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Internalising the Brand

Abstract

Internal branding has become a focus of research interest especially in service led organisations. However, interest in employee understanding and brand supportive behaviour is an under researched area (Punjaisri and Wilson 2007). This paper aims to add insights regarding internal branding and brand delivery from a new employee perspective in a retail context. It reveals new employees' understanding of brand values, their use in everyday work and the congruence with management expectations. As a result of this research specific recommendations were made to the organisation in order to develop an improved internal branding programme.

Marketing Strategy – Branding

Introduction

Internal branding as a concept has grown from ideas developed in the early 1990s. The traditional transactional model of marketing concentrated almost exclusively on the customer-supplier dyad. The advent of relationship marketing, whilst not devaluing this association, noted that others strongly influenced its success. These extended relationships were both external and internal. The latter, variously called internal partnerships (Doyle 1995, Hunt and Morgan 1994), internal markets (Christopher *et al* 1991, 1994) and internal customers (Gummesson 1996, 1999), recognised the importance of employees in the customer satisfaction process. The growth in the importance and understanding of services, where staff engage directly with customers and where they can be largely responsible for the success or otherwise of the process, further drove this thinking. In particular it heightened the perceived need to ensure that employees were correctly (or at least fairly) representing the company and maintaining, if not augmenting, the brand. The term in the early literature most frequently used to describe the process was internal marketing. Internal marketing involved a number of considerations. It proposed efforts to 'sell' the organisational message to internal audiences using tools not dissimilar to those used with customers (Palmer 1998). It suggested the need to facilitate formal and informal communication and customer consciousness amongst employees (Hogg *et al* 1998). It also implied the orchestration of staff working together and attuned to the companies mission, strategy and goals (Christopher *et al* 1991, 1994) and the wider operations of the company with its environment (Hogg *et al* 1998). To succeed in this endeavour it was seen as important to break down departmental barriers especially between marketing and human resources (HR). HR's need to recruit and retain customer conscious employees (Grönroos 1990), internal marketing and communications were seen as key factors in the process (Lake 2008, Punjaisri and Wilson 2007, Aurand *et al* 2005).

In the new millennium marketers began to reemphasise the concepts of the brand, brand values and personality. In internal communications the term 'internal branding', although still used interchangeably with internal marketing (Aurand *et al* 2005), has entered the lexicon. As brands are seen as one of the company's greatest assets and central in achieving awareness, maintain loyalty and higher profitability (Kapferer 1997, Aurand *et al* 2005) it is seen to be equally valuable in aligning the employee with the corporate brand. Internal branding, therefore, is seen as a process to align staff behaviour with the corporate brand's identity (Vallaster and de Chernatony 2006).

Internal branding has become a focus of research interest especially in service-led organisations. However, interest in employee understanding and brand supportive behavior is currently under-researched (Punjaisri and Wilson 2007). This paper aims to add insights regarding internal branding and brand delivery from a new employee perspective as Finch and Vito (2008) argue that the brand experience of new employees indicates the congruence with the brand values presented by the company. The paper reveals new employees understanding of brand values and their use in everyday work and their congruence with management expectations. The context of the research is a case-study with a major international manufacturer and retailer of furniture (referred to as the organisation from this point forward). As a result of this research specific recommendations were made to the organisation in order to develop an improved internal branding programme.

Methodology

The study explored internal branding within a major retail organization with a strong global brand position and the congruence between what the company believes was being achieved

versus the reality of the situation from a new employee perspective both at management and shop-floor level to see if there were any significant differences in understanding and resulting behavior. The approach considers relationships and processes between people in an organisation and aims to explain why things are happening rather than just what is occurring (Denscombe, 2003).

The research addressed the following three objectives:

- To explore how the brand values are communicated internally to new employees.
- To investigate new employees' perception of brand values in their everyday work.
- To identify the congruence between what the company thinks it is communicating about brand values and the employees' understanding and how this is operationalised.

Due to the exploratory nature of the research, a qualitative approach was chosen using case study methodology which is appropriate for analysing contextual conditions (Yin, 2003). Eight semi-structured interviews were conducted with new employees two of whom were managers and six of which were shop floor co workers. This mix of respondents was used to highlight whether new employees had different perceptions of their delivery of the brand values and to indicate whether different induction or training on the brand values led to different understanding and behavior. The respondents were chosen by the organisation and the interviews were carried out in store premises to aid the research process and put the interviewees more at ease. Two stores of similar size in the London area were used again suggested by the organisation. A further in-depth interview was conducted with the employer brand manager to triangulate the data and as a check for congruence.

New employees were considered an important group, as they were most likely to have been in contact with some of the internal branding focal points, mentioned throughout the literature, such as during the recruitment process and any training they received as new employees. Finch and Vito (2008) argue that new employees' experience within the first six months will have a strong influence on whether or not they will remain with the company. If their employment experience does not match the brand values presented, they are likely to start looking for something new within a year. In addition, they are unlikely to develop the appropriate brand behavior.

Categorisation of data was utilized and primary data analysed using a theme matching technique (Cooper & Schindler, 2003). The matching answers provided by the key respondent and employees and consideration of existing theory helped to ensure validity (Yin, 2003). Data was triangulated against company information and the organisation's own internal survey data to achieve a more rigorous approach.

Findings

The results are organized in to four main themes. Firstly how the employees' learn about the brand, secondly, how they perceive and understand it, thirdly, how it applies to their work and finally to what extent they feel the company lives up to the brand values. A comparison of the new employees' responses with the employer brand manager's view about how the brand is communicated internally gives an indication of the congruence between what the company think is happening and what is actually taking place.

New employees' introduction to the brand

The explanation of the process of induction and the communication of the brand values was outlined by the Employee brand manager. New employees' are introduced to the brand values

during the recruitment and induction process via materials explaining the core brand values, symbols and language of the organisation. The brand values are further reflected in the internal communications, in particular a booklet explaining the company philosophy and approach and the organisation's vision. The process called for a "body" to be assigned to new employees. These are current members of staff trained to live the brand and act as ambassadors for the brand thus providing guidance to all new members of staff.

The explanation in combination with the application of brand values is important for employees' understanding of the brand (Mangold & Miles, 2007). In this organization the induction process applied to all employees, but a greater depth of induction is delivered to new managers. They are trained in the "organisational approach", provided with information on how to live up to the brand values, how to handle different situations and an explanation of how the brand values and the culture apply to the organisation.

The findings indicate that new employees could outline the induction process quite well and had good recall of those things that the internal brand manager suggested should be taken on board. However, the company policy of new employees being assigned a "body" was not taking place. It became apparent that new co-workers recollection of brand values was vague, but that the managers' recall was much better. This may be unsurprising given the greater depth of training in the brand values given to them and perhaps their greater (responsibility-induced) motivation to remember them may be greater than that of co-workers. Verbalisation of the brand it is suggested needs to accurately represent all aspects of the brand identity and be memorable (Burman and Zeplin, 2005). Another reason for poor recall by new co-workers (even when prompted) is the possibility that there were too many values to remember and that there is a need for a clearer brand statement or 'brand mantra' (Keller, 2008).

Employees' understanding and perception of the brand

Managers and co-workers showed similarities in terms of their perception of the brand. For example, they generally agreed the brand is seen as "different", standing out from the crowd yet "has something for everyone". However, new managers had a much greater understanding of the brand and the organisational values and were able to express these in words that matched the guidelines provided by the Organisation.

All employees understood the perception of the brand from a customer standpoint but could not necessarily understand the importance of their part in the customer satisfaction process.

"I just get on with my work; I follow the rules of the company but something about culture.... I am not interested" Importantly co-workers did not see themselves as having any impact on the delivery of the brand promises.

Presence and realities of the brand from an employee-perspective

During the interviews employees were asked how they felt the organisation's values were reflected in their work. All respondents indicated that the organisation was living up to what it promised, and the general feeling was that co-workers were given great freedom in their job. This reflected the values of simplicity, flexibility and honesty. However, as one respondent suggested *'Finding your own way sometimes makes things more complicated. (The organisation) also talks about how you make your own decisions and bring in initiatives, but actually it is hugely regulated'*. In this regard an important concept in internal marketing/branding, that of empowerment, was under regarded. Despite the intention of giving responsibility and freedom to their co-workers, the organisation's rules, regulations and practices contradict the brand values.

Those new employees who had worked elsewhere suggested the organisation was “very different” in terms of the way of doing things and understanding how the company functions. Furthermore, simplicity and non-bureaucratic work environment were pointed out as brand values but were not seen to operate day to day. As one co-worker noted ‘(the organisation) *has got more bureaucracy than any other company I have worked for.....and they say they are simple.*’

Discussion and Recommendations

The case study revealed a number of insights for management and provided evidence and understanding to improve their internal branding programme. The study expands existing knowledge by introducing the ‘new employee’ perspective. Internal branding and communication of the brand internally is currently the responsibility of the HR department and only takes place during induction. To ensure clarity and depth of understanding an explanation from a member of the marketing department on how they externalize the brand should be included in the process. This expertise may also help to make the links between internal and external marketing much stronger and help to develop the brand supporting behaviours required (Aurand et al 2005). The need to develop joint training programmes between HR and Marketing in order to address these issues was a specific recommendation made to the Organisation. The literature suggests that for internal branding to be successful then integration across functions within a company, such as corporate marketing, corporate management and corporate human resource management needs to take place (Punjaisri and Wilson, 2007; Aurand et al 2005; Lake, 2008). Brand values were well understood by managers because of the intensive training they received. If delivery of the brand promise is so important then it raises the question as to why all new employees do not receive the same depth of explanation about the brand and its importance.

New employees at co-worker level could readily identify the brand values for customers but their understanding of how they could impact the delivery of the brand left much to be desired. They did not appear to regard themselves as central to the delivery of the brand promise. There is an obvious disconnect, therefore, between the employees’ understanding of brand values and how this translates into customer-directed behaviour. Employees saw the organisation’s delivery of the brand as supplying products (similar to Knox and Maxwell’s findings 2009). Whilst they understood the implications of failure to live up to the delivery of brand promises (for example being out of stock) it was suggested that this was a central issue and beyond their control. In order to rectify this situation management must focus on translating the brand values into everyday work activities (Punjaisir and Wilson 2007).

Further Research

This exploratory research was limited by time and resource to a small sample within a single retail environment. However, the study suggests a significant need for the co ordination of marketing and HR departments in terms of the alignment of brand values, ‘training’ activeis and employee behaviour. The importance of internal branding in highly competitive retail markets should not be undervalued. The process by which brand values can be entrenched coupled with a review of operations to ensure these are actually realised is worthy of further research effort.

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