

Conclusions and Implications

10.1 Introduction

This chapter moves this study to a conclusion with consideration of original research questions for the research, the contribution of the research to the existing body of knowledge, research implications, limitations and recommendations for further research.

The main aim of the research is to explore the domain of the internal marketing concept with regard to its antecedents and consequences and how internal marketing affects the internal and external aspects of the organisation. In addition, the study seeks to explore how internal marketing can affect the external marketing activities. To accomplish the study's main aims and answer the research questions a qualitative case study was deemed a suitable option to address the specific context within which internal marketing was to be studied (Ahmed et al, 2003). In addition, the internal marketing literature identifies a need for empirical and qualitative research into the application of this field (Rafiq and Ahmed, 2000a/b; Lings, 2004; Papasolomou-Doukakis and Kitchen, 2004). The research questions addressed in this research are as follows:

Q1: How does organisational culture affect the implementation of internal marketing?

Q2: How do internal marketing practices affect organisational culture?

Q3: How do internal marketing practices affect internal aspects of the organisation?

Q4: How do internal marketing practices affect external practices of the organisation?

Q5: In what ways does internal marketing bridge the boundaries between marketing and human resource management?

The research questions were answered through a combination of a review of the secondary literature and a thematic analysis of the data collected through the interviews and documentation from the case study company.

As can be seen in Chapter One (Section 1.2 and 1.5) and in the conclusion to Chapter Four, the literature provides only partial answers to these research questions but through this process it was possible to identify a number of gaps which formed the basis for the empirical research within the study case study. The research questions

were developed in the form of an interview guide to explore the subject by presenting the participant's own interpretations and perspectives. Within the case of Fun Travel, the data clearly illustrates the organisational culture of the company concerning the way it perceives its employees (front-line and managerial), its approach to its customers as well as the management style of the business, all of which clearly affect the practice of internal marketing. Creating a friendly, relaxed workplace as well as satisfying the employees is explored as an internal consequence of internal marketing. Developing a customer-centric workforce as well as enabling and motivating front-line employees to market the business are the external consequences of internal marketing within the study case. The question of who is responsible of planning and implementing the internal marketing programme has been answered within the case of the study. Both the human resources department and the front-line managers, in cooperation with other departments, are the key actors in the implementation of the practices. Within the next section the gaps of the literature against the contribution of the study to fill in these gaps are presented. Overall, the study makes a significant contribution to the process of shedding light on the five research questions. It extends understanding beyond the extant literature and, as will be shown in the next section, thereby makes a direct contribution to knowledge about the field of internal marketing.

10.2 Contribution of the study to theory and its research implications

An extensive review of internal marketing literature from the past thirty years reveals that it is a mixture of ideas, theories and frameworks gathered under the concept of internal marketing. However, much that has been written about internal marketing is polemical and conceptual, with very little empirical work to support the discourse in this area. Internal marketing as a concept remains ambiguous and liable to differing interpretations and therefore this study avoided using the term directly within the fieldwork. Papasolomou and Vrontis (2006) did use the term directly within their study within the banking sector in UK and there was some level of awareness of the term. On the other hand, Snell and White (2009) used the term internal marketing in collecting their data and they state that their exploratory study evidence suggest that services organisations do not readily identify or understand internal marketing as

term. Therefore this study used the internal marketing practices to address the issue within the case study organisation.

As shown in Chapter Two, there are a variety of meanings attributed in the literature to the precise meaning of internal marketing and what it is intended to achieve within organisations. Hogg et al (1998) state that there is limited consensus about how internal marketing activities are undertaken. At the same time, Ahmed and Rafiq (2004) declare that there is little agreement as to how it is to be implemented. Keller et al (2006 p.110) highlight that most internal marketing research studies are conceptual in nature or utilize exploratory statistical data to drive theory development. This lack of a broadly accepted definition of the internal marketing concept and valid applicable measures has led to attempts by researchers to investigate key concepts and measures (Panigyrakis and Theodoridis, 2009). In addition, much empirical research appears to rely on what Lings and Greenly (2005) argue as internal market orientation scale which focus on information generation, information dissemination and responses to such information about the internal market (Gounaris, 2006; 2008; Tortosa et al, 2009; Sanchez-Hernandez and Miranda, 2011) as the basis for the development of internal marketing programmes. All research studies have tried to link this scale with the effectiveness of internal marketing programmes and test them against key internal marketing practices, generally, empowerment and participation in decision making (Gounaris, 2006; 2008). More recent research has tried to connect internal market orientation scale with the organisational performance (Tortosa et al, 2009; Panigyrakis and Theodoridis, 2009; Sanchez-Hernandez and Miranda, 2011). However, there is an absence of discussion relating to the nature of internal marketing programmes. Each study used one or two internal activities as indicative elements of internal marketing, for example, Gounaris (2006; 2008) uses empowerment and participation in decision making. Consideration of Greenly and Lings' (2005) scale leads to recognition that quantitative methodologies are dominant in the empirical work on internal marketing. Within the literature from the past five years, few qualitative studies are found (Papasolomou and Vrontis, 2006; Snell and White, 2009). This study seeks to address this gap by providing evidence as to how the case study organisation interprets internal marketing and applies this understanding in practice.

It presents a holistic approach of the internal marketing process by considering the antecedents of the process, its implementation as well as its consequences of those practices both internally and externally. The first and third objective concerned with the implementation of internal marketing.

The first objective was: to explore the way internal marketing practices are working in reality from the employment point of view in a successful organisation.

The third objective was: to explore how internal marketing practices cross the boundaries between marketing and human resource management functions.

It has to be emphasised that this study acknowledges that internal marketing is socially constructed in nature, thus internal marketing has to be studied within a specific cultural and/or organisational context (Ahmed and Rafiq, 2003). This could explain the idea of choosing a successful company to explore the concept of internal marketing. It is argued that investigating practices within a successful model can help to establish clues to the underpinning philosophy of the internal marketing as well as the implementation. The study explores whether discourse in the literature matches the realities of organisations and their management. In other words, the research fills the gap between theoretical conceptualisation within the literature and the reality of practice. Within the context of implementation, the research presents a real-business picture of how a successful organisation approaches internal marketing practices.

This helps to highlight the vital role of the human resources management department in the implementation process of internal marketing through open communication and cooperation with all other departments. The study's findings also show that the key players in succeeding the internal marketing implementation are the line managers who have direct contact with and effect upon their teams. The only previous study to address the role of leaders in internal marketing is that of Wieseke et al (2009) which adopted social identity theory to show how internal marketing is a fundamental tool to be used by middle managers to build member identification. In other words, they considered internal marketing as a process to build organisational identification.

Although the study first and third objectives have been achieved, the need is still there for wider investigation of a range of different organisations with different culture and structure in order to develop a more comprehensive theory on the internal

marketing process. Depending on the idea of internal market orientation only addresses surface of the organisational practices without explaining why things could happen in certain ways. In this way, it could be claimed that acknowledging the socially-constructed nature of internal marketing does not contradict the generalizability of the data in terms of its meaning within the qualitative approach of research. The context of investigation of the subject of internal marketing within the study (the travel sector) is another contribution. Many internal marketing studies have been undertaken within the retail bank industry, especially in the UK (see for example Ballantyne, 1997; Papsolomou-Doukakis and Kitchen, 2004; Papsolomou and Vrontis, 2006). Others use different retail settings including financial services, a supermarket chain (Keller et al, 2006; Snell and white, 2009; Panigyraakis and Theodoridis, 2009). Wieseke et al (2009) use two studies (one within a pharmaceutical company and other in a travel agency) to compare their results concerning the role of internal marketing as tool to be used by managers to implant organisational identification in their teams. Therefore, this research is the first study to use a large travel company as a case to explore wider elements of internal marketing.

The study second objective was: to identify the organisational factors that underpin such practices. Three main components of organisational culture were found to support the practices of internal marketing namely employee orientation (in terms of the way the organisation perceives its employees which affects the organisation's design of their internal programme), customer orientation (in terms of how the organisation comprehends their customers which affect designing programme to develop such culture among the organisation's workforce) and, the managerial approach which facilitate and reinforce the practices positively among employees.

The fourth objective was: to address the internal and external consequences of internal marketing practices especially the development of a customer oriented culture within front-line staff and how this affects the external marketing activities of the organisation. Gounaris (2008) positions his research in terms of a focus on the effect of internal marketing on employee satisfaction alone although it is clear that the consequences of internal marketing are rather broader in their impact. He suggested that further research need to address these other consequences such as

customer consciousness, a dimension which needs to be addressed through research. In addition, the job satisfaction as consequence of internal marketing is needed to be addressed in more details in terms of its parameters. Ballantyne (1997) also points out that the literature is lacking in any empirical evidence on how internal marketing develops or influences customer conscious employees. One of the main achievements of this study is focusing on wider consequences of internal marketing in terms of developing a customer orientation culture (i.e. the service consciousness of the employees). The study's findings present the main basis for developing such culture among a front-line workforce which could be summarized as

- Recruiting front-line staff based on competencies of customer services (recruitment is for social personality and then subsequent training is for skills).
- Train staff on how to understand customer needs in order to deliver on them. Training is also important to identify ways to resolve customers' complaints.
- Building long term relationships with customers helps to retain customers as repeats and potential sources of referral as well as keeping high customer satisfaction levels by identifying any problems.
- Give employees the authority to deal with their customers and take decisions when needed.

A customer orientation culture was found to have great effect on facilitating the external marketing activities of the organisation.

The findings of the study also contribute to theory by demonstrating the effect of internal marketing practices on the internal environment of the organisation especially on employee satisfaction concerning the parameters that affect the job satisfaction. According to the findings, these parameters relate to three main factors the employees' role with their customers, the work environment within the company, and the managerial style and practices of the organisation. Achieving job satisfaction among employees is evident to decrease employees' turnover, enhance employees' performance and finally achieve customer satisfaction.

By achieving the study main objectives, it could be argued that the study extended the understanding of internal marketing concept in terms of the implementation and the consequence of the concept and contributed to the knowledge of this area.

10.3 Managerial implications of the study

This study could be considered to be managerially focused in the sense that the starting point of analysis is to consider what the organisation aspires to achieve in terms of its business, customer and employee oriented objectives. The study, in a sense, deconstructs the vision as articulated by the company and tests how robust this is against the perspectives of employees at corporate, line-management and front-line levels. This approach clearly shapes the approach adopted and the scope of the "research net" that is used to trawl for information. However, it could be argued that one of the main roles of research is to introduce practical solution to everyday life situations. Addressing the managerial implications of the study, internal marketing practices have the potential for developing sustainable competitive advantage for the organisation through its workforce. Although internal marketing has an internal focus it also has an external orientation by aligning the company's marketing strategy with its employee-related capabilities (Gounaris, 2006).

This research offers a well-defined set of core elements that go to make up internal marketing practices for supporting the workplace needs of front-line employees to achieve their role effectively. These elements help in building a customer-oriented focus throughout the front line of the organisation and sustain the values of an attractive workplace;

- Recruiting staff with the right personality that fit within the organisational culture and the job,
- Continuous training for keeping abreast of the high knowledge and skills levels relating to the best approach to serving customers,
- Effective processes and affirmative communication for building transparency and trust by allowing employees easy access to information,
- Valuing employees through fair, logic rewards to motivate them go the extra mile for customer,
- Encourage employees to use their own discretion to make disciplined decisions in the field.

Linking employees' goals with those of the organisation through the internal marketing focus helps organisations to motivate employees to act in a way that fuses customer-orientation with the wider marketing of the organisation.

The key to gaining competitive advantage through your employees is to train them in building long-term relationship with customers. Keep a high percentage of repeats and referrals is important to the success of the business.

This study also suggests that building the same form of relationship with your employees through an open door policy and treating them as partners is the way to sustain a good work environment with satisfied employees who are enthusiastic to achieve the best for themselves and for the organisation.

One important implication concerning branch managers that can be drawn from this study is the level to which they are involved with implementing internal marketing practices. This is the notion of balancing the discretion of the branch managers to manage their teams with an overall approach or framework for the process. From an organisational perspective, it is important not to leave implementation of the internal marketing as ad hoc process. The success of the initiative can be jeopardised if there is no clear responsibility for its implementation (Papasolomou and Vrontis, 2006).

For effective implementation of internal marketing, branch managers need to replace traditional supervision by being present on the work floor, continuously supporting team work and leading by example, being responsible for ongoing training and sustaining communication through one to one and daily meetings to solve any problems.

To achieve a customer-centric workforce, team leaders must help frontline employees set weekly and monthly targets and to help them understand how to attain these goals. Linking the employees targets with their income (commission base) seem to help employees to be more customer-oriented. In other words, linking the employees' goals with those of the organisation helps to develop customer-oriented workforce and achieve the external marketing goals of the organisation.

10.4 Limitations of the study

Using a qualitative approach provides wide –ranging, rich and detailed data. As an exploratory study, the researcher seeks new insights and aspires to clarify understanding of the studied phenomenon. However, taking this approach imposed several constraints on the study including the number of respondents that could be

included. Quantitative methods would have provided a larger sample of respondents for example, had the survey been distributed more widely within the company.

Within the qualitative approach some other limitations and challenges were faced by the researcher, for instance, the sample, focusing on the front-line employees and their managers. For some scholars internal marketing relates to all the employees (Gummesson, 1987; Ahmed and Rafiq, 1993; Varey and Lewis, 1999; Ahmed and Rafiq, 2003; Ballantyne, 2003). This choice was made due to the prime concern of the research to explore the antecedents and consequences of internal marketing practices specially to focus on the marketing environment within the organisation. Secondly, due to the time and resource constraints of a PhD study, the study took place in just three cities (Edinburgh, Glasgow and London). The duration of the interviews were indicated in advance by the organisation human resource manager as gate keeper of the research. This is due to the work load and the nature of the commission-based environment (leaving their place to do the interviews means losing sales opportunities).

In addition, all interviews were conducted within the organisation. Even the customer orientation and customer satisfactions topics were investigated indirectly via exploring employee perspectives. Homburg and Stock (2004) highlight that this can lead to a common bias as highly satisfied employees might rate customer satisfaction higher than dissatisfied employees based on their positive perception of the company. However, the researcher sought to compare the viewpoints of employees with those of operational managers and top managers and to let informants provide evidence to support their opinions (the percentage of repeats for example in each branch).

Future research may give the researcher the opportunity to interview some of the company's customers for more in-depth exploration of this theme and the use of a wider comparative framework.

Regarding the analysis within this study, all data was transcribed, coded and themes identified by the researcher with revisions by the supervisor. This hinders presenting different interpretations of the data. This is due to the nature of the PhD study and time limits.

10.5 Recommendation for further research

For future research in this field, this researcher would recommend the following:

1. Replication of this study with back office staff as in the case study the human resources efforts are more focusing on front-line employees as they are the mean of achieving the business goals. Front-line staff in the research case study work independently, in other cases the service value chain could be series of action from the back to the front office so this may give the opportunity to address what is labelled within the literature as internal customers and internal suppliers. Replication of the study in governmental organisations. This may confirm the idea that different organisational culture could result in different practices. In other words, can internal marketing be practiced in hierarchical organisation or in bureaucratic organisations?. Exploring the subject within different context would lead to developing theory for the implementation which in turn would lead to widely use of the internal marketing within organisation in reality just as external marketing.
2. Replication of study in different cultural contexts (different country) as the basis for comparison. Internal marketing literature is concerned with the western countries. Other cultures need to be acknowledged. Different employment relation, employees-customer relation may result in different results.
3. A dyad study with customers to compare results concerning customer perceptions of orientation culture.

10.6 Final reflections

The research highlights the importance of organisational culture and the manner in which culture underpins effective internal marketing within a business context. On the other hand, effective internal marketing practices are evidently a significant means for reshaping organisational culture. Through this research it was recognized that internal marketing practices are vital in building and sustaining a people and service orientated culture throughout the organisation. This culture appears to affect the satisfaction and performance of front-line employees. Within the data, it was

evident that the way the organisation perceives its employees and customers affects the internal marketing programme and employees' level of satisfaction. The organisation managerial approach appears to have considerable consequences for an internal marketing programme as well as on the employees' performance which in turn will affect customer satisfaction. It is clear, within the case study, that internal marketing practices are underpinned with a strong people oriented culture. This culture helped the employees to acknowledge these practices. Internal marketing practices seem to have two major targets; firstly, deepening the people oriented culture within the organisation. Secondly, internal marketing aims to encourage employees to be more customer –focused and service –oriented. This seems to lead to greater employee satisfaction, better performance, less employee turnover, and, ultimately, higher levels of customer satisfaction. Due to all of this, it could be said that internal marketing not only affects the internal aspects of the organisation but it also affects external marketing as well.

The research also highlights the important role of managers in setting the necessary conditions for effective internal marketing policies and practice. As a consequence, achieving effective internal marketing must be based on strategic and planned considerations and not left to "chance" within organisations.

Customer-contact employees appear to be real marketers for the business through building long-term relationships with customers, based on gaining customer trust within a customer-oriented environment.

Finally, employee satisfaction is found to be related to customer satisfaction. Positive customer feedback influences employee happiness with their job role.