

**IMPACT OF INTERNAL BRANDING ON SERVICE EMPLOYEE'S
QUALITY COMMITMENT – STUDY ON I.T. SOLUTION SECTOR OF
PAKISTAN**

Shamaila Gull (Corresponding Author)

Lecturer (Business Studies)

Institute of Business & Information Technology (IBIT)
University of the Punjab, Quaid-e-Azam Campus, Lahore, Pakistan
Tel: 92-300-450-6757

Sahar Mubeen Ashraf

Masters of Business and Information Technology (Specialization in Marketing)
Institute of Business & Information Technology (IBIT)
University of the Punjab, Quaid-e-Azam Campus, Lahore, Pakistan
Tel: 92-42-9923-0826

Abstract

This study was conducted to investigate the impact of internal branding on a service employees quality commitment. Internal branding is the utilization of various techniques in order to communicate core brand values and promise inside the organizations with an aim to align service employees with the branding process. Quality commitment, on the other hand, is the identification of service employees with organization's quality oriented goals. Survey conducted in this regard showed that level of internal branding has moderately strong yet significant positive impact on level of quality commitment. Four basic techniques of internal branding including training, orientation, briefing and group meeting were basically taken into account that showed significant and moderate correlation with quality commitment as well as its components. Demographic factors including employee designation, age and experience were also scrutinized for their possible effect on internal branding and quality commitment. However, neither internal branding nor quality commitment were found to be affected by any of these demographic factors.

Keywords: INTERNAL BRANDING ; SERVICE EMPLOYEE'S QUALITY COMMITMENT ; IT SOLUTION ; SECTOR OF PAKISTAN

Introduction:

We are living in the brand era where brands have proved to be the most valuable aspects of an offering as well as the most worthwhile assets for a business. Branding is particularly important in service sector as consumer is unable to evaluate service quality prior to experience. Another critical feature of service sector is that successful delivery of service process highly depends upon the skills and aptitude of service employees. This fact has given rise to the concept of internal branding. Internal branding is all about endorsing a brand inside the organization to service employees. Application of internal branding concept to augment the quality commitment in employees is the essence of this study. Here, it is projected that the more the employees will be trained, knowledgeable and associated with brand, through practices of internal branding, more will be they committed to deliver quality service. Moreover, three demographic factors, employee age, employee designation and employee experience were also studied for any effect on level of internal branding and level of quality commitment in service employees. Study was conducted on IT solution sector of Pakistan.

Literature Review:

According to a careful estimate service sector contributed 53.7% of the total gross domestic product (GDP) of Pakistan in 2005 (Lovelock, Wirtz, & Chatterjee, 2007). They also stated that services exhibit critical features like heterogeneity, perishability, intangibility, customer participation in service production and inseparability increasing the level of perceived risk in mind of consumers. Service branding, hence, is a proven tool to reduce this perceived risk prior to experience. Moorthi (2002) presented a model of service branding providing a comprehensive view of all the factors that should be considered while branding a service successfully. Firstly, he described that service can be branded as *product* requiring consistency in all product, price, place, promotion and physical evidence. Secondly, as a *process* involving service delivery to be standardized and consistent in quality. Thirdly, as an *organization* where an overall image of organization is presented through its people. Fourthly, as a *person* requiring personification of brand with some role expectations and a particular attitude. Finally, brand as a *symbol* where some intangible visual aspects are combined with brand to convey

its personality. Moorthi's model clearly provides an invaluable insight about the role of people in service branding. Moreover, a total shift in the overall corporate culture was also observed towards more purposeful, efficient and empowering work setting (Ogbonna & Harris, 2002).

People are, hence, characterized as one of the essential component of a corporate brand specially for service intensive firms where presence of pleasant, vigilant, supportive and empowered staff would prompt admiration and fidelity in consumers (Aaker, Spring 2004). Service employees were thus claimed to be an epitome of organization, strongly affecting customer perception about the service firm (Vella, Gountas, & Walker, 2009; Grace, 2007; Thomson & Hecker, 2000; De Chernatony, 2002). Later, Moser (2003) stressed on the need that employees must be well informed about the core brand promise so that the whole branding standard is reinforced across the organization. This gave rise to the idea of internal branding, described as using a combination of several training and internal communication processes in order to align employees with organization's brand values (Punjaisri & Wilson, 2011). A common definition for internal branding has not been yet developed, however, most researchers have agreed upon the fact that internal branding aims to ensure that employees should be capable of delivering the service in accordance with the brand promise made to the customer (De Chernatony & Cottam, 2006; Aurand, 2005; Boone, 2000; Manhart & Torres, 2007; King & Grace, 2008). This important concept of internal branding is investigated in this study for its impact on employees commitment to quality of service.

Service quality is more simply described as the extent to which a service offering meets consumer expectations (Ettel, Walker, & Stanton, 2007). However, managing and controlling quality in services is far more difficult than manufacturing due to subtle nature of services as level of quality in services is variable and only partially predictable as it depends a lot on service situation and provider (Holpp, 1990). Uniformity is required by employees and they must be educated to realize that sticking to one's own best practice will only increase the inconsistency in production and delivery process (Gitlow, Openheim,

Openheim, & Levine, 2005). Service profit chain model (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994) claimed the employee commitment and loyalty as a prerequisite of customer loyalty leading to higher profitability.

Initially, commitment was defined as an attitude of association and loyalty by a person (Morris, Lydka, & O'Creedy, 1993). Many authors conceptualized commitment differently, however, (Reichers, 1985) attempted to reconceptualize the concept of commitment by reviewing all previous work and described it in terms of three components; affective, behavioral and cognitive. Affective component is derived from attitudinal commitment and it means that committed person would have an attitude of identifying with organizational goals and feel satisfied by getting involved in those goals. Behavioral component, according to Reichers, is originated from attribution approaches of commitment and this component is an indicator of individual's obligation to behavioral acts. When a person possesses behavioral commitment to organization, he/she tends to seek active partaking in organizational goals as well as put effort in achieving those goals. Cognitive component, hence, is an indicator of mental processes and perceptions of an individual about organizational values that generates a collective feeling of importance of organizational goals.

In this particular study, however, our main focus is employee commitment towards quality of service which is relatively less discussed in previous literature. Jackson (2004) defined Quality commitment as the employee's affiliation, identification and participation with organizational quality goals. An appropriate organizational culture, team effectiveness and communicating quality goals were found to be antecedents of quality commitment (Demirbag & Sahadev, 2008). Commitment is important to study as employee commitment was found to be positively related with employee's service quality capability (Little & Dean, 2006).

Employees do not always get satisfied by financial remuneration, they require something more worthwhile for them; recognition and sense of attachment. Being more informed

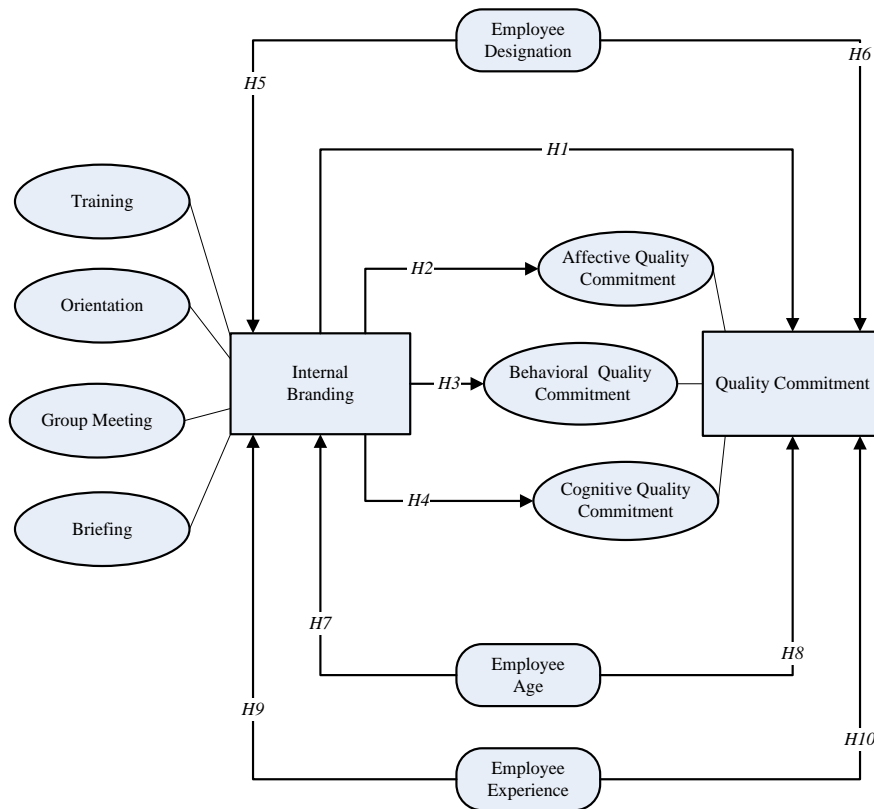
about brand, in addition to traditional information pieces, gives employee this feeling, making him feel more allied and committed to organization and brand (Emerald Group Publishing, 2008). Employee's brand support behavior are argued to be positively affected by level of internal branding practiced by organization (Boone, 2000; Kotter & Heskett, 1992; Hankinson, 2002). Internal marketing and internal branding were also found to be positive antecedents of employee's brand commitment (Aurand, 2005; Burmann & Zeplin, 2005; Woodruffe, 1995; Punjaisri, Evanschitzky, & Wilson, 2009). McLaverty, McQuillan, & Oddie (2007) argued that internal branding leads to more dependable delivery. Thus, branding internally is equally important as branding externally in order to deliver brand promise and promote a consistent image of the organization.

Impact of internal branding on organizational commitment has been studied in various research settings. However, this study was designed to investigate the impact of internal branding on service employees quality commitment in Information Technology Solution sector of Pakistan.

Conceptualization:

Primary relationship that was investigated in this study was impact of level of internal branding on service employee's quality commitment. Basic concepts of both variables were adapted from previous studies. Concept of internal branding was taken from Punjaisri, Evanschitzky, & Wilson (2009), who explained internal branding as a combination of techniques and procedures aimed to align employees with core brand values. They identified four dimensions of internal branding; training, orientation, briefing and group meeting. The concept of quality commitment was taken from Jackson (2004) who explained quality commitment as a multidimensional construct that predicts the employee's identification with the quality goals of organization. Jackson described quality commitment in terms of its three components; affective quality commitment, behavioral quality commitment and cognitive quality commitment. Moreover, demographic factors including employee designation, age and experience were also inspected for any possible

impact on level of internal branding and quality commitment. A comprehensive depiction of conceptual scheme of the study is provided in Fig 1



.Figure 1: Theoretical Framework

Following hypotheses were developed to investigate these relationships.

H₁: Higher the level of internal branding higher is the level of quality commitment in service employees.

H₂: Higher the level of internal branding, higher is the level of affective quality commitment in service employees.

H₃: Higher the level of internal branding higher is the level of behavioral quality commitment in service employees.

H₄: Higher the level of internal branding, higher is the level of cognitive quality commitment in service employees.

H₅: There is some effect of Employee designation on level of internal branding.

H₆: There is some effect of Employee designation on level of quality commitment.

H₇: There is some effect of Employee age on level of internal branding.

H₈: There is some effect of Employee age on level of quality commitment.

H₉: There is some effect of Employee experience on level of internal branding.

H₁₀: There is some effect of Employee experience on level of quality commitment.

Research Methodology:

The study was done for academic purpose and it aimed to contribute in the basic body of knowledge. Further this snapshot study was explanatory which was conducted on employees of Information Technology Solutions sector of Pakistan. Firstly, to have a better understanding of the research problem secondary data analysis was conducted. Secondary data helped to recognize and identify the primary relationships. Subsequently, survey research was selected as the primary mode of observation. A total of 150 individuals were targeted for survey from which 119 responded effectively, showing a return rate of 79.33%.

Data was collected through a self administered questionnaire that was composed of three segments. First segment was developed to capture demographic characteristics. Second segment was aimed at collecting data to measure level of quality commitment and it was adapted from Jackson (2004) that measured level of quality commitment at a five point Likert scale. Third segment was aimed at measuring level of internal branding. It was adapted from Punjaisri, Evanschitzky, & Wilson (2009) that also measured level of internal branding at a five point Likert scale. Tool was found to be completely reliable in both sectors (see Table 3).

Data processing and analysis was done through Statistical Package for Social Sciences (SPSS) software program. Firstly, Bivariate Correlation Analysis was done to check the mutual relationship of variables as well as dimensions. Further, in order to test the mutual relationship of variables as well as the direction of relationship Linear Regression Analysis

(Bivariate) was performed. One-way Analysis of Variance (ANOVA) was used to test effect of categorical demographic factor on interval variables.

Results:

As hypothesized in H_1 the primary relationship to be investigated was the positive impact of internal branding on service employee's quality commitment. A p-value of 0.00 provided with strong evidence to accept H_1 showing that higher the level of internal branding, higher is the level of quality commitment. Further, internal branding was found to have perfectly significant and moderately strong (64.4%) correlation with level of quality commitment. Moreover, H_2 , H_3 and H_4 were also accepted significantly denoting that higher the level of internal branding, higher the level of affective, behavioral and cognitive quality commitment respectively. Results of hypothesis testing are summarized in Figure 2. Correlation analysis showed that level of internal branding is moderately yet significantly correlated with affective quality commitment (53.3%), behavioral quality commitment (61.7%) and cognitive quality commitment (55.1%). Summary of correlation analysis is provided in Table 4.

Further, to explain the direction of relationship regression analysis was performed (see Table 5). Value of R^2 showed that 41.5% of variation in quality commitment can be explained as a result of variation in internal branding. This outcome strengthened the result of correlation analysis confirming that there is a positive relationship between internal branding and quality commitment and internal branding is an important predictor of quality commitment in a service employee. Next, a regression equation was constructed as $Y = 1.912 + 0.580 (X)$. From this we can calculate that if level of internal branding is 1, level of quality commitment will be 2.492 and with an increase in level of internal branding, say 4, level of quality commitment will be 4.232. These results confirmed an increase in level of quality commitment with increase in level of internal branding.

Regression analysis was also performed to inspect the relationship of level of Internal branding with affective, behavioral and cognitive components of quality commitment. Results are summarized in Table 5 confirming that internal branding is an important predictor of affective, behavioral and cognitive quality commitment. Values of R^2 showed that 28.4% variation in affective quality commitment can be explained as a consequence of

variation in level of internal branding. Similarly, 38.1% variation in behavioral quality commitment can be explained as a result of variation in level of internal branding. Finally, 30.4% variation in level of cognitive quality commitment can be explained as an outcome of variation in level of internal branding. Respective regression equations are provided in Table 6.

Furthermore, demographic factors were scrutinized to check their impact on level of internal branding and quality commitment through one way analysis of variance (ANOVA). A p-value of 0.112 provided a strong evidence to reject H_5 portraying that designation has no impact on level of internal branding. Similarly, a p-value of 0.072, provided with a moderately strong evidence to reject H_6 , portraying that designation has no impact on level of quality commitment as well. Next, effect of employee age was studied. A p-value of 0.759 gave a strong evidence to reject H_7 depicting that age has no impact on level of internal branding and a p-value of 0.609, a strong presented a strong evidence to reject H_8 showing that age has no impact on level of quality commitment as well. Finally, impact of experience was investigated that showed the similar results. A p-value of 0.600 provided with a strong evidence to reject H_9 portraying that employee experience has no impact on level of internal branding. A p-value of 0.759 provided a strong evidence to reject H_{10} revealing that age has no impact on level of quality commitment as well. Thus, level of internal branding and level of quality commitment were found to be independent of any of these three demographic factors in I.T. solution sector.

Discussion

This study was an interesting experience as it provided us with invaluable knowledge of the concepts of internal branding and quality commitment. It focused on the importance of service employees by proposing that they must be considered in branding process by communicating core brand values with them and this will eventually make the committed to quality goals of the service provider. This study can be viewed as a milestone and future studies must be carried out to expand and better clarify this topic. The study provided us with important implications that will help managers and academia significantly. However, as a matter of fact this study was bound by certain limitations as well. This section

encompasses key findings, recommendation and limitations we identified while carrying out this study.

Conclusion:

Internal branding was found as positive predictor of quality commitment in employees. It has strongest correlation with behavioral quality commitment followed by cognitive and affective quality commitment respectively. Among the four techniques of internal branding training was found to be most effective to positively impact the quality commitment. Likewise, training was also found to be most effective of all tools of internal branding in influencing affective, behavioral and cognitive quality commitment. Though, it was found to be most effective on predicting behavioral component of quality commitment. Briefing was found to be second strongest predictor of quality commitment as a whole as well as its individual components. Same pattern persisted in this case as behavioral quality commitment was found to be most positive outcome of briefings. Orientation showed a relatively fragile relationship with level of quality commitment. It was proved to be least effective towards cognitive quality commitment by showing a less significant weak relationship. However, it significantly and moderately affects the behavioral quality commitment and affective quality commitment respectively. Group meeting was proved to be weakest tool from all yet significantly and moderately affecting quality commitment as a whole. However, it demonstrated a less significant and very weak relationship with affective quality commitment. Group meeting was, however, revealed to be a significant and moderately strong tool for cognitive quality commitment followed by behavioral quality commitment.

Recommendations

This study was basically aimed to fill the knowledge gap and to inter-relate the two important concepts of internal branding and quality commitment with respect to service sector of Pakistan. The positive relationship between internal branding and quality commitment gave the productive idea of utilizing internal branding techniques as quality commitment enhancer. It also provided with important information on how strongly each internal branding technique affects quality commitment as a whole and its dimensions. By

employing the outcomes of this study it is possible to select appropriate mix of internal branding techniques and strategies. If a management, for example, is interested in prompting behavioral quality commitment in employees they must enhance their training programs to make them more meaningful. Additionally, for the organizations facing lower quality from employees must design and implement a comprehensive internal branding program in order to enhance their quality commitment.

Moreover, this study can be enhanced and studied by considering the effect of other mediating variables like work environment. Additionally, broader perspective and models for conceptualization of internal branding should also be studied and utilized. As concept of internal branding is evolving, more and more dimensions of this concept are getting attention of researchers.

Limitations

This study faced some limitations as well. Firstly, the possibility of the proposed relationship being moderated by some other variables exists. As quality commitment is an intrinsic aspect and it might be affected by personal traits as well. However, consideration of any moderating variables was out of the scope of this study. Secondly, in Pakistan formal internal branding practices are very low. Training for technical skills and training for brand meaning are perceived synonymously; same is the case with other dimensions of internal branding. Response bias with respect to this verity is also likely to occur.

References

Aaker, D. A. (Spring 2004). Leveraging the Corporate Brand. *California Management Review*, Vol. 46, No. 3 .

Aurand, T. G. (2005). Human resource management's role in internal branding: an opportunity for cross-functional brand message synergy. *Journal of Product and Brand Management*, Vol. 14, No. 2 , 163-9.

Boone, M. (2000). The Importance of Internal Branding. *Sales and Marketing Management*, Vol. 152 No. 9 , 36-38.

Burmann, C., & Zeplin, S. (2005). Building brand commitment: a behavioural approach to internal brand building. *Journal of Brand Management*, Vol 12., No. 4 , 279-300.

De Chernatony, L. (2002). Would a brand smell any sweeter by a corporate name? *Corporate Reputation Review*, Vol. 5, Nos 2/3 , 114-32.

De Chernatony, L., & Cottam, S. (2006). Internal brand factors driving successful financial service brands. *European Journal of Marketing*, Vol. 40, Nos. 5/6 , 611-33.

Demirbag, M., & Sahadev, S. (2008). Exploring the antecedents of quality commitment among employees: an empirical study. *International Journal of Quality and Reliability Management*, Vol. 25, No. 5 , 494-507.

Emerald Group Publishing, L. (2008). A job's about pasiion not just pay. *Strategic Direction* Vol. 24 No. 11 , pp. 14-16.

Etzel, M. J., Walker, B. J., & Stanton, W. J. (2007). *Marketing 14e*. New York: McGraw Hill .

Gitlow, H. S., Openheim, A. J., Openheim, R., & Levine, D. M. (2005). *Quality Management*, 3e. McGraw-Hill.

Grace, D. (2007). Internal branding: Exploring the employee' s perspective. *Journal of Brand Management*, Vol. 15, No. 5 , 358-372.

Hankinson, P. (2002). Tha impact of Brand Orientation on Managerial Practice; a quantitative study of UK's top 500 fundraising managers. *International Journal of Nonprofit & Voluntary Sector Marketing*, Vol. 7 No. 1 , 30-44.

- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, J. W., & Schlesinger, L. A. (1994, March-April). Putting the service-profit chain to work. *Harvard Business Review* .
- Holpp, L. (1990). Ten steps to "Total Service Quality". *Journal for Quality and Participation* , 92-96.
- Jackson, P. R. (2004). Employee commitment to quality, its conceptualization and measurement. *International Journal of Quality & Reliability Management*, Vol. 21 No. 7 , 714-730.
- King, C., & Grace, D. (2008). Internal branding: exploring the employee's perspective. *Journal of Brand Management*, Vol. 15, No. 15 , 358-72.
- Kotler, P. (2000). *Marketing Management. The Millennium Edition*. Upper Saddle River: Prentice Hall.
- Kotter, J. H. (1992). *corporate culture & performance*. New York: Free Press.
- Little, M. M., & Dean, A. M. (2006). Links between service climate, employee commitment and employees' service quality capability. *Managing Service Quality*, Vol. 16, No. 5 , 460-476.
- Lovelock, C., Wirtz, J., & Chatterjee, J. (2007). *Services Marketing*. Prentice Hall.
- Manhart, K. F., & Torres, A. M. (2007). The brand inside: the factors of failure and success in internal branding. *Irish Marketing Review*, Vol 19, Nos. 1/2 , 54-63.
- McLavery, N., McQuillan, P., & Oddie, H. (2007). *Internal Branding- Best Practices Study*. Canadian Marketing Association.
- Moorthi, Y. (2002). An approach to branding services. *Journal of Services Marketing*, Vol. 16, No. 3 , 259-274.
- Morris, T., Lydka, H., & O'Creevy, F. (1993). Can commitment be managed? *Human Resource Management Journal*, Vol. 3, No. 3 , 21-42.
- Moser, M. (2003). *United We Brand*. Boston, MA: Harvard Business School Press.
- Ogbonna, E., & Harris, L. C. (2002). Managing organizational culture: insight from the hospitality industry. *Human Resource Management Journal*, Vol. 12, No. 1 , 33-53.

Punjaisri, K., & Wilson, A. (2011). Internal Branding Process: Key Mechanisms, Outcomes and Moderating Factors. *European Journal of Marketing*, Vol. 45 No. 9/10 , 1521-1537.

Punjaisri, K., Evanschitzky, H., & Wilson, A. (2009). Internal branding: an enabler of employees' brand-supporting behaviours. *Journal of Service Management*, Vol. 20, No. 2 , 209-226.

Reichers, A. (1985). A review and reconceptualisation of organisational commitment. *Academy of Management Review*, Vol. 10 , 465-475.

Thomson, K., & Hecker, L. (2000). Value adding communication: Innovation in employee communication and internal marketing. *Journal of Communication Management*, Vol. 5, No. 1 , 48-58.

Vella, P., Gountas, J., & Walker, R. (2009). Employee Perspectives of Service Quality in the Supermarket Sector. *Journal of Services Marketing*, Vol. 23 No. 6 , 407-21.

Woodruffe, H. (1995). *Services Marketing*. Marchfield, M.A.: M&E Pitman.

Appendix

Table 3: Chronbach Alpha Values

<i>Scale Reliability</i>	<i>Variable Reliability</i>	<i>Dimension Reliability</i>
$\alpha = 0.916$	Internal Branding (0.853)	Training (0.795)
		Orientation (0.701)
		Group Meeting (0.722)
		Briefing (0.723)
	Quality Commitment (0.887)	Affective Quality Commitment (0.725)
		Behavioral Quality Commitment (0.757)
		Cognitive Quality Commitment (0.779)

Table 4: Summary of Correlations

	<i>Internal Branding</i>	<i>Training</i>	<i>Orientation</i>	<i>Group Meeting</i>	<i>Briefing</i>
<i>Quality Commitment</i>	0.644	0.570	0.345	0.311	0.462
<i>Affective Quality Commitment</i>	0.533	0.438	0.346	0.18*	0.402
<i>Behavioral Quality Commitment</i>	0.617	0.581	0.377	0.307	0.433
<i>Cognitive Quality Commitment</i>	0.551	0.445	0.239*	0.368	0.413

* relationship is less significant

Table 5: Summary of Regression Analysis

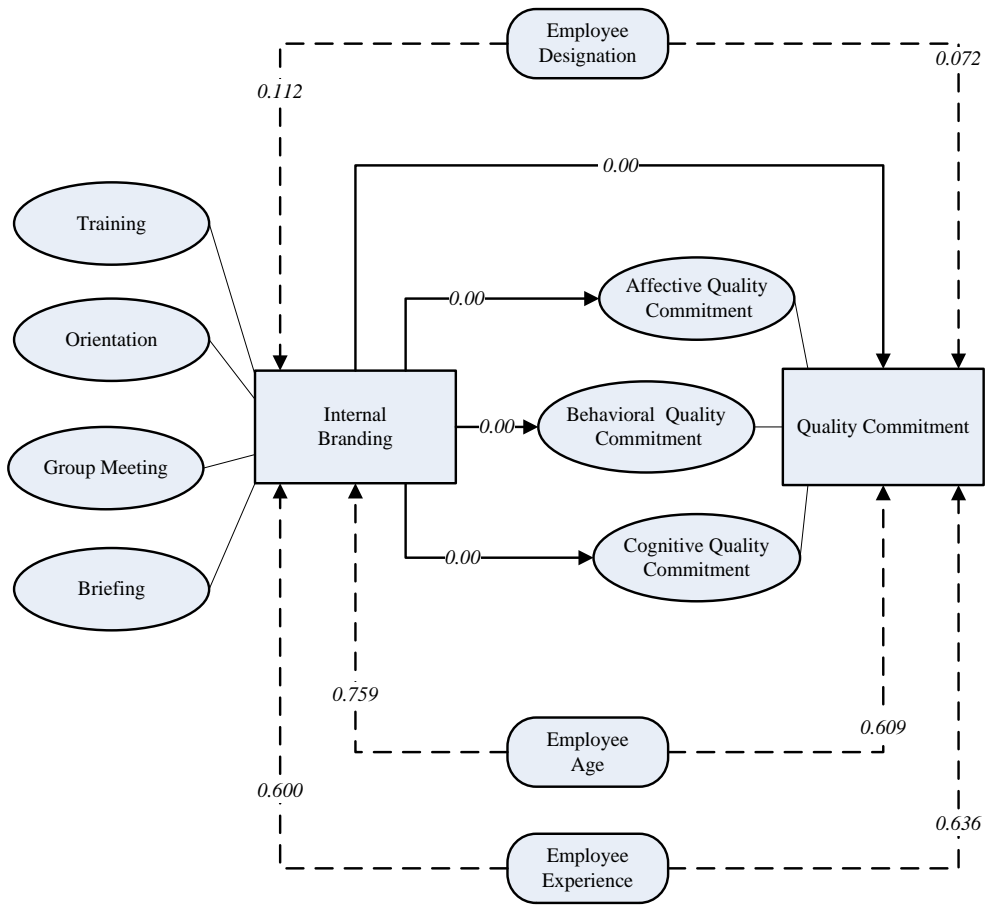
	<i>R-Square</i>	<i>Adjusted R-Square</i>
<i>Quality Commitment</i>	0.415	0.410
<i>Affective Quality Commitment</i>	0.284	0.278
<i>Behavioral Quality Commitment</i>	0.381	0.375
<i>Cognitive Quality Commitment</i>	0.304	0.298

*p-value 0.00

Table 6: Regression Equations

<i>Independent Variable (Y)</i>	<i>Dependent Variable (X)</i>	<i>Regression Equation</i>
Level of Internal Branding	Level of Quality Commitment	$Y = 1.912 + 0.580(X)$
	Level of Affective Quality Commitment	$Y = 2.337 + 0.508(X)$
	Level of Behavioral Quality Commitment	$Y = 1.714 + 0.607(X)$
	Level of Cognitive Quality Commitment	$Y = 1.890 + 0.593(X)$

Figure 2: Results of Hypothesis Testing



Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.