company must also be able to fulfil this need. Employees need a way to show their creative thinking, see the results behind it, be told what went wrong and repeat the process until it succeeds. In a way we are like children who are learning something new, like riding a bike or playing a flute. They need reaffirmation in order to keep going and improving, just like employees within the company. For example, best developers are the ones who are constantly communicating with one

another, management, or a client. In doing so, they find new pathways to success and with it, get curious about new concept or other relevant ideas. (Chou 2016, 4.)

**Ownership and possession-driver** is the “greed” within the individual, which entertains and motivates itself by owning something or by having the feeling of owning something. Humans have an internal desire to increase the amount that they own and improve that what they already possess. Thus, by giving an individual more, they also want more of it later. This is the logic behind rewards such as badges, power, or modifications within gamification. The more the individual spends time obtaining them or modifying their profile, the more ownership they feel with it. This is the reason why collectors exist. Companies can use this driver by giving people power within projects or other processes – the more they spend time with an assignment, the deeper the relationship. (Chou 2016, 4.) For organizations, this driver is a risky one to operate, as granting someone more responsibility or power can cost the organization in terms of authority. However, the motivational benefits from this driver are significant. As power tends to exhilarate, it increases productivity. (Karać – Stabauer, 2017, 45.)

**Social influence and relatedness-driver** focuses on the individuals need to socialize and the factors that motivate them in it, such as companionship, envy, and competition. Social feedback is an important factor when individuals act on their behalf, as humans have always been pack spirited individuals. Thus, acceptance or influence over others is in our very core. (Karać – Stabauer, 2017, 45.) If individual’s see someone performing better and getting praise from it, they feel competitiveness and envy. Thus, they want to be as good as them or even better. This also works with items and is one of the reasons behind resistance to change. If a new item reminds you of nostalgia, you might want to buy it or at least tell about it to someone. However, if a new system works poorly, the old system starts to look better and the desire to bring it back grows. Thus, this driver is both an opportunity and a threat to the company, as the driver can harm or help the company’s strategy. If a new system is introduced, it needs to work perfectly in order to avoid nostalgic thoughts of the previous system. Another way to use the driver is to praise successful employees, as this might make others want to improve themselves to reach the praised employee’s level. (Chou 2016, 5.)

**Scarcity and impatience-driver** is another driver focusing on ownership. However, this driver is about the want of something which is unobtainable or has a rarity in some form. For example, the yearning for coffee increases while it brews in the machine. If someone cannot have something that they want, it will affect their mind until they can get

it. It drives them crazy and they are ready to do almost anything to get it. However, this yearning can also have a paralyzing effect, as individual's motivation towards everything else than the object fades. Thus, impatience is an effective weapon for the companies. They can regulate prizes through milestones or make some things more interesting by setting a timer on them. However, timers can be risky. For example, personnel tend to work less effectively moments before a coffee break, as they pre-plan the break to make the most of it. In order to avoid this, the company could give more freedom for the employee to go the break in a certain time window instead of a specific minute-window. When there is a choice, ineffective work diminishes, as they can just go take a break immediately when it comes to their mind, instead of pre-planning. (Chou 2016, 5.) According to Karać and Stabauer (2017, 45), this driver targets items such as commodities that become more desirable simply due to their rarity or because they are just out of reach. This yearning can be a great tool for organizations wanting to “hype” a new method to increase its value. For example, new rewarding guidelines.

**Unpredictability and curiosity-driver** is the driver centred on engagement – the need to do everything instantly because you never know what happens next. Habits, such as gambling, emerge from this driver, as the unknown is exciting and unnerving at the same time. This driver is also the reason why we are interested in any form of plot-based entertainment. If one's unclear on what is about to happen, the brain begins to think of all possible scenarios and can lead to peculiar results. Companies have mostly used this driver through raffles and other unpredictability-oriented programs. By giving employees a chance to win something by performing tasks, they get engaged. (Chou 2016, 5–6.) The driver aims to have constant engagement from this never-ending excitement of what comes next and how it affects the environment around them. However, the driver is often incorrectly seen as only a way to make points relevant. (Karać – Stabauer, 2017, 45.)

**Loss and avoidance-driver** is the motivation behind avoiding potential negatives. They can be something like losing your career or being forced to change something. It can also be an issue of pride, where an individual is unable to accept something that they have worked hard for to be wrong. Companies can use this driver as an opportunity, especially in sales. A great example is a time-gated deal – if an individual has a chance to get an item cheaper for today only, they are put in a stressful situation. If they do not act, they lose the chance to get the item cheaper. Thus, some cave in from the fear of missing their chance to save money. This same fear of missing out can also be used to get people volunteer in assignments if there is a special unannounced reward. (Chou 2016, 6.)

These eight drivers are the framework behind an individual's actions. However, there is a ninth driver, that ties all of the other drivers together. This hidden driver is called **sensation**– the thread weaving all of them into the Octalysis-model. As the other drivers are psychological motivation factors, sensation is the physical manifestation of pleasure from performing actions through those drivers. Thus, the differentiation comes from the senses and feelings, which the other core drivers give context to. For example, handshake or a pat on the back is a sensation from praising, which is a reward or a feedback method from the accomplishment driver. Without sensation, the other motivational factors effects fall flat. (Chou 2016, 11.)

### 3.4.2 Brains and hats

Next is to understand how the framework works with intrinsic and extrinsic motivation. As previously mentioned, “right brain” focuses on intrinsic factors, such as influence, social standard, curiosity, and empowerment. Factors that the employee does not need help in order to want them and the drivers are naturally goal-oriented. On the other hand, “left brain” focuses on logical aspects, analytical ideas, ownership, and goals. These are the factors where the company's agenda will have an impact, as they are things the employee cannot obtain alone or even know what there is to obtain. The drivers located in the “left brain” are experience-oriented and as such, focus on results and the path taken to reach those results. (Chou 2016, 88–90, 93.)

Lastly, White hat and Black hat gamification. White hat drivers are the ones that make us feel better individually – power, satisfaction, or a meaning behind our existence. They engage us and give an idea that we can choose what we do with our time with the skills we can master. However, white hat drivers lack in creating a sense of urgency. If everything is perfect and positive, one can become susceptible to weaknesses. On the other hand, black hat drivers make us act to avoid negative things from happening. These drivers make us feel anxious, timid, and hasty. If we are not sure what happens, we are constantly overanalysing and fearing of the future. However, it does not mean that individuals do their actions half-heartedly. It is the effect after the action, that leaves us longing for something positive. Thus, the outcome and intentions are the most important factors in black hat drivers. Both white and black hat drivers are needed to create effective situations. We need empowering methods that hold their own and respect deadlines in a demanding environment. That is the true challenge – how to make employees feel good



about their accomplishments, while also maintaining a certain pace and be willing to follow changing guidelines depending on their ever-changing environment. (Chou 2016, 119–127.) For companies to take on this challenge, effective communication must be utilized. As previously mentioned in the internal marketing, employees whose values resonate with the company's values are more willing to change and work together with the company to withstand new challenges.

Karać and Stabauer (2017, 47–49) mention that the Octalysis-model impacts differently depending on the industry, as they all have unique features. For example, fashion industry's main drivers for their consumers would be empowerment and scarcity as they are allowing individuals to create their own styles through an interactive process within their websites. Not only that, but they also allow individuals to discuss with fashion designers and create time-gated offers. For bookstores, ownership and social influence is an effective driver, as they create loyalty programs and motivate individuals with invitations to events, inaccessible for others. Furthermore, some black hat drivers can have lesser negative impacts or even create positive influences. In bookstores for example, individuals are more motivated to stay engaged if they know that a special limited-edition book is coming, or an author has been rumoured to visit.

### **3.5 Summary**

Gamification as a phenomenon has seen many types of definitions in the past. However, the majority defines it as this a process, in which game elements are implemented into a non-gamified context. Through gamification, company can alter employee behaviour by creating positively encouraging processes, that reward individuals as they continue their work. These encouragements will guide the individual towards a certain type of work behaviour, pre-determined by the organization. Therefore, gamification at its core is about creating challenges and rewarding the individual each time they pass a challenge. For it to work, time, effort, and knowledge about the employees are required. The elements gamification processes need are shortly as follows: rules, repetition, depth/challenge, motivation/storytelling, voluntarism, rewarding/feedback, structure/interaction and long- and short-term goals.

Well-executed gamification has many benefits, such as increasing motivation, productivity, and faster learning through engagement. It also yields exponential benefits as time goes on, as an individual's understanding of the process improves and they

become accustomed to it. Thus, gamification processes should be created for a long period of time and not only for a pilot experiment. Gamification also has challenges within it, the largest ones being employee knowledge and motivation. Gamification does not create motivation but instead grows it. Thus, the organizations employees must be motivated to work before gamification processes can take effect. Employee knowledge requires the management to be in touch with their employees and create portfolios or segments about them – what do they like? How do they feel about material or verbal rewards? As gamification continues and data is collected, rewarding becomes more intimate and accurate. Thus, the organization must find a level in which resources are not overspent, but that the rewarding quality is maintained. Another challenge is the stigma of gaming, as it can be seen as a novel way to waste time. Some employees might also feel negatively about gaming in general and does not want to have anything to do with it. However, with good management and transparent communication, the gamification processes can be explained and effectively executed. As gamification is based around motivation and altering behaviour through it, it also needs to be understood. In gamification's point of view, individual's motivation consists of positively or negatively attuned drivers. They can also be intrinsic or extrinsic in their nature and affect emotional or rational behaviour. These drivers will be further explained in the framework.

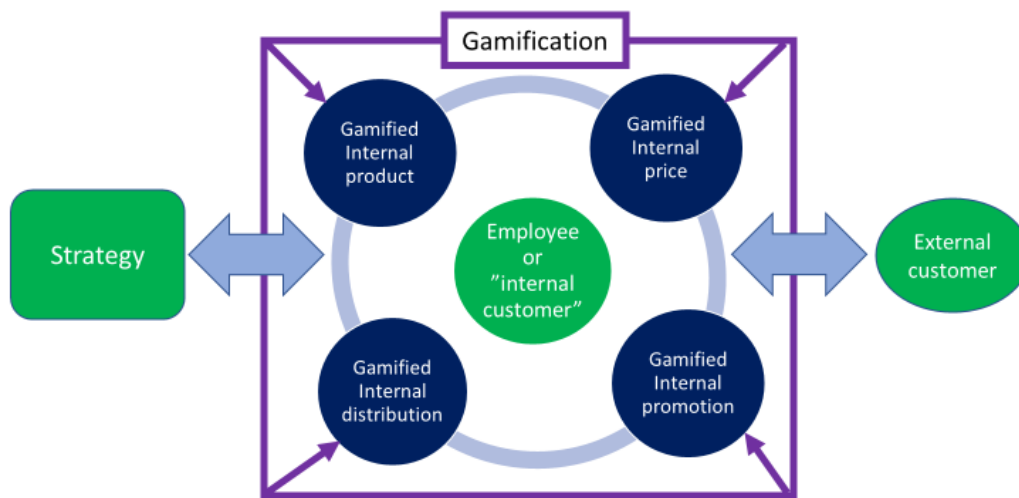
## 4 Theoretical connections and framework

This chapter focuses on explaining the similarities as well as unravelling the benefits which can be gained from merging the concepts. The concepts in place are internal marketing and gamification. Motivation and recompensing will also be present, as they have major roles in the merging of the concepts. The chapter utilizes previously mentioned theories in order to find interesting points and in order to create the gamified internal marketing framework. The first framework is the process, whereas the second framework introduced is the framework for the empirical study.

The concepts have several connection points. The most important of them is the way both concepts utilize motivation whether it is the goal or the resource in question. Both concepts study subjective topics, which are not only difficult, but also vast and hard to describe. Both are also interested in behaviour and attempt to alter it through their processes. Both require a wide array of information and the capability to store and handle that information. In the light of the theoretical process, it must be mentioned that without motivation, the merging of the concepts is impossible. The motivation is a very important factor to ensure that gamified internal marketing and the benefits it yields can be reaped. This comes especially clear in Chou's (2016, 5–8) Octalysis-model, which consists of all the motivational driver an individual has. These drivers are important for internal marketing, but especially for gamification as the motivation is the foundation gamification is based on. All the drivers are used within it, either actively or passively. For example, leaderboards use both positive and negative drivers. Leaderboards promote empowerment, possession, and accomplishment, while also promoting loss and unpredictability. These drivers are required for gamification to work optimally. To further show the flexibility of these drivers and the importance of motivation to the two main concepts, they can also be integrated into Angeslevä's (2014, 104–105) gamification elements as well as to both of the marketing mixes. Thus, the companies applying this framework must understand the need to create engaging content with smart rewarding.

As internal marketing is the tool to generate and exchange information to “internal customers” of the organization, it focuses on aligning organization's and employee's goals through management processes as well as constructing communication channels within the company. (Varey – Lewis 2000, 52; Farias 2010, 103.) Gamification aids this focus by altering individual's behaviour towards that alignment with employee profile-based systems. These systems then gather further information, that can again be utilized

for other processes. (Xu et al. 2013, 5; Looyestyn et al. 2017, 14.) Therefore, the two can be united in order to progress the organization's strategy, as they are both affecting individual performance, information gathering, productivity, motivation as well as organization's success in all levels. Furthermore, enhanced customer experience is created from improved or even rediscovered vigour and commitment from the employees. The motivation boosting drivers will reduce the threshold of innovation suggestions, due to more transparent communication and a friendly work environment. The following framework is based on these factors:



**Figure 3. Gamified internal marketing framework (Adapted from De Bruin-Reynolds et al. 2015; Varey – Lewis 2000; Chou 2016; Hamari – Huotari 2016)**

As many researchers have stated (Farias 2010, 100–103; Varey – Lewis 2000, 54; Mudie 2013, 1261), internal marketing plan is created from the company's strategy and has a major role in getting the employees on board with the company's decisions and ultimately to root for and advocate the goals. However, internal marketing cannot function perfectly without proper understanding of the employees and the factors that affect them. The workforce must also have a mentality of belonging. In order to make sure everyone understand why they are where they are assigned to be, internal marketing needs to be able to create transparent communication.

This is where the internal marketing mix presented by De Bruin-Reynolds et al. (2015, 2, 26–27) enters. The internal marketing mix is illustrated as the four blue spheres, each bearing the name of one of the parts. By understanding the employees, the company is able to find correct processes in which to present the organization's goals, as well as have better results in aligning them with the employee's own goals. For example, by explaining the employee's position in a way best suited for him, the understanding erodes

uncertainty, creates stronger feelings of belonging and boosts commitment. The internal marketing mix creates deeper understanding about the employees to the management as well, as they need to take in consideration the employee's everyday struggles and sacrifices. Furthermore, it forces the management to evaluate their communication channels in contrast to the information they obtain. For example, if most of the employees are active via intranet, the management has to practice communication in those channels. Proper employee knowledge will make or break gamified internal marketing, as it is impossible without it. (De Bruin-Reynolds et al. 2015, 3, 26–27.) Internal marketing mix allows the management to find out which motivational core drivers are effective towards the organization's goals and integrate those into the system. Through them, behaviour can be altered once gamification starts in the processes. (Chou, 2016, 5–7.) Thus, these drivers can be considered as the first step towards gamifying, by naming the different types of motivations present within the company as the drivers of the Octalysis.

Once motivation through deepened understanding has been achieved, gamification gamifies internal marketing systems to further ensure that employee behaviour is directed towards the correct path. This is done by utilizing Grönroos' (2015, 206–210, 388) as well as Hamari and Huotari's (2016, 22–25) research. Meaning of employment is the core of the internal marketing system, as it is attempting to align organization's and employee's goals. The enabling services are the operating systems the employee's use as well as the various activities and procedures management uses to affect the employee's performance. Gamification processes is the enhancing agent that applies game elements into the enabling services. This enhancing can be done through positive encouragement, by giving tangible or intangible rewards when the employee does something correctly according to the strategy's metrics, proving to the employee that they are on the right track. As gamification enhances the framework's internal marketing segments, the gamification envelops the internal marketing mix. This has been illustrated in the framework to further establish the position of gamification with internal marketing. The gamification has certain effects on each of the segments, which are described next.

### **Gamified internal product**

As the internal product is the reason behind the employee's assignment and the importance of that assignment, gamification supports these fundamental parts by allowing the creation of a stronger narrative through storytelling. Employee who understands their position yields better performance and is more engaged in the company. (De Bruin-

Reynolds et al. 2015, 3.) Gamification's storytelling elements can be used to allow the employee to understand the flow, responsibilities, and reasoning behind their work. This can be further enhanced by creating short- and long-term tasks between the starting point and the goal. For example, forming narratives to groups, such as recruits or customer service employees, can positively enhance the commitment of those groups. Although requiring creativity, a company with a strong narrative will create deeper engagement within the ranks. (Angeslevä 104–105.) Storytelling can be done through company meetings, system descriptions or in everyday activities. At the same time, the narrative yields feedback to the employee through reflection in their behaviour and how the company wants to proceed. If the company's storytelling is focused around customer experience, employees will focus more on making that a possibility. In short, gamification enhances internal product by creating a narrative around the meaning behind employment, yielding both meaningful work as well as ownership within their own assignments. The more they work with the organization, the stronger connection they feel with its narrative, and thus, the meaning of their employment is realized. (Chou 2016, 2, 4.)

### **Gamified internal price**

Internal price is the most challenging part to gamify, as most of the topics within it are subjective. However, the common factor around all of them is sacrifice. Each employee sacrifices something to work. Some have had to move to another city, others have had to get to work by car, and some have had to do very little. Thus, gamification provides similar narrative and story as with internal product to reduce the impact of those sacrifices. If the employee believes in the company, the sacrifices will not feel as awful. Another way to affect the employee's motivation is through positive encouragement through a reward and feedback model. (Angeslevä 104–105; Chou 2016, 2.) With it, company finds ways to praise the employee in a personal way. These game elements generate empowerment towards the employees, as they feel that the organization understands them and trusts their judgment, reaffirming that their sacrifices are not in vain. As individuals need reaffirmation while making decisions, gamification's positive encouragement systems work wonders. For example, praising an employee due to their hard work and commitment will create positivity within the organization, as well as a signal that good work will be rewarded. (Chou 2016, 4.) This will also reduce emotional burden, which is a common metric when studying internal price (De Bruin-Reynolds et al. 2015, 26).

### **Gamified internal promotion**

Internal promotion is usually rigid due to pre-existing activities and reporting. However, it is important as it allows the organization to keep everyone on the same page, effectively managing expectations and offering information. Internal social media is also important, as it forms an area where employees can discuss the work without physical presence (Jones 1986, 201; De Bruin-Reynolds et al. 2015, 27). Gamification adds flexibility and creativity within it, as gamified systems allow fluent and interesting interaction between each other. For example, nonverbal discourse is possible with game elements such as leaderboards. As employees see who is at the top, competition arises and the people on top get a sense of accomplishment. Not only that, but adding game elements such as rewarding, short-term goals and cross-organizational collaboration events, individual motivation and commitment increases. These are clever ways for the organization to redirect behaviour towards a predetermined goal. (Mekler et al. 2017, 527; Hamari – Huotari 2016, 24–26.) According to Keller et al. (2006, 118), internal promotion is about motivating personnel to discourse within the organization, creating interaction and lowering thresholds. This is due to social influence and curiosity being important motivators for an individual, and the feel of losing out of meeting someone new. Furthermore, finding new exciting ways to work encourages to try. Thus, multiple drivers are constantly active in internal promotion. (Chou 2016, 2–6.) Of course, these game elements must be carefully created to suit the employees.

### **Gamified internal distribution**

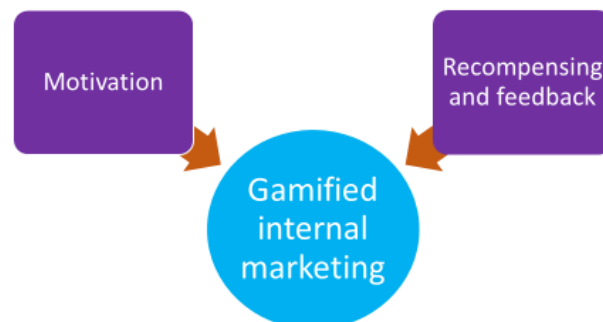
Much like the internal promotion, internal distribution is gamified through applying game elements that lower thresholds and actively improves external activities. As an internal example, beliefs and values are in the heart of internal distribution (De Bruin-Reynolds al. 2015, 27.) In order to make sure that the employees are on the same page, gamification modifies processes to constantly steer the employees towards the same goal through positive encouragement. This behavioural change will consequently also reduce the amount of conflict inside the workplace and promote peace. (Hamari – Huotari 2016, 27–29.) Organizational culture is a big part of the external image of the company, which can be altered heavily through gamification processes. Onboarding and education can be enhanced through gamified systems, which adjust the way employees learn new subjects. This educational prowess can also encourage stakeholders in learning about the company through interesting gamified systems, such as gamified campaigns with short and long-

term rewarding. Although, these require creativity as well as evaluation whether to spend organization's resources. (Angeslevä 2014, 105; Looyestyn et al. 2017, 14.)

Thus, the gamification of the internal marketing mix enhances its ability to affect the employee performance, as well as engage them with systems that are suited for them. However, these gamified systems require employee understanding. Ideally placed into segments with each their own motivational angles and rewards. Once the internal customer has used the gamified processes, they have a sense of their purpose in the company as well as greater understanding of the organization's goals and values. This in turn changes their behaviour within the workplace – they have a deeper level of commitment to work with the organization and want to see its visions come to fruition. This will be visible to the external customer through enhanced customer experience, which in turn boosts turnover and produces positive company image. Another positive effect is that the transparent and benign work environment will encourage employees to innovate. The new information, innovations and their effects on the strategy has been illustrated with the twin-sided arrows in the framework. Thus, the framework has three main points: Internal marketing's ability to affect internal customer's motivation to align them with the organization's goals, gamification's ability to enhance these abilities and finally the motivation itself. However, before the study can use this framework to discover how gamified internal marketing can be utilized within the case company, the importance of motivation, recompensing and feedback need to be explained.

### Theoretical framework for empirical study

The following framework presented is used within the empirical study, and with what the interview questions were based on together with the case company's own interests about company's current situation. More information about the question will be presented later (see Chapter 5). The framework is as follows:



**Figure 4. Theoretical framework**



Motivation, recompensing, and feedback are important concepts that either grant vital information or facilitate the gamified internal marketing framework. Both concepts and their importance to be included in the questionnaire is explained below.

### **Motivation**

According to both internal marketing and gamification researchers (Akroush et al. 2013, 307–308; Vasconcelos 2008, 1252–1253; Chou 2016, 3–4; Mudie 2013, 1261; Farias 2010, 110; Mekler et al. 2017, 525), motivation is a crucial element within the concepts either as a resource, goal or a pathway. Internal marketing attempts to create motivation through its processes, as gamification attempts to enhance it with its. Although concepts require motivation in order to function, gamification needs it more than internal marketing. If gamification's processes are not used because individuals are not motivated in them, there is no point having them. Thus, gamification cannot exist without motivation. Because of this, management needs to understand what motivates their employees in order to find ways to apply gamification successfully. In order to understand case company's employee motivational factors, empirical study asks questions about motivation. Without understanding what motivates and what negatively affects motivation, gamified internal marketing cannot create optimal processes.

### **Recompensing and feedback**

As part of service marketing, gamification plays an enhancing services role in order to improve the core product of the company – in this case, meaning of employment. This enhancing can be done in any way that suits the core product or service without jeopardizing its identity. For example, a hotel can enhance its customer experience with a direct ride from the airport. (Huotari – Hamari 2016, 28–29; Grönroos 388.) In this case company, enhancements done via targeted recompensing and feedback. In other words, positive encouragement is added as well as other gamification methods to the non-game content. By understanding what the employees within the case company desire in terms of feedback and recompensing, organization can start forming the gamification processes reward system. (Angeslevä 2014, 52; Landers et al. 2017 508–510). Without first understanding this, gamification cannot function properly. Thus, this information is needed before any of the gamified internal marketing mix can be utilized.

## 5 Research design

### 5.1 Approach

The core within any research is its purpose behind its existence. Thus, research can be described in many ways: exploratory, explanatory, descriptive and predictive. Each research type is based on their own specific purpose and can find new information without excluding one another. The most common approaches are an experimental study, survey, and a case study. (Hirsjärvi et. al. 2009, 134, 164.) This thesis's research type is exploratory research, which aims to identify the phenomenon and analyse its key characteristics. This can be done through a framework, model, or description, hoping to provide additional perceptions or angles to a concept. By using these methods, reality is able to be perceived in a new light and unveil new aspects of the concept. Although gamification has been defined, the elements of interaction with internal marketing have not been researched. Thus, this thesis provides a new framework for future use in both the case company's projects as well as general gamification research. (Reiter 2017, 131–132, 138; Sreejesh et al. 2014, 14–15, 31.)

This research will also be done as a phenomenological study. Phenomenological research is mostly used in qualitative methods of research as in it, separation between subject and object can be classified as fiction. It also focuses on illuminating specifics by gathering deep information on the matter. Thus, it allows researchers to study experiences in phenomenological research and delve deeper into participants' understanding and the experiences they have gone through. As the study is focused around the phenomenon of gamification and individual's productivity in the workplace, qualitative study is made using interviews, that address experiences among other individual traits. In order to get to the bottom of these answers, thorough descriptions are needed. (Lester 1999, 1–2.) Through this study, thesis discovers connections between internal marketing and gamification. Additionally, this thesis attempts to find how gamified internal marketing can affect the company's workforce. Both these goals are being undergone through qualitative interviews within a single research episode – one interview per interviewee and the round of interview will only be done once.

As mentioned earlier, this thesis conducts a qualitative interview in the case company in order to find traits, which gamified internal marketing can use to boost workforce productivity. Topics, such as motivation, positive rewards and commitment will be key

elements in the questions. Interviewees will be the company's customer service personnel as well as their supervisors. To respect the participant's privacy, interviews were conducted anonymously. This is to ensure the ethics of the study and to allow the participants to freely say their full opinions, in case something would otherwise prevent it. Thus, the interviews, along with a description of the company's situation, the origins of the problem and empirical results will be the empirical part of the thesis.

## **5.2 Case company's introduction**

The case company is a Scandinavian insurance company, that has launched a new strategic approach at the end of 2019. During the launch, company's slogan as well as core values were updated. This new approach has been presented to the company's employees and has been used from the beginning of the year. The idea behind the change was to make organization's mobility faster as well as to integrate the organizations strategies into one. The study is focused on the customer centre department, which is the backbone of customer relations, and thus, customer experience. Case company is interested in seeing how well the new approach has been adapted within the company and especially by this department. They are also interested in seeing how gamification can be utilized by the employees as well as the management within the everyday work in the company. Company employees are already passionate and hard-working, but in order to make sure that they continue to thrive, new methods are being studied – gamification being one of the forerunners. The main proposal from the case company is to find out the theory behind gamification, how it can be utilized within a work environment and what are the necessary resources and processes in order to do it?

## **5.3 Process**

The qualitative study will be done with semi-structured, as the interviewed employee's must be able to tell their side of the story with as much detail as possible. Therefore, qualitative methods (i.e. interviews) will be used in order to get the necessary information. Since the study targets highly subjective concepts, in-depth interview suit well as it allows to find deeper meanings behind the concepts. The interview was created around five themes: *applicability to interactive work environment, motivation, department's action plan, feedback and recompensing and individual's capabilities to modify their work.*

These themes were chosen based on the necessary information needed for gamification and marketing to work, as well as background information the company needs in order to create gamified marketing processes. The employees as well as management had same questions, except in the last theme. In it managements question focused towards their role in management as well as their take on individuals' capabilities in the workplace. Questions are based on the theoretical framework for the empirical study as well as the case company. This was to measure potential gaps in the perceived situation. In-depth interviews used purely qualitative measures to find out the meaning behind subjective topics. The anonymity in the interview results was believed to yield honest and transparent answers from the interviewees, free of any potential work-related pressure. For the same reason, interviews were done in interviewees native language, Finnish. Interviews were recorded and transcript in order to gain as much data as possible and to avoid loss of information. The number of interviewees were decided based on discussion between the researcher and the case company. As interviews were done during working hours, optimal amount had to be calculated to ensure that both work efforts as well as interview saturation were achieved. Thus, nine was the ideal amount as that filled a sufficient amount of the department's employees and had individuals from each team.

#### **5.4 Data collection**

According to Sreejesh et. al. (2014, 47–48), the three most common data collection methods in qualitative studies are the following: depth interview, focus group and projective technique. This thesis will be using the method of depth interview, as it is focused around individual interviews. Depth interview is a qualitative approach, where an individual is being interviewed by a moderator and tend to be one-on-one. In short, it is a discussion between the two parties in order to explore the subject deeper than normal, helping both parties to understand more about the topic. Interviews themselves can be unstructured, semi-structured or standardized. This thesis is semi-structured, which means that the interview has a certain form, but can be flexible. However, the interviewer must ensure that the interview has a time limit. The interviewer can use specific wording in their questions or probing techniques in order to get to the heart of the subject matter. The interviewer must also be somewhat familiar with the topic, as the point of the semi-structured interview is to go beyond the surface by utilizing previously mentioned techniques. The risk in this interviewing method is that the interviewer might have a bias on the matter, which

surfacing must be prevented. The reason behind semi-structured interviews is that the employees are busy and would appreciate effective interviewing over casual chat.

The semi-structured interviews were conducted 24.3–8.4. via Microsoft Teams as well as Skype with a total of nine interviewees. four of them were customer advisors, four supervisor and the head of the department (Table 1). As general diversity was aimed for, the employees were from every part of the department and had demographic differences, such as age, gender, and work experience. Interviews lasted 42 minutes on average (31–56 min) and personal messaging regarding time and topic of the interview was done. What was originally planned to be a face-to-face interview was now transformed into a chat-interview due to COVID-19 and the company's existing precautions to avoid any social interaction in the workplace and that all work is done remotely. These VoIP (Voice over Internet Protocol) discussions also allowed better recording as most software have built-in recording systems. In order to establish empathy as well as rapport, the interviewees were told the approximate duration of the interview as well as it was being recorded for personal use and not distributed. As mentioned before, the interviews were done in a semi-structured fashion, where the interviewer asked a question and then allowed the interviewee to answer it. Based on the answer, interviewer either moved on to the next question or asked a follow-up question. The interviews were mostly full-bodied discussions. Moreover, the emphasis was to fully understand their views and that there were no right or wrong answers. After all, perceptions are subjective. To eliminate the chance of building an answer beforehand, interviewees were not given the questions before the interview. This was to ensure that the answers given were as natural as possible.

## **5.5 Analysis**

As qualitative studies have open-ended questions and give the individual the freedom to thoroughly explain their position and reasoning behind their thought, data is plentiful. Immersing oneself in the data in order to discover patterns is typically the way in qualitative study. Various relationships in data will then show the researcher how the concepts may work together. However, there are numerous different types of processes to do qualitative analysis. Because of this, a hermeneutic analysis method that can make sense of all the textual data as well as interprets them to understand the meanings and similarities within them, must be chosen for this study. (Kawulich 2004, 96–97.)

Thus, the interviews were analysed in multiple phases. Firstly, the interviews were transcribed and separated into previously mentioned themes, based on the information gathered. Not only the conversation but especially the data gathered through transcribing was in a key role. In order to reduce the amount of data gathered, transcripts were scanned of all relevant data and key points were marked from each interviewee. This in turn reduced the quantity of textual information while keeping its quality. After this, they were again separated into different types, based on the answers given in order to find similarities and patterns in the answers. Next, the thesis makes its own assumptions based on the information present. Lastly, the information as well as the interpretations are applied into the already present theory in order to link the findings into the academic discussion. All of the interviewed personnel work in the same department, as the case company's interest was to see how a specific department has succeeded with the new strategic approach. The empirical study strived to focus heavily on the theoretical framework in order to remove uncertainty and to show how the answers can be utilized in the company's processes. This is shown through summaries within each of the interview elements, that aid the reader to understand the reasoning behind the previously presented theory and the empirical studies results.

## 5.6 Trustworthiness

According to Williams and Morrow (2009, 578), there are three quality assessment categories that can be applied to qualitative research: Data integrity, balance between reflexivity and subjectivity and clear communication of findings. In order to prove this thesis trustworthy, the three will be explained and their application in the thesis shown.

### 5.6.1 Data integrity

Data integrity can be divided into two separate parts: *dependability* and *adequacy of the data*. There are also ways to increase data integrity by allowing transparency in terms of the fit between the primary data and the interpretations. For example, direct quotations grant this transparency. (Williams – Morrow 2009, 578.)

*Dependability* refers to the question whether it is possible to replicate the study and have that study yield similar results. In order to do this, the study needs to hold an intact track record of what have been done and how the study has been performed complete with details such as questions, procedures, and participant selection. Thus, an audit trail is required. As qualitative studies are often subjective and researchers own thoughts are an integral part of the interpretations, getting the exact same results seem unlikely. (Williams – Morrow 2009, 578–579.)

*Adequacy* of data simply means guaranteeing the quality as well as the quantity of gathered information to suffice the study. To have sufficient quality, the study must have different demographics as well as other diversity ensuring factors in the study that matter towards its success. On the other hand, sufficient quality means that there are enough answers to ensure that no new categories are required. As the interview questions are focused on a specific department within the organization and to a wide range of demographics, saturation was achieved, and thus both objectives are filled. (Williams – Morrow 2009, 578–579.)

### 5.6.2 Balance between participant meaning and researcher interpretation

This trustworthiness category refers to the balance between researcher interpretation of the answers meaning and the actual participant answers. Also known as subjectivity and reflexivity, the balance between needs to be in every qualitative study to ensure that the empirical analysis is full-bodied. While researchers own beliefs have a chance of

influencing the data, the participant answers held a key role in the analysis of this thesis. However, in-depth interviews tend to have probing in order to understand the participants answer correctly. This may have had a miniscule impact of some sort. As the transcribing as well as interview analysis were done by only one person, their own individual interpretations may have also had an effect, however unbiased they were striving to be. (Williams – Morrow 2009, 579.)

### 5.6.3 Clear communication and application of the findings

The last category focuses on the clarity of communication within the findings as well as the way to present the importance of them and why they matter. The findings are not trustworthy unless they can be clearly described to the reader and the interpretations must be comprehensible. Thus, there must be enough evidence provided and the study must be created in a way that allows the reader to understand the researcher's train of thought. As the goals mentioned in previous chapters, research questions and the data gathering form an intact trail for the reader to understand the research process. This data gathering is further shown through relevant theories of other researchers as well as marking comparisons of them. The theoretical framework, models as well as suggestions based on the findings will further facilitate the reader to truly understand the research. Lastly, the answers to the research questions were provided in the conclusion. (Williams – Morrow, 580.)



## 6 Empirical findings

This chapter presents the findings from the in-depth interviews. The findings are evaluated based on employee, management as well as the head of the department's point-of-view to find possible conflicts. Firstly, participants' interest towards activities and playing games are discussed, which will create the basis of interactive content's effectiveness within the workplace. Secondly, participants' own motivational aspects as well as factors that affect it will be studied. Thirdly, their perception of the company's current plans, strategy as well as the overall leadership and rewarding are depicted. Fourthly, interviewee's rewarding, the meaningfulness of rewarding as well as the best ways to reward are being described and analysed. Lastly, possibilities within the organization in terms of modifying or changing the work routines are described and evaluated. After the themes, the findings are discussed to discover a potential way to utilize gamified internal marketing within the company's department. As results are presented, researcher's interpretations about the framework's potential within them are shown during the discussion of the findings.

Firstly, the case company's current situation is clarified, as well as the base of the empirical findings is founded. As previously mentioned, this chapter focuses solely on studying the results with the previously created theoretical framework. As a brief reminder, internal marketing can be used as a means to align organization's and the employee's goals through communication, whereas gamification creates interactive processes in order to engage the individuals and create better experiences. Thus, gamified internal marketing guides individuals towards the organization's goals through positive encouragement by utilizing game elements within internal marketing processes. Motivation has a large role with both concepts – internal marketing creates motivation whilst gamification grows it. (Varey – Lewis 2000, 52; Farias 2010, 103; Xu et al. 2013, 5; Looyestyn et al. 2017, 14.)

The following table describes the interviewees as well as the lengths of the conversations and their genders. The participants were identified through abbreviation in order to distinguish their ranks in the communication of data. Abbreviations in the table are as follows: EM = Employee, MA = Management, HM= Head of Management. As previously mentioned, the nine interviewees consisted of employees, management as well as the head of management. This was done to see possible conflicts of interest as well as to

get a better idea of what is the current situation in department as a whole, rather than just one part of the department. All the interviewees were promised anonymity.

**Table 1. Interviewee demographics and interview lengths**

Identity No.	Gender	Date/Time	Length
01EM	Female	1.4.2020/9:00	48:52
02EM	Male	2.4.2020/9:00	56:13
03EM	Female	3.4.2020/12:15	47:03
04EM	Male	3.4.2020/13:05	39:13
01MA	Female	27.3.2020/14:00	35:00
02MA	Male	31.3.2020/ 13:00	35:48
03MA	Female	3.4.2020/10:00	45:18
04MA	Male	8.4.2020/9:00	31:17
01HM	Female	25.3.2020/14:00	42:12

The thesis will now focus on each of the five themes within the empiric study and discuss the answers of the participants by first showing the answers of the employees, then the management and finally the head of management. While proper discussions of the findings will be later (see Chapter 8), subchapters will have brief conclusions.

## **6.1 Applicability to interactive work environment,**

In this subchapter, the participant answers about their opinion of games and hobbies are shown. The reason these questions were asked was to see how well interactive work environment suits the department's employees.

All the employees answered that they are interested in interactivity, have hobbies, and play games. The reasons behind the want to play games separated into two sections: Achievement and means to relax. In achievement, participants mentioned among other external topics, that learning something as well as winning in a competition gives them a sense of accomplishment and with it, they achieve something. This achievement is also the reason why they keep on playing, as they want to achieve more. Thus, the subsections of learning and competing were both strongly represented among the participants as reasons why playing games is worth their time. In means to relax, internal topics like feeling of communality as well as pleasure came up. Playing games allows them to escape the reality and to do something completely different from the norm, which in some cases can differ greatly. The most important subsection was communality, which every single

participant answered as one of the reasons. Playing games while spending time with others was important.

*04EM: "...It is nice to see your own improvement and winning is always more fun than losing. But also, the sense of belonging in a community, as every human has a need to belong somewhere."*

Members of the management answered that games are something they enjoy, and they have hobbies. The reasons behind playing games were divided into the same two sections as well. In Achievement managers mentioned goals, creativity as well as throwing oneself into scenarios. The feeling of accomplishment from something that one creates was one of the largest key points in the participant answers and that reaching goals was the main point of playing any game. Creativity and throwing oneself in were focused around board games and other interactive past-times, where one must show their skills in order to achieve something. External desires are the biggest factors according to the participants. In means to relax, communality was the most important topic of discussion. Another topic was storytelling and how the individual can experience the story of a game and envelop themselves in it. Thus, internal factors were present as well. For the head of management, the answers were similar. Intellectual challenges were the key point and accomplishing them was the main goal in gaming.

*01MA: "I enjoy games where there is an idea behind them. I am not interested in memory games, but in games that have a goal.... search something, or to have a story around them."*

## **6.2 Motivation**

In this subchapter, participant answers for motivation as well as their opinion of the work's meaningfulness is presented. The questions were asked in order to see the current motivational status the department's personnel have, what makes their work meaningful in their eyes, as well as to see how individuals could be motivated within the department. In management section, head of department is also included and will not have their own separate results.

### 6.2.1 Employees

Most of the employees were motivated in their work, but there were clear signs of uncertainty as well as a need for some changes. Some employees felt that the company is taking good care of them, but for some it felt that the current situation is messy, and they would want to see improvements in their daily activity. Especially the Covid-19 situation was on their minds as the question was asked. When asked about the positive factors towards their motivation, employees answers were placed into three different sections: *environmental factors*, *department facilitated factors* as well as *earnings*. In *environmental factors*, communality, trust, feedback, expectations as well as supervisors were the most mentioned. From these, especially communality and feedback were the most mentioned. Employees feel strong connection between motivated employee and a strong community within the organization. Without one, there cannot be the other. This is well backed by the feedback, as in order to have good communality, individuals within it must be able to discuss, give and receive feedback. Half of the employees mentioned that supervisor's ability to manage also affects heavily on motivation. One could make a speculation that the mentioned feedback was also a way to mentioned management's activity, as usually employees in the department get the feedback from them. In *department facilitated factors*, ability to have an influence on the daily activities was the most important topic. Other relevant topics were results, achievements, tools, and development. Employees clearly want to have a say in their activities and if they have it, they are more motivated to work. This also shows in the topics such as development and tools, which both gain value from discussions and where employees want to influence. *Earnings* factor was a positive factor for some of the participants, but the discussions did not go too deep in that in terms of motivation. For them, the paycheck is an important part of the work as employees want to be compensated from the time they spend and cannot be the sole provider of motivation.

*02EM: "My motivation is affected heavily by how management treats their employees....how they take employees in consideration within the community and what type of environment there is...I feel that the social interaction and talking with your colleagues is important."*

04EM: “Own success, when I see that I improve, and I get the feeling that I know how to do things... when everything is alright in the work community.”

When asked about the negative factors, employees answers were divided and showed individuality. The most common answers were uncontrollability and incoherence, which both reflect well into the positive motivational factor of influence. If the individual cannot control the situation or all efforts feel useless regardless of what they do, motivation deteriorates. Naturally, incoherence has the same effect but in a different sense, as it is hard to find the way to go forward with mixed signals affecting the daily work. There were also two different types of negative factors: *Organizational* and *work communal*.

*Organizational factors* included management’s inability to take ideas seriously when work is not going anywhere and inability to advance in career. While the reasons showed a lot of separation, they were presenting a larger threat of the employees feeling that the department is not respecting them and their ideas. *Work communal* factors included topics such as micromanaging, cliques and talking behind somebody’s back. Especially the micromanaging was a pressing issue, which showed from examples given how management is communicating with the employees. For most the situation was more about how things are mentioned, instead of what was in the mentioned message.

01EM: “...it affects me negatively if the atmosphere is judgmental or if every little detail is being monitored. It should be that supervisors as well as work colleagues trust your results.”

03EM: “If the instructions are not clear and procedures are hazy, or if an idea that you have suggested has not gotten any notification or even a statement whether it is good or bad, those things are negative factors.”

All the employees considered their work as meaningful and that work in the department is important. The reasons behind meaningfulness were divided into two sections: *Assisting clients* and *obligation*. In *assisting clients*, reasons were wanting to help, problem solving and stability. Employees feel that their work is meaningful because they aid everyday people with their problems and help them understand difficult topics. By this they will also feel better themselves knowing, that these clients do not have to worry and have gotten good service to brighten their day. They also understood the importance of

insurance in the society, however difficult it may be for the clients themselves and are willing to help stabilize their ordinary days of life. In *obligation*, the employees explained that as they are employees of the department, it is their duty to work in a certain fashion. Their morality will never allow them to do careless work or slack. For them, the meaningfulness comes from their moral and the fact that they are a part of the department's success. Interestingly, some participants were placed into both categories, considering the work's meaningfulness coming from both helping clients and from the morality or duty of their assignment. Thus, some employees were interesting in helping to do their work, but to also get their own personal satisfaction.

*02EM: "For me, I believe that the meaningfulness is based in some way on morality. I like to help others and if the client would in fact get into an accident, only to realize that all of the insurances were in order and knowing that I have actually helped them and have had the knowledge to offer that insurance in the past, it puts a smile on my face."*

*04EM: "I do feel that it is (work) meaningful. There is a lot of responsibility, that you know how to explain the insurances to the client, as they might have difficulties in understanding them... it probably comes from my want to help others. Maybe it is a cliché, but I want to give service that I would want to receive. Like, my morale does not allow me to slack on the job or purposefully leave something undone..."*

When asked about the ways to motivate them, participants gave the following answers: Encouragement, communication, joint-cooperation, feedback, and clear situation briefs. For the employees, the best way to motivate them is thorough communication to reduce uncertainty. If there is no uncertainty and a clear formula to success, they are increasingly motivated to make the plan a reality. However, the plan should be able to be modified by them in some shape or form. Especially communication was important, as it seems they have had some bad experiences from that before and want to have it as good as possible. When asked about what excites them, subjective topic yielded a multitude of answers. However, couple relevant topics were results, positive social interactions, feeling of success, great feedback, and anticipation.

*01EM: "Encouraging towards proactivity, maybe some briefs where one could improve their knowledge towards the own insurance expertise...thinking together about possible*

*changes, so that we could all have influence over things like the work week and have thorough explanations about how everything is formed.”*

*02EM: “At work, the thing that gets me excited is success. In a way, I get pumped up about the subject or doing it if some great success happens. And then with that drive I start to do the next subject at hand.”*

### 6.2.2 Management

When asked about the management’s motivation towards their work, all of them, including the head of department answered that they are motivated. This was not surprising towards the researcher, as supervisors tend to show more signs of commitment. All of the management felt that a big reason towards their motivation was their ability to actively change the working environment and impact the department with their own decisions. Most also mentioned that motivation comes from understanding what is asked of them. There were also mentions of that the employer has managed to meet their expectations in workplace quality. Clearly the power and responsibility are drivers towards the motivation. For the head of the department, answers were similar, as they mentioned that they believe that the work is important towards the organization and that the department can adapt into situations.

*IHM: “Right now I am extremely motivated...the work we do is incredibly important, and the efforts give me faith and trust that we are doing something very important for the organization.”*

*04MA: “Sensible position, responsibility and through that freedom and the capability to improve yourself.”*

When asked about the positive motivational factors, the most important topics were success and communality. The other relevant topics were inclusion, improvement, excitement, and empowerment. As was expected, goal-oriented department tends to find competitive and goal-driven personnel. By reaching a goal, the members also get motivated to reach the next goal. For them, reached goals did not have to be theirs, but could come from their employee’s as well. Seeing someone achieve something motivates them, which

is a great trait in a manager. However, communality was just as important for them as without a good team, it is impossible to succeed and reaching said goal. Also, without a proper community, one cannot feel relaxed in the work environment. Improvement and empowerment both came from the same ideology, that by allowing others to strive towards something, they are more willing to push themselves towards better results. This was how the management members felt about themselves as well, that by empowering them, they feel motivated to push harder and work more. Excitement is a fairly straightforward topic – excitement breeds more excitement. The managers especially mentioned new exciting ideas that allow something new to be done. The head of department also mentioned results, which can be seen throughout the department and in the work of managers as well. As the managers are focused on goals, head is focused on the end results. This seems like a great way to approach organization's success. And not to mention, reaching certain results is a goal.

*03MA: "Success, reaching the goals, seeing people, as in my own team, succeed and the feeling of being useful. That I can develop people and see that I can help them on their career. Having the courage to enter your uncomfortable zone and discover new thing and advance instead of sticking to the same place... and of course, seeing that the company makes progress and you are a part of it, knowing your part of the success."*

*01MA: "I value that the employer enables various things, one of them being able to improve. It motivates a lot, creates possibilities to different things...I want to be around people and act close to them."*

In negative motivators, participants in the management roles differed somewhat, although the most common answer was the over-complicated matters. It seems natural for the management to have this as a vast source of negativity as they are mostly responsible for the direction of the department. Naturally when there are unanticipated extra steps, all plans change and with it, new dynamics. Another common answer was frustrating situations as well as inability to have influence over something. As these both have similar characteristics to the first answer, speculation could be made that seemingly goal-oriented management focuses most on achieving results and anything affecting that has a negative effect. Another negative factor was badly balanced assignment. If the task at hand is either too hard or too easy, motivation erodes. On top of that, ungratefulness appeared in the



answers. The meaning behind this was, that regardless of what the management gives, the other side still feels that they should get more. During discussions it was emphasized that this is not a job towards the departments employees, but as a thought that personnel should strive for better results themselves and not be held by their hand. This is an interesting take, as another discussion topic was unnecessary complaining, which matches well with both frustration and ungratefulness due to them tying in together.

*02MA: "As a negative factor I could say that if unexpected factors and external challenges that cannot be overcome come into play, that crumbles the carefully crafted plan that was made and with it, motivation... also, unnecessary complaining, trying to find more negatives than positives without even trying the plan."*

*04MA: "Matters that I cannot influence in, and of course these types of things happen sometimes. If they are poorly described or explained, it affects negatively towards motivation."*

All management participants felt that their work was meaningful. Topics such as helping others, feeling that the work is important, and enabling appeared as the major discussion points. Helping others was based on both internal and external relations, as management aids their employees as well as the company's clients. They feel that helping the employees is essential to their roles as supervisors, and that by helping them, they help the company advance. The importance of work discussion based around the capabilities as well as the responsibilities to insure everyone that needs it and to safeguard people from harm. They can change the working environment and with it, cultivate different types of strategies for the department in order to achieve in a certain goal. This also means, that everyone is counting on them, adding pressure. Enabling was also an important factor, as the managers can grant benefits as well as training for the employees. Not only that, but when the managers are enabled themselves, they feel that they are being respected and trusted. However, sometimes all these responsibilities also show in their working hours, as they work long days to create something.

*02MA: "As a supervisor, I am able to influence in building the work's content and to make decision towards future solutions. I enjoy when I can affect my work... it would take quite many job offers for me to leave this organization."*

*IHM: "2 dimensions: The societal effect of insurance and the capability to safeguard our client's. It is very important, and it is part of my assignment as well. Secondly, I can offer my organization the best possible tools to work. It is my mission to provide good leadership and over organizational boundaries. Working together and the meaning of success grows all the time."*

When asked about how they should themselves be motivated, participants mentioned several topics: Challenge, direct feedback, saying praise and clear description of situations. Encouragement through discussions and incorporating responsibilities and challenges seem to be the two ways to motivate the management in their efforts. Interaction is in key role. However out of the participants, head of department mentioned that they believe motivation is something internally emerging, has dependencies and cannot be altered by individual actions. When asked about what excited the management, the results were as follows: great ideas, excitement of others, colleagues, learning and challenge. As both motivating and exciting topic, challenging oneself stands out from the rest. Management mentioned that as they value their work as facilitators, seeing others grow or come up with things excites them to no end. It feels as if they have themselves done something right.

*IHM: "I think that you cannot affect motivation with any individual action, as it is so intrinsic, how one interprets the big picture and how dependencies are understood. Let us say that I can be motivated if you put me into a group and to work with people... motivation through praise as well. Then when I succeed, I would receive feedback. As a person I do not care for general praise, but praise from things that I also feel that I succeeded in."*

*02MA: "Quite a lot of things excite me...if an idea comes up and I get excited about it, I tend to get so excited that I almost want to do all the operational stuff as well... I am easy to excite, if I am on the same page once the brief has been given...people are in a vital role, as I get excited if I am in a good group that accepts even the wackiest of ideas and that we can openly discuss and find the hidden points."*

In bullet points:

- Most of the participants find their work meaningful and are motivated to work. However, the reasons why they are motivated are various. There were also signs of motivational eroding in the employees as they are looking for something new to fill the dullness.
- Key positive motivational factors were success, communality and having ability to influence in the work. Need for management-employee interaction are in high regard within the department. Management tends to be more goal-oriented in their answers, as employees focus more on the internal needs, such as feedback and personal development.
- Key negative motivational factors were uncontrollability, incoherence, inability to influence in something. Although many different types of negative factors appeared due to subjectivity, these tie in well with the positive factors, where interaction directly affect motivation.
- Challenge is an important factor of motivation as well as excitement generator. Other important motivation topics were feedback and clear situation briefs. As excitement generators, positive social interactions were the most important topic.

### **6.3 Department's action plan,**

Within this subchapter, participants were asked about the department's current action plan, how well they have been trained in it, how well do they know it and whether it resonates with their own values. They were also asked about the coordination as well as reporting within the department, how they are managed and how well they feel those are going. Employees were discussing it their own everyday work point-of-view, while management were asked in a general point-of-view.

#### **6.3.1 Employees**

When asked about the action plan, some of the participants were having challenges in understanding what action plan meant within the department. After brief explaining, half of the participants mentioned that they know what is in the action to a certain extent. However, none of the employees were confident in fully knowing about the action plan, only their teams plan. Some of the participants mentioned that the action plan has been left quite hazy and has not been described to them in a way that they would understand

it. When asked how the action plan that they perceived resonates with their own values, some agreed completely, while most agreed partially. The ones who did not agree were asked a follow-up question to explain the reasons behind the answer. The most significant reason was the feeling of rushed actions and inability to thoroughly discuss with the clients about the insurances. Another reason was the perception that selling and availability outweigh customer satisfaction. That profit-seeking aspect overthrows customer problem solving. One participant even mentioned that it feels as customer satisfaction was being undermined.

*02EM: "I know some parts of the action plan and I believe that I could somehow explain it to someone else... in general we are doing great things, and everything is thought off. What I would change is to have more time to do background work. I have a lot of pressure to keep on answering new calls instead of finishing other assignments, because at the end of the day, the number of calls is being tracked. As a person, I would want to do one assignment properly and then go to the next one."*

*01EM: "I know parts of the department's action plan... I think I could maybe explain our teams action plan but if I'm thinking about business centre in general, I could not. It is hazy...the action plan of my team resonates very well with my idea of servicing clients. Clients yearn new information and useful information and that they have not been forgotten... I feel that there is this element of rush in our work and it is being enforced. Answer the call, handle it, answer another and so on."*

The participants had a wide range of conflicting answers when it came to department's coordination, both negative and positive. Positive topics were that supervisors were around, that coordination is done pragmatically, and that changes are done quickly. Negative topics were that supervisors are distant from the actual work, employees are not trained enough, lack of cooperation in projects, micromanaging, and lacklustre day-to-day managing. Some of the participants had conflicting thoughts. To clear the conflicts, follow-up question was asked about the coordination. Although supervisors seem to be present, the way they discuss topics is like they either do not trust the employees enough or that they do not fully grasp all the daily activities the employees have to do. As an example, a participant mentioned department emails, which have good messaging, but the tone of the messages makes you feel like you are constantly being watched and

shepherded. Another conflicting answer was the differences in supervisors, which everyone mentioned. While mostly having different types of supervisor was considered a good thing, the messaging is done differently as well. This can result in mixed messages and miscommunication.

*04EM: "The daily activities, like managing manpower in shifts and such, has been pretty weak in my opinion. There has been some absence. And then there has been some micromanaging. For example, messaging via email that "be sure to remember to be active while the other team is in a meeting". That should be a given and supervisor should be able to have faith in us. Of course, it is good to have these types of heads-up messages, but the tone in messaging has been horrible."*

*03EM: "Let us say that each supervisor is different. And in a way, we all are as well with different needs. We discuss more fluently with different personalities and people understand things differently... as a thinker I would like to discuss more in-depth about the everyday work we do... I would like for our supervisors to have the same determination to discuss with the same level as the employees, so that we could have a deeper discussion and find common ground in discussions so that everyone understands each other better."*

When discussing about reporting within the department, most participants mentioned that the reporting is in good shape and that the reports are thorough enough. However, all of the participants mentioned that reports should come more often and some of them would like to see the management teaching the employees what kinds of points from the reports they should analyse. Half of the participants also praised the department for the system they can use to proactively check their performance. However, they would want to see the system being more thorough and with more details. Most of employees would want to see more one-to-one conversation with their supervisor when reporting is given. Half of the participants felt that reporting is distributed unevenly based on employee performance or supervisor.

*04EM: "We rarely see business centre revealing the monthly sales. And when they are revealed, they tend to be exceptionally good. It could be much more in my opinion. Then on an individual level, the reporting has been lacklustre. I mean yeah the monthly report comes via email but 1-to-1 discussions are rare...I follow the reports proactively*

*myself....we have the sales dashboard where we can see monthly and yearly cumulative sales and how they are in relation to others...It matters to me how well I am doing my work...monthly reports are enough.”*

*02EM: “Personal performance gets checked on a monthly basis. I just wish that we could see the results of the total department because I have not seen those types of results shown to me personally or any of the team meetings. They are usually only shown in the big department meetings. I like numbers and I want to know how the company is doing. I am interested in all of these types of things and I would like to know more about them.... month is a good reporting period because you can discuss more thoroughly.”*

### 6.3.2 Management

Naturally, all management participants knew the department’s action plan, as they are responsible for distributing the knowledge to the employees. Even the participant with the least amount of work experience in the company. According to some participants, the department’s action plan is not fully implemented and sometimes the known action plan gets partially forgotten due to rush. Some conflicts arose when asked about how the action plan resonates with their own values. Although most participants feel that the plan is good, one participant mentioned that the values differ. They would prefer more proactivity in customer service and with a different practical mindset, instead of the current customer centre action plan of high availability. Some also mentioned that although the plan resonates, it has not reached the optimal level in their eyes. According to three participants, they would not be motivated in their position if the action plan would not resonate with their beliefs. Values have been brought well to the practical work.

*02MA: “I do not think that we are quite on the level where I would want us to be. Right now, we are working at a passive level, as customers call us when they need help. We cannot yet give predictive services, where we are calling the clients ourselves proactively.”*

*03MA: “They fit in a way that the company’s values have been brought pragmatically into the objectives. The way how I perceive good customer experience is concretised in departments processes and in the aspired goals. There is no conflict of values.”*

In the question about department's coordination, differences between supervisors truly showed. Although all the participants felt that supervisors are facilitators of some sort, be it improvement, strategy planning or day-to-day activities, some participants felt that the coordination should be focused by giving more responsibility to the employees. Others felt that pre-existing rules have been made for a reason and should be enforced. Some also mentioned that coordination should be done differently between supervisors. Most also wished that they could be more present, instead of having to go to meetings and others time-consuming matters. One of the participants felt that personal coaching has been abandoned and should be re-introduced, as package plans rarely work optimally. According to the head of department, the main point of current coordination is that it is led by professional supervisors, who have a different set of strengths and help each other out. However, it was also mentioned that maybe employees have gotten too used to good situations.

*01MA: "Actions are coordinated and the main objectives of what to do and where to go come from higher up. We have four supervisors with very different personalities, and everyone leads their team with their own style. In my opinion, it is going great and everyone's personalities are shown. Same message, but with their own way...sometimes confusion can occur if messages get mixed due to the personalities, but it is rare."*

*04MA: "We could always be more tightly in the everyday operation, to lead and to impact employees work. It tends to be slow and comes through repetition, to make sure that things are done like they were discussed and that they are present while talking with the client."*

When asked about the reporting, differences continued to arise. All the supervisors agreed that the reporting has gotten better from previous years. While others thought that more reporting is needed, others thought that the current situation is fine. An interesting point that was made during discussion by the supervisors was that monthly reporting is good if there no trouble, but if trouble arises, more reporting is in order. According to most of the participants only parts of the report is being given to the employees and not the full picture, which is fascinating as they are also hoping proactivity from the employees. According to the head of department, balance matrix is used to determine individual's improvement needs in terms of sales, quality, and quantity. This is to ensure that there is

a balance between them and that none of the parts is too dominant. However, other systems based on pure numbers are not used.

*04MA: "In my opinion we do enough reporting and we tend to go through Business Centres general situation every month. Instead of reporting more I would find more ways for the employees to monitor their own performance, so that everyone interested could look at them. It would give a broader image without supervisor's presence and would also be more proactive. It should start from one's own curiosity."*

*IHM: "We discuss leading through meaning and especially in business centre. Our habit is not to just give numerical goals to all of our employees, follow those metrics and if you cannot reach the goals, there will be consequences... the only type of number-based leadership is through balance matrix... we are looking for a comprehensive insight."*

In bullet-points:

- Although all supervisors were familiar with the departments action plan, employees were not. As not all of the action plan is shared with the employees, confusion is explained. However, it is fascinating that department is not being transparent with their action plan in this matter.
- The departments action plan did not resonate with most of the participants, presenting a potential communication issue within the department. It seems that expectations and reality differ from the departments actional plan – the action plan itself is too ambitious or personnel's and organization's values are not in sync.
- In coordination, there is a clear conflict between the answers of the employees as well as the supervisors. While supervisors feel that they have done a good job, employees disagree. Although most employees praise pragmatic leading, results are not satisfying the expectations. Supervisors are hoping to be more present. Therefore, department coordination needs work to allow superiors to have more presence and make employees feel that the management is doing its job.
- Reporting seems to be in a decent spot, as most participants are satisfied with the work. However, both parties would also want to have it developed further. Supervisors want the employees to be more proactive, while employees want deeper statistics and more in-depth conversation. Thus, need for feedback is high.



## 6.4 Feedback and Recompensing

In this subchapter, discussion how feedback should be given, is recompensing meaningful and what would be the best way to recompense were asked. Each interviewee was asked to specifically think about themselves and not in the company's point-of-view.

### 6.4.1 Employees

When asked about their ideal way of receiving feedback, multiple opinions were presented. Most participants want more feedback as well as to get it either as one-to-one or with their team or department. They do not care much about where and when the feedback is given as long as it is given. However, if the feedback is negative, one-to-one conversation was better. Half of the participants also mentioned that the present feedback sessions lack depth and that too little personal feedback is given. This could be because supervisor is in a hurry or that they do not know enough about the person. Funnily enough, most participants also wished for bulletin-styled feedback about processes happening at that moment. The faster they get the feedback, the better. Some participants also mentioned that feedback receiving is not balanced, as the loudest people tend to get the most of feedback or references. When the participants were asked about negative associations towards the word "feedback" and concept of it, the answer was "neutral". The only thing that mattered about the feedback was the tone how people mentioned it.

*01EM: "I would rather like feedback to come often and with less information than in long periods where everything possible is discussed in. I prefer these bulletin-like feedback moments...I would prefer my feedback to come as fast as possible. It would be amazing to get the feedback when I am also feeling great about that success. But if it takes a long time, that feeling of success has faded out."*

*02EM: "In my opinion, success should be presented more in the department than what it has been. You can see the difference especially now when people are giving success stories through Teams, which we did not have before.... they are fun to read, and they are refreshing...positivity and praising is important and motivating."*

When asked about the meaning of recompensing for them, all participants mentioned that it increases motivation and that it is a token of appreciation. Feeling that the department actually notices their hard-earned efforts and are willing to show how much they respect that hard work. Things such as communal rewards also came up, where instead of recompensing one person, reward could be spread around. They also all yearn for intangible recompensing, which right now seems to be lacking severely. When given a scenario of a superior coming up to a participant and praising him, one participant said that it felt downright absurd because that never happens, but it would be great if it did. This theme of intangible rewarding kept going, as most participants mentioned that they are much more meaningful for them as well as recompensing does have great meaning. Also, some participants mentioned that giving more responsibility is an intangible reward in their eyes. Being given more responsibility shows as a sign of respect and trust and makes them feel more important. When talked about tangible recompensing, such as a bonus, half of the participants answered that with more money, they are willing to give more from themselves. However, salary just needs to be on a hygienic level. There is a time and a place for tangible and for intangible.

*04EM: "Recompensing gives me joy and makes me feel good and creates, how should I put this, this sense of respect, importance and appreciation. Like some other people have also noticed that I have done a good job. So, it definitely has a great impact in the end-game... I would like to get tangible rewards. If they would be only intangible, it could feel like all praise is just talk. I think maybe both would be the best or that they would be collective rewards for the whole team."*

*03EM: "There are many ways to reward me. Of course, money is important as none of us are here just for fun, but one great way to reward is through giving responsibility and by allowing to do more demanding tasks. So that you can really show what you are made of. That for me is a way of recompensing."*

#### 6.4.2 Management:

As for the management, all the participants had very similar answers about getting feedback. All said that spoken, one-on-one feedback was the best way for them to get their feedback. After all, they oversee teams and it is straightforward to discuss their team's as

well as the department's performance in a face-to-face meeting setting. They also mentioned that immediate feedback is important, and they want their feedback immediately if something recent came up. However, most also mentioned that they should give and get more feedback and that the feedback should be more thorough than what it currently is. What was fascinating, was that none of the supervisors mentioned about proactive tracking, which they were hoping the employees do. When asked about negative associations towards feedback, the answer was similar to employees - neutral with tone playing a huge part and whether or not the goals are to blame or to discuss. The difference however was that some supervisors mentioned that although people are claiming they can take feedback, some cannot.

*02MA: "Spoken feedback works best for me, that we discuss the situation. That is the most efficient way, which also motivates me to do better. Feedback regarding current situations should be given immediately, whether it is good or bad, direct praise or criticism. I would prefer constant mental encouragement and comments in face-to-face fashion."*

*03MA: "Feedback, on a general level, is a lot more difficult than meets the eye. Most people say that they can take criticism and feedback, but when they really start thinking about it, their attitudes change. For example, getting constructive criticism is not exactly that easy to take... fairness is very important in feedback as well. There have been times when I have gotten unfair criticism in my life."*

All participants considered recompensing as meaningful. The most notable reasons were self-esteem buffering, being a token of appreciation, and gaining of extra energy and encouragement. All the supervisors also preferred intangible over tangible rewards. However, some of them mentioned that both are required, and that the salary has to be at the correct state. Almost all supervisors also yearned for more intangible recompensing, as it seems to be lacking right now. Some also mentioned collective rewards to be a great way to recompense for hard work, so that the fruits of success could be spread to everyone – it could for example be simple cake and coffee, a proper restaurant dinner, or a trip. As superiors yearn for intangibility, are the other supervisors not giving it to them, or maybe employees do not feel that they should give feedback? It was also mentioned that recompensing depends a lot on the organizations rewarding standards and how they are

managing HR. When asked what the best ways to recompensate themselves would be, answers such as *more responsibility, praising, simple thank you and a day-off* were given.

*01MA: "It is the organization's way to show that they care about you and appreciate what you are doing...also important is to take in consideration possible bonuses that the organization gives while you are their employee...sure monetary recompensing is great but it is not the thing keeping me motivated at work."*

*04MA: "Recompensing is meaningful to me. It is a notion from others that they appreciate what you do and that you have done the right thing. Small or a large reward, I get motivated to keep going. Also, as a confirmation of appreciation, I also enjoy giving my team members rewards if they have progressed."*

In bullet points:

- All participants want more feedback. Positive feedback can be said anywhere but negative should be a one-on-one. There are balancing issues with giving feedback equally and some participants want feedback to be more in-depth. All participants have neutral association with feedback and agree that feedback's tone plays a major role.
- Recompensing is meaningful to all of the participants, as they feel it as a sign of appreciation and valuation. It also increases motivation and raises self-esteem. Intangible recompensing was the most discussed topic, as almost all participants yearned more of it. Tangible recompensing is important only if the salary is not on a hygienic level. Some participants also mentioned about cumulative rewards and that they could be a great way to reward teams or the entire department.

## **6.5 Individual's capabilities to modify their work.**

This subchapter presents the results of the last theme. Different questions were asked for both the employees and the management. The employees were asked about how they feel about their own chances of influencing their work and how their work affects the entire department. The management was asked about how are the possibilities to influence facilitated, how well they know their team members and how they feel that the supervisor's role is in the department. They were also asked about potential development points.

### 6.5.1 Employees

When asked about the chances to influence in their work, the majority said no. The participant who said yes also mentioned that although the supervisors take the ideas, it is not sure whether they are taken into action. When asked about the importance to have an influence in altering your work, all the participants answered that it is important to them. Half of the participants said that having the capabilities would make them feel more trusted and that they would be more committed to work. It would also allow them to get a deeper understanding about the work and company in general. Other half mentioned that it would be important because they would be able to fix general minor problems that they have noticed as they have worked there. Tips help everyone to work better and create a stronger sense of communality, where individuals are there for one another. However, one of the participants also mentioned that having an influence could have a negative impact as well, since they only see the work from a certain angle. It also felt that there would not be anything to develop together, as there is not enough communication about the department's proceedings. The last question focused on whether changes in individual's work affect the entire department. When asked, all of the participants felt that it would, although one participant mentioned that it would only have marginal effect in comparison to other changes. However, having an influence is clearly important to the employees, as they feel that communality grows expertise through open discussions, venting and by showing unity.

*04EM: "I try to be, if I see faults, I will try to call them out. I guess it comes naturally to me, that I want things to roll as smooth as possible.... I want to develop the department's as well as my own performance... Of course, you must take reality into account. Job description is made in a certain way, so you cannot endlessly develop. It is a different thing whether my thoughts are taken into action, but I feel that I can talk about things..."*

*02EM: "I do not feel that I can affect the department's development. I feel the reason behind this is that all of the employees have different ideas and mindsets about working. Because of this, it could be hard to development anything... I feel that changing my work affects the whole department slightly. For example, if I proactively call to someone, that person will not be calling to any of my colleagues. These are small changes, but I do not*

*think that by changing my working would make that big of a difference.... allowing employees to have an influence in their work makes them more loyal and trusting.”*

#### 6.5.2 Management:

The first question was about the current role of the management in the department. The main topics participants gave were facilitator, focused on action and responsible for the future. Another interesting topic mentioned was that most participants considered that different personalities were an enrichment factor within the department. According to the head of department, the supervisors are professional in what they are doing and take great pride in teaching and helping the employees as well as planning for the future situations. When asked about how well the management members knew about their teams, most mentioned that they know them as colleagues but not that well. Only two participants mentioned that they know all of the team members well, one of whom was the head of the department.

*01HM: “I have so much gratitude towards the supervisors, because they steer the department professionally, with different strengths and they bring a lot of expectations as well as insights to the table...I know my employees as well as the supervisors well. I could say better than what they are expecting me to know. Of course, it would be great to know more.”*

*02EM: ““In our department, supervisors have a strong facilitator role that hands of advice without forgetting to do some work of our own. Facilitating the everyday successes, that is probably the image we give to our employees. We also plan, but our responsibility is restricted from the Nordic-level, so we cannot come up with anything crazy.... we have a very good community within the management, we could almost share all our private problems...I know my team members as colleagues, but we have not mingled during our free time. I know the chemistry and what they value.”*

When asked about the employees' ability to influence their work, all management participants answered that they have not due to the restriction via job description. Because the work is focused on answering calls and handling customers, influencing in it can be tough. The head of department also mentioned that business centre aims to utilize

economies of scale. There are certain rules, processes, and regulations in order to get steady and effective customer service to everyone. Because of these restrictions, it is hard to create the job as something different. Also, insurances are a product that cannot be that easily altered. Some participants mentioned that the department tries to tap the creativity of the employees to the best of its abilities. One example of this was creativity workshops, where management discusses new ideas and current situations with employees. However, the management has seen a surge of creativity during remote work due to the Covid-19, as employees are trying new ways to handle the work with the existing rules.

However, employees are not giving ideas as much as most participants would like. According to them, although feedback is greatly appreciated, threshold seems to be too high. There might even be fears of getting too much responsibility for standing out. Another problem seems to be, that the ideas given are targeting processes that cannot be changed by them. This in turn can create negativity towards giving suggestions, as the previous suggestions were not fulfilled. One participant also mentioned that suggestions are heavily based on the required creativity level in the job assignment – the more creative the work is originally, the more ideas are given.

*04EM: “ We have different positions in the department, which have had a life of their own and continue that towards the future...Each job has their own restriction, but in those restrictions, they are able to show their creativity....we get suggestions, but certainly not enough...can be an issue of culture or an issue of personality, maybe it is management in general...would be great to nurture the creativity, but I believe that creativity nurtures itself through success.”*

*02EM: “There are restrictions what we can and cannot allow, but we have different types of projects where we can utilize creativity. We are encouraging people to partake in these projects, but we must take our promise of good customer service in consideration. That restrains a lot, which is unfortunate...In these workshops we ask to idealize or create some form of a framework, like customer concepts or campaigns...We need to get more suggestions. I believe that we have lots of smart and capable people with good ideas, but for some reason we are not receiving them...maybe it is about the threshold or that people just want to focus on their current things.”*

The last question towards the management was the department's potential development needs. All participants agreed that development is necessary and should be constantly sought. This question sparked a lot of discussion and gave multiple different topics. Most common topics were *improved social aspects*, *creativity nurturing* and *employee expertise*. Internal motivation as well as communal topics were at the epicentre of this question. According to the head of the department, personnel at the business centre must constantly adapt and improve in the changing work environment. They need processes as well as new tools to cope with the changes. Thus, the department must focus on the key roles within it and measure best ways to increase the knowledge of their employees. There were also mentions about improving employee's career paths and to coach them achieve them. The department also needs to clearly describe roles and responsibilities with all the key members. It would also be important to find out what truly motivates one another in order to work to their best.

*01EM: "We have different types of experts in our department. For example, seniors and business advisors. Seniors can utilize their expertise better and with it, create more opportunities. Contact Centre-type of work is structured, and it does not allow too much expertise to be used. One development topic for the department certainly is to find new ways to utilize expertise more diversely. If we have someone who knows a lot of a certain type of insurance, that info should be shared."*

*03EM: "As there have been large changes in the organization recently, it is a bit tough to point out issues. I have started to wonder about pushing towards some sort of career path-process that employees could be placed in. Another need is enriching the work within the business centre."*

In bullet points:

- Due to the strict restriction of the job's description and processes, employees cannot be as creative as possible and cannot change their work much. This is further weighted by the head of department, as department looks for the economies of scale.
- Although management claims that they are tapping into the creative side of their employees, employees' answers claim otherwise, claiming that they cannot influence enough within the workplace.



- Employees believe that ability to influence work is important in order to fix general problems in the department. Management mentions that employees are not giving enough feedback and suggestions. Could the negative atmosphere towards suggestions be behind this conflict?
- Supervisors are primarily seen as the facilitators within the department. However, according to some employees, the suggestions given are not being facilitated or at least reported as a target of facilitation.

## 7 Conclusions

In this chapter, conclusions are presented. Theoretical conclusions are based on literature review as well as the theoretical frameworks, where the study addresses potential new findings within the academic discussion through the utilized theoretical material. Functional conclusions are focused on the empirical study's findings through the theoretical framework, as well as proposing a suggestion to the case company.

### 7.1.1 Theoretical

The theoretical purpose of the thesis was to discover more knowledge about the theme of internal marketing, the phenomenon of gamification and to evaluate how gamified internal marketing benefits employee's working efficiency. Both concepts have multiple connection points (see Chapter 4). Internal marketing as well as gamification are focused on strategy, knowledge, and motivation. They are also targeting to increase workforce productivity through motivating and engaging the employees, whether it is through understanding or enticement. Due to their goal-oriented nature, neither concept cannot function properly without a strategy. Internal marketing cannot create a goal aligning message for the employees, nor can it create management practices to bolster it. On the other hand, gamification cannot tailor its processes to the organization's needs, losing most of its effectiveness. Gamification in business is forged with these predetermined rules, made from the organization's strategy. Ironically, gamification is a phenomenon shackled by these rules, much like a game of any kind. (Kadic-Maglajlicm et al. 2016, 291; Groh 2012, 39–41; Deterding et al. 2011, 10–13.) Due to these facts, gamified internal marketing requires an organizational strategy, from which it can find the rules and requirements. Through those rules, construction of gamified communication processes can be done. The study would like to present an abbreviation, GIM (Gamified internal marketing), for the research, and will be using it for the conclusions and in future research suggestions.

In terms of information, organizations should ensure that their communication channels as well as information flow is in order. If done correctly, an excellent base for both concepts is created, which relies on information and benefits greatly from additional knowledge associated with the target goal. As a tool to generate and distribute knowledge, internal marketing uses the information to precision strike channels mostly suited for the task at hand, reducing costs while reaping benefits. Thus, organization's messaging can

be overhauled into an effective discourse system with an integrated message directed only towards the individuals that should hear it. The communication channels work both ways, allowing knowledge flow and fine-tuning of processes and actions. Gamification uses information to tailor its game element applications. The more knowledge the phenomenon has, the better it can segment employees and understand user behaviour, as well as how to alter it. Additional to this, gamification generates knowledge from the users that utilize its processes, allowing further research. (Xu et al. 2013, 5; Looyestyn et al. 2017, 14; Pescaru 2019; Varey – Lewis 2000, 54, 250–251.) Based on the theoretical studies gathered, it can be concluded that GIM applies game elements into internal marketing's knowledge distribution processes to further generate engagement as well as to extract information, which can be reapplied. The gamified communication processes are created and tailored to fulfil the organization's strategic goals and abides the rules placed by it.

This conclusion also supports the study's purpose to find ways to boost productivity. As individual's performance increases with motivation, higher levels of productivity can be associated with higher level of motivation. Motivation can be elevated in multiple ways and for these conclusions, GIM framework discusses those improvement techniques through its mix. Both internal marketing and gamification improve motivation through their own methods – internal marketing through aligning goals and gamification through engagement. Internal marketing focuses on generating new motivation while gamification attempts to grow already existing motivation. Internal marketing improves productivity through communication channels, aligning employee (or internal customer) goals with organizational goals, creating a feeling of belonging in the workplace. Gamification grows this motivation stronger and evolves the feeling of belonging through engagement. Furthermore, both concepts use positive encouragement in order to alter individual's behaviour towards a certain goal. (Akroush et al. 2013, 307–308; Mekler et al. 2017, 527, 531–533.) By utilizing motivation methods, gamified internal marketing first facilitates productivity and then grows that productivity through game elements. The framework divided GIM into four segments, gamified internal product, price, promotion, and distribution. Each of them affects the organization differently, although all of them have the same productivity boosting goal. As seen from the empirical findings, individuals are motivated but want to be rewarded differently. Therefore, management must segment the employees before engaging with any of the following GIM mix's segments. This is to ensure that communication is done correctly and cost-effectively.

Gamified internal product can be utilized in motivating employees by aligning their goals with the organization's goals to match the meaning behind employment. Organization has a reason to exist. This reason must align with the employee's goal. For example, if the employee wants to make the world a more sustainable place, the organization must be able to communicate how they are doing that and why the employee's actions matter in order to succeed. Naturally, each employee has different ideologies and reasons to work. This can pose a problem unless the management is able to segment the employees through familiarity and supporting data. By creating a narrative based around these sets of rules and premise, internal customers will understand why they are chosen for their position and gain a sense of belonging. This in turn will increase their engagement and with it, improve productivity. The productivity is further increased through other game elements, that are created for their assignment. (Kadic-Maglajlicm et al. 2018, 292; De Bruin-Reynolds et al. 2015, 3; Angeslevä 2014, 104–105; Chou 2016, 2, 4.) For example, based on the case company's empirical study results, participants wanted more feedback, intangible recompensing and are interested in interactivity. Thus, department's personnel could be equipped with milestone incorporating systems as well as intangible signs of appreciation from the management to the personnel. These goals and the types of appreciations must be made to fit the needs of the employee segment and support the narrative. To put it simply: with gamified internal product's methods, productivity increases as employees find their work meaningful and have engaging processes to work with.

Gamified internal price focuses on alleviating the burden of the employees by showing them the importance of their work. This is done through data gathering and with the help of other parts of the framework. For example, positive encouragement through rewarding and consistent information flow keep the employee on track of the situation. Management is in the key role here, as they must be able to understand where employees are coming from, in order to discuss in a matter that has the best effect. (Keller et al. 2006, 117; Lewis – Varey 1995, 46–48; Chou 2016, 4.) According to the empirical findings, intangible rewards and transparent communication are lacking. In order to yield the best effects from rewards, management needs to understand what the employees want as rewards. If it is intangible rewards, what kind? In order to answer those question, they need to go deeper, into the employees themselves. Are they travelling from far away to work? Did they have to move to another city? Through these answers, rewarding as well as correct discussion methods are discovered, allowing the organization to alleviate the burdens through increased motivating the employees, resulting in productivity.

Gamified internal promotion is focused around the way enriching communication is created within the organization. The purpose of internal promotion is to internally improve company's image with positive content, as well as to create a healthy atmosphere in which employees can openly discuss of their experiences and share knowledge. This is especially smaller communities, like teams, in which managers know the employees well. (De Bruin-Reynolds et al. 2015, 26–27; Keller et al. 2006, 118; Ali 2012, 247–248.) As internal promotion focuses on creating discourse within the organization to share knowledge and improve team spirit, gamified internal promotion takes it into the next level by utilizing gamification elements such as short-term rewarding, repetition and engaging activities centred around discourse activities. Through understanding the employees and how they wish to operate both internally and externally, gamification processes are introduced in these communication channels and other promotion sources. Social presence and relatedness are important for employees, as they want to belong. Thus, communication incentivizing will create more discussions and with it, stronger bonds among individuals. Furthermore, thresholds to join into communities or jump into existing discussions will be lowered. (Hamari et al. 2014, 3028; Xu et al. 2013, 5.) Based on the qualitative interview, it can be concluded that recompensing and feedback are important for the employees, meaning that communication that incentivizes them creates positivity and will have an impact on productivity. For example, promotion through celebratory messages and discussing among teams will fortify team spirit. Gamified internal promotion will also introduce nonverbal discourse through badges and leaderboards.

Gamified internal distribution means external activities that are directly affecting organization's situation in the market. As internal distribution focuses on the internal procedures the organization does for external customers and stakeholders, gamified internal distribution uses gamifying elements to improve those procedures by making them more engaging and allowing data usage. For example, external customers see the company's beliefs and values by doing business with the person representing the organization. Thus, the organization needs to be certain that individuals represent the organization's values and beliefs the correct way. This requires the organization's cultural structure to be sound. (De Bruin-Reynolds al. 2015, 27; Hamari – Huotari 2016, 27–29.) Gamified internal distribution contributes to this cultural structure through gamified processes, focused around a single message. As the organization's message must be intact and effective, gamifying narrative elements as well as repetition in the processes will familiarize employees with it. For example, creating a story behind the organization and then using gamified

processes to positively encourage employees whenever they work towards that message. This way, the employee behaviour is altered to work towards the message, as they are motivated to follow that story. (Chou, 2016, 5–7.) This can also be used when the organization needs to perform strategic changes, as the story can continue to its new chapter. In short, gamified internal distribution creates motivation through a narrative, which in turn improves transparency, employee productivity as well as consistency towards the external market. Through this, company image and employee retention are improved.

Based on the theoretical knowledge gathered about both concepts, following conclusion can be made. Applying GIM into an organization can be a long process, which depends on the organization's strategy as well as management's capabilities. However, with good knowledge-based segmenting of the employees, clear organizational goal, and transparent communication, it can improve productivity in the long-term as well as improve other organizational challenges, such as employee retention, innovation as well as company image. GIM can also inspire employees to share their knowledge with one another and create innovative suggestions for future products, services, or systems. As it focuses on strategy, information, and motivation, it not only needs them to work, but it can make them thrive. (Hamari – Huotari 2016 24–26, 26–29; Lewis – Varey 2000, 27–28; De Bruin-Reynolds et al. 2015, 3, 26–27; Pescaru 2019.) Therefore, it can be concluded that GIM can have a positive effect on productivity and can serve as a productivity booster for the organization. However, as internal marketing as well as gamification possess a stigma of ambiguity, it slips the mind of so many organizations.

### 7.1.2 Functional

There has been a surge in interest over gamification within the case company, as it has shown potential in other industries through increased engagement, better customer experience and with it, competitive edge. However, internal marketing has not seen similar interest, although communication as well as communication processes are present. According to the findings, interactive work environment is possible to be grown within the organization, as all participants are already interested in some form of interactive systems. This is a good sign, as gamification works with interactive processes like sales and customer service elements because of its goal-oriented characteristics. According to Landers et al. (2017, 508–510), gamification makes these processes more interactive through reward structures such as ranking or milestones. It also entices behaviour changes for

individuals to reach those goals. This new form of accomplishment potential generates engagement and boosts productivity. As the personnel is interested in interactivity through communal as well as accomplishing factors, GIM grants the management ability to produce tailored events and apply interactive game elements into them. For example, leaderboards as well as weekly information blasts can have a positive impact within the work environment, as well as onboarding processes for learning. As the teams within the department can work together and get rewarded from it, the communal activities yield a friendlier work environment. Furthermore, rules are created in employee's own terms, making them easier and more meaningful to follow. It could be argued that gamified communication procedures could also benefit the department, as usually employees are at their own workstations and cannot discourse as much as they would prefer. For example, applying interactivity to mundane work assignments or gaining points for being active in aiding others could spark positive effects and help distributing knowledge. This in turn will also allow the employees to have some sense of responsibility, as they are being counted on by other. This is especially true with new employees who are just learning the ropes. (Pescaru 2019.)

However, management needs to be on board with these interactive processes. They have to help the employees understand them, making the employees feel that they are being cared for. Not just given a shiny new tool to exploit their productivity. If sales processes change to be more engaging and have new variables within them, communication's role increases. Especially since the true value of the changes must be presented to the employees to negate barriers of change. If interactivity helps sales personnel to find the work more meaningful, management needs to seek out the reasons behind it and adjust accordingly. As competitiveness is also highly compatible with games and most hobbies, gamified processes can benefit from it via badges, progress bars and praising. (Tsai – Wu 2011, 2–4.) However, gamification does not interested everyone just because they are interested in an interactive environment. Same goes for internal marketing processes in terms of the management culture. Methods are not simply a skeleton key for their troubles but needs an intense evaluation and careful planning for them to become proper guidelines (Muedo 2003, 1263.) Thus, if the organization proceeds with GIM, they first need to evaluate their situation in terms of both employee interests as well as management culture and resources. This means assessing their action plan and then evaluate the gamified mix before they implement it towards the internal customers.

The findings showed that employees are motivated to work and find it meaningful. Although the motivation towards the daily activities is in good shape, there are signs that the employees are becoming unmotivated due to the repetitiveness of their work assignments. GIM could potentially grant them breath of fresh air, as processes with game elements tend to improve commitment. Not only that, but they also have a certain excitement factor in it. Internal marketing is there to help management “sell” the gamified processes for the employees. (Landers et al. 2017, 512.) However, the processes must be made with employee profiles in mind. Employees as well as management seem to get motivation from similar topics, such as accomplishments, communal activities, and positive feedback. Another important motivational topic was having influence in the workplace in order to find new improvements in the department. There seems to be a high demand for communal activities as well as interactivity within the department, as employees wish to spend more time interacting with one another about existing problems and new solutions. This shows a clear need in accomplishment as well as relatedness drivers. To combat this, work environment improvements could be gained from GIM by sharing information via the gamified processes – The internal marketing aspects analyse critical internal relationships and gamification enhances them by applying game elements into them. (Varey – Lewis 2000, 54; Chou 2016, 3; Karać – Stabauer, 2017, 45.) For example, gamifying important HR (Human Resource) systems to create better data of the organization results in faster application completion and with it, quicker processing. This could be done by a progress bar, that each employee fills themselves.

As accomplishments are important, so is challenge as one cannot exist without the other. Challenge is something GIM can truly shine in, as game elements tend to be built around challenges. Intrinsic reinforcement is something we strive to get by doing these challenging tasks. For example, by giving employees challenges in their work through game elements like progress bars and milestones, motivation increases and the engagement to use the process grows. Through GIM, challenges are distributed through the different goals individuals can target and work towards. Furthermore, obtaining rewards creates a sense of accomplishment and reaffirmation that the individuals are skilful in that field of work. For example, by accomplishing a challenge to reach a certain sales merit (like a certain average price on sales in 20 attempts), the individual not only bests the challenge, but also gets rewarded from it. Through this, behaviours can be altered. Thus, GIM creates both the motivation by targeting specific motivational drivers as well as



grows this motivation through gamified processes. (Chou 2016, 5–6; Karać and Stabauer 2017, 45; Mekler et al 2017, 527.)

An important take with GIM is that it needs to remove uncertainty and provide clear guidelines through internal communication veiled in gamified processes. As the most common negative factors were uncontrollability, incoherence, and inability to influence. These factors suit well as the counterpart to the positive factors – the more control and understanding there is, the more engagement is generated. Internal marketing fortifies team spirit through communication and gamification creates narrative elements that guide individuals towards a destination. Together these aspects create transparent guidelines that are able to eliminate uncertainty as well as to alleviate decision paralysis by showing the paths they can take. These positive information agents can also boost positive conflict, transforming uncertainty into innovative thinking and constructive criticism, as individuals start to openly discuss their position. (Harris and Ogbonna 2008, 455–456; Angleslevä 2014, 104.) Thus, the framework seems to be ideal in the department's situation. A positive aspect of the interview results was the general understanding of the work's meaningfulness. Societal responsibilities of insurances are critical for success of many companies and just having the courage to start a business in a high-risk industry requires insurances to be with them in every step of the way. The employees also found their work meaningful because they want to help others and that they know their power to do so.

The lack of transparency within the department is worrying. Action plan is not well known by the employees, and it seems to be purposefully planned by the management. Not only this, but most employees are not agreeing with the action plan in the first place. Without transparency, uncertainty grows. According to De Bruin-Reynolds et al. (2015, 3) Clear roles reduce uncertainty because it makes understanding the chain of command easier. it also shows the employees what the organization is expecting of them and what the potential payoffs are. By reducing uncertainty, the barriers of change presented by Lewis and Varey (2000, 78) will also have a lesser impact within the organization. For a brief example, transparent communications about the rules and regulations will form the foundation on which new can be created. Thus, reducing resistance to change and with it, both inter- and intra-functional conflicts reduce as well as management understand their position better within the organization, lowering the threshold to take responsibility.

Employees cannot see all the ideas the department has nor have they a clear idea about the goals either. This in turn makes it almost impossible to have resonance between the individual's as well as the department's goals, weakening motivation as well as the

effect of internal marketing communication. According to the framework's gamified internal product, motivation is in a key role for GIM to work, as storytelling plays a big part within it. Storytelling's narrative capabilities combined with management's communication methods sell the reasoning behind the employees' assignment and the reason why they matter within the organization. In this context, storytelling is the organization's path towards their vision or the departments path towards its goals. The story also has the employees within it and shows clearly what their purpose in the big picture is. (De Bruin-Reynolds et al 2015, 3; Angeslevä 2014, 104–105.) Thus, management should make the position as clear as possible and win the employees over. Lack of storytelling is also a major culprit of communication processes suboptimal usage, as multiple different opinions are floating around the department's employees. This further emphasizes the need to prioritize misinformation eradication. Through GIM, organization can make a unified message and use gamified processes to direct everyone towards the goal. As the meaning behind the work is their core product to market towards the employees, gamified processes direct the core product, enhancing it in the eyes of the employees through interesting processes and systems. This requires knowledge of the individuals but has vast potential in terms of engagement and motivation, as well as helping employees understand the action plan without hurting the daily activities. (Hamari – Huotari 2016, 22–26; Grönroos 2015, 388.) For example, gamified internal processes within the organization's messaging platforms: What we are going towards, where do we need to be in order to get there, why do you matter, and thank you for helping. Once the people are going towards the correct path, management should create positive encouragement methods to show the individual that they are on the right path.

Because of the reasons above, it is no wonder employees do not feel that they have influence over their work nor that they can be creative in it. Interestingly enough, management wants the employees to be more creative, but according to them, several restrictions will not allow it. However, the creativity is not capitalized effectively and the morale to innovate and suggest new things is eroding due to miscommunication. Another negative matter with the lack of influence, is that the employees are never certain when their suggestions are taken into consideration. In management's point of view, employees often give suggestions that they cannot perform. By marketing and explaining the employees the complete story and what can be done, employees understand the restrictions within their work better. Not only for themselves, but for the entire department. Gamified internal distribution is ideal for this issue, as it focuses on creating connection points and

encourages employees to utilize them. Through it, organizations vision, values and beliefs can be understood more thoroughly, showing employees what can and cannot be done. Effect is increased with game elements such as repetition and short-term goals. (Angeslevä 2014, 105; Looyestyn et al. 2017, 14; De Bruin-Reynolds et al. 2015, 27.) Although, this can be intimidating to do in fear of diminished authority, as the management would show weakness and inability to act, it can be evaded with further explanation and by presenting the reasons why. If there is a logical reason, employees find it easier to understand and will respect the management for their transparent actions.

Department's coordination was found lacklustre by the employees. Although pragmatic, supervisors do not seem to have clear understanding of the day-to-day activities. This can be due to their own hectic schedules, but it creates a sense of distrust within the employees. A problem like this ensures that the department is not working optimally. Thus, communication within the department needs to be improved and the trustworthiness between the employees and the management improved. With GIM, communication within the organization could be improved as well as coordinating the teams more efficiently. For example, by creating rules about interacting with one another and creating game elements like badges and rewards around them, engagement, and effectiveness increases. (Angeslevä 2014, 104–105.) As all teams have different leadership, each supervisors approach could mirror their style. This form of interactive communication would help department's coordination be closely knit between employees and management. With the framework's gamified internal price segment, organization can evaluate their employee wellbeing and factors that affect them. Through this, management can coordinate assignments, approaches and rewards more accordingly to the team member needs. This approach would also work with the management's already existing mindset as facilitators who plan for the future. (Chou 2016, 4; De Bruin-Reynolds et al 2015, 26.)

The reporting within the organization seems to be at a good level, although some members would want it to be more in-depth. This is a good sign that individuals are fascinated about the reporting, as it shows that gamified information distribution has a place within the organization. By giving immediate information through leaderboards, reporting dashboards or weekly meetings, communication as well as general level of knowledge improves. It would also be good for the department to show other metrics as well, such as the entire organization's situation and how their work shows in the big picture. As the need for information is high within the department, the management needs to come up with new ways to deliver it. Another option is to allow employees to proactively track

their performance, which would also benefit GIM. For example, allowing an employee to see how their work performance is helping the organization to reach its goal, the engagement to see that goal reached improves. (Landers et al 2017, 508–510.)

There is a yearning for intangible recompensing within the department, as every single participant felt that it was missing. Both management and employees felt that they rarely get acknowledgments from their work and that it would be remarkable yet absurd to get it now. According to Mudie (2003, 1261–1263), granting employees' recognition from work not only affects their motivation positively, it also reaffirms their own capabilities, increasing their level of commitment towards their work and with it, the organization. This is because of the individual's fulfilment, which emerges from their positive emotions towards their assignment and the success within it. For example, a customer service employee can become more productive at their work if they get positive feedback from a customer or from their supervisor. This is a subject which should have more discussion in the department's management. What further emphasizes this, is that the participants were not even interested in monetary rewards, as they would want to see rewards that are focused around them and around their accomplishments or personalities. For example, a day-off or even just a warm "thank you" or "great work" would be enough for most. These intangible rewards were also discussed within a cumulative manner. As communality is very important in the department, rewards that target the entire team would be great as well. Money was only discussed as a base standard – If the salary is suitable to the work I do, getting monetary reward from an accomplishment is not that meaningful. Recompensing was considered as meaningful sign of valuation, which should be done more. The reasoning behind not doing enough recompensing may come from multiple different angles, such as communication, reward philosophy or lack of resources. GIM shines in intangible rewards, due to it granting positive encouragement when an individual accomplishes something the organization wants. The reward will also create behaviour change which in turn assists organization's goals. This positive encouragement can be anything from grand celebrations to a firm handshake, as long as it fits as a reward for the accomplished task. (Hamari – Huotari 2016, 27–29.) The best way to use this is through a gamification process that targets specific employee segments and actions, with each their own motivating factors, such as movies, family, sports, or other activities. However, this is not possible without good employee profiles, interactive communication, and planning.

Personnel feel that receiving feedback within the department is not in good shape, and all the participants wanted to receive more feedback. Although there were differences in the ways they would want to receive it, this was not the case in the contents of the feedback. Instead of general topics, it should focus on their actions and especially the skills they have perceived themselves and would like to get acknowledged. In GIM, evaluating and segmenting allows management to give targeted feedback through acquired data. As according to Tsai and Wu (2011, 11), tailored processes yield better training results as target's aspirations are understood. This is also an important subject for gamified internal price, which aspires to understand the burdens employees have while working. As organization understand their employees and utilized the segments, better feedback can be given, pleasing everyone and increasing their motivation through the feeling that they are being cared for. (Angeslevä 2014, 104–105; Tsai – Wu 2011, 2–4.) As supervisors do not have the time to give all the feedback employees want, other processes need to be considered, such as the ones presented by GIM. Through empowerment and guidance, development grows in the right direction, which is to allow the employees to improve their performance and reach theirs as well as organization's goals. (Farias 2010, 112.)

Development was considered as an important tool to advance the organization. Employees feel that being able to affect their work is important in order to fix acute problems quickly. However, assignment restrictions and the main objectives of the department harshly limit the alterations. Management feels that employee training is not at an optimal state and should be improved. Coincidentally, that is one of the reasons gamification's potential has been discussed within the company. To boost learning time and by creating more engaging ways to teach them new topics or to hone existing skills. According to Dymek and Zackariasson (2016, 3–5), gamification has all of the characteristics that can create this form of value for the organization. Angeslevä (2014, 52–53) agrees with these characteristics, describing that tokens of gratitude in normal working activities will increase work engagement and with it, productivity. Thus, both research claim that enticing employees through game element-infused processes improve employee productivity while not dramatically altering the work content itself. Granting a fun way to work while maintaining the main focal points within the department, such as answering calls and upselling.

GIM uses gamified processes to also align the employee's goals with the organization's goals through behaviour alteration and transparent communication. This could

prove especially useful since the department wants to teach specific insurance skills for individuals while maintaining good overall knowledge around the department. GIM can be utilized to facilitate the required motivation by communicating clearly with each employee of how they would want to advance their career and what the department needs them to learn. This form of an employer-employee relationship increases loyalty, as they can learn valuable skills for the future and communicate clearly. (Keller et al. 2006, 118; De Bruin-Reynolds et al 2015, 26–27.) Furthermore, this onboarding and teaching should also be good for the management, who can learn about the everyday actions of the employees better— if the management truly sounds like they understand the employees assignment, employees listen and feel that they can completely trust their supervisor’s judgment. This shows especially with supervisors who have been hired outside of the workplace. With the change, employees’ answers about the management’s professionalism and general understanding of the daily activities should change for the better.

## **7.2 Answers to research questions**

Derived from interviews, analysis of the findings and the theoretical literature, research questions formulated for this study are answered as follows. The sub-questions are answered first, leading to the main questions answer which incorporates the other question, as was planned within the first chapter. However, to keep the same questions, numeric order is sustained. Thus, questions 2–5 are answered before question 1:

*2: What is gamification in business?*

According to the research, gamification is a business tool that allows application of game elements into non-gaming work contexts. Simply put, to make something more engaging by creating game-like processes out of them. These processes can be sales or customer service tasks that have game elements like leaderboards, badges, and storytelling to keep the employees engaged, and thus, improve productivity at work. Gamification can also be seen as a way to hook customers to your products via game elements. For example, progress bars to show how thorough an individual has been with their profile info, or points from every purchase. Gamification in business is a vast range of gaming instruments, that can flexibly be adapted into working life. Thus, gamification provides engagement, activity, motivation, and productivity through gamified environments. It can also be used to onboard members to new changes, reducing resistance to change.

*3: Which factors motivate case company’s employees?*

Participants answers about what motivates them were numerous but there were similarities. The most important ones relevant to this research question were feedback, communality, success, and challenge. Goal-orientation and clear communication are important matters in the department. Also, it is important that the work can be influenced in some manner, be controllable and not to be incoherent. Thus, communication is the best way to keep the employees motivated. Now, as communication is a vast concept, especially the pacing of feedback and the tailoring of content was seen as crucial. As the customer centre work is repetitive, hearing how well they are doing it matters - more than what the management currently thinks of it. To put it in one sentence, communication through positive encouragement is the best method to motivate the employees, when the goals have been explained to them beforehand.

*4: Have previous gamification studies seen any improvements in the success of internal marketing?*

Although no previous studies were found about gamification affecting internal marketing, Hamari and Huotari's 2016 study of gamification as a part of service marketing literature was a close counterpart. After all, gamification works well with service marketing's "enhancing service"-part, due to their core transforming properties meant to increase engagement and/or motivation towards the main service. As gamification has been mostly studied towards learning and game development, the amount of business-related studies has been low. This can also be explained that the study found zero studies about "gamified internal marketing" within Google Scholar. However, this study is now producing information about gamification's potential success with internal marketing through connections points.

*5: Which gamification methods can be used to increase internal marketing's efficiency as well as employee's efficiency?*

As internal marketing focuses on aligning organization's and employee's goals, gamification methods target that focus by providing game elements within the environment. As the gamified internal marketing framework shows, gamification elements are directly incorporated into the internal marketing mix, allowing the mix to use game elements as tools to communicate better with the employees. However, these tools can only be used to their fullest extent if the employees are understood. For example, giving someone positive feedback is good, but giving movie tickets to someone who never goes to a cinema shows lack of knowledge. Quick examples of the gamification methods used in internal marketing that affect the employees: In *internal product*, gamification is used to build a

story around the reason behind the employment, making the communication more fluent and easier to understand, as well as to show the employee why their work matters, increasing engagement. In *internal price*, meaning and possessiveness is being incorporated through badges and other accomplishment symbols, reducing the feeling of sacrifice originating from the mental price they pay to work. In *internal promotion* and *internal distribution*, leaderboards, meaningful campaigns as well as positive encouragement is enforced. These in turn create intrinsic desires for stakeholders and in combination with the internal product, create commitment. Understanding the meaning behind the company as well as the reason why the stakeholders are a part of it, campaigns targeted towards meaningful results in higher motivation, which in turn yields engagement and efficiency. Thus, numerous gamification methods can be used to enhance internal marketing and through it, employee efficiency and productivity.

Through these answers, the main research question is answered:

*1: How can gamified internal marketing improve employee efficiency in the workplace?*

According to the information gathered from both concepts and the interview data, gamified internal marketing (GIM) can improve efficiency through several ways. Firstly, GIM can create gamified processes in which communication is formed around a single message. This message is then shown across all of the channels in order to create a narrative. Management's communication skills are crucial in this part, as the message needs to resonate with the employee's goals, aligning them. Gamification will then proceed to guide the employees through this narrative via positive encouragement. This can be done in a form of intangible rewards and instant feedback, depending on the capabilities of the company. For example, having leaderboards and praising within the working environment gives the employees a sense of appreciation as well as friendly competition.

Secondly, GIM motivates individuals to reach the organization's goals through transparency and with game elements, such as personal scoring and badges, increasing productivity. Whilst the first improves organization's communication and allows the employee to see exactly where they are and why, the badges allow them to see how much they have improved themselves in that position they are in. This grants two types of gratification and engagement, both direct and indirect. As an example, an employee in customer service will understand why their position is so important within the organization. They will also see a concrete score of their performance for comparison. If the organization does not have resources to create this form of an infrastructure, GIM's benefits can be obtained

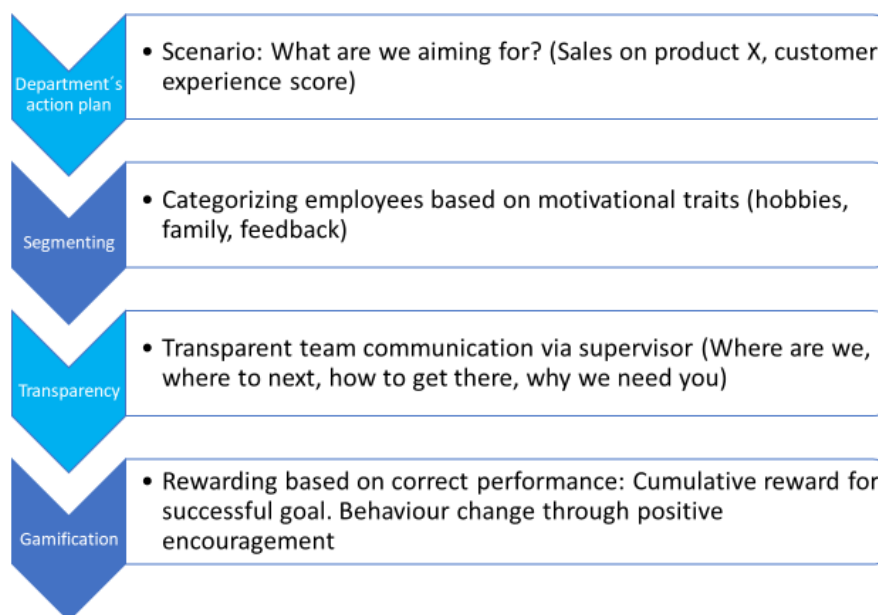


within projects as well through the transparency and goal establishing. Keywords here are communication and transparency.

Thirdly, employee learning processes are improved through GIM. By creating a narrative through the framework, organization presents the employees which skills are necessary and the best ways to learn them. As gamified processes engage the users for longer periods of time, learning skills become easier. As the employees are not working at their assignments during the learning period, company is not gaining anything from them. Thus, the faster they can be effectively taught, the faster they are back at their work with the new skills in play. This new way of onboarding will in turn incentivize organizations to keep teaching their employees. Employees will feel trusted, as they are taught new things within their work environment.

### 7.3 Suggestion for the case company

This subchapter gives a concrete example for the case company's department in order to start GIM within their organization. This example is based on theory and the empirical findings. The example first presents the suggested gamification process and then implements the internal marketing within it. The reason behind this is the company's unfamiliarity with gamification. The gamification process is as follows:



**Figure 5. Gamification proposal**

For the department, a four-phased gamification process is an effective process. This process is required to first solidifying a foundation for future gamification plans, which can be created without investments.

**Phase 1:** Department must come up with a scenario that is based on the organizational strategy and/or department's own action plan. For the sake of simplicity, study has decided that customer experience would be the target and that the experience would need to be increased by ten per cent by the end of year 2021. The management should also come up with a behavioural change that they would want to see in their employees. For example, if individuals are not promoting a certain product or a certain way of categorizing or surveying the customers (such as completing e-mail addresses, checking postal codes etc.), that could be an ideal behavioural change for the company.

**Phase 2:** Management needs to segment the employees based on specific traits, such as what motivates them or how they work. This requires knowledge and takes some time, but it only has to be founded once for it be used later on other projects as well with minor fixes. For example, there could be three different segments based on motivation, such as family, improving yourself and hobbies. These segments are created for the tangible rewards, as intangible rewards should be given to everyone. This was proven by the study, as all the participants felt that intangible feedback is important and necessary.

**Phase 3:** Transparent communication must be done in order to create the gamifying base, which consists of narration (where we are and what we will do), rules (how will we get there and why we need you), repetition and challenge with short- and long-term goals. Within this step, management creates a positive discourse with the employees by talking to them about the reasons behind their employment and their part of the company. This needs to be done in a way that resonates with the employees, and again needs management's knowledge about their team members. If this is done via a department meeting, it will be easier to discuss the same message with everyone, although losing intimacy. This is where internal marketing comes into play – Management needs to understand what drives the employees, what changes would they like to see and how deeply does the understanding go. The people who dislike change and games need to be won over through effective yet simplified communication.

**Phase 4:** Once the discussions have been made, the gamification process will begin – Management needs to think of milestones between the customer experience increases and rewards for either individuals or teams. For example, two per cent increase grants an intangible praise, five per cent grants a tangible reward based on the motivational traits, seven per cent grants another intangible reward and ten per cent grants a cumulative reward with celebration. However, the employees should not now about all of the rewards, only the end reward and one of the milestones. Surprise in a form of a

reward affects individual behaviour positively, granting more of a chance for that specific type of behaviour to flourish. Depending on the management's resources, quick feedback sessions should be done, where employees are being congratulated. However, this requires a good eye, which might be too much to ask on top of their other responsibilities. This part of the gamification can also be done through a software, social media or an employee specifically hired for this type of behavioural optimization position.

**Result:** Department will now have employees who know what they are doing and understand that by reaching certain goals through certain actions, they get rewarded. However, they only know partially about the rewards which creates positive surprises and behavioural change, engagement and increases productivity. Department will also have a foundation for future gamification changes that can be integrated into future development plans as well as software. For example, similar work gamification could be done for innovations and department development through positive encouragement.

## 8 Summary and future research suggestions

This thesis's purpose was to explore internal marketing, gamification, and how gamified internal marketing (GIM) can increase productivity in a working environment. Due to this thesis being made as a commission, it had two purposes, theoretical and functional. Theoretical purpose was to find commonalities between the concepts of internal and gamification in order to create a framework for gamified internal marketing. Functional part of the thesis comes from the case company's request to find ways to reduce employee idle time and find ways how gamification could be used within the company. Due to these background factors, the research questions to be answered was:

*How can gamified internal marketing improve employee efficiency in the workplace?*

Internal marketing was studied through the findings of numerous researchers. Thesis concluded that internal marketing is complex and is heavily dependable on its environment, management, as well as it being riddled with different insights. However, the dominant mindset of the researchers was that internal marketing suggests organizations to treat their employees as internal customers and use similar advertisement and communication ways with them as they with their external customers. Thus, organization's and employee's goals aligns with proper communication and transparency. As such, communication is in a critical role. Research findings show, that without organization-wide communication, internal marketing cannot function. This is especially important with management and how they handle supervisor-employee communication. Another important factor with internal marketing comes from challenges. As many organizations consider internal marketing to be a synonym for leadership, it easily gets undermined. Resistance to change and conflicts within the organization can also deteriorate internal marketing's potential. Thus, there needs to be an internal marketing strategy that reflects the organization's strategy, aiming to make sure everyone understands the reason behind the company's existence, and why they have been chosen as a part of the company.

Gamification is a more recent concept and as its origins from game development, has not yet been thoroughly studied within business. However, gamification has already multiple different definitions. Researchers are mostly agreeing that gamification is a process, in which game elements are applied into non-gaming context to increase engagement, motivation, and to alter employee behaviour. Thus, it creates additional value to the processes it and can be flexibly used in various topics, such as sales, customer service, learning, and communication. Gamification enhances core concepts and because of it, is

considered a part of service marketing. Such enhancing services can be creating the narrative, setting up rules, and create positive encouragement through feedback and reward structures. Gamification uses motivation as fuel, and thus, requires management to coordinate and inspire employees to do the processes. However, once individuals start to utilize processes, engagement towards them increases as the individuals get invested and “hooked” to the processes. Management must also understand that not everyone is interested in game elements and have to tailor processes towards the segments. Without planning, gamification is unable to work. Gamification process must be done by first aligning it with the goal, assess employees and their motivations, and then create the gamified process. As an example, if the company has a team that is interested in hockey, management can incentivize the team by awarding it with intangible rewards, which ultimately result in a tangible hockey-oriented reward. Of course, in order for this to work, the team must have had clear communication about the potential reward as well as communication during the middle of the path accomplishments, such as praising for better sales. Gamification is not about giving individuals prizes for doing their work, but for ascending beyond that, whether it is changing their behaviour better suited for the organization or increase their metrics.

The gamified internal marketing framework was created in order to present the commonalities between the two concepts as well as to show how they would work together to facilitate productivity and improve customer experience. From within the GIM framework, it was proven that traditional marketing mix could be gamified and transform into a gamified internal marketing mix by applying game elements into each of the four main parts of the mix, internal product, price, promotion and distribution. It was also described how GIM improves internal customers productivity through an increased sense of motivation and engagement. Furthermore, GIM affected both external customers as well as the organization’s strategy. However, researcher wanted to join into the academic conversation of gamification as well as internal marketing by presenting a framework that combines both concepts and does not specifically focus on the case company’s industry.

The empirical study was done as a case-study. Semi-structured interviews were conducted with the participants from the case company. The themes of the interview were *applicability to interactive work environment, motivation, department’s action plan, feedback and recompensing* and *individual’s capabilities to modify their work*. These themes were chosen to understand the current situation of the company as well as to learn what excites and motivates the employees in order to create gamification processes best suited

towards them. As a qualitative interview, participants were able to speak freely and give deep insight about the situation. The interviews were anonymous in order to maintain the sense of freedom in the answers. The interviews were then transcribed and analysed separately. The results were presented theme by theme in order to show the possible conflicts between management and employee answers as well as to show how the theoretical framework contrasted with the empirical analysis. Through this procedure, study can provide concrete results of the company's situation as well as present evidence towards gamification's application within the company. Lastly, research questions were answered as well as a concrete gamification suggestion was presented. If done correctly, gamified internal marketing can thrive within the organization. The trustworthiness of the study is considered sound, as there are no systematic flaws within it. As a whole, the study provides knowledge in an academic fashion and the results provide value towards the case company as well as to the academic discussion.

For future research, the study suggests a deeper research towards gamification's potential in business, as there are still numerous blanks within it. This study was meant to provide a foothold for gamification in internal marketing, that could be researched further as well. As internal marketing and gamification have multiple connection points, this also means potential research gaps. For example, external marketing as well as certain types of motivational aspects could be interesting to study and see how well they can be combined.

Another point of departure for research would be to determine a particular game element's usefulness in GIM, as this research discussed the game elements in a general way. The framework within the study is also focusing on a traditional marketing mix, which gives plenty of room to other researchers to do their studies with other models. As a theoretical research suggestion, the differences between intrinsic motivation and extrinsic motivation would be an interesting topic. For example, how extrinsic motivational gamification factors influence intrinsic motivational factors.

Another limitation of this study was that the sampling was done with only nine people and not done for just a single segment. Therefore, a study focusing solely on one group could yield interesting results. Lastly, as evidence from the literature, a deeper meta-analysis about gamification's position in business should be researched. The findings of this study suggested that transparency is crucial, but it does not go into other factors that affect transparency's effectiveness, such as scepticism's ability to affect perception. Thus, an investigation of methods towards transparency is suggested.

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## APPENDICES

### Appendix 1. Interview questionnaire for the employees (in Finnish)

#### Yleiset

1. Nimesi?
2. Harrastatko jotain, mitä?
3. Millaisista peleistä pidät?
4. Mikä on työtehtäväsi ja mitkä ovat vahvuuksiasi siinä?
5. Kuinka kauan olet työskennellyt yrityksessä?
6. Koetko työsi merkityksellisenä, miksi?

#### Motivaatio

7. Kuinka motivoitunut olet nyt työhösi?
8. Mitkä asiat vaikuttavat positiivisesti työmotivaatioosi?
9. Mitkä asiat vaikuttavat negatiivisesti työmotivaatioosi?
10. Miten haluaisit, että sinua motivoitaisiin?
11. Mitkä asiat saavat sinut innostumaan?

#### Osaston tavoitesuunnitelman tuntemus

12. Tunnetko osaston toimintasuunnitelman?
13. Sopiiko osaston toimintasuunnitelma mielestäsi omiin sisäisiin tavoitteisiisi?
14. Kuinka toimintaa ohjataan osastollasi?
15. Miten toiminnan tuloksia raportoidaan?

#### Palaute/palkitseminen

16. Miten haluaisit saada palautetta työstäsi?
17. Onko palkitsemisella merkitystä sinulle?
18. Mikä on paras tapa palkita sinua?
19. Onko sinulla negatiivisia kokemuksia palautteeseen kohdistuen?

#### Muu

20. Millä tavalla olet mukana osaston kehityksessä? Koetko pystyväsi vaikuttamaan niin paljon kuin haluaisit?
21. Onko mielestäsi oman työsi muokkaamisella merkitystä koko osaston toimintaan?
22. Haluatko tuoda esille jotain muuta aiheisiin kohdistuvaa?

## **Appendix 2. Interview questionnaire for the management (In Finnish)**

### **Yleiset**

1. Nimesi?
2. Harrastatko jotain, mitä?
3. Millaisista peleistä pidät?
4. Mikä on työtehtäväsi ja mitkä ovat vahvuuksiasi siinä?
5. Kuinka kauan olet työskennellyt yrityksessä?
6. Koetko työsi merkityksellisenä, miksi?

### **Motivaatio**

7. Kuinka motivoitunut olet nyt työhösi?
8. Mitkä asiat vaikuttavat positiivisesti työmotivaatioosi?
9. Mitkä asiat vaikuttavat negatiivisesti työmotivaatioosi?
10. Miten haluaisit, että sinua motivoitaisiin?
11. Mitkä asiat saavat sinut innostumaan?

### **Osaston tavoitesuunnitelman tuntemus**

12. Tunnetko osaston toimintasuunnitelman?
13. Sopiiko osaston toimintasuunnitelma mielestäsi omiin sisäisiin tavoitteisiisi?
14. Kuinka toimintaa ohjataan osastollasi?
15. Miten toiminnan tuloksia raportoidaan?

### **Palaute/palkitseminen**

16. Miten haluaisit saada palautetta työstäsi?
17. Onko palkitsemisella merkitystä sinulle?
18. Mikä on paras tapa palkita sinua?
19. Onko sinulla negatiivisia kokemuksia palautteeseen kohdistuen?

### **Muu**

20. Esimiesrooli osastolla yleisesti ja erityisesti johtamisessa?
21. Tunnetko tiimisi jäsenet hyvin?
22. Ovatko työntekijät saaneet muokata tai muuten kehittää omaa työtään osastolla?  
Miten?
23. Saatko kehitysehdotuksia työntekijöiltä?
24. Osaston asiantuntijatehtävien organisoinnin mahdolliset kehittämistarpeet?