Impact of Internal Branding on Service Employees’ Quality Commitment – Study on Education Sector of Pakistan

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Abstract

Internal branding is the process of exposing employees to branding communication so that they better identify with the core brand values. This study aimed to investigate the role of internal branding as a device to promote and enhance a service employee’s quality commitment. Quality commitment is the employee’s identification and loyalty with brand’s quality goals. Survey conducted in this regard showed moderately positive impact of internal branding on service employee’s quality commitment. Moreover, relatively weaker evidence was found that employee age, designation and experience also affect the level of internal branding and quality commitment to some extent.

1. Literature Review

American Marketing Association (AMA) has defined brand as any name, expression, sign, symbol, design individually or in combination that is used to identify the product or service of one seller and to differentiate it from other (Keller, 2008). Branding was also taken as a concern of product strategy (Kotler, 2000) and a signal of product’s implicit qualities (Kapferer, 1997). Recent authors (Keller, 2008; Reichheld, 2001) defined brand in terms of its various emotional and rational dimensions. Branding services was explored long ago, however it increasingly become an area of particular interest from last decade. Services are intangible offerings traditionally defined as actions or performances (Berry, 1980). Complexity of service process lies in its features like heterognity, perishability, intangibility, requirement of customer involvement and its limitation to be produced and consumed simultaneously (Lovelock, Wirtz, & Chatterjee, 2007). They also argued that service branding decreases perceived risks associated with consumption prior to experience. Dobree & Page (1990) described service branding as five phase process; developing a brand proposition, managing internal barriers, evaluating the service delivery by comparing it with proposition, taking improvement actions and expansion.

Literature on service marketing highlighted the important role of employees in service encounters and it was argued that during service encounter employee behavior and attitude has enduring effects on consumers (Vella, Gountas, & Walker, 2009) as they act as an interface between service firm and consumers (King, 1991), and produce a differential effect on customer’s perception (Grace, 2007) where customers take the image of organization that these service employees demonstrate (Thomson & Hecker, 2000). Hence, employees are considered personification of the service firm (De Chernatony, 2002). It was also argued that even the excellent brands are vulnerable to be harmed if any of the members of organization choose to act in way that is incoherent with the fundamental brand standards (Moser, 2003). It was claimed by many authors that in order to ensure quality and brand standards employees must be well informed (Moser, 2003) and the knowledge be effectively transmitted to attain competitive advantage in terms of quality (Ramlal, 2004). This concept of developing an effective communication with employees is called internal marketing.
Nevertheless, with a considerable support from literature we found marketing to internal stakeholders, i.e. employees, equally important as it is for external stakeholders i.e. consumers (Keller, 2008) and it was declared as a precondition to create a competitive advantage by ensuring eminent quality in customer service (Papasolomou & Vrontis, 2006). At the core of internal marketing lies internal branding. Internal branding is the concept of utilizing several training and internal communication processes in order to align employees with organization’s brand values (Punjaisri & Wilson, 2011). Canadian Marketing Association defined internal branding as procedures and techniques grouped together in order to support and empower employees to deliver in accordance with customer expectations while ensuring reliability (McLaverty, McQuillan, & Oddie, 2007).

Grace (2007) found three mechanisms that provide employees with essential knowledge to deliver in compliance with brand promise; training, exposure to customer and market related information and work environment. Another model was presented in this regard that classified internal branding tools and programs into four major groups i.e. training, orientation, briefings and group meetings (Punjaisri & Wilson, 2007). Yet another broader prospect was presented by contemporary researchers McLaverty, McQuillan, & Oddie (2007) who divide internal branding strategies into seven major groups including internal communication, training support, leadership practice, reward and recognition, recruitment practices, sustainability factors and others. However, these seven groups represent best practices and are not uniformly implemented in all organizations. This study had adapted the concept of internal branding from Punjaisri & Wilson (2007) to study its impact on employee’s quality commitment.

Quality, by some scholars, is described as the degree of consistency and reliability at an appropriate cost that suits the market (Deming, 1982). Others defined quality in terms of meeting customer needs and delivering in accordance with their expectations (Smith, 1991; Romano 1992; Etzel, Walker, & Stanton, 2007). In one of the more recent studies service quality is described as “the customer’s evaluation of the standard of service received across the domains of reliability, responsiveness, and empathy”, (Chenet, Dagger, & O’Sullivan, 2010). Managing quality is important because any deficiency in the process that reaches the consumer costs massively (Deming, 1982). Service profit chain model (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994), emphasized on the need of first taking employees into consideration and making them loyal in order to ensure superior service quality that in turns result in customer satisfaction and loyalty. Hence, it is important to have quality committed employees as commitment was defined as an attitude of association and loyalty by a person (Morris, Lydka, & O'Creevy, 1993). Commitment is a complex concept and it has been studied in relation to various factors of interest. All previous work on commitment agreed upon two distinctive elements of commitment; first is that commitment is a persistent force and second is that it directs behavior independently of other drives and attitude (Rego, Leite, Carvalho, Freire, & Vieira, 2004).

In a broader sense organizational commitment was defined in terms of identification, involvement and loyalty (Porter, Steers, Mowday, & Boulian, 1974). Allen & Meyer (1991) presented three components of organizational commitment: Affective, continuance and normative component. Reichers (1985) in his study to re-conceptualize organizational commitment, further explained commitment as a function of three components; affective, behavioral and cognitive. Commitment can be studied in relation to various foci and most of the available literature focused commitment towards organization. However, concern for quality was identified as an important focus of commitment (Randall, Fedor, & Longenecker, 1990). Moreover, service quality commitment was stated as a behavior of exerting effort and getting engaged with job in order to continuously improve, hence, benefiting the consumer (Peccei & Rosenthal, 1997). Quality commitment is recently defined as the employee’s affiliation, identification and participation with organizational quality goals and values resulting in increased work engagement and improvement activities (Jackson, 2004) and as a perseverance of achieving quality in almost everything by organization and that can be achieved by mutual realization and dedication by all members of organization (Williams, 2006). Goffin & Szwejczewski (1996) affirmed that many total quality program failed due to lack of commitment.

Considerable evidence was found that employee’s favorable attitude and commitment was influenced by the degree of open, persuasive, interactive and harmonized internal communication by organization (Thornhill, Lewis, & Saunders, 1996) and internal branding has positive impact on employees brand supporting behavior (Boone, 2000; Hankinson, 2002; Kotter & Heskett, 1992). Internal branding is an important tool to fill the gap between brand promise and delivery (Goom, MacLaverty, McQuillan, & Oddie, 2008).
Moreover, strong evidences had been found that both internal marketing and internal branding are related positively with brand commitment (Woodruffe, 1995; Aurand, 2005; Burmann & Zeplin, 2005; Punjaisri, Evanschitzky, & Wilson, 2009). Ye & Zhao (2010) identified three dimensions of internal marketing i.e. brand training, brand incentive and brand communication as predictor of employee’s psychological commitment and identification with service brand, which prompts employees to behave in alliance with branding efforts. Peccei & Rosenthal (1997) discovered two strong antecedents of commitment to quality of service; eagerness to deliver and ability to deliver.

Impact of internal branding on organizational commitment has been studied in various research settings. However, no study has been done on Impact of internal branding on employee’s quality commitment in Pakistan. This study, therefore, quests to accomplish this area for a better understanding and implication of the concepts being discussed.

2. Conceptualization

Our research focused primarily on the relationship of internal branding and the level of quality commitment in service employees. Internal branding is the promotion of the brand to the service employees with a belief that they would be better able to sustain brand standards in delivery process if they positively identify with core brand values. The concept of internal branding was adapted from Punjaisri, Evanschitzky, & Wilson (2009) who described internal branding as a function of training, orientation, group meetings and briefings. Quality commitment is a multidimensional construct composed of affective, behavioral and cognitive indicators that predicts the level of identification of a service employee with the quality goals in service. This concept of quality commitment was adapted from Jackson (2004). Additionally, this study also inspected to recognize any impact of three demographic factors; employee designation, age and experience on internal branding as well as quality commitment. An ample depiction of conceptual scheme of the study is provided in Error! Reference source not found.. Following hypotheses were developed to investigate these relationships.

\[ H_1 \]: Higher the level of internal branding higher is the level of quality commitment in service employees.

\[ H_2 \]: Higher the level of internal branding, higher is the level of affective quality commitment in service employees.

\[ H_3 \]: Higher the level of internal branding higher is the level of behavioral quality commitment in service employees.

\[ H_4 \]: Higher the level of internal branding, higher is the level of affective quality commitment in service employees.

\[ H_5 \]: There is some effect of Employee designation on level of internal branding.

\[ H_6 \]: There is some effect of Employee designation on level of quality commitment.

\[ H_7 \]: There is some effect of Employee age on level of internal branding.

\[ H_8 \]: There is some effect of Employee age on level of quality commitment.

\[ H_9 \]: There is some effect of Employee experience on level of internal branding.

\[ H_{10} \]: There is some effect of Employee experience on level of quality commitment.

3. Research Methodology

This snapshot study was basic and explanatory in nature. Firstly, secondary data analysis provided with meaningful insight into the understanding and development of research problem. Once, all the primary relationships of interest had been identified we deployed survey research as a primary mode of observation. A total of 300 individuals were targeted from which 259 responded effectively showing a return rate of 86.33%.

Data was collected through a self administered questionnaire. The questionnaire was composed of three segments. First segment was developed to capture demographic characteristics. Second segment, adapted from Jackson (2004), comprised of a total of 12 items that measured level of quality commitment at a five point Likert scale. However, one item was split into two parts to decrease the suspected effect of being double barreled. Thus a total of 13 items were included in final questionnaire to measure the level of quality commitment. The procedure of splitting item is explained below.

*Original Item:* I do not mind spending more time on a task in order to increase its quality, even if I get no credit for it.
**Split Item 1:** I do not mind spending more time on a task in order to increase its quality.

**Split Item 2:** I do not bother whether I am getting rewarded for my efforts to increase quality of task.

Third segment, adapted from Punjaisri, Evanschitzky, & Wilson (2009), comprised of a total of 10 items each of which measured level of internal branding at a five point Likert scale. Tool was found to be completely reliable (see Table 1).

Data processing was mechanical by using Statistical Package for Social Sciences (SPSS) software program. A combination of parametric and non parametric techniques was used to analyze data depending upon the normality of distribution. Detailed 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. Kruskal-Wallis Analysis of Variance was used to test effect of categorical demographic factor on interval variables.

### 4. Results

The primary relationship studied was impact of internal branding on service employee’s quality commitment hypothesized in $H_1$. A p-value of 0.00 denoted that $H_1$ was accepted with perfect significance providing strong evidence that higher the level of internal branding, higher is the level of quality commitment in service employees. Internal branding was found to have perfectly significant and moderately strong (50.8%) correlation with level of quality commitment. Moreover, internal branding was also found to be positively and moderately correlated with affective (40.5%), behavioral (44.6%) and cognitive (53.3%) components of quality commitment with perfect significance. Figure 3 summarizes the results of hypothesis testing. $H_2$, $H_3$ and $H_4$ were also accepted with perfect significance depicting that higher the level of internal branding, higher is the level of affective, behavioral and cognitive quality commitment in service employee.

Further, regression analysis was performed to understand the direction of relationship. Table 3 summarizes the results of regression analysis. Values of $R^2$ showed that 37.8% variation in quality commitment can be explained as result of variation in internal branding. This result reinforced the results 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 $Y = 1.540 + 0.621 \times (X)$ showing that if level of internal branding is 1, level of quality commitment will be 2.161 and with an increase in level of internal branding say 4 level of quality commitment will be 4.024. These results confirmed that internal branding is a positive predictor of quality commitment. Internal branding was also found to be an important predictor of affective, behavioral and cognitive quality commitment through regression analysis (see Table 3). These results showed that 25% of variation in affective quality commitment, 30.1% variation in behavioral quality commitment and 42% variation in cognitive quality commitment can be positively explained as a result of variation in level of internal branding. Regression equations are listed in Table 4.

Demographic factors, employee age, designation and experience were also studied for any possible impact on level of internal branding and level of quality commitment using Kruskal-Wallis Analysis of Variance. A p-value of 0.048 portrayed that $H_5$ was accepted and designation has some impact on level of internal branding. Comparison of mean ranks is provided in Table 5 illustrating that associate professors and professors showed higher level of internal branding. However, a p-value of 0.123 portrayed that $H_6$ was rejected thus designation has no impact on level of quality commitment. Further, Kruskal-Wallis analysis of variance was used to check if the age had any impact on level of internal branding or level of quality commitment. A p-value of 0.055 showed that $H_7$ was rejected and age has no impact on level of internal branding. Similarly, a p-value of 0.102 portrayed that $H_8$ was also rejected and age has no impact on level of quality commitment as well.

Then, effect of experience on level of internal branding and quality commitment was also inspected through Kruskal-Wallis Analysis of Variance. A p-value of 0.034 represented that $H_9$ was accepted and Teacher experience has some impact on level of internal branding. In order to inspect this effect means rank were compared (see Table 6). It was identified that teachers having most experience i.e. 21 years & above, possessed highest level of internal branding (mean rank 159.15), followed by teachers having experience of 11-15 years (mean rank 149.63).

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After these two groups, teachers of 16-20 years of experience (mean rank 124.66) and teachers of 0-5 years of experience (mean rank 123.10) did not differ much followed by teachers of 6-10 years of experience (mean rank 116.15) A p-value of 0.007 depicted that $H_{10}$ was also accepted and age has some impact on level of quality commitment as well (see Table 7). Age group of 21 & above years was found to be most committed towards quality (mean rank 161.81). However, in contrast to impact of experience on internal branding, the second most quality committed group was found to be of 0-5 years of experience (mean rank 144.83) followed by teachers having experience of 11-15 years (mean rank 125.72), 6-10 years (mean rank 115.61) and 16-20 years (mean rank 104.48). This variation in quality commitment in experience brackets showed a similar pattern to variation in internal branding (Figure 2).

5. Discussion

This study gave meaningful insight into the interesting concepts of internal branding and quality commitment along with their mutual relationship in service sector. Additionally, It also provided us with an overview of role of demographic factors in relation to internal branding and quality commitment. It not only provided an understanding of proposed relationship but also opened new horizons for future studies. Along with academic implications, the study also presented various managerial implications. However there were limitations too that we faced in the course of this study. This discussion seeks to sum up the important inferences, recommendations and limitations of the study.

5.2. Conclusion

Internal branding was found as positive predictor of quality commitment in education sector of Pakistan. Internal branding has strongest correlation with cognitive quality commitment followed by behavioral 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. However, training doesn’t affect all the components of quality commitment equally. It was found to be most effective in enhancing cognitive quality commitment in teachers. Behavioral quality commitment is also considerably get affected by training followed by affective quality commitment.

Group Meeting was found to be second most effective tool in enhancing quality commitment in teachers. Similar to training, group meeting was also found to be most effective in generating cognitive quality commitment. Impact on behavioral and affective quality commitment due to group meeting doesn’t differ greatly though. Briefing showed a considerable relationship with level of quality commitment as well. It was proved to be least effective towards behavioral quality commitment. However, it significantly and moderately affects the cognitive quality commitment and affective quality commitment respectively. Orientation was proved to be weakest tool from all yet significantly and moderately affecting quality commitment as a whole. However, it demonstrated significant yet weak relationship with affective quality commitment. Orientation was, however revealed to be a significant and moderately strong tool for cognitive quality commitment followed by behavioral quality commitment.

The three demographic factors were also studied for any possible impact on internal branding or quality commitment. Teacher’s age was not found to affect internal branding or quality commitment. However, teacher’s designation was found to impact level of internal branding but not quality commitment. In contrast, teacher’s experience was found to impact both internal branding and quality commitment in a similar pattern confirming the direct relationship between them.

5.3. Recommendations

The study not only provided with the evidence on relationship of internal branding and quality commitment, it also presented an imminent view of how various factors of both variable correlate. Four tools of internal branding, training, orientation, group meeting and briefing, also affects different components of commitment differently. By utilizing the results of this study it is possible to develop internal branding strategies according to specific objectives. As in case of education sector an institution interested in enhancing cognitive quality commitment in teachers should focus more on training as well as briefing and group meeting. Internal branding is a novel, cross-functional concept that is getting a great attention in contemporary business and management literature. Similarly, quality commitment also provides a new horizon to understand the complex natured variable of commitment. A combination of internal branding and quality commitment can be studied from many perspectives.
Moreover, impact of internal branding on level of quality commitment may be mediated by personality factors. Thus, here we strongly recommend to conduct a study in future that consider personality factors as a predictor of level of quality commitment along with internal branding.

5.4. Limitations

This study provided us with a meaningful insight into the concepts of internal branding and quality commitment as well as mutual relationship of two variables. However, a few limitations might make weaken the results. For instance, consideration of any moderating variable was out of the scope of this study. Quality commitment is a multidimensional concept with many facets. It is an intrinsic variable that may be affected by many other variables. Personality, for example, may be considered a strong factor in mediating the relationship between internal branding and quality commitment.

6. Appendix

Table 1: Chronbach Alpha Values

<table>
<thead>
<tr>
<th>Scale Reliability</th>
<th>Variable Reliability</th>
<th>Dimension Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Internal Branding</td>
<td>Training (0.836)</td>
</tr>
<tr>
<td>α = 0.956</td>
<td>(0.936)</td>
<td>Orientation (0.770)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Group Meeting (0.850)</td>
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<tr>
<td></td>
<td></td>
<td>Briefing (0.859)</td>
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<tr>
<td></td>
<td>Quality Commitment</td>
<td>Affective Quality Commitment (0.725)</td>
</tr>
<tr>
<td></td>
<td>(0.949)</td>
<td>Behavioral Quality Commitment (0.898)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cognitive Quality Commitment (0.915)</td>
</tr>
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Table 2: Summary of Correlation

<table>
<thead>
<tr>
<th></th>
<th>Internal Branding</th>
<th>Training</th>
<th>Orientation</th>
<th>Group Meeting</th>
<th>Briefing</th>
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<tr>
<td>Quality Commitment</td>
<td>0.508</td>
<td>0.511</td>
<td>0.393</td>
<td>0.462</td>
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<td>Affective Quality Commitment</td>
<td>0.405</td>
<td>0.377</td>
<td>0.297</td>
<td>0.388</td>
<td>0.399</td>
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<tr>
<td>Behavioral Quality Commitment</td>
<td>0.446</td>
<td>0.455</td>
<td>0.351</td>
<td>0.397</td>
<td>0.387</td>
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<tr>
<td>Cognitive Quality Commitment</td>
<td>0.533</td>
<td>0.559</td>
<td>0.450</td>
<td>0.511</td>
<td>0.454</td>
</tr>
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</table>

Table 3: Summary of Regression Analysis

<table>
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<th>R-Square</th>
<th>Adjusted R-Square</th>
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<tr>
<td>Quality Commitment</td>
<td>0.378</td>
<td>0.376</td>
</tr>
<tr>
<td>Affective Quality Commitment</td>
<td>0.250</td>
<td>0.247</td>
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<tr>
<td>Behavioral Quality Commitment</td>
<td>0.301</td>
<td>0.298</td>
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<tr>
<td>Cognitive Quality Commitment</td>
<td>0.420</td>
<td>0.417</td>
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*p-value 0.00

Table 4: Regression Equation

<table>
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<th>Independent Variable (X)</th>
<th>Dependent Variable (Y)</th>
<th>Regression Equation</th>
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<tr>
<td>Level of Internal Branding</td>
<td>Level of Quality Commitment</td>
<td>Y = 1.540 + 0.621 (X)</td>
</tr>
<tr>
<td></td>
<td>Level of Affective Quality Commitment</td>
<td>Y = 2.019 + 0.533 (X)</td>
</tr>
<tr>
<td></td>
<td>Level of Behavioral Quality Commitment</td>
<td>Y = 1.484 + 0.597 (X)</td>
</tr>
<tr>
<td></td>
<td>Level of Cognitive Quality Commitment</td>
<td>Y = 1.256 + 0.723 (X)</td>
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Table 5: Impact of Designation on Internal Branding - Means Rank

<table>
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<tr>
<th>Designation</th>
<th>N</th>
<th>Mean Rank</th>
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<tr>
<td>Lecturer</td>
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<tr>
<td>Assistant Professor</td>
<td>82</td>
<td>120.37</td>
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<tr>
<td>Associate Professor</td>
<td>31</td>
<td>155.32</td>
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<tr>
<td>Professor</td>
<td>19</td>
<td>157.79</td>
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<tr>
<td>Total</td>
<td>259</td>
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Table 6: Impact of Experience on Internal Branding- Means Rank

<table>
<thead>
<tr>
<th>Experience</th>
<th>N</th>
<th>Mean Rank</th>
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</thead>
<tbody>
<tr>
<td>0-5</td>
<td>84</td>
<td>123.10</td>
</tr>
<tr>
<td>6-10</td>
<td>69</td>
<td>116.15</td>
</tr>
<tr>
<td>11-15</td>
<td>51</td>
<td>149.63</td>
</tr>
<tr>
<td>16-20</td>
<td>31</td>
<td>124.66</td>
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<tr>
<td>21&amp; above</td>
<td>24</td>
<td>159.15</td>
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<tr>
<td>Total</td>
<td>259</td>
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Table 7: Impact of Experience on Quality Commitment - Mean Rank

<table>
<thead>
<tr>
<th>Experience</th>
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<td>6-10</td>
<td>69</td>
<td>115.51</td>
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<td>11-15</td>
<td>51</td>
<td>125.72</td>
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<td>16-20</td>
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<td>104.48</td>
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<tr>
<td>21&amp; above</td>
<td>24</td>
<td>161.81</td>
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<td>Total</td>
<td>259</td>
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Figure 1: Theoretical Framework
Figure 2: Comparison of Means Rank - Impact of Experience on Internal Branding & Quality Commitment

![Graph showing comparison of means rank for different experience categories with lines indicating Level of Quality Commitment and Level of Internal Branding.]

Figure 3: Results for Hypothesis Testing

![Diagram illustrating the results of hypothesis testing with arrows and statistical significances for different variables such as Employee Designation, Affective Quality Commitment, Behavioral Quality Commitment, Cognitive Quality Commitment, Employee Age, Employee Experience, Training, Orientation, Group Meeting, and Briefing.]
7. References


