# The Influence of Internal Marketing on Employee-Based Brand Equity: A Case of Hotel Industry

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#### **Abstract**

The purpose of the study is to investigate the influence of internal marketing (IM) practices on employee-based brand equity (EBBE) in hotel industry. According to the categorization of Jammu and Kashmir Tourism Development Corporation, all the A-Category hotels in Jammu city were selected to participate in this study. A questionnaire derived from the literature review was completed by 173 employees working in A-category hotels in Jammu, India. Correlation analysis is applied to assess the relationship between the variables and followed by regression analysis to find out the impact of independent variables (IM) on the dependent variable (EBBE). Results of the statistical analysis showed that internal marketing practices have greater influence on building employee-based brand equity in A-category hotels within Jammu city. Study will address the influence of IM as an antecedent of EBBE in hotels. Hence, it makes a contribution for both scholars and practitioners alike since study will derive a comprehensive study of practice of marketing internally so as to build higher EBBE.

**Keywords:** Internal marketing, Employee-based brand equity, Employees, Hotel industry.

#### Introduction

Today service organizations are acting in globally deregulated, technologically enhanced and competitive business environments. This Competitive intensity impels service organizations strive for competitive advantage. Especially hotel industry is facing a stiff competition. Due to increasing competition among hotels, they need to be more consumer-oriented and hence need to differentiate and customize their products. It is only the employees of the organization who have capacity to differentiate their services as they have a direct interaction with customers. Moreover because of the intangible and interactive nature of services, customers over and over again rely on the deeds of employees for judging the quality of a service. So, employees are critical fundamentals of service industry. To deliver better services to their customers, hotel firms must need to understand and satisfy their internal customer i.e. their employees. In this regard, internal marketing is a concept that should be considered by service organizations. Internal marketing is a significant activity in developing customer oriented employees in the organization .Berry, Hensel and Burke (1976), first defined internal marketing as to consider "employee as internal customer and job as product". It means the

success of hotel firms to some extent depends upon its employees, as it often provide the primary points of differentiation between various competitors. Another most important asset for every hotel business is the brand name and strong brand image. If handled appropriately, branding will adds to the food-service firms a competitive advantage. And it is the employees of an organization who built and maintains the brand equity of the hotel. "Brand equity is a multi-dimensional concept" (De Chernatony and McDonald, 1998) and can be considered from a number of different perspectives, including financial markets, the consumer, the firm, the employees and the channel of communication (Kim et al., 2003, Vazquez et al., 2002; Supornpraditchai et al., 2007). Employee-based brand equity (EBBE) is an important dimension of brand equity which focuses on the employees' perception toward the organization brand. So, employees in service organizations must be trained, motivated and satisfied to build a positive perception and this can be achieved with the help of internal marketing which will lead to greater employee based brand equity. Building up of a strong employee brand equity will provides a number of possible benefits to hotels like building up of strong customer brand equity, increase in customer loyalty, higher profits and more brand-extension opportunities. As no study decisively deals with brand equity measured from the employee perspective within hotel industry. Present paper intend to companies consider their employees ,how can they generate employee-based brand equity with the implementation of internal marketing practices within their hotels .This paper focuses on developing a better understanding of the role played by internal marketing in building employee-based brand equity.

As per the review of literature the majority of the work on internal marketing focused on the issues such as employee motivation and their satisfaction (Azizi et al., 2012 and Byju K.P.M, 2013). Internal marketing is considered as an important element for service organizations. Frook (2001) in his study posited that internal marketing is a significant element for transferring brand promise and integrating it as a component of the organizational culture. Internal marketing would also act as an influential variable on employee-based brand equity, it will helps in developing organisational workforce committed to the instituted goals and values of the organization (Azizi et al., 2012). According to the different studies on EBBE (e.g., Ambler, 2003; Punjaisri & Wilson, 2007; Burmann et al., 2009; King & Grace, 2010) in recent times it is becoming an rising field in brand equity. The primary drivers for hospitality firm's success, is a increasing prominence on building and managing brand equity (Kim &Kim,2004). According to King and Grace (2009), EEBE serve as a basis to build CBBE. In spite of the growing interest of researchers in EEBE, literature on EEBE is still limited and very few have paid attention on this

concept. Literature review reveals that researches have not so far studied both the concepts together, for that reason present is a need for further research. Furthermore, we did not find any direct studies related to the influence of internal marketing on employee-based brand equity in the hotel industry in India. So, this study will focus on investigating the influence of internal marketing practices on employee based brand equity through empirical study.

#### Literature Review

#### Internal Marketing (IM)

Berry (1981, p.272) defined internal marketing as "viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization". Internal marketing concept viewed "employees as customers", same as like external customers, internal customers needs have to be satisfied (Berry, 1981). Caruana and Calleya (1998) stated that internal marketing addresses all aims of the organization, while satisfying desires and needs of the internal customers. In other words, it is the philosophy of treating the employees as a customer. In the study of Berry and Parasuraman (1991, p.151) stated that "internal marketing is the philosophy of treating employees as customer and it is the strategy of shaping jobproducts to fit human needs". Gronroos (1981) addressed that harmonious relationship can be built between employees and customer by having motivated and customer-oriented employees. Gronroos (1985) advocated customer-consciousness, market orientation and salesmindedness employees can be developed by a marketinglike internal approach and by applying marketing-like activities internally". It is an approach in which employees of the organization are motivated by satisfying their work related needs (Dennis, 1995). Narver and Slater (1990) mentioned that internal marketing will develop a culture in an organization to deliver superior services to customers. In addition to this Gronroos (1981) and Gummesson (1991) stated that majority of researchers is of the opinion that internal marketing practices encourage workers to display positive behavior when they are interacting with customers. Woodruffe (1995) defined internal marketing as "treating both employees and customers with equal importance through proactive programs in order to achieve the objectives of the organization". Moreover, Rafiq and Ahmed (2000) define IM as "a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and interfunctionally 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-orientated employees". The concept of internal marketing evolved from the idea that employees constitute an internal market

within the organization, which needs to be informed, educated, trained, rewarded and motivated to meet external customers' needs and expectations (Varey & Lewis, 2000). Zeithaml and Bitner (2000) cite internal marketing as the mechanism for enabling the delivery of promises that are made via external marketing. Employees must have the skills, abilities, tools and motivation in order to deliver services. Promises can easily be made, but unless the employees are not appropriately rewarded—otherwise external promises may not be kept. According to Frook (2001), internal marketing practices transfer brand promise to the employees and it is also important for brand orientation because it attempts to develop a motivated workforce to achieve organizational objectives.

## **Employee-Based Brand Equity (EBBE)**

According to Aaker (1991) and Keller (1993), domain of brand equity has gained higher importance in business market as well as in academic field with two main perspectives: employee-based brand equity (EBBE; often referred as internal brand equity) and consumer-based brand equity (CBBE). According to researches of Ambler (2003), Burmann et al.(2009), King & Grace (2010), Punjaisri & Wilson (2007) EBBE is recently becoming an emerging field of brand equity. According to King and Grace (2009), EEBE serves as a foundation to build CBBE. They stated that employees, who are aware of and sincerely endorse organization's objectives, deliver better services to their end customers. They introduced three dimensions of employeebased brand equity (i.e. Internal brand management, Employee brand knowledge effects and Employee based brand equity benefits. King and Grace (2009, 2010) articulate that since employees are the representatives of the organization, who deliver brand promise to customers therefore, brand equity should be measured from the employee perspective. It is concluded from the above studies that for building consumer-based based equity there is a need to generate employee-based brand equity.

The concept of employee-based brand equity is defined as the value that a brand provides to a firm through its effects on the attitudes and behaviors of its employees and outlines some of its implications for marketing, management and economics. (Tavassoli, N.T., Sorescu, A., and Chandy, R., 2014). Employee-based brand equity (EBBE) is another dimension of brand equity which focuses on the employees' perception toward the organization brand. EBBE reflects "uniqueness of company brand associations, brand consistency, brand creditability and brand clarity" (Supornpraditchai et al., 2007, p. 1728). King and Grace (2009) have used the term employee-based brand equity to note that brand knowledge can affect employee behavior. King and Grace (2009) measured EBBE through three dimensions i.e. Internal Brand Management Practices, Brand Knowledge Effects and Internal Brand Management

Benefits. These three dimensions are further studied through their sub dimensions i.e. Management Openness, Information Generation, Knowledge Dissemination, The 'H' factor, Role Clarity, Brand Commitment, Brand Citizenship Behavior, Employee Satisfaction, Intention to stay, Positive employee word of mouth.

## Internal Marketing and Employee-Based Brand Equity

According to Aaker (1991) and Keller (1993), employeebased brand equity is often referred as internal brand equity. Study of Azizi, Ghytasivand and Fakharmanesh (2012) indicated that internal marketing has direct and positive impact on internal brand equity. Study augmented that internal marketing act as an antecedent to employee-based brand equity (i.e. internal brand equity). Further, study of Ahmad and Khan (2014) in banking sector attempts to explore impact of influential factors like internal marketing on internal brand equity and based on the findings of this research it is observed that internal marketing practices produce a positive impact on internal brand equity. Internal marketing can be regarded as an approach in which employees of the organization are motivated by satisfying their work related needs (Dennis, 1995) and if they are satisfied will lead to greater employee-based brand equity.

## Research Methodology

#### **Research Objectives**

- To investigate the relationship between internal marketing on the employee-based brand equity in hotel industry.
- To investigate the influence of internal marketing on the employee-based brand equity of A- category hotels within Jammu city.

#### Hypothesis of the Study

H1: There exists a positive relationship between internal marketing practices and employee- based brand equity in hotels.

H2: Internal marketing practices have a positive influence on building employee-based brand equity in hotels.

## **Research Population and Sample**

According to the Jammu and Kashmir Tourism Development Corporation, Regional office: Jammu, the hotels in Jammu is categorized into three major categories: Category-A, Category-B and Category -C. There are 7 hotels under Category-A and all the hotels (i.e. Hotel Asia, Hotel Jammu Ashok, Hotel Hari Niwas Palace, K.C. Hotels Pvt. Ltd., Hotel Jhelum Resorts, Muskan Hotel Pvt. Ltd and Hotel Fortune in Riviera) were selected to participate in this study. Total population is 533 and sample size was calculated by using the Krejcie and Morgan formula which came out to be 226. The Participating hotels were given

assurance of confidentiality. Convenient sampling technique is used to collect the data. Employees of front office, food and beverage, housekeeping, human resource, accounts, stores and engineering and maintenance departments were included in the sample. The selected employees were fully employed rather than on a contractual basis. The human resource departments/staff were asked to deliver the questionnaires to their employees. Respondents were asked to complete the questionnaires in a self-reported manner.

## **Questionnaire Design**

Based on the review of previous studies, the structured questionnaire was used to gather the data. The questionnaire is divided into two sections. Section: A contains demographic information of respondents and Section: B is further divided into two parts containing the item: Internal Marketing practices and Employee based brand equity.

#### Variable Measurement

Internal Marketing practices were measured using 8-item scale. Out of that 2-items of training were taken from Gounaris, (2008) study on hotels, 2-items of communication and 2-items of employee motivation from study of Akroush et al (2013) on restaurants and 2-items of working environment were taken from the study of ELSamen1 & Alshurideh (2012) and they were modified accordingly according to the scope of the study. Employee based brand equity is measured through 18- items extracted from scale developed by King & Grace (2010) which was empirically tested in service sector. Respondents were asked to rate their opinions on a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree.

## Method of Analysis

For statistical analysis of the collected data Statistical Package for Social Sciences (SPSS) version 16.0 is used. The statistical tools used for analysis of data are reliability analysis to check the reliability of measurement items, Cronbach's alpha is calculated. Correlation analysis to assess the relationship between the variables and followed by regression analysis to find out the impact of independent variables on the dependent variable.

#### **Instrument Reliability**

Internal reliabilities of expected factors were performed in the form of Cronbach's alpha coefficient (see Table 1 and 2). Cronbach's alpha provide a measure of the internal consistency of a test or scale; it is expressed as a number between 0 and 1 (Cronbach, 1951). For the purpose of this study a cut off value adopted was 0.7 (Hair et al., 2008) lower limit of acceptability and the acceptable benchmark value of item-to-total correlation and squared multiple correlation was set above 0.3 (Hair et al., 2008).

## **Limitations and Scope**

This study is considered as the first attempt to investigate the relationship between Internal Marketing Practices and Employee-Based Brand Equity in hotel industry. As, the hotels are classified into three categories .The data were collected from only A-category hotels in Jammu city only. Therefore, researches are needed to include B and C category for further confirmation of the results. Since, convenient sampling technique has been used it could lead to occurrence of constraints on the generalizability of the empirical results. The study was conducted in Jammu city, and analysis of the hypotheses was based on a data set of 173 samples. Therefore, more researches could be conducted in considering whole J&K state and other countries or continents to uncover any similarities and differences with larger set of samples. Due to the point-in-time nature of this study which could not assess variations in results, further research is needed to be performed in longitudinal investigations. Future research should be conducted in different industries for supplementary authentication. A comparative study of IM practices in private and public hotels can also be done.

## Data Analysis, Research Findings and Discussion

#### **Sample Characteristics**

A total of 226 questionnaires were distributed among the employees of selected hotels and 173 questionnaires were returned. As 53 questionnaires were incomplete therefore were not included in the study representing a response rate of 76.54 percent (173/226).

As shown in Table 3, 81 per cent (140) of respondents were males, and 19 per cent (33) of respondents were females. According to the age, the largest percentage of respondents was between 20-30 years (47 per cent), and the lowest percentage (5 per cent) was those who are more than 50 years of age.66 per cent (115) of the respondents were married and rest 34 per cent(58) were unmarried. Most respondents were those who have a higher secondary qualification (48 per cent), whereas the lowest percentage of respondents was those who have undergone professional course (3 per cent). The largest per cent of respondents was those of income less than 20,000(59 per cent), whereas the lowest percent of respondents was of income greater than 50,000 (2 per cent). Maximum respondents (28 per cent) were from food and beverage department and minimum were from stores department (4 per cent).

## **Descriptive statistics**

Table 4 reports the overall mean and standard deviation among research variable. The overall mean of Employee-based brand equity is higher (3.7604) than that of internal marketing mean (3.6373). The individual item wise mean and standard deviation is reported in table 5 and 6.

## **Correlation Analysis**

The Pearson correlation (denoted by r) is applied between Internal Marketing and Employee-Based Brand Equity to find out the degree of association between the two variables. The correlation value could range between -1.0 and +1.0. It is clear from results of Table 7 that a high correlation exist between Internal Marketing and Employee-Based Brand Equity (r = .830, n = 173, p = 0.01). So, the hypothesis (H1) of the study is accepted.

## **Regression Analysis**

The regression analysis was applied between independent variable (M) and dependent variable (EBBE)R.value represents the simple correlation between IM and EBBE and is 830 which indicates high degree of correlation.

R2 value in the table 8 indicates how much of the total variation in the dependent variable EBBE can be explained by independent variable, IM. R squared value always ranges between 0 and 100%Higher the value of R squared, the better the model fits your data In this case 68 9 % (689) can be explained which is very large. The regression analysis result depicts that IM Practices has a significant positive influence (689) on EBBE (see Table 8) Based on the findings it is suggested that internal marketing is essential for enhancing employee based brand equity and create influential effects on employee based brand equity in hotels.

So the hypothesis H2 of the study is accepted.

## **Conclusion and Managerial Implication**

The main purpose of this study was to investigate the influence of internal marketing practices on employee - based brand equity. This study also provides new insight in hotel 's internal marketing practices and employee based brand equity. To the best of our knowledge none of these studies so far has been investigated in the hotel industry.

The overall mean value of EBBE found to be more as compared to IM . Furthermore , the results of this study indicates that there is a positive correlation between the variables f = 830 p 0 01 ) Moreover results also depicts significant positive impact of IM on EBBE R squared =689 p 0 01 ) The previous studies Azizi et al .2012 ; Ahmad and Khan 2014 also supported the above findings. This implies IM has emerged out as an important antecedent for employee based brand equity with in hotels. Any variation in the IM directly affects EBBE .IM practices highly influences EBBE because a service provider organization remains in competition only if its employees are fully satisfied If they are satisfied they will build high EBBE This indicates that with increasing IM orientation of organization employee 's equity towards organization will increase .As a result ,this will lead to more satisfaction of employees with their jobs and this in turn can improve the performance of employees toward fulfilling customers ' expectations. So managers can employ internal marketing practices within their hotels , which will increase their employee equity and will also helps to solve problems concerned with goals attainment i.e. promoting their hotel brands and image through employees. All the practices of IM will help in the creation and development of strong EBBE .Hence ,the study suggests the hotels to exercise practices of IM effectively in their working environment, which ultimately helps to achieve high employee based brand equity and will create competitive advantage for hotels .Hotel chains could concentrate more on these to attract and satisfy their employees in a better way. There is no research investigating this relationship in hotel industry. Thus ,we can conclude that organizations could anchorage their brand in employees mind set through the implementation of internal marketing practices throughout the organization. This research contributes in existing literature by introducing internal marketing practices as an influential factor on employee based brand equity.

**Table 1: Internal Consistency of Final Revised Structure** 

| Items   | Item-total correlation | Squared<br>Multiple<br>Correlation | Cronbach's alpha value |
|---|------------------------|------------------------------------|------------------------|
| Internal Marketing  |                        |                                    | .929                   |
| <b>IM1.</b> In my hotel t raining is closely related to the individual needs of each employee.                    | .812                   | .688                               |                        |
| IM2.Before the implementation of a major change in service rules we always get significant training regarding it. | .811                   | .699                               |                        |
| IM3.Our internal communication is<br>the key which provides<br>information from management to all<br>staff        | .818                   | .674                               |                        |

| IM4.Our internal communications is in line with hotel's external communications.    | .787 | .634 |  |
|---|------|------|--|
| <b>IM5</b> .Our hotel applies the system of incentives and benefits for staff.      | .747 | .632 |  |
| IM6.Our hotel follows a system of salary commensurate (matching) with the job.      | .748 | .583 |  |
| <b>IM7.</b> At work, my hotel provides an independent and healthy work environment. | .727 | .572 |  |
| <b>IM8</b> .I can handle tasks at work with my own judgment.                        | .623 | .453 |  |

| Table 2: Internal Consistency of Final Revised Structure   |                        |                                    |                              |  |
|--|------------------------|------------------------------------|------------------------------|--|
| Items  | Item-total correlation | Squared<br>Multiple<br>Correlation | Cronbach's<br>Alpha<br>Value |  |
| Employee Based Brand Equity  |                        |                                    | .931                         |  |
| <b>EBBE1.</b> My hotel gathers information from employee feedback.   | .757                   | .705                               |                              |  |
| <b>EBBE2</b> .My hotel uses data gathered from employees to improve their jobs and to develop strategy.                        | .737                   | .585                               |                              |  |
| <b>EBBE3</b> .My hotel communicates its brand promise well to its employees.   | .777                   | .729                               |                              |  |
| <b>EBBE4</b> .Skill and knowledge development of employee s happens as an ongoing process in my hotel.                         | .734                   | .632                               |                              |  |
| <b>EBBE5</b> . I feel that I am a respected and valued member of my hotel.   | .649                   | .534                               |                              |  |
| <b>EBBE6</b> . I feel that my hotel trusts me to do a good job.  | .743                   | .667                               |                              |  |
| <b>EBBE7.</b> I know exactly what output is expected of me on the job.   | .746                   | .685                               |                              |  |
| <b>EBBE8</b> . I know how to deliver the brand promise of my hotel.  | .696                   | .577                               |                              |  |
| <b>EBBE9</b> . I am proud to be a part of the hotel I work for.  | .779                   | .701                               |                              |  |
| <b>EBBE10</b> . I feel like I really fit in where I work.  | .758                   | .659                               |                              |  |
| <b>EBBE11</b> . If given the opportunity, I pass on my knowledge about my hotel's brand to new employees.                      | .770                   | .644                               |                              |  |
| <b>EBBE12.</b> I take responsibility for tasks outside of my own area if necessary e.g. following up on customer requests etc. | .773                   | .675                               |                              |  |
| <b>EBBE13.</b> I feel a great sense of satisfaction from my job.   | .579                   | .425                               |                              |  |
| EBBE 14. I do not enjoy my job.  | .448                   | .316                               |                              |  |
| <b>EBBE 15.</b> I plan to stay with my hotel.  | .608                   | .480                               |                              |  |
| <b>EBBE16.</b> I would turn down an offer from another hotel if it came tomorrow.  | .519                   | .349                               |                              |  |
| <b>EBBE17.</b> I talk positively about my hotel to others.   | .708                   | .620                               |                              |  |
| <b>EBBE18</b> . I would recommend my hotel to someone who seeks my advice.   | .681                   | .574                               |                              |  |

**Table 3: Demographic Profile of Sample Respondents** 

| Demographic |                       | No. of Respondents |            |
|-------------|-----------------------|--------------------|------------|
|             |                       | Frequency          | Percentage |
|             |                       |                    | (%)        |
| Gender      | Male                  | 140                | 81         |
|             | Female                | 33                 | 19         |
| Total       |                       | 173                | 100        |
| Age         | 20-30 years           | 81                 | 47         |
|             | 31-40 years           | 63                 | 36         |
|             | 41-50 years           | 21                 | 12         |
|             | >50 years             | 8                  | 5          |
| Total       |                       | 173                | 100        |
| Marital     | Married               | 115                | 66         |
|             | Unmarried             | 58                 | 34         |
| Total       | •                     | 173                | 100        |
| Educational | Higher secondary      | 83                 | 48         |
|             | Bachelor's degree     | 59                 | 34         |
|             | Master's degree       | 26                 | 15         |
|             | Professional course   | 5                  | 3          |
|             | other, please specify | 0                  | 0          |
| Total       |                       | 173                | 100        |
| Income      | < Rs.20, 000          | 102                | 59         |
|             | Rs.20, 001-30,000     | 37                 | 21         |
|             | Rs.30, 001-40,000     | 21                 | 12         |
|             | Rs.40, 001-50,000     | 10                 | 6          |
|             | >Rs.50, 000           | 3                  | 2          |
| Total       |                       | 173                | 100        |
| Department  | Housekeeping          | 43                 | 25         |
| _           | Front office          | 25                 | 14         |
|             | Engineering           | 24                 | 14         |
|             | Accounting            | 18                 | 10         |
|             | Human Resource        | 8                  | 5          |
|             | Food and beverage     | 48                 | 28         |
|             | Stores                | 7                  | 4          |
| Total       | •                     | 173                | 100        |

Table 4: Mean and standard deviation of variables

| Items                          | Mean   | Std.<br>Deviation | N   |
|--------------------------------|--------|-------------------|-----|
| Internal<br>Marketing          | 3.6373 | .98634            | 173 |
| Employee-Based<br>Brand Equity | 3.7604 | .74404            | 173 |

**Table 5: Item Statistics** 

| Items | Mean | Std.      | N   |
|-------|------|-----------|-----|
|       |      | Deviation |     |
| IM1   | 3.27 | 1.438     | 173 |
| IM2   | 3.58 | 1.220     | 173 |
| IM3   | 3.72 | 1.213     | 173 |
| IM4   | 3.59 | 1.136     | 173 |
| IM5   | 3.84 | 1.077     | 173 |
| IM6   | 3.74 | 1.144     | 173 |
| IM7   | 3.92 | 1.089     | 173 |
| IM8   | 3.44 | 1.304     | 173 |

**Table 6: Item Statistics** 

| Many Cod N |      |           |     |  |
|------------|------|-----------|-----|--|
| Items      | Mean | Std.      | N   |  |
|            |      | Deviation |     |  |
| EBBE1      | 3.58 | 1.141     | 173 |  |
| EBBE2      | 3.57 | 1.096     | 173 |  |
| EBBE3      | 3.76 | 1.114     | 173 |  |
| EBBE4      | 3.86 | 1.053     | 173 |  |
| EBBE5      | 3.79 | 1.054     | 173 |  |
| EBBE6      | 3.89 | 1.159     | 173 |  |
| EBBE7      | 3.95 | 1.077     | 173 |  |
| EBBE8      | 4.02 | .997      | 173 |  |
| EBBE9      | 3.90 | 1.073     | 173 |  |
| EBBE10     | 3.95 | 1.039     | 173 |  |
| EBBE11     | 3.94 | 1.066     | 173 |  |
| EBBE12     | 3.92 | 1.102     | 173 |  |
| EBBE13     | 3.85 | 1.023     | 173 |  |
| EBBE14     | 2.31 | 1.163     | 173 |  |
| EBBE15     | 3.80 | 1.181     | 173 |  |
| EBBE16     | 3.67 | 1.263     | 173 |  |
| EBBE17     | 3.91 | 1.067     | 173 |  |
| EBBE18     | 4.02 | 1.065     | 173 |  |

Table 7: Correlation between Internal Marketing and Employee-Based Brand Equity

| Variable                       |                        | Internal<br>Marketing | Employee-<br>Based<br>Brand Equity |
|--------------------------------|------------------------|-----------------------|------------------------------------|
| Internal<br>Marketing          | Pearson<br>Correlation | 1                     | .830**                             |
|                                | Sig. (2-tailed)        |                       | .000                               |
| Employee-Based<br>Brand Equity | Pearson<br>Correlation | .830**                | 1                                  |
|                                | Sig. (2-tailed)        | .000                  |                                    |

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tail)

Table 8: Regression Analysis between Internal Marketing and Employee-Based Brand Equity

| Model Summary                                 |                   |          |                      |                                  |
|---|-------------------|----------|----------------------|----------------------------------|
| Model   | R                 | R Square | Adjusted R<br>Square | Std. Error<br>of the<br>Estimate |
| 1   | .830 <sup>a</sup> | .689     | .687                 | .41642                           |
| a. Predictors: (Constant), Internal Marketing |                   |          |                      |                                  |

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