1-1-2016

Internal marketing - a pretence

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ISBSS-6989
Internal Marketing – A Pretence

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Abstract
Internal Marketing has yet to be fully conceptualized and is still in its nascent stages. Based on the extensive research done in the field and related fields, a potential framework and measurement scale is proposed which might be used by practitioners and researchers alike. As such the concept of internal marketing has been revisited in the light of current research and a descriptive conceptualization of the field is provided, in the hope that it will help practitioners better accept the field and practice it.

Keywords— Internal Marketing, Internal Market Orientation, Marketing Strategy, Quality Orientation, Measurement Scale.

I.   Introduation
INTERNAL MARKETING, a concept that has attracted a lot of interest, yet still remains elusive in many ways. Despite over 3 decades of literature, Internal Marketing still remains in a state of ambiguity with its definition and scope yet to be defined [16]. In spite the fact that the concept originated from services marketing literature, it has implications for non-service firms as well [24]. The focus of internal marketing is on the relationship between the employee and the organization. It is evident the purpose of any organization is to generate profits and to be answerable to its stakeholders. In that regards, a firm's employees are also its stakeholders and hence their satisfaction is also becomes an objective of the firm. But it has to be understood that employees are stakeholders but are also the ambassadors and the creators of the firm, in that they generate the firm's value proposition and represent the firm. So in order for a firm to deliver its value proposition effectively it is essential that its employees remain satisfied [11].

The concept of Internal Marketing, the employer being the firm becomes both the producer and the consumer [19]. The firm's internal market is very much different from its external market, but has to be treated with no little importance. Despite the fact that internal customers have little choice as compared to external customers, their satisfaction is of utmost importance, especially to gain competitive advantage, much needed in today's highly competitive

environment [1]. In spite of its importance practitioners have been hesitant to implement Internal Marketing Strategies. This could be because of the lack of acceptable definition and also perhaps that a comprehensive model for implementation has yet to be developed [1]. The importance of customer contact employees has been seen in Marketing, HRM, and Total Quality Management literature. In addition to that HRM and Marketing has also looked at that the impact of management style on employee performance. In that regard Internal Marketing has implications in not just marketing but other disciplines as well. Though there has been recent recognition by practitioners of the importance of employees in building external customer loyalty there still remains a gap that has to bridged [14]. HRM literature has shown the inevitable and irreplaceable role of human resources and hence it becomes quintessential for firms to address policies and practices that not just develop these resources but make sure of retaining them. Such practices have been termed Internal Marketing Practices.IM practices and their effectiveness have been known to impact the performance of the firm.

Despite the importance of Internal Marketing and the extensive research, there has been a lot speculation on the topic [14]. While some researchers have contended that Internal Marketing is a synonym for HRM [6], others have argued on the definition of the concept itself. Thus it becomes imperative to explore a conceivable definition and the possible elements of Internal Marketing, eventually developing a framework [2], [14].

II. Literature review

A. Internal Marketing Objectives

Internal Marketing has been said to have the following objectives [1], [22]: 1. Increase Organization Citizenship Behaviour (OCB). 2. Increasing employee commitment with the organizations. 3. Increasing employee involvement with the organizations. 4.   Increase employee motivation. 5. Increased job satisfaction.

B. Internal Marketing Definition

Internal Marketing has been known to be the consideration of the employees as the "internal customers". The core of this construct has been that the satisfaction of the internal customers will lead to the better satisfaction and increased loyalty of the external customers. Thus internal marketing came to be known as a bridge of sorts between the organization and its customers [10]. Despite the multiple interpretations of the concept there has yet to be acceptable version, and thus there exists ambiguity on what entails internal marketing [23], [17], [8], [12]. So far the most cited definition has been "Internal Marketing is a planned effort using a marketing like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer oriented employees [20]"

C.   Internal Marketing Development

Internal Marketing as stated earlier has had many interpretations since it was conceived in the 1970's. Literature has classified its development into 3 important stages [20]. The first stage is termed "Employee Motivation and Satisfaction", the core notion of this stage was to have satisfied employees [4], [7]. The second stage is termed "Customer Orientation", the core notion of this stage was to have customer oriented employees [10], [21]. The third stage is termed "Strategy Implementation and Change Management", the core notion of this stage was to integrate employees towards the corporate strategies [26], [23]

III. Internal Marketing-The New Direction

The current terminology "Internal Marketing" is found to be misleading, as it leads to the notion it is the application of marketing inside the firm, when it is much more than that. In addition to that as stated earlier internal marketing is a concept that has implications not just in marketing, but TQM, HRM, Change Management and Organizational Behavior as well [24]. In that regard, the current terminology " Internal Marketing", which points the concept being that of marketing, is wrong, as it as an umbrella that encapsulates multiple aspects of various disciplines.

Apart from the terminology the current notion of viewing internal marketing as a strategy is not quite the right thing. Hence it is proposed that the concept be called "corporate fusion" instead of internal marketing. In addition to that, it is proposed that corporate fusion is a philosophy not a strategy. Thus the newly proposed corporate fusion philosophy is defined as the medium to unite the organization towards a common goal by not just order in policy but through bringing about the faith in the organization among employees, thus reducing the resistance to change by increasing inter-functionality.

Corporate Fusion philosophy is to be practiced throughout the organization and not just focused at a particular point in the organization. The philosophy must have its roots in the organization's vision and end at the external customer. Its notion is to unite the firm's departments and employees to implement and fulfill the vision of the firm to satisfy the customer, by satisfying the employees and making sure all the firm's departments come together to   create the value proposition.

a.   Corporate Fusion Orientation

The implementation of Internal Marketing has been seen to be in view of Internal Market Orientation (IMO). It has been show that the adoption of IMO leads to better Internal Marketing Practices [7], [16]. A firm must have a balance of proper internal and external focus that is internal and external orientation to have the optimal marketing strategy. IMO has been stated to be compose of three dimensions that also comprise the IM Mix, namely 1.Internal

Intelligence Generation, 2. Internal Communication, and 3. Response [15]. These pillars are found to capture only the core of the concept and not the entirety of it. There are other facets which have to be addressed as well for the concept to be fully captured. Leadership has been found to be one of the most important factors of a firm's success and the success of IM practices as well [5], [18], [25]. Leadership has profound effect on all the facets of an organization not just the individual. Hence it made it evident that Leadership be incorporated as a dimension. In addition to leadership is the concept of Organizational Citizenship Behavior (OCB), which has also been found to have a unique effect on the IM practices [14], [17]. Thus in addition the existing three dimensions, must be considered the two new dimensions of leadership and OCB as well to completely realize corporate fusion philosophy.

b.   Corporate Fusion – Operationalization

As stated the corporate fusion philosophy has 5 dimensions namely 1.Internal Intelligence Generation, 2. Internal Communication, 3. Response, 4. Leadership, and 5. OCB. Internal Intelligence Generation dimension entails the identification of the factors influencing employee satisfaction and other regulatory factors. It composes of 4 sub dimensions namely 1. Identifying Exchanges of Value, 2. External Employee Market Conditions, 3. Segment Internal Market, and 4. Strategies for each segment. The Internal Communication dimension entails the dissemination of information throughout the organization to ensure best IM practices. It is composed of 2 sub dimensions namely 1. Communication between managers and employees and 2. Communication between managers. The dimension of Response entails the firm's actions towards the intelligence generated to ensure that IMO is at optimal level. It composes of 7 dimensions namely 1. Job Design, 2. Remuneration, 3. Management Consideration, 4. Training, 5. Staffing, 6. Employee Empowerment and 7. Physical Environment. The dimension of leadership entails the leader's ability and guidance. It composes of 8 dimensions namely 1. Organizational Identification, 2. Leadership Style, 3. Belief in the leader, 4. Solicitude, 5. Innovation Orientation, 6. Vision, 7. Charisma and 8. Inter-functionality. The dimension of OCB entails the employee's willingness to go beyond job rules for the organizational betterment. It composes of 5 dimensions namely 1. Sportsmanship, 2. Civic Virtue, 3. Courtesy, 4. Conscientiousness, and 5. Altruism.

IV. Conclusion and Future Research

Internal Marketing has gained the attention of researchers for over 3 decades but yet has remained in a state of disarray and ambiguity. There have been several arguments over its definition and scope. It has been found that not just the definition, the terminology has been misleading as well. Hence not just a new terminology but a new definition as well has been proposed. Along with that a measurement scale has been proposed. Future researchers must test this model using qualitative and quantitative methods.

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