Chapter 2

Literature Review
Employee branding closely falls in the domain of Internal Marketing. Many times it is also confused with the concept of Employer Branding. Hence an attempt is made to study the existing literature in the area of employee branding, internal marketing and employer branding. The chapter will later focus on impact of employee branding and then on how to apply the concepts of employee branding in service industry.

2.1) Definition and Framework to Understand Internal Marketing

Joseph (1996)\(^1\) provides a conceptual framework to understand the concept of Internal Marketing taking an example of health care industry. The conceptual paper provides a clear understanding of how IM works. The author proposes that there are following stages in the service organization and service encounter.

1) Back office employees
2) Front line employees
3) External customer

The author says that the communications done to the external customer is External marketing, which falls in the domain of traditional marketing practices. When the customer interacts with the frontline employees a lot of dynamic marketing happens. The customer comes with certain expectations based on external marketing. Customer expects the same expectations to be fulfilled during the service encounter with the front line employees. If there is a gap over here it leads to dissatisfaction in the customer’s mind. This phase is defined as Interactive marketing. For interactive marketing to be effective there has to be proper coordination between the back office and front line employees i.e. basically within the organization. If the coordination is not there, alignment of objectives is not there then it reflects as gaps in the Interactive marketing. The

---

mechanism to attain this effective coordination is Internal marketing. If internal marketing is effective, then the same gets reflected in the interactive marketing phase. This is a good attempt to generate clarity on the framework in which internal marketing works and how it is linked with the other aspects of marketing and organization.

Rafiq and Ahmed (1993) ² wrote a conceptual paper on creating understanding about the concept of Internal marketing. Traditionally, ensuring employee satisfaction was considered in the domain of good HRM practices. However, the concept of Internal marketing seems to overlap with the domain of HRM. The authors, through extensive literature review, try to differentiate between the limits of Internal marketing and HRM. They try to answer whether both are the same or is there any substantial difference in them.

The authors take up a variety of concepts in marketing and try and apply them in the domain of Internal Marketing. The purpose is to thoroughly understand and examine the concept of Internal Marketing. The 7Ps model of service marketing is considered to analyze job as a product and employee as a customer buying the job product. Other concepts like Market segmentation and Market research are also considered.

Post the analysis the authors make a case for redefining the existing definition of Internal marketing. The major flaw in the existing definition is the assumption of the employees as the customer. A lot of things in the job profile can be forced upon the employees. If not forced, still there is a high risk of noncompliance to the management’s policy. If the employee does not buy the ‘job’, there is a high degree of perceived risk involved. This is not the case with external customer. External customer cannot be forced in buying anything. Secondly the concept of customer as the king will not hold in the domain of internal marketing. Even though the management may consider employees as king, they cannot surely treat them like ones, because of unwarranted expectations coming from the employee’s on the company’s resources. Given this background the authors recommend that the external customer setting cannot be applied to internal marketing.

customer. Therefore they recommend a change in the basic definition of Internal marketing. They warrant for the definition to be based more on the outcome of Internal marketing. The authors also highlight that there is a lack of empirical evidence on the fact that internal marketing brings more customer orientation in the employees.

Varey (1995) present a model for a mechanism and process of ensuring that organizational capability for good service is continuously enhanced. The internal marketing concept, in a modern form, is the basis for improving internal working relationships between functional specialists by taking a social process perspective. It is suggested that a macro marketing or societal marketing concept can be adopted to provide a way of thinking about customer-supplier relationships in the organization as an open system which is not limited by a "market" characterization. In this way the broadened internal marketing concept can contribute to change management to make the organization more flexible and responsive. A number of recommendations are made for operating such a mechanism and process in the paper. This paper can be considered as one the first attempts to throw more light on the concept of internal marketing.

2.1.1) Role of employee in quality service delivery for the client

Zomerdijk and Voss (2010) opined that Service organizations are increasingly managing customer experiences to promote differentiation and customer loyalty. The paper examines the design of experience-centric services, particularly the design of their context. Drawing on relevant literature in service and experience design, the authors develop a theory-based set of propositions for experience design. The propositions are then investigated empirically by means of 17 case studies of design agencies, consulting firms, and experience-centric service providers in different industries. Strong support was found for the designing of “customer journeys” and “touch points” for sensory design, and for the designing of a dramatic structure of events. In addition, the engagement of employees, the management of fellow customers, and the close coupling of

---


backstage employees and front stage activities represent promising new frontiers in experience
design. By identifying the current design practices of leaders in experience design, this study both
informs this practice and presents a unique perspective on the design of service delivery systems
and the significance of the employee’s role in the same.

Sergeant and Frenkel (2000)\textsuperscript{5} opine that previous service workplace research has indicated the
impact of supportive supervisors, teams, other departments, and technology on employee
satisfaction and organizational commitment. These variables in turn have been shown to influence
customer contact employee behavior and customer satisfaction. In this article, the authors explore
how these variables relate to employees’ capacity to satisfy customers. Using a structural equation
modeling methodology, the authors found that in terms of direct effects on employees’ capacity to
satisfy customers, some variables (e.g., other department support) were more important than others
(e.g., technology). Some variables (e.g., other department support) had a direct effect on
employees’ capacity to satisfy customers, some had a mediated effect (e.g., supervisor support),
and some had both a direct and mediated effect (e.g., technology). The capacity of employees to
satisfy customers is strongly dependent on a set of mutually supportive variables.

Little & Little (2009)\textsuperscript{6} base the conceptual paper by acknowledging that Internal marketing has led
to an improvement in the delivery of service quality. However, the authors further argue that there
has not been a keen effort by researchers and practitioners to formalize the structure of internal
marketing. The authors propose that Internal marketing efforts should be structurally linked with
HRM, Operations and marketing divisions. They also propose the below mentioned HOME
TEAM approach to formalizing internal marketing practices.


Although the paper is only conceptual, it provides useful insights in understanding and implementing the process of internal marketing.

Ferdous (2008)\(^7\) proposes a conceptual framework for implementing integrated internal marketing efforts. The author proposes that employee and the organization should be treated as an internal consumer and market, whereby the same concepts applicable to external markets should be applicable to internal markets too. The author makes a case for treating the internal market

separately and targeting it using the most appropriate tools. The author proposes a framework of 4 points

1) Create the appropriate atmosphere for communication 
2) Application of IIMC tools 
3) Measuring the IIMC program 
4) Feedback for corrective action

The paper is based on non-empirical data. However the author hints that internal marketing efforts can lead to enhancing employee’s commitment and trust in the organization leading higher customer satisfaction which in turn leads to higher profitability of the firm.

2.1.2) Impact of Internal Marketing

Finn et.al (1996) tried to apply the concept of internal marketing and study its impact within the organizational settings. They tried to measure the impact on the internal customer i.e. the employees of different departments. A sample of 97 employees of Alcon Laboratories Inc. was sampled to understand their expectations from the corporate purchasing department. The employees who were internal customers of the purchase department were studied to figure out answers to what they expect from the purchase department and what are they actually getting from the purchase department. A diagnostic tool was also developed to measure the perception of the internal customers. The concept may not directly relate to our study, but it signifies that the concept of employee branding and internal marketing has even found application in the areas within the organization. Quality management efforts can be boasted if concept of employee branding are utilized within the organization.

Simons (2009) analyzed more than 20 research studies on HRM, Marketing and corporate social responsibility of firms. The purpose of the study was to identify factors that lead to better alignment

__________________________


of internal customer (employees) and external customer (customers). The author identified and classified the factors under the following categories

1. Functional factors
2. Economic factors
3. Psychological factors
4. Ethical factors

The major finding of the study was that firms who do well to the employees end up delivering better services to their customer. The study is a case in point for the benefits of internal marketing. The authors recommend that if employees are committed, the customers will always experience a better service delivery.

Hogg et.al (1998)\(^\text{10}\) studied the concept of Internal marketing using the framework and initiatives of Investors in People (IIP). IIP initiative was an initiative of bring around change in the corporate culture by investing in the employees. Under this initiative, enlightened employers communicated the business aims, values and performance of their organizations to the employees so as to encourage them to participate actively in the success of the organization. The authors studied a medium sized, family owned business in a declining industry. The first phase included interviewing employees before the IIP was initiated and the second phase included interviewing the same employees post implementation of the IIP program. A variety of factors were identified as factors that lead to better understanding of the culture by the employees, namely team work, each employee’s work contributing to the organization, constant strive for improving service quality, training employees, empowering employees, customer orientation through the organization and building trust. The results of the study reveal that almost all the parameters were considered important by the employees in bringing about change in the corporate culture. However, the study also revealed that although employees understood the significance of change in corporate culture, they were also apprehensive about the creditability of the changes made. The

authors recommend that a solid display of intent by the top management can address the issue. It is imperative that the management should ‘walk the talk’.

Thomas and Hecker (2000)\textsuperscript{11} argue that in today’s competitive times it has become imperative to work together as a cohesive unit. If the organization is not able to work and stand as a team then, the market place performance directly get affected. The organization needs staff buy-in to ensure that this happens. This paper explores what staff buy-in really means and how it ultimately affects customers, using the findings of two major surveys commissioned by MCA and conducted by MORI. The paper also recommends few areas where the business can get impacted due to internal marketing. The authors raise a few important questions which need to be explored to further understand the impact that internal marketing (or lack of it) can have on the business side of any organization.

Mosahab et. al (2010)\textsuperscript{12} did an extensive study on the area of service quality in the area of education. They used the internal marketing approach and the SERVQUAL scale to study education sector in Tehran, Iran. They collected data using questionnaire from 230 teachers and 384 students in the district 6 public high schools of Tehran, Iran. The major findings indicate that there was a negative gap in each of the five dimensions among both groups of teachers and students. Quality gaps from viewpoint of both groups were negative. The largest mean quality gap from students and teachers viewpoint was in the responsiveness and tangibility dimensions, respectively. The largest and smallest differences between students and teachers viewpoint were in the responsiveness and tangibility dimensions. The findings show a need for implementation of IM.


Ahmed et. al (2003)\textsuperscript{13} propose that like external marketing, for internal marketing also there are a set of variable that affect the process of influencing the behavior of employees. These factors have a prominent effect on development and deployment of organizational competencies in the market place. They propose that behavior of employees can be positively affected by controlling organizational factors. These hypotheses were also supported with empirical data. They also propose an implementation model as a framework for implementing internal marketing strategies. They conclude that organizational competencies act as a mediating factor between the factors affecting internal marketing and business performance.

2.1.3) Impact of internal marketing in various sectors

Temesgen & Ketema (2010)\textsuperscript{14} did an extensive study on the marketing strategy of Ethiopian Telecommunication Corporation (ETC). Data was collected from a total sample of 650 customer and 81 employees and semi-structured interview was conducted for 15 top managers. The study was conducted in the wake of major initiatives taken by the company. The study reveals that there is a lack of sync between the corporate strategy and marketing strategy of the company. The company also is rated extremely poor on service quality. The authors attribute the reason of this to lack of internal marketing. The employees are not fully aware of the company’s corporate and marketing strategy. The authors say that the employees are attributing symptoms to the problems. The authors also recommend that internal marketing should be initiated before taking up the restructuring initiative.


Lassk et.al (2004)\textsuperscript{15} tried to provide empirical evidence and provide insights in the area of Internal customer mindset of marketing personnel. For the purpose of the study, 138 marketing personnel were requested for data collection through the database of AMA. Since marketing department and personnel are treated as the Internal customer, the authors studied the perception of the marketing personnel. The major findings of the study prove empirical support between ICMS and job performance, ICMS and job satisfaction, ICMS and job commitment of the employee. The impact of ICMS on Turnover Intentions of the client was not empirically supported. Thus the authors conclude that Internal marketing initiatives may not lead to lesser employee attrition, but it definitely impacts job satisfaction, commitment and performance of the employees positively.

Vrontis et.al (2010)\textsuperscript{16}, studied the planned change management initiative at the Malaysian Airlines. The authors developed a questionnaire with 117 items and collected data through a sample of 250 employees. The detailed study was based on the following proposed framework for change management using internal marketing initiative


The research was conducted in 2 phases. In the first phase, the authors select 10 variables and try to determine the relationship between these variables and employee’s acceptance of a planned change. The second phase of the study focuses on conceptual investigation of role, and nature of internal marketing as a positive agent of change. The authors conclude that “perception management” can play a major role in getting acceptance towards change from the employees, especially from the senior executives. The paper provides proof the internal marketing and employees better understanding of the company and its brand go a long way in bring about positive change and competitive edge in the organization.

Quester and Kelly (1999)\(^1\), tried to gather empirical evidence in the area of internal marketing. 177 companies in the Australian financial services sector were chosen for the study. The criteria were to select companies with more than 30 employees. 63 questionnaires were filled and data was analyzed on basis of the same. The major finding of the study was that who should be responsible for implementing internal marketing. Majority of the respondents said that high level management along with the HR department should be made accountable for implementation of internal marketing. Most of the employees also acknowledged that knowing about the company will definitely provide them edge in the market place. They understood the significance of internal marketing.

Tsai (2010)\(^2\) explored the impact of internal marketing practices on market orientation and innovation in the health care sector. The author studied 106 employees from different district level hospital in Taiwan. The major findings of the study were

1) Internal marketing has substantial impact on market orientation
2) Internal marketing has substantial impact on organizational innovation
3) Service training program in internal marketing had obvious effect on organizational innovation


Author highlight that besides emphasizing on satisfying external customer needs, it is also important to value employee’s working needs, by satisfying those needs, gaining employee’s recognition and sense of belonging creating a happier workforce which will commit to the organization. This research found, hospitals that practices internal marketing will affect its attitude towards market orientation, in other words hospitals that implement internal marketing will affect employee’s attitude towards customers. The author recommends hospital administrators to utilize internal marketing activities, attract and retain outstanding medical professions, increase service capability which will provide positive effect on becoming a customer orientated organization.

Yang (2010)\textsuperscript{19} did an extensive literature review to understand the relationship between Internal marketing perceptions, organizational support, job satisfaction and role behavior in the setup of health care organization. The author proposed 8 hypotheses for further research and validation using empirical data. The author argues for a case of treating employees as internal customer and their demands should be satisfied using various internal marketing communication. The purpose of the study was exploratory and it identified the need for effective, internal marketing in the organization, targeted toward employees.

Headlee and Adam (2010)\textsuperscript{20}, provide practitioner’s point of view on the role of employees in the healthcare (hospital) industry. The authors argue that in the hospital industry, the people working in the hospitals are the products itself. They are the best chance of selling the final product to the end user. Quoting examples of leading hospital like The SSM Heart institute in St. Louis, Spring Valley hospital in Las Vegas the authors make case for involving employees in a lot of branding and marketing initiatives. The interaction that the patient has with each and every employee in the hospital is a major brand touch point for the customer. If these touch points are properly managed, then they could leverage the brand experience of the customer and brand equity for the hospital.


Gezen et al (2007) conducted a primary research in a hospital in Turkey. The hospital has been implementing TQM practices since 5 years. The study was undertaken to study the impact of internal marketing on the TQM implementation process. The stratified random sample of 256 employees of the hospital was studied using a scale of 37 statements. Although the results were not encouraging from the hospital’s point of view, but the following important results emerged out of this research

1) Researchers found positive correlation between the awareness of the organizational goals by employees and the use of internal marketing tools and activities
2) Use of internal communication tools were also found to be correlated with employee participation in the management decision making process
3) Positive correlation was also found between communication of organizational goals to employees and employee participation in management
4) Participation by employees in management was also found to be correlated with the employee’s strong feeling of belongingness to the organization

A lot of results from this study were useful to my study. Empirical evidence was provided that proper communication to the employees about the company and promises to the customer will lead to a stronger bond between the employees and the organization leading to more enhanced contribution from the employees towards delivering better services to the customers.

Hwang and Chi (2005) did an extensive study on the hotel industry in Taiwan to probe the conceptual framework of relationships between the following

1) Internal Marketing
2) Employee Job Satisfaction
3) Organizational Performance

3 different scales were adopted and modified on basis of focus group discussion for the above 3 parameters. 359 employees were surveyed from 61 international hotels in Taiwan. The major findings of the study were that there was a very high positive correlation between internal

marketing and employee job satisfaction and internal marketing and organizational performance. Positive, but not very high correlation was found between employee job satisfaction and organizational performance. However the authors provide a lot of empirical evidence that practices of internal marketing and aligning the employees to the external customers can reap high dividends for any organization.

Cano and Sams (2009)\(^{22}\) provided empirical evidence of internal marketing concept in the social service sector. An extensive data was collected from a sample of 533 frontline social service providers. Findings from the analysis of the data provide empirical evidence to the impact that internal marketing has in area of social services. The authors proposed a mediating variable of emotional intelligence which mediates emotional labor and job stress. The findings recommend that the stress is fairly reduced if there is a proper fit between the job and the employees. The authors refer the job as the company’s product and employees as the internal customers. This fit can be strengthened only through internal marketing. Authors provide a strong case for impact of internal marketing in the social service industry.

### 2.1.4) Challenges to the concept of Internal Marketing

Foreman and Money (1995)\(^{23}\), attempted to bridge the gap in the existing literature in the area of Internal Marketing. They sought out to figure answers to fundamental questions about the requirement of the concept of internal marketing and the fundamental contribution that it does to the organization. A sample of 204 employees from leading organization was taken up for data collection. The questionnaire was generated on basis of focus group discussion of students of executive course in a MBA college, checklist of IM adopted form Berry and Parasuraman (1991) and from IM scale adopted from service marketing audit checklist of Berry et al. (1991). The major findings of the study can be classified as three basic components of IM, namely

1. **Vision**

---


2. Reward
3. Development.

However the author comments that the findings of the study could not clearly identify the need of IM. The fundamental question that still remained unanswered was that whether employees need to be constantly treated as customers or not. The empirical evidence was not very clearly favoring any of the sides. It seems that many managers opine that if the basic needs of employees are satisfied then there is no need to apply Internal Marketing practices.

Kelemen and Papasolomou (2007)\textsuperscript{24} did an extensive study on the impact and applicability of employee branding in the UK retail banking sector. The authors adopted a case study method as they wanted to explore the concept in depth. 35 business units from 7 UK based retail banks were considered for the study. 35 branch managers and 21 employees working at various profiles ranging from back office to sales to client servicing were subjected to in-depth qualitative interviews. The authors identified that the banks normally believe that achievement of service quality is linked to

- Monetary awards
- Non-monetary rewards such as gifts, medals, plaques, and travel coupons.
- Intrinsic rewards such as service awards presentation ceremonies and public praise.

In addition to the above the authors conclude by identifying 4 rituals of Internal marketing

Ritual 1 ‘The customer is king’: long live the new king, the internal customer!
Ritual 2 Training and development programmers: learning about yourself and the Customer
Ritual 3 Internal service standards and the reduction of ambiguity
Ritual 4 Reward systems

The authors also conclude that in much organization the overall aim of Internal Marketing is the creation of a unified culture around the values of customer service, employee empowerment and

service quality, but the evidence suggests that Internal Marketing is perceived and enacted in ways that at times contradict such managerial rhetoric. The authors highlight that the implementation of Internal Marketing in the banks under the study is problematic and does not result into a unified organization culture. Indeed, implementing Internal Marketing is a process fraught with difficulty, which at times leads to divisions, ruptures and ambiguity in the newly created organizational culture. Thus this paper cautions that the internal marketing is a good concept but it needs to be implemented with proper care to reap proper dividends.

2.1.5) Internal Marketing in Indian context

Sharma and Chawla (2009) tried to explore the concept of Internal marketing in the Indian context. Authors claim that a lot of research has happened in the area outside India. The current paper is an attempt to explore internal marketing in the Indian context. The authors explore and apply the original concept of service triangle in the Indian context. The authors use the study of Rafiq and Ahmad to build upon their case. They also quote the examples like HSBC and American express and how they benefited from Internal marketing. The authors argue that internal marketing is the best way to attain sustained organizational commitment. The authors also touch upon the concept of internal customer supply chain. They argue that if the internal supply chain is not viewed upon then the orientation towards external customer will never come within the employees.

Varghese and Aiswarya (2008) provided insights into the process of implementing employee branding in the Indian context. Although the paper is conceptual in nature, but it clears a lot of misconception about employee branding. The authors propose a 5 step process to employee branding.

Step 1: Define the brand

Step 2: Understand your brand and the culture


Step 3: Identify the touch points of the internal customers

Step 4: Spread the word

Step 5: Your new brand has evolved! Redefine the brand as and when needed.

The authors also tried to discuss the responsibility of employee branding in the organization. They argued that who should be responsible for employee branding, marketing or the HRM department. However they keep the domain open by stating that it is an organization wide integrated approach. The author also recommends certain tactics that can be used to ensure effective employee branding.

• Brand benefit communications
• Company celebrations
• Internal branding campaigns
• Intranet communications
• New employee orientations
• Newsletters/e-Newsletters
• Rewards and recognition
• Team building, etc.

The paper bridges a gap in the literature from Indian context point of view.

Chandhok and Tyagi (2010)27 state that Marketing is one of the most important functions of any organization, which contributes directly towards its growth and survival. It is necessary that the

employees of the company are trained suitably in order to achieve the goal of providing maximum value for money and satisfaction to the customers better than their competitors. This article tries to study the need for internal marketing with special reference to the insurance sector. If the employee’s understanding of their company and what they offer to their customer is clear then it makes the service delivery quality enhanced. The authors provide major suggestion which can be used to ensure that internal marketing happens flawlessly

1. Philosophy of the top management
2. Integrated organizational structure
3. Partnering with Human resources
4. Focus on employee commitment
5. Conduct meetings and celebrations

Bancassurance is also a new channel through which a lot of insurance products are being sold. The authors make a case that internal marketing should also be extended to this channel of insurance distribution too.

2.2) Employer Branding

Mosley (2007)\textsuperscript{28} provides a conceptual frame to understand various aspects related to managing customer service experience, especially in the service sector where it is very difficult to manage consistent and brand based customer experience. The author provides 2 conceptual frameworks to understand relationships between

1) Employer brand
2) Internal marketing

3) Internal branding

4) Organizational culture

The author tries to imply effect that above mentioned factors have, jointly and individually, on the customer service experience. The author argues that companies need to align the entire organizational culture in such a fashion that it is in sync with the brand ethos and promises made to the customer by the brand. Rest all factors have a rub off effect on organizational culture. Only if all the above factors are properly in place, the customers can have a consistent and brand based service experience, which can lead to customer delight.

Foster et.al (2010) tried to understand the linkages between corporate, internal and employer branding. The corporate branding concept places an emphasis on employees' attitudes and behaviors. This has given rise to internal branding and employer branding, which argue for a closer alignment between the employees' values and those of the corporate brand. However the authors opine that few studies have attempted to provide a platform by which the two concepts could be synergized to achieve a strong, consistent corporate brand. This paper therefore seeks to explore and demonstrate how the three concepts of branding are interrelated through a new framework. Three bodies of literature (corporate branding, internal branding, and employer branding) were selected for review and examination in terms of their implications for the proposed framework that conceptualizes the relationships between the three areas. The review of literature highlights the importance of employer branding and internal branding, and its potential to support the corporate brand-building initiatives, whilst maintaining their distinctiveness in the literature. It also sheds light in terms of the inter-relationships among the three concepts of branding. The analysis of the literature reveals a degree of synergy and integration between employer branding and internal branding. It also facilitates a comprehensive understanding of the implications of the two concepts for branding and integrated corporate brand management.

Liao (2009)\textsuperscript{29} attempts to apply marketing concepts to HR and training aspects. Three main concepts of marketing, namely

1) Marketing strategies
2) STP
3) Service Marketing mix (7S)

Were studied and their application in the process of employee training was evaluated by the author. The author only provides a conceptual framework with the idea of enhancing training effectiveness by the application of marketing concepts. This paper further substantiates the idea that employees can always be treated as internal customer and organization as an internal market. Applying marketing concepts with the organization by internal marketing can definitely enhance the value of the organization in the market place by enabling it to deliver better services to the customers.

Mills and Ungson (2001)\(^{30}\) opine that a distinguishing feature of contemporary organizations is the growing number of internal employees providing services to other employees. General Electric, Hewlett Packard, Dell Computer, Cisco, and other firms have enhanced service units and functions within their organizations. Nevertheless, much of what we know about these internal services is inadequate. Moreover, control of these internal services tends to be based erroneously on traditional concepts of hierarchies. Despite the growing importance of internal services, it has been difficult to assess their value or “price.” Without proper consideration of value, goods and services may be offered at less than their appropriate value. This article introduces organizing principles based on internal market structures as an alternative perspective to rethink the impact and control of internal services. The authors also present eight specific propositions that describe the structure, functions, politics, processes, and pricing of internal market structures.

Straughan and Cooper (2002)\(^{31}\) attempted to understand the internal market (employees) and the gap that they experience in the service quality. The employees are treated as internal customer and the job profile/experience is treated as a service experience. The authors clearly delineate how the characteristics of any service can be linked to characteristics of a job experience. By adopting the


well-known SERVQUAL scale, the authors try to identify the gap that employees experience in the service quality that they get in terms of their job experience. 5 gaps experienced by external customers, are been correlated to gaps that employee experience in the job settings. The authors give operational recommendations as to what to change and how to change in the job experience. They also provide strategic level recommendation for higher management involving usage of internal marketing concepts to optimize the effectiveness of the strategic human resource management.

Moroko and Uncles (2008) provided a typology of the characteristics of successful employer brands. Depth interviews were carried out with senior industry participants from the fields of internal marketing, human resources, communications, branding and recruitment. Transcripts were analyzed using formal interpretive procedures. Member checking was undertaken to confirm interpretations. Analysis of the transcripts shows there are two key dimensions of success for an employer brand: attractiveness and accuracy. As with customer-centric brands, attractiveness is underpinned by awareness, differentiation and relevance. For employer brands, however, the accuracy with which the employer brand is portrayed is also critical to success. This emphasis on accuracy highlights the importance of consistency between the employer brand and employment experience, company culture and values. General implications for the strategic management of employer brands are presented as well as marketing and human resource management strategies for each of the four states of employer branding success in the typology. It is proposed that researchers and firms should assess employer brand success according to the typology, using commonly collected human resources metrics. More generally, a case is established for studying employer branding as a context distinct from consumer and corporate branding and conceptualizing the employment experience of a firm as a product produced by the culture, policies and processes of the firm.

2.2.1) Employer Branding in India

---

Kapoor (2010) researched the area of Employer Branding with special emphasis on Indian Businesses. The paper aims at ascertaining the relevance of employer branding in India and whether it is merely superficial or there is something more innate to it. A descriptive research was conducted by means of a structured, non-disguised questionnaire, seeking insight into this very niche and occidental concept of employer branding in India. By using both deductive and inductive elements, the paper identifies top three parameters and factors in a myriad of areas related to employer branding like factors pertinent in developing the employer brand, attributes considered most important in attracting new talent to the companies, challenges in managing an employer brand, metrics considered useful for measuring the ROI for a company’s employer brand, factors an employee considers important about working with his company, communication media considered important for communicating the employer brand, activities considered important in enhancing the employer brand, and finally benefits arising from implementing employer brand. Author argues that Employer branding undoubtedly is a significant precept of modern management, one that offers a fine blending of the science of marketing with the art of enlightened human relations management.

The main conclusions of the study were

• Top three factors pertinent in developing/enhancing the employer brand: Current employee research, developing strategies for retaining talent and retention initiatives.

• Top three attributes considered most important in attracting new talent to the companies: Mission, vision and values, performance management and leadership.

• Top three challenges in managing an employer brand: Others (if any), communicating key employer brand messages to potential recruits, senior leadership engagement.

• Top three metrics considered useful for measuring the ROI for a company’s employer Brand: retention rate, quality of hire, and employee referral rate of new hires.

• Top three factors an employee considers important about working with his company: My friends’ perception of the company I work for is important; it is important to me that my family knows the company I work for; my family’s perception of the company I work for is important.

• Top three communication media considered important for communicating the employer brand: Performance appraisals, training and development programs, employee referrals program.

• Top three activities considered important in enhancing the employer brand: Talent pool development, talent relationship management, talent development strategy.

• Top three benefits arising from implementing employer brand: Recognition as an employer of choice, ease in attracting candidates, and increased internal hire rate.

2.3) Employee branding

Harquail (2007) state that Employee branding shapes employees’ behavior so that they project the brand identity of their organization’s products through their everyday work behavior. Author opines that Employee branding is intended to induce employee-brand identification, a psychological connection between the employee and the brand, to provide an unobtrusive, seemingly unproblematic engine for “on brand” behavior. To introduce organizational scholars to issues involved in employee branding, this paper outlines some of the assumptions, tactics and practices of employee branding. Author draws on theories from marketing and organizational studies to define employee-brand identification and to develop a preliminary model of how employee branding programs could induce employee-brand identification. In addition to that the author also raises questions about the relationships between the organization, the employee, and the brand that employee branding reinforces, and propose directions for future research. This paper consolidates on the existing literature on the area of employee branding.

Morhart and Tomczak (2007) make an attempt to define the construct of employee branding/Employee brand building behavior. One of the prime objectives of the study is to conceptualize the construct of Employee brand building behavior. The authors define it as an employee’s contribution to an organization’s branding efforts to create long-term brand value. The services marketing and corporate branding literature suggests several brand-strengthening behaviors of customer contact personnel which can be classified into three key categories:

1. Retention,
2. In-Role Behavior, And
3. Extra-Role Behavior.

Retention refers to employees’ willingness to stay with their current employer. For example, in businesses high in customer interaction such as banking, insurance and medical services, it is crucial to maintain stability in the customer-contact staff so that customers are able to build up strong relationships with the brand representatives and thus the brand itself.

In-role behavior refers to front-line employees dependably meeting the standards prescribed by their organizational roles as representatives of the corporate brand. For instance, if a bank’s brand message is “We try to understand your needs,” customers would expect employees to actively listen to them and show interest in their individual concerns.

Extra-role behavior refers to employee actions going beyond their prescribed roles for the good of the corporate brand and which are discretionary. They include

(a) Actively participating in brand development (e.g., a customer consultant passing on casual customer feedback on the bank’s new ad campaign to improve the company’s branding efforts)
(b) Positive word-of-mouth (e.g., a bank clerk telling his friends about his company as a great place to work)

---

The second objective of the study is to explore Transformational leadership as a variable leading to employee branding. Transformational leadership is a type of leadership style which is focused towards development of the follower. This style of leadership has been found of be of immense value in service industry. The authors also try to explain the logistics of brand specific transformational process and how leadership can play a contributory role in the same. The paper is one of the few attempts trying to bridge the gap in the literature of employee branding.

Punjaisri et.al (2007)\textsuperscript{36} tried to provide a conceptual framework to under the factors that lead to employee branding. The authors identified various personal, situational and organizational factors which affect the process of employee branding. They also identified variable of brand supporting behavior which lead to employee imbibing the brand values in their behavior which gets reflected in their interaction with the customers. Below is the proposed model by the authors.

The model was empirically tested with a sample of 30 customer facing employees from 4 and 5 star hotels in Thailand. In-Depth interview method was used to collect the data. The study could validate that organizational factors like training and internal communication play a major role in helping the employees understand the brand values better. The hypothesis also got empirically proven that if brand identification is there, then it relates to brand commitment and ultimately translates into brand loyalty for the employee. All the above 3 intermediating variables finally lead to a behavior which is in tune with the brand promises made to the customer. The paper filled a
major gap in the existing literature on the area of how employee branding can be applied in the organization.

Rafaeli et.al (2008)\textsuperscript{37} tried to study the customer orientation behaviors (COBs) of call center employees and show that these behaviors relate to customer evaluations of service quality. Using qualitative, inductive analyses of 166 telephone service interactions in a retail bank call center, they identify five types of COBs associated with helping customers. The COBs are (a) anticipating customer requests, (b) offering explanations/justifications, (c) educating customers, (d) providing emotional support, and (e) offering personalized information. Using deductive analyses, the authors show that customers rate the quality of service interactions higher when service providers employ COBs. The qualitative findings contribute to the understanding of the specific employee behaviors associated with service quality, and the quantitative findings validate the importance of these behaviors.

\textit{2.3.1) Significance and Impact of Employee Branding}

De Chernatony (2002)\textsuperscript{38} argued that there is growing interest in the topic of corporate brands, with confusion about what this means. This paper argues that the brand concept is context independent, thus the concept of the corporate brand is the same as the concept of the product or services brand. However, it is the enactment of brands that is different. The brand triangle is Proposed as a device to facilitate understanding about a corporate brand’s characteristics. A model is advanced showing how a corporate brand can be enacted. Tension can arise in corporate brands from misaligned values and based on this model, methods are described to surface values at four parts of the corporate branding process. Insights about these four sources of values enable managers to assess any values misalignment and thus reduce corporate brand tension. The authors also propose that employees can play a major role in this process.


Papasolomou (2006)\textsuperscript{39} provided a framework of understanding and implementing internal marketing. The research was based on the UK banking sector which had made a heroic comeback and builds a sustainable service industry standard of delivering quality service. A mix of qualitative and exploratory study was used to understand how Internal marketing was used effectively by the UK banks. The proposed framework has 4 core ideas

1. Internal customers,
2. Training and education,
3. Quality standards and
4. Rewards systems.

The author argues that using the above 4 ideas, in an integrated manner, companies would be able to shift their internally aligned corporate culture to a culture which is more customer and people oriented. The entire gist of the study revolved on the premise that if the employees are taken care of by the organization and if they are satisfied then they can deliver the same levels of satisfaction to the customers.

Srivastava and Thomas (2010)\textsuperscript{40} provided a conceptual framework on the significance of branding. The below mentioned framework was provided to understand the significance of branding and how different types of marketing can play a major role in the same.


Authors propose that customers are brand believers, employees are brand providers and management is brand visionaries. The entire gamut of marketing revolves around these 3 stakeholders. The framework is supported by a lot of examples of various organizations who have succeeded in the market place on basis of prominent brand delivery. The article bridges a gap from the practitioner’s point of view on the impact that employee branding can have on the business.

Lane and Piercy (2009)\textsuperscript{41} provides a conceptual framework or re-organizing the sales organization. The paper provides multiple dimension which have an influence on enhancing the creditability and performance based effectiveness of the sales force. Out of many variables, one such variable is

\textsuperscript{41}Lane, N. and Piercy, N.(2009), “Strategizing the sales organization”; Journal of Strategic Marketing, Vol. 17, Nos. 3-4, pp. 307-322
employee branding based on strong internal marketing initiatives. The authors argue that strong internal marketing increases awareness about customer value amongst the entire organization. Thereby leading to better coordination amongst various departments to deliver better customer value. The authors also argue that when brand values are imbibed in front line and sales staff, it enhances the creditability of the sales force as the whole organization looks more integral. This integrity provides enhanced assurance to prospective clients culminating into better sales conversion and impacting the top line of the organization.

King and Grace (2009)\(^{42}\) argue that although academicians and practitioners believe in the impact of employee branding, there is hardly any research or evidence to understand the impact of such internal brand building exercise from an employee perspective. In this article the authors propose that there is a third perspective of brand equity, being Employee Based Brand Equity. The authors also proposed the below framework

The framework is a major contribution to the literature in the area of employee branding in the service industry. The benefits derived from such a framework and, thereby, delivering value to the organization are manifested in brand citizenship behaviors, employee satisfaction and intention to stay with the organization, as well as positive employee word of mouth. This article sets the scene for future research within this important, but neglected, research domain.
Grace and King (2005)\textsuperscript{43}, tried to study the concept of employee branding. Their objective was to understand the role that employees play at the interface between the organization and the market. The study was qualitative in nature to inductively understand the operational management perspective in a context specific situation. The data case collected on basis of semi-structured interview with managers of a customer focused organization. Major findings were in the area of control, foundation, internal marketing, and role of management, employee satisfaction and impact of all this on enhancing control. The authors found and proposed that better understanding of the brand is very crucial for the employees to behave in a brand consistent manner. The better understanding of brand also helps in enhancing the job satisfaction of the employees. This process of imbibing the brand values also reduces role ambiguity and conflicts with the employees. The study findings can be applied to a wide variety of industries where branding practices have become very commonplace in today’s competitive and global environment.

Fram and McCarthy (2003)\textsuperscript{44}, provided insights in the impact of employee branding on making the company’s brand stronger. Based on a national sampling of the employees, the authors reported that 30 per cent of the employees had low or nil loyalty towards the brands of their organization. The authors recommend that such companies should start investing in making their employees brand loyal champions of their organization’s brands. The authors identified the following areas where the employer can work and strive to create brand champions out of their employees

1. Employee product perception
2. Employee attitude towards the employer
3. Company promotional efforts
4. Brand usage visibility

The prime indicator of loyalty was considered as the willingness of the employees to buy the brand of their own organization. The authors identified companies that were doing well on creating brand loyal employees and recommended similar actions for other organization. The authors put up a


\textsuperscript{44} Fram, E. and McCarthy, M. (2003), “From Employee to Brand Champion: Loyal employees can build a stronger brand. Is your internal marketing up to the challenge?”, MM January/February 2003, pp. 24-29
case for more internal marketing of the company’s brand, its values and external communication. The authors also recommend that a special manager should be made in charge of ensuring brand loyalty in the employees. The company should also go for special incentives and schemes that would recognize and encourage people who are brand champions in the organization.

Tosti and Stotz (2001) opine significance of employee branding in the coming times. The authors argue that External marketing and advertising communication can attract customers, but it is a different challenge to ensure that the customers are retained. Retention of customers will only happen if the brand promises are delivered. It would be impossible to retain customer if the company’s delivery fails to live up to the brand promise.

The authors also propose a 4 step process to ensure that employee branding happens effectively in an organization

1. Analysis
2. Senior management orientation
3. Mid management involvement
4. Enrolling/engaging employees

The above process is recommended by the authors to ensure that employee branding happens effectively in the organization

Cushen (2009) researched the topic with the objective to describe a tactical evolution in normative control practices and explore how this development sits with each perspective. The paper was based on a six month participant ethnography incorporating 75 interviews and document analysis. Data were presented from human resources, executives, managers and employees. The paper presents an account of a leading, listed, global firm’s attempt to align employees to the organization’s goals through fashioning an ideal employee identity based on the organization brand. Perspectives are provided on the desired role and ultimate failure of this employee branding initiative. Author argues that branding may be a normative step too far. The paper demonstrates


how the workplace comprises of a variety of experiential forces and employees are capable of deciding which are the most substantive. However, the existence of varied perspectives on normative control within the workplace can account for both its failure and perpetuation.

Harris (2007) highlights the significance of employees in the process of building customer experience. The author suggests that internal investment in employee branding is rewarded with consistent, quality customer exchanges. The author prescribes that for effective employee branding emphasis should be placed on position of the brand within the organization and its linkage to the strategy. The tools of identity and guiding principles are also suggested by the author. These tools would be useful in activating the staff by inviting their engagement and by asking them to review the brand from a personal perspective. This identity mapping encourages the employees to interpret corporate identity and apply it to their own unique job profile, situation and skill sets. The guiding principles will serve as a platform to nurture desired behaviors in the organization. According to the author, both these tools will prepare staff to respond to customers in a brand consistent manner. The author also suggests that brand values can be used as currency to measure the worth of exchanges between organizations and their customers. The author concludes the paper by giving a case study of the mobile operator, Orange, during the period of 1994-2003. Thus the paper provides case study based proof of the significance of employee branding and also provides a framework as to how to implement it in the organization.

Driver and Johnston (2001) did an exploratory study, based on 259 interviews, examining whether it is meaningful to segment customers by the relative importance they place on the interpersonal and non-interpersonal aspects of service quality, and if so, whether the segments differ in their perceptions of overall service quality. The study shows that customers can have different priorities in terms of interpersonal and non-interpersonal quality, and this can influence their perceptions of service quality. For practitioners, this could provide a useful means of segmenting customers. For researchers, it raises an important issue in the interpretation of service

---

47 Harris, P. (2007), “We the people: The importance of employees in the process of building customer experience” BRAND MANAGEMENT, VOL. 15, NO. 2, pp. 102–114

quality research. The authors conclude saying that employees play a major role in the interpersonal aspects of service.

M’zungu et.al (2010)\textsuperscript{49} believes that corporate and product brand’s significance has been on an all-time high in the history of business. This is evident from the reported financial value that brands fetch at the times of merger and acquisitions. Although a lot of attention is focused on conceptualizing brand equity, less attention has been provided on how brands should be managed and delivered in order to create and safeguard brand equity. The authors propose a conceptual framework of managing corporate brand. Although legal protection is useful, but it is insufficient to protect brand equity in the long term. Following are the 3 stages of the conceptual framework that the authors propose

1) Adopting a brand oriented mindset
2) Developing internal branding capabilities
3) Consistent delivery of the brand

The framework is based on the existing literature on the area of brand equity management. The authors have also validated the framework using the case study method of 14 award winning service companies. Using the examples of these 14 companies the authors prove that the conceptual framework is effective and can be utilized to get good results.

Verhoef et. al. (2004)\textsuperscript{50} tried to study the factor that lead to better customer satisfaction. The authors proposed that maintaining consistent and average customer experience during the delivery of the service is not important. They believe that there are a few peaks in the experience which make a huge difference. Those peaks of client delight need to be delivered to ensure that the client is satisfied. The authors propose that the service encounter with customer should be viewed as a sequence of events instead of a whole experience. A sample of 97 service calls from a bank in Netherlands was taken to study the impact of peak experiences on client satisfaction. A model was


proposed and tested empirically. The major findings of the study validate the hypothesis of the authors. Data suggests that in addition to maintaining an average level of client satisfaction, delivering of peak experiences is also of equal significance while dealing with customers.

Brendan (2006) attempts to provide an integrated framework for understanding and improving the process of quality service delivery to the customer. Senior managers on the Database of Marketing Performance Center (MPC) were used as a sample along with managers of 500 service firms from Kompass Business Directory, New Zealand. The data was collected from a total sample size of 2034. The author makes a case for strong brand equity having a direct correlation with the success of the firm in the market place. According to the author, brand equity is linked and affected directly by

- Investing in marketing communication to the external customers
- Investing in community to improve corporate relations
- Investing in internal communication so that the frontline is always aware and informed about the customer’s needs and objectives of the organization
- Investing in improving market positioning by investing into improving service quality

The author also provides a three pronged framework to ensure that an integrated service delivery takes place in the organization

1. Integration: Integration between external customer, internal employees, brand values and internal processes
2. Investment in people: Investment in training employees, skill development and communication to employees
3. Respected corporate Reputation: Respectable and responsible image of the organization in the local community and making the brand a trustworthy name in the local community.

---

The author proposes that the above model should be used to create an inclusive service approach in the organization. Successful integration of all the above will lead to strong brand equity, which in turn will translate to better customer satisfaction and perceived service quality.

McAlister et.al (2007)\textsuperscript{52} undertook and extensive study spanning a data collected over period of 22 years to prove the correlation between the organization’s systemic risk and investment in Marketing and R&D. Financial, advertising spend, R&D expenditure and stock price data for all firms listed on NYSE from 1979 to 2001 were considered and analyzed. All these data were used to correlate with systematic risk of the organization. In one of the very few attempts to highlight the correlation between marketing expenditure and financial implications of the same, the authors concluded that these expenditures do tend to bring down the systematic risk of the organization. Counter to the belief of many practitioners, the authors propose that companies should think twice before cutting down on their marketing and R&D expenditures. They believe that investments in these areas act as insulating silos for the organization in rough times. Employee branding, which is now being considered as an important aspect of the marketing program, reckons for more attention in this case. Investment in employee branding will definitely end up reducing a lot of financial risk to the organization.

DeWitt and Brady (2003)\textsuperscript{53} opine that Researchers and practitioners have invested heavily in identifying effective complaint management strategies. However, most of the strategies identified to date occur only after a service failure occurs. This article proposes that antecedent states such as an ongoing rapport with service employees can also provide service recovery benefits. Four independent studies test this approach and indicate that an existing rapport between the customer and service provider results in increased post failure customer satisfaction, increased re-patronage intentions, and decreased negative word of mouth. Yet results for complaint intentions suggest that rapport does not increase the propensity for customers to complain about poor service.


Gronroos (1994)\textsuperscript{54} discusses the nature and sometimes negative consequences of the dominating marketing paradigm of today, marketing mix management. Author further discusses how modern research into, for example, industrial marketing and services marketing as well as customer relationship economics shows that another approach to marketing is required. This development is supported by evolving trends in business, such as strategic partnerships, alliances and networks. Author suggests relationship marketing, based on relationship building and management, as one emerging new marketing paradigm of the future. The paper concludes that the simplicity of the marketing mix paradigm, with its Four P model, has become a straitjacket, fostering toolbox thinking rather than an awareness that marketing is a multi-faceted social process, and notes that marketing theory and customers are the victims of today's mainstream marketing thinking. By using the notion of a marketing strategy continuum, author discusses a number of consequences of a relationship-type marketing strategy for the focus of marketing, pricing, quality management, internal marketing and intra organizational development. The author also briefly comments on the possibility of developing a general marketing theory based on the relationship building and management approach.

Gremler and Gwinner (2000)\textsuperscript{55} tried to study the significance of Customer and employee Rapport in Service relationship. The authors argue that although a lot of reference has been given to the importance of rapport between customer and employee, especially in the service industry, however, hardly any empirical evidence is there. They also say that there has never been a serious attempt to explore the concept of Rapport and how it impacts the service industry. Drawing upon extensive literature on Rapport in general, psychology, sales, relationship etc. domains, the authors give to important components of rapport in service settings

1) Enjoyable interaction
2) Personal connection


Enjoyable interaction refers to the fun part that the customer associates in dealing with the employee. Personal connection is the comfort level that the customer has with the employee. Both these factors are important for the customer to feel Rapport with the employee. A Sample of 1328 customers of a retail bank and 399 patients of a dental doctor were used for data collection. The data was used to validate the above mentioned two factors. The findings also suggest that there is a strong positive correlation between the above two factors of rapport on satisfaction, loyalty intent, and word-of-mouth communication. All these three factors further translate into either satisfied customers or more referral business.

Brown and Kirmani (1999)\textsuperscript{56} opine that a lot of focus has been given in the existing literature about the post service encounter effects. The authors argue that the pre encounter affects have been generally neglected in the academia and industry alike. The authors propose that pre encounter fear and joy play a very significant role in setting the right expectations related to the service, ultimately leading to better client satisfaction. They propose the below model for the same.

\begin{center}
\begin{tikzpicture}
\begin{scope}[every node/.style={draw, fill=white}, every path/.style={draw, thick}]
  \node (pre_encounter) at (0,0) {	extbf{PREENCOUNTER}};
  \node (post_encounter) at (4,0) {	extbf{POSTENCOUNTER}};

  \node (pre_encounter_fear) at (-2,-2) {Preencounter Fear};
  \node (post_encounter_anger) at (2,-2) {Postencounter Anger};
  \node (anticipated_expectations) at (-2,-3) {Anticipatory Expectations};
  \node (service_expectations) at (2,-3) {Service Expectations};
  \node (pre_encounter_joy) at (-2,-4) {Preencounter Joy};
  \node (post_encounter_joy) at (2,-4) {Postencounter Joy};
  \node (perceived_performance) at (0,-3) {Perceived Performance};
  \node (satisfaction) at (0,1) {Satisfaction};

  \draw[->] (pre_encounter_fear) -- (anticipated_expectations);
  \draw[->] (anticipated_expectations) -- (service_expectations);
  \draw[->] (service_expectations) -- (pre_encounter_fear);
  \draw[->] (pre_encounter_fear) -- (pre_encounter_joy);
  \draw[->] (pre_encounter_fear) -- (satisfaction);
  \draw[->] (pre_encounter_joy) -- (anticipated_expectations);
  \draw[->] (pre_encounter_joy) -- (satisfaction);
  \draw[->] (satisfaction) -- (post_encounter_anger);
  \draw[->] (satisfaction) -- (post_encounter_joy);

  \draw[->] (anteipated_expectations) -- (service_expectations);
  \draw[->] (service_expectations) -- (anticipated_expectations);
  \draw[->] (satisfaction) -- (service_expectations);
  \draw[->] (satisfaction) -- (anticipated_expectations);

\end{scope}
\end{tikzpicture}
\end{center}


The above model was validated using a sample survey of 67 patients who were studied in a longitudinal study spanning over the pre and post doctor’s consultation time. The major findings state that pre encounter fear decreases expectations of a service encounter and increases satisfaction with the service provided. Pre encounter joy increases post encounter consumer evaluations of a service provider’s performance. The role of employees becomes very significant in ensuring that the right kind of per encounter experience is delivered to the customer.

Chapman (2004)\textsuperscript{57}, on basis of the survey results of MORI, tries to highlight the significance of employee branding. The survey results show that 4 out of 10 customers have been put off due to poor treatment from the employees. 1/3\textsuperscript{rd} of the people surveyed were not interested in buying due to lack of enthusiasm from the employee’s side. The author tries to prove that employee branding has a significant impact on consumer buying behavior. At the same time, the author also highlights that in most of the cases, the employees were not even aware that their behavior is costing customers to the company. The employees need to be made aware of this fact. And this according to the author can only happen when the management of the company leads passionately from the front. If the managers cannot engage the employees emotionally and if they do not display the values of the brand in their day to day behavior then the front line employees can never live the brand and the customer will never be delighted.

De Chernatony and Segal-Horn (2001)\textsuperscript{58} argue that little has been published about services brands, even though we are in a services economy. The literature shows services have unique characteristics, but their implications for brand building have not been explored. To understand how to develop and sustain successful services brands with their unique characteristics, authors undertook in depth interviews with 28 leading brand consultants. They proposed brand categorizations, which provide rich inspirations for services brand strategies. Ways of circumventing the problems of intangibility and heterogeneous quality were elicited and opportunities for relationship building were identified. Services branding, unlike product branding,


is more about internal consistency, places more emphasis on managing the total services brand experience and is more about social processes. It stresses the need for accepting the brand inside and outside the organization. For this the role of employee becomes very important.

2.3.2) Impact of Employee Branding in the Banking Sector

Barrutia et. al (2009)\(^59\) tried to compare technology driven, e-service quality initiatives viz-a-viz employee driven, internal marketing based service quality initiatives in the banking sector in Spain. The objective was to identify which one is a better driver of good quality service encounter and commercial performance. The research fills a major gap in the literature by reviewing both the kinds of marketing initiatives under the same context. The findings suggest that banks whose value proposition was based on strong relationship with the customers had put greater emphasis on employee driven internal marketing initiatives. However, the banks who integrated the use of both kinds of marketing initiatives were found to register a comparatively better commercial performance. However, it is also noteworthy that the impact of the 2 types of marketing initiatives on commercial performance was not found to be equally significant. Employee driven internal marketing’s impact on commercial parameters was found to have an impact of significant relevance, while in case of technology it was not so significant. The authors attribute to the fact that still customers look forward to employees only as the core representation of the organization.

Malhotra and Mukherjee (2003)\(^60\) did and extensive study on a large sample of employees from the UK banking sector and UK call centers. The objective of the study was to generate empirical data to support the relationship between the following three components of organizational commitment and service quality level of employees

- Affective Commitment: This refers to the employee's emotional attachment to, identification with and involvement in the organization.

---


Normative Commitment: This refers to the employee's feelings of obligation to stay with the organization

Continuance Commitment: This refers to the commitment based on the costs that the employee associates with leaving the organization.

The authors tried to understand how these three components affected the service quality. The major finding suggested that in the banks, Affective commitment and continuance commitment had a positive impact on service quality. At the same time, in the call centers, Affective commitment was the only major contributor to the perceived service quality of the customer facing employees. The study was concluded with a discussion on practical implications of the findings.

Marlin (2008)\textsuperscript{61} puts a case for significance of employee branding. The author who is a former bank marketer, emphasizes that employees play a major role in enhancing the value of the marketing function. The coworkers need to be treated as potential clients to sink in the real values of the brand. If coworkers are not treated as potential clients then the organizational process may not rightly reflect the brand values that are being promised to the customers.

The author also argues that in most banks significance to internal marketing is not given. The author proposes that the key to this is more enhanced and targeted internal communication. Internal communication should be targeted towards making the entire organization aware about the significance of marketing activities. Marketing department not only needs to educate customers about the new products but they need to educate their coworkers also on the same periodically.

Chaston (1995)\textsuperscript{62} did as study on the UK banking sector on the practice of employee branding and how it can impact the revival of UK banking sector. The quality of services was constantly deteriorating and practice of employee branding and understanding the needs of the internal customer was thought of as a way to get the banks back on track. Peters and Waterman 7s

\textsuperscript{61} Marlin, B.(2008), “We deserve better”, ABA Bank Marketing, November 2008, pp. 24-28

framework was used to understand internal relationships and SERVQUAL model of Parasuraman was used to gather empirical evidence. Post and extensive study, the results of the study indicated that to increase internal orientation towards customers following things needed to undergo paradigm shift

1. Altering prevalent management styles
2. Getting operational strategies in sync with the customer orientation
3. Removing excessive emphasis on technical efficiency in the internal processes

However, the author in the end argues that there is lack of empirical evidence on the cost-benefit aspect of having internal customer orientation in the organization. The author proposed for further research in the area of proving, through empirical data, that the benefits of employee branding overweighs the cost of the same. Further research is required to find out the financial implications of employee branding.

Storey and Easingwood (1993)\textsuperscript{63} tried to study the impact of new product development on success of financial services firms. In the first phase of the study, most popular articles in business media and press were studied. Whenever a senior management discussed about success of a new product, the attributes behind the success were noted down. The authors could identify 17 such attributes and a questionnaire was prepared out of it. These questionnaires were used to collected data from 78 marketing managers who were recently in charge of launching a new product. The major finding of the study was that the synergy between the new product and the organization and the quality of internal marketing were particularly positively correlated with the eventual success of the new product. However in the specific areas of banks, the authors note that the banks were low in terms of using internal marketing to bring about success of new product development. According to the authors, this is an area where banks can benefit enormously because they can easily use the existing customer base to cross sell the new products.

Gold (2008)\textsuperscript{64} provides a practitioner’s example of CPAs and financial planner. The author quotes examples of various CPAs and independent tax planners to prove that the best way of marketing financial services to clients is through word of mouth. The word of mouth has a huge impact on getting business from clients, especially in cases of intangible services like financial planning and related services. The author argues that since the services are very intangible and the fruits are reaped only after a long time, it becomes very important for clients to rely on word of mouth publicity to choose the right financial advisor. Another client recommending a particular service provider is the best testimony and any prospective client will go ahead with the same. The author even comments that cross selling of products is also hugely dependent on word of mouth within the existing set of customers too.

Devlin and Azhar (2004)\textsuperscript{65} adopted the qualitative research route by taking practitioner’s point of view to explore and collect evidence for developing insights in the area of branding financial services. In-Depth interviews were conducted with 8 executives from various companies in the financial services sector. The area of discussion was factors that affect or hamper the brand building process in financial services sector. A variety of factors came up as the findings of the study. One of the prime findings was that practitioners acknowledged that brands are pivotal to building and maintaining relationship with clients in the financial services industry. The role of employees was highlighted over here amongst other factors. Since the services are intangible in nature, the employees played a major role in providing tangibility to the services. The long tenure of the employee also played a major role in building brand and relationship. If employee attrition is high and employees are not in sync with the brand values, then the brand equity is destined to go down and affect the relationship with the customers. Thus, the paper provides practitioner’s point of view as a testimony to the importance of employee and their behavior in brand building in financial services sector.

\textsuperscript{64} Gold, L. (2008), “Start spreading the word! Your client base is the best place to sell planning services”, Accounting Today, Vol. 22 No. 12, pp. 29-30

\textsuperscript{65} Devlin, J. and Azhar, S.(2004), “Life would be a lot easier if we were a Kit Kat’: Practitioners’ views on the challenges of branding financial services successfully”, Brand Management, Vol. 12, No. 1, pp. 12–30
Opoku et. al (2008) conducted a study on the impact of employee branding on the retail banking sector in Ghana. The objective of the study was to provide proof for the impact of employee branding in the developing nations. The paper attempts to bridge a major gap in the literature. A survey of 32 senior managers, 100 employees and 200 external customers of a major bank in Ghana was undertaken. The authors found that practices of internal marketing have a huge impact on the customer orientation of the customer facing employees. Internal marketing plays a major role in aligning employees in sync with the goals of the organization. This in turn has a huge impact on the perceived service quality by the customers. The long tenure and motivation levels of the employees also were found to me moderating variable in this equation. They were affected by internal marketing and positively impacted the perceived service quality of the customers. This paper provides strong empirical evidence that even in developing or underdeveloped nations, employee branding has equally positive effect. The paper bridges a major gap in existing literature on the impact of employee branding on the consumer buying behavior in developing markets.

Evans et.al (1999) provided empirical evidence of impact of satisfied customer on the commercial side of the business. Extensive data was collected from a sample of 100 customer facing employee of a retail bank using stratified random sampling. The purpose of the study was to understand the impact of clubbing service and sales in the job profile of customer facing employees. Various hypothesis were tested which provided ample evidence that satisfied customer do have a favorable bias towards cross selling. The findings revealed that employees who behaved in sync with the promise of the brand were more likely to satisfy their customers and in turn get more business generated from the same. This paper bridges a major gap in the existing literature about the impact of employee branding and customer satisfaction on commercial aspect of the business.

However, the findings also suggest that the management should exercise caution while clubbing the role. If the organizational ecosystem is not ready to adapt to this changes then it may lead to a

---


situation where more emphasis is given on cross selling at the cost of customer service. This is a managerial challenge that management has to deal with by developing a suitable culture and environment.

De Chernatony and Cottam (2006)\textsuperscript{68} tried to study and identify internal factors contributing to financial services brand success and ultimately facilitating better-informed branding activities, thereby growing brand equity. A grounded theory approach was adopted and in-depth interviews were carried out with 68 respondents amongst six financial services organizations. The major findings reveal that the organizations with more successful brands were characterized by the following factors:

1. Holistic, consistent and integrated approach to branding,
2. Focus on excellent and personalized customer service,
3. Ethos which challenges the norm,
4. Responsiveness to change,
5. High degree of brand literacy, and
6. Synergy between the brand and organizational culture.

The authors also highlighted the significance of employees in this. They proposed using the brand ethos model to enable employees to internalize their brand and the use of “brand jigsaw” workshops to facilitate brand consistency. Thus the significance of employees understanding the brand cannot be underpinned for ensuring better brand experience to the customers.

Jacobs (2003)\textsuperscript{69} highlight the significance of employee branding. In his study on the banking sector, the author identifies the benefits that leading banks have derived from employees who are in sync with the brand of the organization. Author argues that unlike product brands, service brands are different. It is easier to maintain consistency with product brands. But in service brand maintaining the brand consistency is a big challenge. The only solution to the same is employees.


and processes to manage employees. The author proposes that companies need to focus on converting employees into brand ambassadors. When this happens, the service brand gets delivered consistently. The authors make a strong case for employees to be converted into brand ambassadors.

O’Loughlin and Szmigin (2005)\(^7^0\) studied the Irish banking sector which was marred with unsatisfied customers and low morale of employees. The author broke down the organization with respect to two point of views.

1) External accountability towards the customers (Expectation)

2) Internal accountability towards the employees (Experience)

Survey based on sample taken from the managerial cadre of Irish banking sector followed by interviews for data collection, proved that the managers were struggling to get both the accountabilities in place. The managers were finding it extremely difficult to manage the expectations of the customers and differentiate their brand from the competitors. With respect to the employees, the managers were struggling to motivate and empower the employee to provide the right level of service to the customer which was evolving with a range of diversified needs. The authors recommend that consumer research, internal marketing and technology should be used to overcome all these challenges.

Papasolomou (2003)\(^7^1\) studied the banking sector to understand the practical aspect of implementation of employee branding practices. The author proposed that the rhetoric and actual practice related to internal marketing are not in sync. This had led to a lot of doubts being raised about the actual effectiveness of employee branding in generating actual desired results. The study also found that there is a lack of guidelines available to the practitioner in implementing internal


marketing. The authors concluded that there are 6 relationships which play a major mediating role in implementing practices of employee branding. The relationship are given below

1) The relationship between the rhetoric and practice of internal marketing within UK retail banks.
2) The relationship between the formal and informal internal marketing activities.
3) The relationship between internal marketing and human resource management.
4) The relationship between the practice of internal marketing and the creation of positive employee attitudes and corporate loyalty.
5) The relationship between the practice of internal marketing and the development of customer focus and service orientation.
6) The relationship between the practice of internal marketing and retaining external customers.

The authors propose that understanding and focus on these relationships will help practitioner in getting employee branding successfully implemented in the organizations.

Kelemen and Papasolomou (2004)\textsuperscript{72} studied internal marketing as a mechanism for bring about change in the organizational culture. The study encompassed 35 strategic business units of seven different banks in UK. In depth interviews were conducted with managerial cadre employees of the organization. The following four rituals were found to be at the core of Internal marketing initiatives:

1. The image of the internal customer;
2. Developmental programs;
3. Internal service standards; and
4. Reward systems.

The findings confirmed that Internal marketing is a strong mechanism to bring about cultural change in any organization. However, there were evidences, that Internal marketing may not be able to create a homogenous culture and customer service experience that is expected. As a matter of fact, the consumer experience tended to be more fragmented and ambiguous. The point in case was that the Human factor involved in the entire process was very difficult to micro-manage and standardize.

2.3.3) Impact of employee branding in the Hotel industry

Bunzel and Parker (2009) studied the hotel industry to understand the process of delivering quality services to the customer. The authors studied a unique practice at an Australian Coastal Hotel for Serving the Guest. The paper was based on data collected during 4 months of ethnographic research in Günther Anders at the Grand Seaside Hotel. The paper describes management of service encounter. Hotel staff used meetings and training sessions to simulate service scenarios, hypothesizing ‘customer wants and needs’. In order to do this they constructed the image of an ideal ‘Guest’, an image that was collectively evoked in order to shape the conduct of service encounters. We claim that these imaginary service encounters mean that the ‘creators’ of this imaginary object become increasingly subjected to its demands. The object, ‘The Guest’, attempts to dominate its creators. The traditional demarcation between subject and object is blurred, and perhaps reversed. The paper inquiries into the status of this object and address the process of its production and consumption. It demonstrates how subjects and an (imaginary) object become entangled. The paper proves that ultimately if the employee is better able to understand the guest and the expectation of the guest from the brand then the delivery would be more effective. This highlights the significance of employee branding.

Punjaigrí et. al (2009) researched with the objective to understand the internal branding process from the employees’ perspective. They empirically assessed the relationship between internal branding and employees’ delivery of the brand promise as well as the relationships among their

---

brand identification, brand commitment and brand loyalty. A quantitative survey was carried out with 699 customer-interface employees from five major hotels in Thailand. The major findings revealed that Internal branding is found to have a positive impact on attitudinal and behavioral aspects of employees in their delivery of the brand promise. As employees’ brand commitment does not have a statistically significant relationship with employees’ brand performance, it was not regarded as a mediator in the link between internal branding and employees’ brand performance. Furthermore, the study showed that brand identification is a driver of brand commitment, which precedes brand loyalty of employees. The authors also propose the use of both internal communication and training to influence employees’ brand-supporting attitudes and behaviors. Still, it should be noted that the effect of internal branding on the behaviors could be dependent on the extent to which it could effectively influence their brand attitudes. The results provided valuable insights from the key internal audience’s perspectives into an internal branding process to ensure the delivery of the brand promise. It empirically showed the relationship between internal branding and the behavioral outcome as well as the meditational effects of employees’ brand identification, commitment and loyalty.

Punaisri and Wilson (2007), try to provide empirical evidence to understanding the significance of the role of employees in delivering the service as promised by the brand. The authors try to provide support to the practitioner’s point of view. The study aims to reveal employees perceptions towards their role and the techniques that enable them to fulfill the brand promise. A case-study approach is adopted using a mixture of qualitative and quantitative methodologies. In-depth interviews reveal that employees feel that their actions are vital to the brand, and findings from a survey of 699 respondents demonstrate positive relationships among internal branding instruments and their brand promise delivery. These tools influence the employees’ brand attitudes, namely brand identification, brand commitment and brand loyalty. Ultimately, these attitudes also influence the manner in which employees deliver the service. Therefore, internal branding not only directly influences the extent to which employees perform their role in relation to the brand promise, but also influences the attitudes employees have towards the brand, which in turn affects

---

employee performance. This paper played a major role in bridging the gap in the existing literature on the area of impact and applicability of employee branding.

Raposo et.al (2010) studied the traces of market orientation in the largest groups of hotels in Portugal. The study emphasized on the significance of having market orientation in the employees. An empirical study was conducted in which 17 out of 20 major hotel groups on Portugal participated. The study was conducted in 3 phases using the Markor Scale for data collection, adapted to the hotel sector. The research findings revealed that the organizations under study had above average capacity to generate marketing information. However the same organizations were found to be lacking when it came to dissemination of the same information in the rest of the employees. The authors identify this as the major gap that hotel groups in Portugal need to bridge in order to ensure that they have edge in the tourism industry. The authors also argue that without sharing of such information the rest of the employees will never be in a position to understand the market, customer and offer the best brand experience to their customers.

Crotts et.al (2009)75 wrote this paper with objective of measuring the guest satisfaction and delight in the Hotel Industry. An application of a quantitative methodology known as stance-shift analysis is proposed and demonstrated on data composed of Internet blog narratives. The authors argue that the method provides both an efficient and effective means to determine a firm’s competitive position in producing satisfied guests who will not only come back but also recommend the firm to others. Specifically, the method produces relatively detailed evaluations to determine the following:

1) How satisfied are my guests?
2) What are they telling others about their experiences?
3) How is my property performing in creating satisfying guest experiences when compared with the competition?
4) What are my property’s strengths and weaknesses in its competitive environment?

These are crucial questions whose answers are required by any management team in the hotel industry.

Brown and Dev (2000)\textsuperscript{76} argue that achieving increased productivity remains an important issue with many service firms. The objective behind the study was to gain insights as to how managers can improve the productivity of their service businesses. The context of the study was the hotel industry, in which the authors examined empirically the impact of labor and capital as well as selected strategic and organizational inputs on the dollar value added by the hotel. They found that regardless of hotel size, value added rose significantly with an increasing number of employees. Expanding the number of rooms available for sale as well as upscale positioning generated significantly greater value added for medium-sized hotels. The value added by large hotels was significantly enhanced when they were managed by a branded management company and were company owned. Constant returns to scale characterized the hotels. Relative to capital inputs, labor accounted for the bulk of value added. The paper provides a proof to the fact that employees can definitely add value commercially to the business if they are empowered to do so.

\textbf{2.3.4) Impact of Employee Branding in Other Industries}

Miles and Mangold (2005)\textsuperscript{77} claim that as the field of employee branding has begun to unfold, more and more executives have become interested in how this process can help them achieve a competitive advantage for their organizations. This article explains how employee branding works and how it can be utilized to position the organization in the minds of customers, employees, and other stakeholders. A contextual analysis of its use as a source of sustainable competitive advantage at Southwest Airlines is presented. A framework was also proposed by the authors to understand the process of employee branding.


Finally, key success factors are identified for those who wish to make employee branding a strategic focus within their organizations. The authors classify them into two main categories. One is the source and modes of internal communication. The authors identify and mention various Internal/external and formal/informal modes of communication. In addition to that the authors also highlight that Knowledge of the desired brand image and honoring of the psychological contract also play a major role in employee branding process. The authors identify that better positioning of the brand, less employee turnover, enhanced employee satisfaction, enhanced customer loyalty and favorable reputation in the market place are the major outcomes of employee branding process. The authors provide an important framework to understand the impact and applicability of the employee branding process. The case of Southwest airlines also validates the framework. However, more empirical data can be used to validate the framework.

Snell and White (2009) provide proof of application of practice of internal marketing in the areas of professional services. An exploratory research was conducted in seven different organizations ranging from consultancy, accounting, legal and financial services. In-depth interviews were used to collect data from various customer facing and back end employees in these firms. The paper proposed to bridge the gap in the area of impact of employee branding in the areas of professional services of high end. The paper provides empirical evidence that employee branding is used at varying degrees in different firm. The research also confirms that practices of employee branding are practiced in organizations and organizations do understand the significance of the same too. However the authors also recommend that top management should play a significant role in making the entire organization realize the significance of employee branding. The paper contributes towards understanding of employee branding and how and why it should be used in professional services industry.

Jalilvand (2010), conducted a study on the concept of destination branding in Isfahan, the

---


City of blue vaults, Iran. A field survey was conducted using questionnaire method. A sample size of 212 was adopted using cluster sampling plan. In first phase, international hotel were randomly selected and in the second phase, tourist visiting the hotel were also selected randomly. The study revealed that the brand loyalty is not very strong. The authors propose that the brand loyalty can be significantly improved by focusing on the internal service quality and marketing communication which is in sync with the service quality. The authors also highlight the limitation that the study was conducted only in one part of Iran so it cannot be generalized. However, they provide a lot of useful insights and suggest stating that for destination marketing the whole local ecosystem should be in sync with the brand promises made by the local authority while promoting the destination for tourism. In this case, the authors found a gap in this area which was negatively affecting the revenue generation from tourism in the area.

Chaston (2000)\(^8\), provided a conceptual framework and validated it using empirical data to understand the impact and applicability of internal marketing in the areas of small scale manufacturing industries. The author took a different approach to the concept of internal marketing. The author states that there are basic competencies that the customers expect from the company in the small scale manufacturing sector. The management needs to understand this, convey these competencies to the employees and ensure that these are developed in the employees. This is a different way of looking upon to the concept of internal marketing. The author has proposed and tested five different hypotheses for the same. These hypotheses encompass, management awareness, translation into standards, aligning operations and process, appropriate communication to employees and overall impact of all the 4 on the business. Questionnaire method was used to collected data from 116 firms. The implication which can be drawn from this paper is that the marketer in firms involved in supply chains will need to ensure that, through application of internal marketing principles, the entire organization is made aware of the importance of exhibiting competences in the areas such as defining strategy, targeting effort, offering superior value, and delivering customer satisfaction. Similar aims for building awareness through internal marketing are necessary for certain HRM and information management competences. The paper

proves very useful in providing empirical evidence about impact of employee branding in a very diverse sector.

Agrawal (2010)\textsuperscript{81} wrote a paper on the impact and applicability of Employee branding in the corporate arena of UAE. Author states that employee branding has been successfully utilized world over and the same also can be applied effectively to the businesses in UAE. The author quotes different examples from different business sectors of UAE to prove his point. The author recommends that the role of the top management is very crucial in ensuring that employee branding is implemented successfully. The author proposes that the following support needs to be provided by management to ensure the employee branding is successful

- The support of employee branding in development of the business strategy
- The culture of the organization and its consistency across the globe
- The perception of the organization both internally and externally
- The channels of communication for bottom-up and vice versa
- The most critical positions of success and the extent to which the company has gone in achieving the same

All the above defined can be with respect to the attraction of the employees towards the organization, the engagement in achieving the organization's goals and finally the removal of policies of absenteeism from the organization and achieve maximum retention of employees. The author also quotes examples from various industries like tourism, real estate, Hotel etc. to highlight the significance that is being given to the concept of employee branding in these areas. This paper provides proof that employee branding has a universal impact.

Siems and Lackus (2009)\textsuperscript{82}, explored the area of Internal marketing in the B2B services industry. The authors acknowledged that since Internal marketing is a fairly accepted tool in service industry, the need is to focus on other aspects of traditional marketing and their application in


Internal Marketing. The authors explore the concept of internal branding. Taking help of 2 studies, one in food and other in IT industry in Austria, the authors try to provide empirical evidence to their proposed theory. Data was collected from employees in both these different industries. As per the traditional marketing theories brand is an intangible asset. The same emerged out in this study. The findings suggest that tangible measure of communication like density, duration, formal structure of communication etc. don’t matter much in building internal brands. It is the intangibles like trust, transparency, open dialogue, consistency and integrity of communication that lead to better relationship between employees and organization and thus doing good to the process of internal branding. The authors also argue that from customer’s perspective also, in both the studies the result was consistent with regards to attaching importance to the personal, communicative relationships between the internal service provider and the customer. Thus this paper bridges the gap in the literature by providing empirical evidence and also opens up the area of B2B services for assessing the impact and applicability of employee branding.

Hughes and Ahearne (2010) tried to study the impact of employee branding and brand identification on the sales force. They tried to study the impact of brand identification on the reseller’s sales forces. Authors argue that a manufacturer’s success in the marketplace is contingent in part on its ability to energize its downstream channel members in support of its brands. Gaining the focused effort of the reseller’s sales personnel is particularly important, and this has become increasingly challenging as resellers broaden their brand portfolios in the wake of industry consolidation. This study reveals a motivating influence that can potentially be harnessed by both manufacturer and channel member: identification. Using a multilevel analysis, the authors explore the sometimes conflicting impact of salesperson brand identification, salesperson organizational identification, and manufacturer–channel member control system alignment on brand and channel member sales performance. The authors also examine favorable extra-role consequences of salesperson brand identification. The results show that while organizational identification strengthens salesperson adherence to controls, brand identification can increase salesperson effort behind a specific brand, and ultimately improved brand performance, even in the face of control

---

systems to the contrary. This suggests that suppliers can exercise influence over the reseller’s sales force by strengthening the psychological connection between their brands and reseller sales personnel.

MacStravic (2004)\textsuperscript{84} try to highlight the significance of Employee branding in the Healthcare industry. Quoting a few examples of companies for which the author has done consulting work, the author conveys that healthcare industry can definitely benefit from the practices of employee branding. Traditionally marketing was never required in the health care industry. But in today’s times, marketing has become an important function in the healthcare industry. Convincing the existing employees about the significance of marketing and ROI that would be generated out of it is a daunting task. However, the author argues that if the external marketing initiatives are not sold to the internal employees then the success of external marketing and branding will not generate results. The biggest hurdle in the process is that most of the employees consider marketing as only advertising and fail to see the ROI generated out of it. They are also reluctant to change the processes to adjust to the external brand promises made to the customers. They see internal process change as only a wastage of time and money and perceive it to have only cosmetic value. The author argues that as long as this attitude is not changed, employee branding may not bear effective fruits. However, using the same examples, the author also proves that employee branding does culminate into to positive impact on the bottom line of the organization.

Gapp and Merrilees(2006)\textsuperscript{85} investigates the use of internal branding as both a managerial and communication strategy within an organizational revitalization process of a major Australian Healthcare provider based in Queensland. At the core of the research is the recognition that the involvement of employees is of critical importance in developing a competitive advantage via an increased performance in terms of customer and market recognition, this approach includes such activities as relationship management. The researchers were provided access to the corporate initiative behind the intervention via interviews with the senior manager responsible for the process


and qualitative responses to an organizational-wide employees survey that included questions on organizational values associated with the internal branding process. Rich qualitative data of this type fits ideally into a case study methodology and was analyzed via lexical and content analysis. The research is relevant as it addresses issues of internal branding, communication and management during an actual implementation of a corporate strategy within one of the world’s most important industry sectors, healthcare.

Whisman (2009) tried to examine the essential role that internal branding plays in successful university settings. Case studies from businesses and universities, as well as reviews of the pertinent literature and research, provided the data for the paper’s analysis of university branding successes and failures. The paper concludes that, in the complex university realm, internal branding helps an institution overcome internal resistance to branding efforts. It helps the institution take an identity-development strategy beyond traditional approaches, such as new logos, snappy taglines and expensive advertising campaigns, to an embedded cultural approach that guides everything from communications, fund-raising, marketing and personnel policies to enrollment management and program development. The evidence indicates that the biggest mistake universities make when undertaking branding initiatives is failure to embrace an inside-out approach to brand development. Those universities that succeed in their branding efforts are willing to borrow strategies from the corporate world to get buy-in by engaging all interested constituents – faculties, staff, students, alumni and others – in the process. This paper examines an emerging phenomenon within higher education marketing, one that, as of yet, has not been explored fully in the marketing literature.

Tsai and Tang (2010), conducted the research to explore the relationship between employee’s perception of internal marketing and service quality. The study was conducted on nurses in the hospitals in Taiwan. A sample of 230 nurses was selected randomly and questionnaire based on adoption from various authors on service quality was used for data collection. The research

---


adopted cross sectional design to understand the relationship of internal marketing and service quality using structural equation modeling. The major findings of the study reveal significant positive correlation between internal marketing practices and service quality. Especially the training programs demonstrated higher correlation with service quality. Clear communication of the vision of the hospital seemed to have moderate effect on the service quality. The third practice of linking performance incentives was not found to correlate with service quality. The authors recommend that the communication of the vision should be made clearly to the frontline employees and frequency and rigor of the training program should be increased to bring about brand consistent behavioral change in the employees.

Proctor (2010)\textsuperscript{88} wrote a conceptual paper on the impact and applicability of employee branding practices in the healthcare sector. The author argues that CRM is the factor which affects the perceived service quality. To bring about positive CRM practices in the hospital sector, internal marketing and employee branding becomes imperative. If internal marketing strategies are not designed to ensure that the employees are in sync with the external marketing then the patient will never experience good service quality. Employee branding becomes an imperative for good quality service. The authors even include the third party service providers in the gamut of internal communication. They argue that the third party service providers should also be made to synchronize with the brand promises and the values. If third party service providers are not included in internal marketing then this will also reflect as a major gap in the customer experience good quality service. The authors conclude by providing a conceptual framework to integrate internal marketing, external marketing, and CRM and service quality.

Baumgarth and Schmidt (2010)\textsuperscript{89} proposed a model to understand the impact and applicability of employee branding in the Business-to-Business sector. In the business-to-business sector, the brand-owner's employees are increasingly playing a key role in the representation of individual and corporate brands at the interface with actual and potential customers. Consequently, ‘internal


branding’ has recently emerged as an important issue in industrial markets. This paper proposes and empirically validates a theoretically structured framework for the measurement of a new construct, internal brand equity, and identifies its determinants and consequences. Below is the proposed model and hypothesis which were validated using empirical data.

[Diagram of the model with labeled determinants and outcomes]


The findings offer evidence for the powerful impact of a brand-oriented corporate culture on internal brand equity, and demonstrate its relationship to external brand equity. However the effect is only measure for internal branding on customer based brand equity. Other variables have not been included over here. The authors propose that hard core financial data should also be correlated to develop better understanding of the model.
Mitchell and Taylor (2004)\textsuperscript{90}, using the case study of Wheelchair for the World, made a case for internal branding. The authors argue for the case of application of internal marketing in even NGOs. All NGOs are primarily based on the support of volunteers. Retaining and getting long term loyalty from volunteers is very fundamental to success of any NGO. Using the case study, authors propose a 7-step guideline for implementing employee branding practices in any NGO.

Hamstra (2009)\textsuperscript{91} claims that employees play a major role in delivering brand consistent experience to the external customers. The author suggests that at supermarkets, they create Internal branding teams. The objective of the team is to understand the employee’s needs and make them behave in tune with the brand delivery promise of the company. This provides a practitioner’s point of view on the impact of employee branding.

Bergstrom et.al (2002)\textsuperscript{92} studied the impact of employee branding using the case study of SAAB Automobiles and the 5Cs framework. The objective of the study was to bring about more clarity in the area of employee branding. The 5Cs framework, namely, Clarity, Commitment, Communications, Culture and compensation are taken as a base to understand the impact of employee branding in the organization. Using the case study of SAAB the authors conclude that it is ultimately the employees that matter the most. Instead of the brand, strategy, corporate; it is the people who answer the telephone, people who meet the customer, people who change the parts, people who address the escalations matters the most to the customers. If these people are not in sync with the expectations of the customer then the entire organization is set to fail. The paper provides good evidence in terms of a case study highlighting the significance of employee branding.

---


Wagner and Peters (2009)\(^3\) did the study with the purpose to employ the collage technique, an unstructured qualitative association instrument, with respect to place branding initiatives and to uncover internal stakeholders’ perceptions of the region or destination. The authors present a general framework of brand and destination branding in the field of tourism research. The empirical study was carried out in selected Alpine tourism destinations. In the first stage the authors identified the main representatives of stakeholders in two Austrian tourism destinations. In the second, the collage technique was used to obtain stakeholders’ perceptions of the tourism destination brand. The findings reveal that different internal stakeholders trace different perceptions of tourism places and illustrate the importance of using the collage as a technique to explore the various identities of a place. On the limitation front, it is argued that internal destination stakeholders do not share the same brand perception of the destination brand and they do not share a common identity, which is communicated through the destination management organizations (DMOs). However, more research is needed to support these findings as the study is limited by its sample size and focus on the Alpine region of Tyrol, Austria.

Yoon et.al (2007)\(^4\) researched the medical service industry to understand the impact of employee branding on business performance. The authors argue that a lot of researchers have proved that satisfied employees always delight the customer and content employees, due to their motivation, will always lead to positive impact on the business performance. But very few researchers have focused their attention on effect of mediating variables like customer orientation in employees and service value on performance of the organization. The research of the authors focused on this aspect. For the study, sample size of 292 was researched using questionnaire method in various hospitals in different metro cities of Korea. The authors could empirically verify that customer service orientation and service value were positively affected by employee satisfaction. They could also verify that customer orientation and service value also in turn positively affected the business performance of the organization.

---


Banutu-Gomez et.al(2007)\textsuperscript{95} argue that a lot of study has happened on various aspects of branding like logo, name, jingles etc. but not much evidence is available on the role of employees and impact of employees in the overall branding exercise. The current paper explores various employee perceptions within Nestle Corporation such as branding strategy, importance of name, effect on sales, cost – benefit analysis on their perceptions of the global image of Nestle. In the first phase, friends, family and co-workers of Southern NJ area were studied. In the second phase, employees across different international department of Nestle were studied. The final sample consisted of 31 consumers and 52 employees. The major findings indicate that stand alone brands owned by Nestle may not necessarily need to carry the Nestle brand name for success in the marketplace and that there would be more benefits of adding the Nestle logo to struggling brands than costs, based on employee opinions. There is a statistically significant and positive relationship between the collective global image of Nestle, based on current brand offerings, and the over-all branding strategy. This suggests that Nestlé’s current global image based on their brands is a product of the collective perception of its employees.

Lings and Greenley (2009)\textsuperscript{96} did an extensive study on the UK retail industry. The study included analysis of 3500 retail managers across different retail firms using structural equation modeling employing LISREL software. Variety of retailing firms from cloth retailing to beauty retailing to supermarkets was included in the study. Stores promoting heavily and promising unique customer experience were chosen for the study. The results of the study provided proof for strong positive correlation between internal market orientation, employee motivation and financial performance of the firm in the market. The firms ranking high on employee satisfaction and motivation scores were leading in terms of financial performance too. The companies which were aware and activity involved in internal marketing initiatives did well on scores of employee satisfaction and motivation. The authors filled a major gap in getting empirical evidence to the impact of internal


marketing initiatives on financial performance of the company. The authors conclude by discussion role of internal market orientation in developing marketing strategies for the company.

Keller et.al (2006)\(^97\) provided evidence for applicability of employee branding in the area of logistics and distribution. The authors study the logistics and distribution industry and tried to analyze the impact of the behavior of front line employee on the customers of the business. 27 Distribution centers across US which were into diversified business from FMCG to Industrial product were taken up for the study. Through questionnaire, front line executives were interviewed and data was collected. The authors tried to link the data to the structure of Internal marketing mix, inspired from the concept of external marketing mix. The authors propose 4Ps of internal marketing as

- Job Product
- Job Location
- Job Price
- Job promotion (communication)

The authors propose that managers need to focus on all these 4Ps to ensure that the employees are motivated and in sync with the corporate objectives. The authors comment that even in business like logistics, frontline employees have a significant impact on customer satisfaction. Hypothesis were tested using empirical data to prove the impact of employee branding on perceived service quality.

2.3.5) Practitioner’s Point of View on Impact of Employee Branding

Pickard (2009)\(^98\) in his article comments on the MacLeod Review on employee engagement. The Review was based on research and empirical evidence of academicians, practitioner’s point of view, 500 written submissions and listening to employees and employers who are enthusiastic

---


about employee engagement. The author quotes case studies of Sainsbury’s, Institute of employment studies, Freshfields Bruckhaus Deringer etc. to highlight what needs to be done to ensure that people love the jobs they are into. The paper bridges a gap from practitioner’s point of view.

Johnson (2004)\textsuperscript{99} provides a case study on the practitioner’s point of view about the impact of employee branding on the bottom line of the firm. Taking the case study of United Way, the author highlights the impact of employee branding on the financial performance of the firm. The firm restructured its internal efforts to marketing their course and witnessed at 31 per cent growth in their enrolments. The firm realized that a variety of marketing communication, which was inconsistent, created a lot of confusion internally in the employees leading to a confused positioning of the company’s offerings in the minds of the employees. This led to a lot of negative effect on the financial performance of the company. Quoting the case of United Way, the author proposes that employee branding has a significant correlation with the financial performance of the firm.

Glick (2008)\textsuperscript{100} provides another example of a practitioner’s point of view regarding significance of employee branding. Author testifies that many corporate leaders now realize the need of having internal brand champions who can take their service brand to the employees.

Champ (2007)\textsuperscript{101} provides practitioner’s point of view for the impact and significance of employee branding. The author provides global perspective to the impact of employee branding by involving opinions of three executives of global organization. Three executives from Australia, South Africa and Brazil are interviewed and their opinions are stated in the paper verbatim. The paper bridges gap with respect to the opinion of the practitioner’s on the importance of employee branding.


\textsuperscript{100} Glick, S.(2008), “Importance of internal champions”, CPA PRACTICE MANAGEMENT FORUM, June 2008, pp. 16-17

\textsuperscript{101} Champ, J. (2007), “Global perspectives: What effect do your organization's internal branding efforts have on employee attitudes and behavior?”, Communication World, March-April, 2007, pp. 14
Mitchell (2002)\textsuperscript{102} provides practitioner’s point of view on the significance of employee branding. Quoting examples of few corporates who have embraced employee branding and reaped benefits out of the same, the author highlights the significance of selling the brand internally to the employees. The author provides few important principles to effectively brand employees.

1) Choose your moment
2) Link internal and external marketing
3) Bring the brand alive for employees

The authors suggest that employee branding is very important because it allows your employee to know how good the company is doing. Companies always focus on telling customers how good they are. But the same focus is not there for the employees. The author also suggests that lip service to employee branding does not work. The managers have to ensure that the brand message is weaved into employee’s everyday experience to ensure that behavior in sync with brand becomes instinctive.

2.3.6) Employee Branding in the Indian context

Luther (2009)\textsuperscript{103} opines that in a highly competitive business environment, new or innovative products or services cannot be long-term differentiators for organizations. The solution lies in enhancing the customer experience to create a relationship that goes beyond the loyalty generated by any objective assessment of a brand's value. This is because ultimately, the power of a brand lies in the minds of the customers, in what they have experienced and learnt about a brand over a period of time. The author proposes a model to enhance the customer experience and shows the impact that it can have on the financial performance of the organization.

The authors highlight that the empowerment of customer facing employees is very important for them to behave and deliver in a manner which is consistent to the values of the company’s brand. The authors also go ahead and share the impact of good customer experiences on the financial performance.


aspects of the business. The model is yet to be tested empirically, but it provides useful insights to bridge the gap in the literature, with emphasis of Indian context.

Kumar et.al (2010)\textsuperscript{104} examines the service quality dimensions of Indian private banks dealing with retail banking. Overall service quality level acts as an antecedent for customer satisfaction. The factors extracted give perceived service quality dimensions which correlate with overall attitudinal loyalty. Overall service quality further tested for any significant relationship with attitudinal loyalty, which is considered to be an important component of retaining valued customers. The data has been collected from 100 valued customers of two private retail banks of Tiruchirappalli. A questionnaire elicited information on socio-demographic variables along with SERVQUAL dimensions of service quality added with three extra contemporary validated variables and attitudinal loyalty variables. The results suggest that responsiveness and reliability of service quality dimensions determine customer satisfaction more than the assurance, empathy and tangible aspects. Overall perceived service quality fosters customer's attitudinal loyalty through latent customer satisfaction. Increase in service quality of the banks can satisfy and develop attitudinal loyalty which ultimately retains valued customers. The authors also acknowledge the role that employees play in ensuring the above latent customer satisfaction in the Indian banking sector.

Khurana (2011)\textsuperscript{105} provided empirical evidence of impact of service quality gap and customer satisfaction in the Indian context. The author opines that Banks play a significant role in the growth of economy of every country. In today’s cut-throat competition, providing better service quality is vital for banks to compete. The main objectives of this research paper are to investigate the level of service quality of private banks from the perspective of bank customers and assessing the satisfactions towards the services provided by the private banks. Primary data were collected from respondents in Hissar district, with the help of structured questionnaire. A sample of 250 respondents who actually have at least one saving account in private sector bank was selected by


convenience sampling technique as it is appropriate for exploratory studies. Questionnaire is based on widely accepted SERVQUAL model (Parasuraman et. al. 1985, 1988, 1991). Data presentation and analysis were done with the help of various statistical tools by using SPSS 10. A descriptive statistics analysis (mean and paired t-test) was used to evaluate the level of service quality of India’s Private Sector Banks from the customers’ perspective. This study examined the service quality gap by comparing customers’ expectations and actual perceptions. This study also focused on customers’ satisfactions towards the various service/s provided by private sector banks. The results of the study indicated that the overall service quality provided by the private banks was below customers’ expectations.

Kumar and Selvaranee (2009) explore the impact and application of employee branding in the Indian context. The authors begin off with the impact the Brand ambassadors/celebrity endorsers have on the brand and the consumers. The authors argue that celebrities have image which gel with the target image for the brand will have a very positive impact on the brand. But in difficult times like recession or depression, the cost of celebrity endorsement goes very high. The authors argue that for such times, employees as a brand ambassador can do act as a suitable, sustainable alternative. They compare the effects of endorsement by celebrity vis-a-viz employees. A detailed discussion happens on the pros and cons of using employees and projecting them as brand ambassadors. The authors state that the transformation of employee to a brand ambassador is not easy. They highlight that the following things need to be taken care of while undergoing such a transformation

1. Brand ecology
2. Brand story
3. Brand communication
4. Brand Alignment

The authors strongly suggest that if such transformations are done, then it will surely have a very positive impact on the organization. The rationale behind this being that the creditability of a lesser known employee is more than that of a commercial celebrity with the common public.

---

Shekar and Gupta (2008)\textsuperscript{107} state that the growth in the financial service industry in India has been tremendous. According to the reviews in literature, the driving force behind this development is the intense competition among the major players in the industry. Moreover, customers have become more demanding and prefer innovative products and quality services at a faster rate from the companies. As a result, a number of new products and services like credit cards, ATMs, consumer finance, mutual funds, etc., have become a norm. Intense competition among companies, coupled with highly-demanding customers, have made the job of financial service providers much tougher and challenging. They need to understand the changing needs of the customers and offer new products and services accordingly. In the given scenario, relationship marketing has emerged as a dominant paradigm in the field of marketing. This paper explores customers' perspectives on the concept of relationship marketing. It attempts to understand the customers' perspective on their relationship with financial service provider. It studies the customers' motivations behind engaging themselves in a relationship, and the factors which influence them in this regard. These motivations and factors should be taken into consideration by a financial service provider, while formulating relationship marketing strategies.

Vasumathy (2007)\textsuperscript{108} tried to study the branding in the Indian financial services sector. The author builds upon a lot of theories and conceptual models to understand the brand building process in the Indian context. Various theories of branding are mentioned and evaluated with Indian experience. Under the tangibility aspect, the author states that the role of employee in building tangibility to the brand is significant. Under the connecting components of the brand, the author recommends that the relationship between the client and the company is solely dependent on the rapport that customers share with the employees. For the want of good employee relationship, it would be extremely difficult to retain customers in the Indian business scenario. The authors also suggest that since India is a closely knit social fabric based society, relationship with the customers


is very crucial, where the role of employee in understanding and behaving in sync with the brand become very crucial.

Bhayani (2006)\textsuperscript{109} state that post liberalization the government’s broad objective of the banking sector reforms in India has been to increase efficiency and profitability of the banks. For this purpose, the banking sector has been opened for new private sector banks. As a result, various new private sector banks have started their banking business. In this paper, the author analyzes the performance of new private sector banks through the help of the CAMEL model. For the purpose, four leading private sector banks—ICICI, HDFC, UTI and IDBI—have been taken as sample. Secondary data available in the public domain was taken. After making an analysis of the CAMEL parameters, the author has assigned ranks to all the banks according to their performance in various parameters of CAMEL, and then he assigns them overall ranking. For the purpose of CAMEL analysis, the data of five years, i.e., from 2000-01 to 2004-05, has been used. The major findings of the study are below

• The result of overall ranks of the selected banks indicates that IDBI was the topmost bank, followed by UTI, HDFC, and ICICI bank.

• The coefficient of variation gives the information about the extent of competition among banks. As greater competition would lead to the convergence of the value observed in respect of banks, a lower CV would indicate that the competition is higher and vice versa. The CV of study is 153 percent, which indicates lower competition among banks under study.

• According to different aspects of CAMEL, the IDBI was the topmost bank in capital adequacy, followed by ICICI and UTI. In assets quality, ICICI was the topper, followed by UTI and IDBI. IDBI was ranked first in the management aspects of CAMEL. Earning efficiency of HDFC is the best among all the four banks, followed by UTI. The liquidity management of UTI is the best among all these banks.

Although there are limitations like the time period considered, no. of banks considered, but still this study is one of the very few studies in India done for a comparative analysis between various banks in the private sector.

Khan (2009)\textsuperscript{110} is one of the Indian researchers who contributed towards the concept of Employee branding. In the conceptual paper the author proposes that in brand management, service and promise are crucial. The role of employee in delivering both is extremely important. Customer satisfaction is the most important criteria for any organization to succeed in the market place. To attain that, any organization has to kindly treat and pamper employees and consider them as ‘Strategic Human Capital’. This will motivate them to perform at their fullest potential. Successful internal branding helps employees to better understand and shape their awareness, behavior and commitment towards the brand. The stepchild to external branding in the past, today internal branding is quickly being recognized as critical to a company’s success. The paper delves into the process of internal branding in organizations and crafts a strategy of application for delivering superior performance. Following is the conceptual framework that the author proposes to understand the impact of employee branding and how to implement it in an organization.

Mishra(2009)\textsuperscript{111} opines that the Indian banking industry like many other financial services industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition, and more demanding customers; and the changing climate has presented an unprecedented set of challenges. In the current circumstances a question arises whether the customers are satisfied or not and what are the elements of retail banking which lead to the satisfaction or dissatisfaction of customers. The knowledge of current levels of satisfaction and, in particular, the primary factors of satisfaction are beneficial to those in the industry, thereby allowing them to focus and further strengthen the key areas that lead to highly satisfied customers. This research postulates on the present levels of satisfaction, and also tries to explore the factors that lead to customer satisfaction in retail banking in India. Data from 100 survey respondents were collected from one branch of one of the prominent retail banks in the city of Hyderabad. The findings revealed that customer satisfaction, a transaction-specific attribute is dependent on seven factors, which concur with extensive academic literature. Noteworthy factors amongst these 7

factors are BANKSERV and BANKCRM. Both these factors consist of parameters like how well trained the employees are, how fast are they able to understand and sort out customer issues, how well they deliver on the expectations of the customer. Thus even in the Indian context, the paper provides ample empirical evidence that employee behaving in sync with the brand are kingpin to customer satisfaction in the Indian banking sector.

Nair (2006)\textsuperscript{112} state that in India, in recent times, banking services have become extremely competitive. The business is no longer about having deposit and issuing loans. It has become more about marketing and striking the right chord with the customer. Nair did an extensive primary research to explore various areas which allows competitive edge to the banks in India. Kerala State was considered for the study. The market leader bank in the state was considered for the study and data was collected from a sample of 301 customers of the bank. Out of many factors which emerged out of the study, noteworthy was the role of employees. One of the findings suggests that customers feel that the behavior of the employee is very important factor on basis of which they decide the service quality of the bank. Personal contact with the employees was also believed to be an important factor for customer. There were many customers who mentioned that they bank only because of the relationship that they share with a particular employee. The approachability of the employee inspires trust in the customer which is the primary expectation from any of the banks. Thus the paper provides a lot of empirical evidence in favor of the significance of employees understanding and behaving in sync with the brand promises of the bank.

Uppal and Kaur (2008)\textsuperscript{113} state that Indian banking sector has underwent sea-change post liberalization. Today, a highly satisfied and delighted customer is a vital non-financial asset for the banks in the emerging IT era.Courtesy, accuracy, and speed are important factors in the efficient functioning of a bank. This study is based on the responses of 768 customers of public sector banks, Indian private sector banks, and foreign banks (each one from these groups) operating in Amritsar district of Punjab; and in the case of e-bank, three banks, one from each bank group, have been taken into consideration. The study infers that there is a significant difference


among these three bank groups with regard to the time customers have to spend to transact a business. The e-banks were found to be more efficient with respect to the time factor. This is a very important reason as to why customers switch to e-banking. The chi-square test is used to check the level of significance difference among the various bank groups, and the coefficient of contingency among various bank group customers' responses is also calculated.

The major findings of the study reveal that there is a significant difference amongst these banks. When it comes to adopting newer technologies and ways of banking, public sector banks are able to inspire low confidence in the consumers. Private and global banks are able to deliver these newer ways of banking faster and more convincingly. Whereas, when compared to the trust factor, majority of the Indians still believe that public sector banks are a safer option. On basis of this study and general perception, we decided to consider only private sector banks for the purpose of the study on employee branding.

Raajpoot (2004)\textsuperscript{114} in this article seeks to explore the domain of service encounter quality as it exists in a non-Western culture and proceeds to develop a culturally sensitive multiple-item scale, PAKSERV. Both classical testing methods and item response theory measures were used for scale purification. The scale shows high internal reliability, convergent and discriminant validity at the scale level, and moderate to high category discrimination and information content at the item level. Multiple antecedents of encounter quality are discussed to explain the variation in encounter quality evaluations. Hypotheses are developed about the impact of a personal value system, national culture orientation, and consumer context variables on how consumers assign the importance weights to the dimensions of encounter quality. Using conjoint analysis, hypotheses are tested and quality management guidelines for service managers are developed.

\textbf{2.4) Applicability of Employee Branding}

Robertson and Doherty (2010), provide practitioner’s point of view on the significance of employee branding. Quoting the example of merger of Akzo Nobel and ICI, the authors highlight that the company faced a lot of difficulty post-merger in communicating with the employees. Especially when the organization has a global workforce, ensuring that employees are in sync with the brand promise becomes a daunting task. The authors highlight that the company realized that employee branding is not only significant for attracting talented employees but also in retaining the existing talent in the organization. The company used variety of internal communication methods like intranet, notices, and brochures to ensure that the global workforce is in sync with the brand values and the same experience is communicated to anyone who comes in contact with the organization.

King and Grace (2008) opined that the creation of a strong brand and the deliverance of perceived service quality are premised by employees’ ability to deliver on customer expectations. Authors believe that no consideration has been given to understanding the ‘added value’ encapsulated in an organization’s brand as a result of the operant resources (skills and knowledge) supplied by the organization’s human capital. This paper explores the differential effect that internally oriented initiatives have on an organization’s human capital and its subsequent impact on the organization’s brand, from the employee’s perspective. 10 In-depth interviews were conducted with employees across a range of service industries and the results provide an insight into the creation of employee brand commitment. On basis of the major findings the authors propose the below mentioned model to the hierarchy of an employee’s journey towards being brand champion.

115 Robertson, T. and Doherty, P. (2010), “Communicating the brand”, Recruiter, 15 September, posted on www.recruiter.co.uk

Devasagayam et.al (2010) proposed the construct of brand community. They provided the concept of branding triangle which enables better understanding of the application of employee branding practices. Using a sample of 261 respondents the authors tried to propose and test the appropriateness of a brand community within an internal branding framework. Multidimensional constructs of brand community and the strengths of internal branding strategies were used in the study. The study explores the theoretical underpinnings of combining the two constructs. Following triangle of branding is proposed and its linkages with service triangle are explored.


The major findings of the study were that Intra organizational brand communities can be used as a viable strategic possibility for targeting internal branding participants. Results lend strong support to the need for and efficacy of internal brand communities, and provide an opportunity to examine the strategic synergies of pursuing such a strategy for internal as well as external audiences. External branding initiatives and communications can be used internally, among employees, to build positive brand associations and brand affinity. Further, implementing an internal brand community can lead to increases in the emotional buy-in of employees and ultimately could help companies increase the proportion of “champion” employees. The study integrates the research streams of brand community and internal branding and studies the viability of conducting Internal branding within a brand community framework.
Streshic (2001)\textsuperscript{118} highlights the significance of employee branding in the article. The author argues that products and services are not sustainable sources of competitive advantage as they can be easily copied by competitors. The only source of competitive advantage that is difficult to replicate is the relationship that employees and customers share. The author puts a case for employee branding as it brings a unique competitive advantage to the organization. If the employees are not valued then the customers will also get the same feeling.

The author proposes following guidelines to ensure that employee branding practices are followed in the organization

1) Strengthen Relationships: relations between company and employees should be harmonious

2) Reinforce Values: The core values of the brand should be clearly communicated to the employees and it should reflect in the day to day behavior of the employees

3) Know the Bottom Line: The employees should be able to understand how his role impacts the entire organization. How is understanding of the brand values and reflection of those values in his behavior has an impact on the profitability of the organization

4) Recognize the Truth: Employees do not end up living the brand simply because the management says so. Lip service or creating hoopla may not lead to effective employee branding practices. The leadership has to display the core values. They have to LIVE the brand. Then only the employees can adopt and LIVE the brand.

Barnes et. al (2004)\textsuperscript{119} attempted an exploratory research on basis of case study of a Mid-sized consultancy firm to understand the applicability of internal marketing. The authors strongly recommend that companies which have traditionally focused only on the serving the external customer, should now focus on serving the internal customer. The authors argue that all employees should be treated as internal customer. Each of these customers has in turn an internal supplier and internal customer of work related processes. Like external customer, internal customer also has

\begin{flushleft}
\textsuperscript{118} Stershic, S. F.(2001), “Leveraging your greatest weapon: Employees can make or break your marketing, but you can do something about it!”, Marketing Management, July-August 2001, pp. 40-43
\end{flushleft}

\begin{flushleft}
\end{flushleft}
needs which need to be satisfied. The authors also create a base and build upon the literature of internal marketing, relationship marketing and service quality. Although empirical evidence was lacking, but a detailed case study method was used to prove the point. Although the study was limited to one single organization, a lot of learning’s of this case can be used by practitioners to apply employee branding practices in real life.

Bruhn and Georgi (2000) extended the SERVQUAL model to study the Swiss banking sector and paradigm of service quality in the same. The below model was used as the basis for the entire study

- GAP A is the perceived discrepancy between customer expectations and the service quality specifications defined by management.
- GAP B is the perceived discrepancy between service specifications and the provided service delivery.
- GAP C represents the perceived discrepancy between the provided service delivery and the service quality promised by market communications.

For the purpose of the study, 95 employees of a Swiss bank were selected and data was collected using questionnaire. The authors identified that the same three gaps were existing in the Swiss banking sector. Depending on the findings of the study the authors proposed the following steps to reduce the three types of service quality gaps.

- Informing employees,
- Involving employees,
- Instructing employees,
- Inspiring employees

The authors propose that if all the four are executed properly then the purpose of employee branding is fully achieved.

Mahnert and Torres (2007)\textsuperscript{121}, provide a Consolidated Internal Branding Framework (CIBF) in their paper. The paper is based on extensive study of the existing literature in the area of internal marketing, internal branding and employee branding. The authors identified 25 key variables which determine success or failure in employee branding. The key variables were then categorized into 7 main categories, namely,

1. Organization
2. Information
3. Management
4. Communication

5. Strategy
6. Staff
7. Education

Integration of these seven variables is used to create CIBF which is then in turn used to

1. Plan
2. Execute
3. Evaluate

Employee branding initiatives in any organization. A detailed stage wise/step wise implementation plan is provided by the authors.

The authors also provide valuable recommendations to practitioners on implementing employee branding initiatives in their organization. Below are the key recommendations.

1. Create a flatter organization with high levels of interaction
2. Ensure that the culture reflects the values of the brand
3. Conduct regular, ongoing 360° research internally and externally
4. Ensure that any activity has a suitable, achievable target
5. Ensure appropriate measurement metrics for each target
6. Make brand values and brand direction a mantra for every employee
7. Create a multi-departmental, heterogeneous internal brand team
8. Inspire leadership to support and enact the internal brand
9. Communicate constantly, consistently, and economically in every direction
10. Tailor communication to information needs
11. Ensure alignment between corporation and brand direction
12. Ascertain that budget and timing are realistic while reflecting internal branding needs
13. Involve employees in design and implementation
14. Recruit, train and reward employees with a view to brand values
15. Offer ongoing brand training and education for management and staff
2.4.1) Factors affecting the application of Employee Branding

Simberova (2007)\textsuperscript{122} wrote a conceptual paper on implementation of the process of internal marketing. The author probed into the areas and tools that can lead to better external customer orientation within the employees. The various aspects identified by the author are

- Artifacts
- Stories
- Arrangements
- Language
- Rituals
- Behavior

The authors recommend that if all these aspects are properly taken care of then employee branding can be made more effective. If the employees understand the values better then it leads to fostering of an environment which is supporting cultural values for the external customer. The author concludes by recommending practitioners to use all the above tools to imbibe employee branding in their organizations.

Zanke (2008)\textsuperscript{123} provides insights on the process of how to implement employee branding. The key focus of the paper is that improved internal communication can be very useful in ensuring that employee turn into ambassadors. The author argues that companies focus a lot of attention and efforts on external communication i.e. to the customers through mass media advertising. The problem later on faced is that the employees are never fully aware of what promises have been made to the external customer and how to translate the delivery of those promises in their respective behaviors. This leads to a gap in the service delivery compared to the expectations of

\begin{itemize}
\item Zanke, D. (2008), “Improved internal communication can turn employees into ambassadors”, Retrieved on December 2010 from http://messagecom.wordpress.com/2008/01/04/improved-internal-communication-can-turn-employees-into-ambassadors/
\end{itemize}
the customer. The author makes a strong point for ensuring that management focuses totally on ensuring that internal communication is enhanced. The author also provides certain means of communication through which the internal communication can be enhanced, namely

1. Staff memos/e-mails
2. Meetings
3. Newsletter
4. Employee feedback mechanism from the top management
5. Grapevine/office informal gossip

Any of the above mentioned means can be used to ensure that the internal communication is enhanced towards the employees. If the employees understand the promised made by the company better than they would also be able to deliver better to the customer.

Thomas et.al (1999)\textsuperscript{124} tried to provide evidence that greater staff understanding (intellectual buy-in) and commitment (emotional buy-in) can enhance brand and business performance. Focusing on internal branding, the paper shows from the literature review why these two issues are important drivers of brand success. The intellectual-emotional buy-in matrix is developed, showing how managers can better use internal communication to enhance employee buy-in and thus achieve better performance. Interviews with 350 managers and employees provided benchmark readings about intellectual and emotional buy-in. Links between buy-in and perceived employee performance are reported. The proportions of employees in each quadrant of the matrix are detailed, with strategies proposed to increase the proportion of “champion” employees. The positive impact effective communication has on buy-in, and therefore performance, is noted. The proposed matrix bridges a major gap in the implementation aspect of employee branding.

Chen and Zhao (2010)\textsuperscript{125} wrote a conceptual paper on the process of implementing employee branding in the service industry. The paper proposes the following conceptual model to implement internal marketing.


The authors identifies factor like brand training, brand incentive and brand communication which affect service brand identification of the employees and also honors the psychological commitment. These two factors in turn lead to employee behavioral branding. This paper helps in bridging the gap in implementation of employee branding practices. However, the model needs to be tested empirically.

Harquail (2004)\textsuperscript{126} proposed in his paper that dressing related to the brand can be used as an effective medium of branding. The author argues that brand related clothing and merchandise should be constantly worn by the employees. The author argues that it is not a fad, but there is a strong reason behind this. Firstly, the employees feel a strong bond amongst themselves and with the brand they are working for. This has a subconscious effect on the behavior of the employees which then tends to be more consistent and in tune with the brand. Secondly, a uniform dressing

creates a unique image of the brand in the minds of prospective customers. The author proves this case by quoting the example of employee branding practices at Land Rover. The author makes a point that “wearing the brand” has a positive impact on the process of employee branding.

Wentzel et.al (2010)\textsuperscript{127} state that ads have an important “second” audience, namely an organization’s own service employees. Specifically, ads may depict how employees deliver on the service promise, thereby communicating to other service employees what kind of behaviors they are expected to perform. This research examines when and to what extent service employees are motivated to live up to such ad models. Two experiments at a Swiss bank demonstrate that the effectiveness of an ad model is determined not only by the challenge presented by the model’s behavior but also by an employee’s implicit beliefs. Employees who believe that their abilities are fixed (i.e., entity-focused) are more motivated to imitate an ad model if the model’s behavior is moderately challenging rather than strongly challenging. In contrast, employees who believe that their abilities are malleable (i.e., incremental-focused) are not affected by how challenging the model’s behavior is. Moreover, the reactions of entity-focused employees to challenging ads may be improved by encouraging them to mentally simulate the process they need to go through to achieve a similar performance as the model. The following two models are given below.

Chebat and Kollias (2000)\textsuperscript{128} did a pilot study to test a hierarchical model in which empowerment of contact personnel is presented as an antecedent condition to role conflict, role ambiguity, adaptability, self-efficacy, and job satisfaction. The latter are, in turn, presented as antecedents to helping behaviors directed at customers. The model is structured on three interfaces:

1. Employee-manager,
2. Employee-role, and
3. Employee-customer.

The data were collected in six branches of the same bank in a major North American city. Results reveal that empowerment is a very efficacious managerial control tool in that it significantly affects the behavior and attitudinal dispositions of boundary-spanning service employees. Specifically, role ambiguity emerges as the most influential variable in the employee-role interface, and employee adaptability is a highly determining factor for the delivery of effective role-prescribed and extra-role performances.

Heslin(1999)\(^{129}\) state that countless articles have urged managers to empower their staff, yet, few provide concrete suggestions about how to prepare staff for a more challenging role. Social cognitive theory has identified the three main sources of self-efficacy, which is a person’s belief that they can proficiently achieve their objectives. Based upon recent research, this paper proposes a model of practical actions that managers can undertake in order to boost the performance of their staff by raising their self-efficacy. These actions are

1. Coaching,
2. Participation,
3. Demonstration,
4. Mentoring,
5. Stimulation and
6. Providing rewards.

In order to assist managers to develop their skill at applying these initiatives in a manner that will boost staff self-efficacy, a corresponding behavioral self-assessment is provided. This paper bridges a major gap in the area of how empowerment of employees can have a positive effect on changing the behavior of the employees.

Vallaster and de Chernatony (2003)\(^{130}\) opined that Internal brand building is about aligning employee behavior with brand values. As corporate brands expand internationally and employ ‘multicultural’ workforces in different zones of the world, this process becomes increasingly complex. Authors argue that the current literature does not fully answer the roles corporate structures and leadership should play, encouraging employee behavior to reinforce the desired brand values. Drawing on structuration theory, authors propose that due to their social position and access to more resources compared to other organizational members, leaders can initiate and facilitate change to enable brand-supportive behavior. Preliminary research results provide evidence that leaders do this by building a clear brand vision and by facilitating social interaction


among employees. The below model is also proposed to throw more light on the role of leadership in the process of employee branding.


Kilburn (2009)\(^{131}\) researched the effect of internal marketing on making internal employees customer oriented. The study sample included 51 employees of a southeast division of a medical manufacturing company. Various antecedents were measured and tested to have an impact on employee’s customer orientation. Commitment shown by the upper-management regarding formal support to internal marketing initiatives was shown to have a very high significance on employee’s customer orientation. The results also highlight that employee’s tenure in the organization, degree

of centralization in decision making and the reward structure/incentive structure did not have much higher significance on the employee’s customer orientation. The paper recommends that involvement and commitment of the top management is very important factor that can lead to effective internal marketing initiatives.

Jimmieson et. al (2009)\textsuperscript{132} utilized the Theory of Planned Behavior (TPB) to understand employee change readiness. The extent to which attitude, subjective norm, and perceived behavioral control predicted employees’ intentions to carry out activities that were supportive of a change event were investigated. The impact of group norm was examined as a further predictor of change-related intentions. The context of the research was a sample of 82 employees in the early stages of a rebranding process. Results indicated that direct measures of attitude and subjective norm, as well as group norm, emerged as significant predictors of employees’ intentions to perform re-branding behaviors. To capture the indirect beliefs underlying attitude, subjective norm, and perceived behavioral control, participants also provided an assessment of their behavioral, normative, and control beliefs in regards to the change event, respectively. A series of MANOVAs revealed significant differences between moderate and high intenders on a range of underlying beliefs. Findings were discussed in terms of the application of the TPB for effective change management.

Tavassoli (2008)\textsuperscript{133} presents a case for using HR as the base for employee branding. The author observes that however effective and aggressive external marketing may be, still there are a lot of employees who do not understand their company’s strategy. The author believes that branding has to be a major component of this understanding. The author suggests that HR should take leadership in this area. The HR should become the brand champion to ensure that every employee is in sync with the brand values. The process of employee branding should start as soon as possible. Even during the time of recruitment it should be considered. The prospective employees should be screened on basis of the criteria that whether or not they would be able to adjust and live up to the


brand values. If the prospective employee is not found to be able to live up to the brand, he should not be considered for the job.

Aurand et.al (2005)\textsuperscript{134} studied a sample of 922 respondents to understand the relation and impact between internal branding and HRM. The entire survey was conducted via emails sent to participants of a conference. The authors basically argue that a lot of attention has been given to branding from the marketing and customer’s point of view. However, the internal touch points of branding have been totally missed out in the research literature. The purpose of the study is to understand the impact of HR intervention on the internal branding process. The major findings recommend that although internal branding initiatives are well documented, however there is still a major gap to be bridged. The study also reveals that US professionals are strongly linked to their brands and believe that HRM intervention does play a major role in making that bond stronger. HR involvement does impact the chances of having stronger brand connect amongst the employees.

Wieseke et. al (2009)\textsuperscript{135} provided empirical evidence to the role of leadership in internal marketing process. The author argued that there is lot of anecdotal incidents of benefits of employee branding but hardly there is much empirical evidence. To reduce the gap, authors researched on the role of leadership as a factor affecting employee branding. The authors conclude that major role of internal marketing is to create a feeling of oneness amongst all the employees in the organization. The study also highlights the role of middle management in the process of internal marketing. The study conducted on two multinationals provides empirical evidence that relationship between the leader and the follower has an effect on the feeling of oneness in the employees. The charisma of the leader plays a major role in this too. The authors also provided empirical evidence that the feeling of oneness in the customer facing employees is a strong predictor of the sales performance of the organization. The study also proves that connect between the middle level managers is a strong predictor of the financial performance of those respective business units. This paper


highlights a lot of importance to the role of leaders/managers in the process of inculcating employee branding practices in the employs.

Barnes and Morris (2000)\textsuperscript{136} did a preliminary research on the difference in the practices of internal marketing between French and English MSEs. The objective of the research was to identify whether IM practices are being adopted by MSEs and whether or not there is a difference in application of IM practices due to cultural differences. The study was conducted on 10 MSEs with the help of 2 medical trade associations in UK and France. In-depth personal interviews were conducted to gain insights in the topic. Later the content analysis was done. The researchers found many indications that there was a major variation in the way the English and French firms operate and their attitude towards the concept of role of marketing to employees in delivering better customer satisfaction. On basis of the study they identified culture as a major factor affecting the practice of employee branding. They propose that this area needs further research and exploration. They also saw indications that even MSEs are also now focusing on the practices of employee branding.

In his article, Shaheen (2010)\textsuperscript{137} discusses about the relationship between employee branding and psychological contract. The author proposes that psychological contract is often a neglected area due to which the entire organization has to pay heavily later. Companies go all out to create an impression about their job profiles. If this mismatches later from the reality, then this leads to a lot of employee dissatisfaction and leads to demoralization and higher attrition. The author also proposes a framework which highlights factors which have an impact on employee branding. The author has used the construct employment branding. However, the definition of the same provided by the author reflects similar to the definition of employee branding. This articles highlights that psychological contracts have a major impact on application of employee branding in the organization.


Miles and Mangold (2004), offer a conceptual framework to understand the process of employee branding. The framework tries to explain the process by which the employee’s brand image is driven by the messages that they receive and the mechanism within employee’s psyche that enables the employee to make sense of those messages. The authors propose psychological contract as a key variable which affects the process of employee branding. The following framework is proposed


The authors propose that there are basically four categories of messages/sources that employees receive, namely, Internal informal and formal messages and external informal and formal messages. Both these then translate into employee brand image. But the intermediating factor of Psychological contract plays a significant role over here. Psychological contract is an untold understanding between the employee and the organization. If this understanding is not violated then the employee develops a favorable attitude towards the organization. This factor plays an

---

important role in creating employee brand image. A positive brand image in turn reflects on lower attrition, higher employee satisfaction, improved service quality, CRM and word of mouth communication. This framework was extensively used in my research and it forms a basis for the proposed framework of my research. However, the authors do not provide any empirical evidence to the above stated framework.

Hough and White (2001)\(^{139}\) reviewed the 100 years ago Frederick Taylor’s experiment of conducting pig-iron handling. On basis of the discrepancies in the account, many concluded that the episode was no more than a “pig-tale.” Through the use of historiographical approaches, including evaluation of Frank Gilbreth’s 1912 filmed recreation, this research supports Taylor’s use of the “pig-tale.” Taylor told the story to persuade listeners that even the most basic processes could be improved for the joint prosperity of employer and employee. Author suggests that when evaluating historical records, we must not allow relatively minor discrepancies to overshadow the object lesson of the story. The authors suggest that by using the pig-iron experiments as a basis for his examples, Taylor was able to establish his expertise in improving the efficiency of basic processes and demonstrate that systems could be managed for the joint prosperity of the employer and the employee. Furthermore, creating the “pig-tale” (i.e., telling the story differently over time, omitting particulars, and being less than precise in recounting some details) allowed Taylor to use stories to make his position come alive and provided an emotional connection with his audience. Even Taylor’s colleagues noted that Taylor intentionally used stories or special manners of speech at certain times and under specific conditions in order to train his subordinates or in order to accomplish his purpose. While the relative informality of storytelling naturally leads to equivocal communication, stories serve as memory devices and facilitate understanding by providing connections to previous experiences and knowledge. This study is a proof that storytelling can be an effective way of imbibing and nurturing right kind of values and behavior of the employees.

Barker and Gower (2010)\textsuperscript{140} state that Internal and external workplace diversity and the technology-induced time constraints of multinational competition make the challenge of improving organizational communication bigger than ever. Narrative paradigm or the “storytelling” theory has been proffered as an effective cross-cultural communication tool, but this article presents the idea that storytelling goes beyond that and fills the diverse communication needs of today’s heterogeneous workforce. Authors present a model of storytelling as given below


The above model is a complete organizational communication tool. The authors also discuss how to effectively apply storytelling in the diverse work environment, and propose some opportunities

for further research. Storytelling can be used as a major tool for imbibing the values of the brand in the employees.

Mangold and Miles (2007)\textsuperscript{141} presented a typology in their paper which would enable better understanding of the brand image that organizations target for. The typology is based on the extent to which employees know and understand the organization's mission, values, and desired brand image, and the degree to which they perceive their psychological contracts with the organization as being honored. The authors classify organizations as all-stars, rookies, injured reserves, or strike-out kings, based on the characteristics of a preponderance of their employees. As categorized, rookie organizations cannot deliver the desired brand image because most of their employees lack the knowledge and understanding to do so. Injured reserve organizations, on the other hand, cannot achieve the same because firm employees perceive their psychological contracts with the organization as having been violated, which renders the individuals unwilling and unmotivated. For their part, strike-out king organizations share rookie and injured reserve organizations’ worst characteristics. Finally, and conversely, all-star organizations consistently deliver the desired brand image to others because their employees are both able and motivated to do so. To help firms attain this highly desired status, specific guidelines are presented in the paper which may help organizations become “all-stars” in their own right. Below is the framework provided by the authors.

A typology of employee branding


The authors also provided a classification of organizational message systems. Below is the classification. This classification is also very useful in ensuring that proper communication related to the brand is transmitted to the employees.
Organizational message systems

<table>
<thead>
<tr>
<th>External Audiences</th>
<th>Word-of-Mouth</th>
<th>Advertising directed to external constituents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Public relations directed to external constituents</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internal Audiences</th>
<th>Customer feedback</th>
<th>Human resource management systems:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co-worker influence</td>
<td>• Recruitment &amp; staffing</td>
</tr>
<tr>
<td></td>
<td>Organizational culture</td>
<td>• Training &amp; development</td>
</tr>
<tr>
<td></td>
<td>Organizational leadership &amp; management</td>
<td>• Compensation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Performance management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Informal Sources</th>
<th>Formal Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public relations directed toward employees</td>
<td>Advertising directed toward employees</td>
</tr>
</tbody>
</table>


2.4.2) Applicability of Employee branding in Banking sector

Cree (2003)\textsuperscript{142} with the help of case study of Midland Bank’s dramatic turnaround post acquisition by HSBC tries to prove a case for employee branding. The author proposes the following steps for effecting understanding of the brand for the employees

The author points out that the employees may not be in the best position to understand about the brand and its value. The basic nature of their job may not allow them to even be in a position to appreciate the abstract values of the brand and how their jobs can contribute to it. So the alternate way to attain consistent employee branding is to talk to the employees about the customer. Once they understand the expectations of the customers, rest of the things will automatically fall in place and brand consistent behavior of the employees would be attained.

Bernstel (2003) highlights the importance of employee branding in his article on banks. The author coins Inner Branding as the term, but the underlying idea remains the same. The author argues strongly for a case of doing an inwards marketing and branding exercise. According to the author brands and employees are the two most important assets that any organization can have. The author strongly believes that both these assets need to be in sync for attainment of corporate goals of any organization. Without any empirical data, the author proposes that the following things should play a major role in implementation of employee branding

- Corporate mission and vision

---

According to the author all the above mentioned things should be in sync with the brand values of the organization. If it is not in sync, the employees can never properly understand the values of the brand and thus cannot translate it into better service experience for the customer. The author argues for the case of converting employees in brand maniacs and zealots.

2.4.3) Applicability of Employee branding in Hospitality sector

Punjaisri and Wilson (2007)\textsuperscript{144} tried to study the concept of employee branding in the Hotel industry. They proposed a conceptual model and provided empirical data to prove the same. However, they expanded the scope of the concept by exploring the Hotel industry. Before this, most of the studies in employee branding were restricted to the financial services sector only. The authors adopted a case study method. In-depth interviews were first carried out with 30 customer-interface employees in six major hotels in Thailand. On a census basis, a quantitative survey with 699 respondents from five major hotels in Thailand was done. The authors proposed the following conceptual model, along with definitions of the constructs and tested it empirically.

The major findings were that Internal branding with human resource management has a statistically significant impact on attitudinal and behavioral aspects of employees in their delivery of the brand promise. As employees’ brand commitment does not have a statistically significant relationship with employees’ brand performance, it is not regarded as a mediator in the link between internal branding and employees’ brand performance. The authors propose that to imbibe

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal branding</td>
<td>The use of internal communication techniques and training programmes to</td>
</tr>
<tr>
<td></td>
<td>educate employees about the brand promise</td>
</tr>
<tr>
<td>Brand identification</td>
<td>An employee’s sense of belonging to the hotel brand and a perception of</td>
</tr>
<tr>
<td></td>
<td>being intertwined with the brand’s fate and success</td>
</tr>
<tr>
<td>Brand commitment</td>
<td>An employee’s psychological and emotional attachment to the brand</td>
</tr>
<tr>
<td>Brand loyalty</td>
<td>An employee’s willingness to remain with the present brand</td>
</tr>
<tr>
<td>Brand performance</td>
<td>The extent to which an employee performs his/her role in the brand promise</td>
</tr>
<tr>
<td></td>
<td>delivery based on the brand standards in which the brand values are</td>
</tr>
<tr>
<td></td>
<td>embedded</td>
</tr>
</tbody>
</table>

brand values in employees internal communication and training can be used to influence employees ‘brand-supporting attitudes and behaviors. But the paper proves that empirically there is a relationship between internal branding and the behavioral outcome as well as the partial meditating effects of employees’ brand identification, commitment and loyalty.

Kimpakorn and Tocquer (2009)⁴⁴⁵ opine that in the past, many service brands have applied a consumer-goods approach to branding to respond to a more competitive environment. This approach emphasizes the role of advertising in building a strong brand, but underestimates the role played by employees in developing the brand during their interactions with customers. More recently, the development of models that provide an understanding of the process of building a powerful service brand has emphasized the role of employees and their contribution to enhance brand equity. The role of employees in building the brand and making the brand ‘come alive’ is seen as essential. Employees must be committed to demonstrating the brand values (as expressed by top management) each time a customer interacts with the brand. The research explores employees’ brand commitment in the hotel industry in a highly competitive market (the 5-star hotel category in Bangkok) with a sample of 280 employees. Employees’ brand commitment is defined as the extent to which employees experience a sense of identification and involvement with the brand values of the company they work for. The dimensions of employer brand (the organization’s image as seen through the eyes of associates and potential hires) are used as independent variables for explaining the level of employee’s commitment to their company’s brand. Following conceptual framework was used and tests empirically

The major finding of the study were as below

1. Stay in touch with employees by learning their needs, and ensure that these are met or are exceeded.
2. Offer value-added features and provide consistently high-quality services to customers. Employees are more committed to the brand when the brand is delivery to customers beyond their expectations.
3. Select and train employees so that they are service-oriented and acquire full knowledge and understanding of brand values. In addition, communicate customer satisfaction data to your employees as a feedback system and motivational tool.
4. Do not believe that employees’ brand commitment is just an internal communication exercise. Your human resources management practices and your ability of delivering a better service than your competitors are essentials.
2.4.4) Application of employee branding in various industries

Peltier et. al (2003)\textsuperscript{146} did an exploratory study on the impact of employee branding on employee loyalty and customer relationship management. The authors study the nurses in the German health care industry. A sample of 55 nurses was made to respond on a 19 items questionnaire. The data was collected to test hypothesis on the impact of following three factors on employee branding

1) Financial bonds 
2) Social bonds 
3) Structural bonds (inter organizational relationship and decision making control aspects)

The major contribution of the article was to bridge the empirical gap in the literature on employee branding and employee loyalty. The major findings indicate that Structural bonds contributed maximum to the employee loyalty. It was followed by social bonds within the organization and lastly followed by financial bonds. The authors recommend that the internal structures of the organization should be in sync with the outer objectives of the organization. Empowerment of the employees plays a major role in this. Financial incentives were rated the least in terms of contribution to employee loyalty.

Judson et.al (2009)\textsuperscript{147}, researched the concept of employee branding in a very new industry, higher education sector. The objective of the study is to understand the impact and applicability of employee branding in the area of university education. Administrators in higher education who regularly have an opportunity to convey the university brand promise to outside constituencies are surveyed. The survey was sent to individuals in the following university positions: Chief Admissions Officer, Associate Admissions Officer, Enrollment Management, Financial Aid, Registrar, Student Recruitment, Development Institutional Advancement, Associate Development


Officer, Alumni Affairs, Relations, Annual Planned Giving, College Newspaper Advisor, Community Services, Information Office Services, Public Relations, Publications, Sports Information. Total 343 respondents were surveyed. Four items were used to determine the respective university brand strength among university administrators:

1) Administrator perception of the distinctiveness of their university’s brand,
2) Administrator perception of the clarity of their university’s internal branding message,
3) Administrator perception of the degree of university involvement in the promotion of the brand, and
4) Administrator perception of their university’s brand image as compared to that of prospective students’ perception

The major findings of the study were that Respondents from private institutions reported greater brand clarity than respondents at public institutions. The authors attribute this not to the treatment given to the employees but on the role clarity given to the employees. In private universities the role clarity was higher, how it contributes to the entire organization is clearly understood and thus it helps in getting better results. The authors also concluded that university brochures are the best media to build brand values in the employees of the university.

2.4.5) Practitioner’s point of view on application of Employee Branding

Cooper (2008)\textsuperscript{148}, provides practitioner’s point of view to implement employee branding within the organization. The author provides a ten step guidelines to implement employee branding practices successfully in the organization

1. Aim for staff buy in at all levels
2. Research employee behavior and attitude
3. Properly fund and support internal marketing initiatives
4. Form working committee to define brand
5. Apply internal marketing

\textsuperscript{148} Cooper, N.(2008), “Getting staff to live your brand”, Incentive Business, April 2008, pp. 29
6. Set measurable goals
7. Provide rewards and incentives
8. Use events to create internal brand loyalty
9. Achieve brand consistency
10. Make the efforts sustainable

The author itself is a practitioner and has provided valuable insights in the process of ensuring the application of employee branding within the organization.

McCauley (2010)\(^{149}\) provides practitioner’s point of view towards communicating with employee with help of technology. The author argues for a strong need of keeping communication lines open with employees, especially when the company is going through a rough phase. This allows the employees to know fully about what is happening with the organization and also fosters confidence towards the company. Proper planning and use of technology can act as great enables of communication with the employees.

Stotz and Dyke (2008)\(^{150}\) offer a practitioner’s point of view towards the process of employee branding and its impact on consumer buying behavior. They broadly chart out a five point framework to imbibe employee branding practices in any service industry firm. The points being

1. Inquire: understand employee and customers
2. Inspire: operationalize the vision and brand promise
3. Immerse: beyond communication
4. Improve: Solve customer and employee experience issues together
5. Ingrain: sustain and refine.

Although no empirical evidence is provided to this, but being a practitioner’s point of view, the idea is well taken.

---


2.5) Social media and employee branding

McAbee (2010)\textsuperscript{151} tried to integrate the area of social media with the concept of employee branding. Employee branding is a concept whereby the employee imbibe the values of the brand and their behavior reflects those attributes. This reduces the gap in the minds of the customers and ensures in better and consistent delivery of service. Since till date the entire emphasis of external communication was on mass media advertising, employee branding was also focused only on those areas. Now, social media has become a very significant tool in the area of external communication. There is no organization which cannot afford to not have presence on the social media. Given these changes in the environment, the author recommends that the employees should also display similar brand consistent behavior on the social media. The authors recommend a case for turning employees into social media ambassadors. The author recommends the below mentioned steps to ensure that employees can be successfully be converted into social media ambassadors.

1. Develop a social media policy
2. Offer training
3. Provide employees with a centralized site
4. Lead by example
5. Reward influencers.

This paper opens up a new avenue in the area of employee branding.

2.6) Challenges in Employee Branding

The author\textsuperscript{152} highlights few challenges that organizations will face while implementing employee branding practices within their organizations.

1. Know your people/employee. Understand how your employees can deliver value to the customers

\textsuperscript{151} McAbee, S., (2010) “Turn Your Staff Into Social Media Ambassadors”, Retrieved on December, 2010 from http://www.themarketingbureau.co.nz/_blog/Stories/post/Turn_Your_Staff_Into_Social_Media_Ambassadors/

2. Employee branding initiatives should not look and feel like ‘flavors of the month’. The management should be able to walk the talk

3. Organizations have to figure out ways to investigate the behavior of their diverse workforce and identify ways in which they can be made to connect with the customers. This challenge is more prominent when the organizations have global operations.

This paper, although, non-empirical in nature, provides useful insights into the challenges faced by managers while implementing employee branding.

Papasolomou and Vrontis (2006)\textsuperscript{153} carried out an exploratory case study on the UK retail banking sector on practice adopted for employee branding. The study based on in-depth interviews of 35 branch managers and 21 employees concluded that role of employee is critical in attaining customer satisfaction through superior service quality. The banks studied admitted that employee branding practices were useful in influencing the attitude and behavior of staff towards a more service orientations towards the customer. A more service oriented employee was found to be more committed towards the attainment of organizational goals. This was extremely useful to the UK retail banks in attaining competitive advantage in a very competitive industry. It tremendously helped the UK banks in getting more focus on customer service and satisfaction.

However, the authors also found that there are major hurdles in implementation of employee branding practices. The exploratory research suggested that

- Focus on short term sales targets
- Lack of formal and ‘holistic’ implementation approach
- Creation of ‘personnel discrimination’
- Negative internal competition

Were the major factors that made the implementation of employee branding difficult in the UK Banking sector. Although, there was anecdotal evidence, that these hurdles can be overcome, the authors propose that more research is required to explore the implementation issues in details.
