Internal Marketing Mix and Employee satisfaction in service industry - a Literature Review

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Abstract: Service sector is flourishing in India and contributing a lion's share to the economic growth. India's services sector includes a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. The human element in service delivery process plays a crucial role in each and every interaction between the employee and customer. The presence of efficient, satisfied and loyal employee is the backbone of a service industry. Irrespective of technological advancements in banks, quality comes from people. For this reason, banks have increased their focus on the attraction, retention and satisfaction of quality employees in order to create a sustainable competitive advantage. The internal marketing has been identified as a mechanism which could able to attract, retain and motivate employees for achieving organizational goals. This paper has made an attempt to present a critical review of related literature on concepts and theories of internal marketing and it elements The paper has also indented to derive the linkage between the 7 Ps of internal marketing mix and employee satisfaction. The study is based on secondary data which were collected from various sources like journal articles with peer-reviewed, books, government publication, conference proceedings and other relevant works. The study constructed a conceptual model depicting the relationship of seven factors of internal marketing mix named as internal product, internal price, internal place, internal promotion, internal people, internal process and internal physical evidence with employee satisfaction.

Key words: Internal marketing, 7 Ps, employee satisfaction, literature review

I. Introduction

The dominance of service sector has been observed across all developed economy in the world and it is getting stronger since late 1990s. The rapid development in the field of information technology is one of the strongest reasons for such growth in service sector. As per the data, UK, USA and France have the highest share of services in GDP at above 78 per cent but the share of services in India of 58.2 per cent is much above that of China at 41.7 per cent in 2011 (Economics Discussion, 2015). The services sector has been a major and vital force for steadily driving growth of the Indian economy for more than a decade. The sector's contribution is around 66.1 per cent of its gross value added growth in 2015-16. Moreover, this sector has become an important net foreign exchange earner and the most attractive sector for FDI (Foreign Direct Investment) inflows. India's services sector includes a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction(Source: IBEF). The financial sector in India has witnessed a rapid expansion, both in terms of growth of existing financial firms and simultaneously increasing number of new entrants to the market. The financial sector in India is dominated by commercial banks which accounts for more than 64 per cent of the total assets held by the financial system. According to KPMG-CII report, the banking industry in India shows the potential to become the fifth largest banking industry in the world by 2020 and third largest by 2025. India's banking and financial sector is rapidly expanding. The rising incomes are expected to enhance the need for banking services in rural areas and therefore drive the growth of the sector. The services rendered by banks are homogeneity in nature and it is very difficult for banks to differentiate their services from other banks. For this reason it is essential to adopt a market-driven strategy to be executed through competent and loyal employees will enables retail banks to deliver superior quality services and which will become the only real differentiator and key to building a competitive advantage (Culiberg & Rojsek, 2010, Kotler et al., 2010). The presence of efficient, satisfied and loyal employee is the backbone of a service industry. Irrespective

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of technological advancements in banks, quality comes from people. For this reason, banks have increased their focus on the attraction, retention and satisfaction of quality employees in order to create a sustainable competitive advantage (King et al., 2013). Papasolomou (2006) suggests that internal marketing has been identified as a mechanism which could achieve the required results. A strong internal marketing strategy can be critical to achieving and sustaining a competitive advantage, as well as driving organizational change and enhanced organizational performance. The successful implementation of internal marketing can lead to various advantages such as the fulfillment of business obligations, internal competitiveness, an improvement in quality of employees and an improvement in overall profitability (Done & Domazet, 2012). The primary purpose of this paper is to review critically related literature on internal marketing to understand its relationship with employee satisfaction. Specifically, this paper will focus on studying the concept and essence of internal marketing, and will review the existing literature on internal marketing mix elements and its relationship with employee satisfaction.

II. Literature Review

Keeping the objectives in mind, the following sections mainly focuses on presenting the diversified concepts of internal marketing and employee satisfaction and discuss various elements of internal marketing subsequently. Efforts have also been taken to examine the relationship between the internal mix elements and employee satisfaction. The study is exploratory in nature and is based on secondary data which were collected from various sources like journal articles with peer reviewed, theses, books, conference proceedings and other relevant works and websites to gain in-depth understanding of the concepts and the relationship thereafter.

2.1. INTERNAL MARKETING

Internal marketing (IM) is the application of marketing concepts within the organization. An effective internal marketing programme aims at understanding and satisfying employees' needs and expectations so that they in turn will go above and beyond to deliver value to the customer (Al-Hawary et al., 2013). Internal marketing is to view employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization (Berry, 1981). Grönroos (1981) redefined the concept as a process to create customer orientation among service employees to ensure quality of the service delivered to the external customer. (Kotler et al., 2006) argued that internal marketing is the task of hiring, training and motivating able employees to serve the customer well, arguing that internal marketing must precede external marketing as it makes no sense to promise customers excellent service before the employees are ready to provide it professionally. Rafiq and Ahmed (2000) highlight that internal marketing is a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate, and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through the process of creating motivated and customer-orientated employees (Gounaris et al., 2004). Building on Rafiq and Ahmed's definition, Ferrel and Hartline (2008) suggested internal marketing as "a planned effort using a marketing-like approach to overcome organizational resistance to change, and to align, motivate and inter-functionally coordinate and integrated employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer orientated employees". A review of the literature shows a multitude of definitions of internal marketing such as marketing like approach, establishment of internal relationships, jobs as internal products, satisfaction of employees as internal customers, training and development of employees, customer orientation, motivation and empowerment of employees, inter-functional integration and internal communication encompassing the concept of internal marketing.

2.2. 7 PS OF INTERNAL MARKETING MIX

The purpose of internal marketing is to apply the concepts of external marketing within the organization to make employees more customer orientate to provide better service and ultimately to ensure customer satisfaction. It mainly proposed that the four Ps of the external marketing mix are applied internally. The internal product, internal price, internal promotion and internal distribution could be used to facilitate the process of organisational change as each of these influence the techniques, systems, the structure of power, and the culture of the organisation's internal environment (Abzari & Ghujali, 2011; Javadein et al., 2010; Isfahani et al, 2012; Piercy & Morgan, 1991; Keller et. al, 2006; Ahmed et al, 2002; Ahmed & Rafiq, 2003). Organisations have to constantly evolve and improve communication with internal customers in order to meet their changing needs. In addition to this, organisations need to respond quickly to competitive actions and for this reason; organisations must have strong relationships with the internal and external market (Constantinides, 2006). The internal marketing mix was developed even further to include an additional three Ps of services marketing namely people, process and physical evidence into the mix (Ahmed & Rafiq, 2003). These additional elements provide internal customers with evidence that the service has been delivered and allows them to formulate their own

judgment regarding the quality of service received by others in the process of delivering services to the external customers. The construction of each internal marketing element is discussed below.

2.2.1. Internal Product

From an internal perspective, product generally relates to the employee's job. Treating job as product does not mean the tasks that are needed to be performed by the employee, rather it has much broader aspect of making job more comfortable and valuable for them through training (Ali, 2012; Ahmed & Rafiq, 2003; Tansuhaj et al., 1988; Huang & Rundle, 2015), empowerment (Berry and Parasuraman, 1991; Gilmore and Carson, 1995; Shekary et al., 2012; Ahmed et al, 2003), remuneration (Pantouvakis, 2012; Barnes et. al, 2004; Papasolomou et. al, 2006; Ahmed et al, 2003; Jou, 2008) and career opportunities (Ahmed & Rafiq, 2003; Jou, 2008; Ahmed et al, 2003) to increase satisfaction level of the employee. Organisations therefore, need to offer jobs as products that are designed to offer value rather than just describing the task requirements. In this way jobs can be used to attract and retain customer orientated employees in the organisation (Conradie, 2012; Vasconcelos, 2008).

2.2.2. Internal Price

The price element of the internal marketing mix is concerned with what internal customers need to 'pay', when they buy into the product offered by an organization (Piercy & Morgan, 1991). In terms of internal marketing, there are many costs borne by the employee in exchange of the job which are not monetary based, but more intrinsic in nature. These intrinsic costs relate to the price that employees pay to work for the organisation in other words the sacrifices they make. Internal price is thus the sacrifice and contributions made by employees in exchange for the organisation's internal product (Otto, 2004). Ahmed and Rafiq (2002) refer there are two types of costs sacrificed by an employee for the internal product. The psychological costs is incurred while adopting new behaviors and the opportunity costs associated with forgoing other tasks to adhere to a new programme as being deterrents to the adoption of an IM programme by employees (Piercy & Morgan, 1991; Keller et. al, 2006). When employees feel the costs are of working for the organisation are too high, they may experience high levels of stress and withdraw either physically or psychologically resulting in adverse affects for the organisation (Mansoor et al., 2011). On the other hand, the new task(s) may provide the opportunity to increase pay, access bonuses, provide a chance to excel and shine, and thereby build a route to career promotion, or through acquisition of new skills strengthen their bargaining hand in the job market (Ahmad et al., 2002).

2.2.3. Internal Place

Services normally make use of non-physical distribution channels to deliver some of their service elements to customers. The non-physical relates to the invisible and intangible aspects such as the cultural and symbolic aspects of the organisation (Abzari & Ghujali, 2011). The aim of the place element to devise an internal environment and atmosphere that is conducive to the achievement of particular goals. This can be achieved by giving more resources, better support, changing or at least attempting to change and fine-tune organizational culture, as well as examining ways of empowering employees through structural and responsibility adjustments (Ahmed and Rafiq, 2002; Piercy & Morgan, 1991; Keller et. al, 2006). So, it can be evident that internal distribution comprises of organisational structure and organisational culture that play an important in the satisfaction of employees. Organisational structure is discussed as a component of internal distribution as it has been described as the 'invisible hand' which brings the organisation to life (McMillan, 2011). Organisational culture is defined as a complex set of values, beliefs, assumptions and symbols that define the way in which an organisation conducts its business (Barney, 1986). Organisations need to have a clan culture in order to focus on the transfer of knowledge as well as creating internal cohesion, trust and loyalty aiding the distribution of the internal product. Further to this clan, cultures could contribute to collaborative intelligence (Simberova, 2009; Trivellas & Dargenidou 2009). In order to improve service and in order for internal marketing to be effective, decentralised organisational structures are required. These structures follow a more decentralised approach with business units having far more autonomy and fewer centralised features (McMillan, 2011). From an internal marketing perspective and specifically from an internal customer-orientation perspective, success is dependent on the internal supplier's ability to freely exchange information across managerial levels and departments in order to better serve internal customers.

2.2.4. Internal Promotion

The internal promotional mix is a blend of communication tools used by an organisation to execute the promotion process and to communicate directly with the internal market (Ahmed and Rafiq, 2002; Piercy & Morgan, 1991; Keller et. al, 2006). Internal communication is sharing of information within the company, which enables creating value for the external customer (Ahmed et al, 2003). The internal communication creates a platform to maintain relationships with the employees, and communicating statements of mission and organizational developments while giving the particular attention to their external customers (Cheney and

Christensen, 2001; Ahmed et. al, 2003; Gounaris, 2006; Burmann & Zeplin, 2005). The communication tools include personal selling, sales promotion, advertising, public relations and publicity, and direct marketing (Gummesson & Mele., 2010; Baldauf et al., 2009; Kotler & Keller, 2006; Keller et al, 2006). An effective communication results in improve morale, create a positive relationship between employees and management, inform employees about internal changes, explain employee benefits, and increase understanding about the organization's goals and culture.

2.2.5. Internal People

From an internal marketing perspective, the employee is the internal customer whose perception of the service encounter is affected by internal suppliers and other employees in the environment (Ahmed et al, 2003). Turkyilmaz et al. (2011) suggest that from an employee satisfaction perspective, the relationship with leaders, supervisors/direct managers and co-workers all have an impact on the employee as employee behaviour depends on their interaction with others in the internal environment. Leaders, managers and supervisors have a powerful influence over employees and their work behaviours. Given that supervisors/direct managers are responsible for maintaining the psychological contract of employees, the level of consideration and support they give to employees has an impact on the employees' level of motivation, their well-being and their commitment to service excellence (Hsu, 2011; Heish, 2012). Co-workers relations are different from supervisor relations. When co-workers supports are high, the employees will enjoy and feel good relationships with co-workers so that employees will feel the engagement in the organization (Ariani, 2015). When employees treat each other with respect and refrain from making negative comments to or about their co-workers and when employees feel as though they are a valued member of the team, they feel respected by others. These positive interactions and relationships among the employees motivate employee engagement and performance (Shuck et al. 2011; Peltier & Dahl, 2009).

2.2.6. Internal process

Ahmed and Rafiq (2002) state that from an internal marketing perspective, internal process relates to how the employee receives the job product (Galpin, 1997). The delivering superior product elements require design and implementation of effective process to ensure that both employees and customers experience a satisfactory interaction (Lovelock et al., 2009). Lu and Wood (2006) propose that process design involves understanding the characteristics of products or services well in order to translate the product or service design into information. knowledge, organisational capabilities and operating processes needed to deliver the service. In this context, the internal process includes three interrelated steps (Ahmed et al, 2003). Firstly, the management needs to assess the kind of internal product required by different set of internal customers or employees. The process of identifying specific requirements of each customer can be successfully done through internal market segmentation process. Internal market segmentation comprises a group of employees with common requirements relative to their understanding of organisational concerns and their devotion to contribute to the success of the organisation, such as frontline employees, managers and back-office employees (Zeithaml et al., 2006; Banerji & Dutta, 2009). Secondly, adoption of technology in internal process becomes essential to organisational success and the delivery of the internal product (Kasper et al., 2006). The purpose is to design effective internal processes from the start in order to ensure that both internal and external service quality is delivered (Chang, 2010). The technology and the various system designs should be considered during the design of processes, given that technology allows for processes to be automated and greater efficiencies (Hasgall & Shoham, 2008). Thirdly, internal processes need to go through constant improved. Business process improvements assist in eliminating waits, streamlining processes and through knowledge retention efforts, allow for more effective coordination between internal customers and suppliers (Holtzman, 2011).

2.2.7. Internal Physical Evidence

Holder and Berndt (2011) define the physical environment or servicescape as the physical facility or actual working environment where the service is provided; it refers to the non-living features of the service environment (Pantouvakis, 2012; Ahmed et al, 2003; Burmann and Zeplin, 2005). In order to increase efficiency, effectiveness, productivity and job commitment of employees, the business must satisfy the needs of its employees by providing good working conditions (Raziq & Maulabakhsh, 2015). Physical evidence relates to the physical environment being the tangible aspects used to improve service quality, influence employee productivity and satisfaction (Kasper et al., 2006; Ahmad & Rafiq, 2002). The physical environment includes aspects such as the branch buildings, exterior signage, parking and landscaping. Baird & Williamson (2010) and Thayer et al. (2010) studies revealed that good workplace design of an organization has optimistic relation with occupants health and well-being, and it help to reduce the ratio of absenteeism and improved satisfaction (Cho et al., 2012; Frontczak et al., 2012; BIFMA, 2018).

2.3. EMPLOYEE SATISFACTION

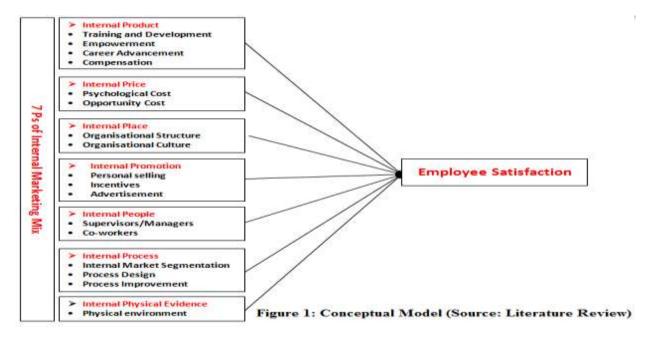
Zeithaml et al. (2006) believe that employees in service organisations are comparable to the service itself, both from an external and from an internal service perspective. Employees are the service, employees are the organisation in the customer's eyes, employees are the brand, and employees are the marketers. Given the intangibility, production and simultaneous consumption of services, it is the attitudes and behaviours of service employees that influence customer satisfaction (Sirenne, 2013). Cranny, Smith & stone (1992) defined "employee satisfaction as the combination of affective reactions to the differential perceptions of what he/she wants to receive compared with he/she actually receives". Whereas, Wong (2010) propounded it as "Employees' affective relations to their work role and the perceived relationship between what one wants from one's job and what one perceives it is offering". Spagnoli and Caetano (2012) describe employee satisfaction as an attitude that individual have about their jobs. It results from their perception of their jobs and the degree to which there is a good fit between the individual and the organization (Norizan, 2012). Internal marketing is regarded as the mechanism needed to balance the relationship between employee satisfaction and customer satisfaction through improved service quality (Tortosa-Edo et al., 2011). The significance of employee satisfaction is being studied by many researchers through application of service chain in real business scenario. Loveman (1998) examined the workings of the S-PC in retail banking. Rucci et al. (1998) studied the links between employee attitudes and customer satisfaction and financial performance at Sears. Spinelli and Canavos (2000) investigated the relationship between employee satisfaction and customer satisfaction in the hotel industry. They found that positive correlations existed among employee loyalty, customer loyalty, and firm performance. The employee satisfaction is imperative for providing better and timely service to the customers and achieving satisfaction and loyalty. The studies related to employee satisfaction have identified various factors those are responsible for accruing employee satisfaction in an organization. The factors like compensation plan (Oshagbemi, 2000; Van Dyk et al., 2013; Danish & Usman, 2010), empowerment (Kazlauskaite et al., 2011; Kim & Kim, 2013), training (Halepota and Shah, 2011), stress (Essiam et al., 2015; Dilruba, 2016), career advancement (van Dyk et al., 2013; Burke et al. 2006; Chen 2004), working environment (Pitt & Bennett, 2008: Pantouvakis, 2011), supervision (Chen, 2004; Sahi et al., 2013), relationship with co-workers (Kehinde, 2011; Gu & Siu, 2009) and feedback (Jawahar, 2006) had significant impact on employee satisfaction. In the previous section we discussed most of the factors as elements of internal marketing mix. Therefore, internal marketing is essential in bringing these elements together in a formal internal marketing programme where each of these predictors of employee satisfaction can be addressed through the elements of the internal mix. Similarly, numerous researches have been conducted by different researchers on identifying the impact of employee satisfaction in achieving organization objectives. According to them if the employee is satisfied then it has an impact on job performance increases and employee retention which results in increased organizational effectiveness (Abdullah et al., 2011). Past research has shown that employee satisfaction has impacts on absenteeism (Obasan Kehinde, 2011; Thirulogasundaram & Sahu, 2014), job performance (Ahmad et al., 2014; Christen at el., 2006; Pushpakumari, 2008), turnover intension (Aydogdu & Asikgil, 2011; Issa, Ahmed, & Gelaidan, 2013; Lambert et al., 2001; Mahdi et al., 2012; Yücel, 2012), organizational commitment (Aydogdu & Asikgil, 2011; Azeem, 2010; Gunlu et al., 2010; Top & Gider, 2013), attitudes toward organizational change (Chih et al., 2012; Gomes, 2009; Yousef, 2000a;), and health (Faragher et al., 2005).

2.4. INTERNAL MARKETING MIX AND EMPLOYEE SATISFACTION

The implementation of an internal marketing mix focuses on treating employees with the same level of importance as customers in order to achieve both the internal and external marketing objectives (Farzad et al., 2008). Each of the internal marketing mix elements contains factors which are very similar or are closely aligned to the predictors of employee satisfaction. By implementing the internal marketing mix proposed in the study, each of these employee satisfaction predictors would be addressed through a formal programme in that way contributing to higher levels of employee satisfaction (Ahmed et al., 2003). Zampetakis and Moustakis (2007) postulate that internal marketing is concerned with the creation of attractive job products to satisfy employee needs through the development and motivation of best qualified employees. Kehinde (2011) supposes that employees prefer jobs that allow them to apply their skills and abilities, jobs that empower them to make their own decisions, and that provide them with constant feedback on how they are performing. Similarly, a positive and significant relationship between the internal marketing mix components on employees' competencies and performance is consistent with the findings of (Ahmed & Rafiq, 2002). The conceptual model depicting the relationship between internal marketing mix elements and employee satisfaction is given in figure 1.

2.5. 7 PS OF INTERNAL MARKETING MIX AND EMPLOYEE SATISFACTION

As discussed in the previous discussion, the internal product refers to the job that is offered to the employees in order to achieve employee commitment, satisfaction and loyalty. The elements like training, career advancement, remuneration and empowerment were considered as key features to ensure motivation and high retention among the employees (Ahmed and Rafiq, 2002). Employees who undergo such training and development programmes develop stronger self-confidence and believe that their organisations are making an investment in them (Halepota & Shah, 2011). This is because training and development practices communicate to employees that they are cared for, resulting in higher levels of employee satisfaction (Rehman et al., 2017; Halepota and Shah, 2011). The second ingredient of internal product is employee empowerment and By reducing the standardisation in the operation facilities and providing employees with more discretion to make decisions and to serve internal and external customers well, employee satisfaction can be enhanced (Gounaris, 2008b; Kim. 2013). Burke et al. (2006) believe that career advancement as an extrinsic reward is one of the most significant predictors of employee satisfaction. Career advancement or development equips employees with the opportunity to build skills and capabilities and put these to optimal use resulting in increased satisfaction and employee performance (Chen, 2004). Similarly, compensation or remuneration is one of the most significant variables used when explicating the overall level of job satisfaction. Reward and recognition are viewed as some of the most important factors related to employee satisfaction (Sarwar & Abugre, 2013). Bowers and Martin (2007) also suggest that from a reward perspective, organisation should tie compensation to performance, in this way, motivating employees to improve performance. The past studies suggested that the internal price is adversely related with employee satisfaction. As internal price is considered to the sacrifices made by the employee to buy into the product organization (Piercy & Morgan, 1991). When employees feel high levels of stress, the cost of working for the organization becomes too high and employees will try to avoid the stress and 'increased costs' by withdrawing either psychologically or physically. When designing job products the organisation must be mindful of the labour market conditions. It is imperative that organisations understand the costs employees pay to work for them and find ways to reduce these costs. It can be compensated by increasing the internal product elements in the mix. From an internal perspective, the role of internal promotion is to inform, influence and remind employees about the organisation's internal products, internal service offerings and how these fit into the internal environment. The knowledge sharing increases employees' flexibility and adaptability which enhances their level of satisfaction. Thus, a high level of knowledge sharing and effective communication lead to increased employee satisfaction (Niehaves & Plattfaut, 2011). From an internal distribution perspective, it refers to the physical and cultural venues at which organisation deliver its product to and communicate with its employee. To achieve the desired levels of quality, a network of internal relationships is required with a strong focus on collaboration and inter-functional coordination (Kehinde, 2011). For this reason, the organisation's culture and structure are important as it represents how the internal environment functions (Popescu & Grigore, 2007). The organisations must adopt a collaborative or clan style of culture to enhance collaborative intelligence and lay the way for an integrated organisation (Chang et al., 2010). Similarly, decentralized organizational structures are the embodiment of decentralised decision-making and are essential for responding to needs such as empowerment, flexibility, freedom and action (Miri, Rangriz & Sabzikaran, 2011). Clugston et al. (2000) believe that the organisational structure of a retail bank should be flat in order to remove barriers and create relationships both within the organisation and with customers. There are strong evidence collected from the past studies claiming a relationship between internal people and employee satisfaction. As discussed, it the supervisors and co-workers with whom the employee interacts, coordinate and communicate, they are termed as internal people. According to Mitrega (2012) the employee should develop strong internal relationships through inter-functional integration and collaboration with other employees while delivering services to external customers. Employee satisfaction is increased when co-workers are friendly, competent and supportive, as these employees serve as a source of support, comfort and advice to each other (Parvin & Kabir, 2011). Similarly, the relationship with the employee's immediate supervisor/manager has been determined as a major factor in an employee's level of satisfaction and loyalty to the organisation (Heish, 2012; Kehinde, 2011).



From an internal process perspective, consistent processes contribute to confidence levels as employees understand exactly what is expected from them, allowing them to perform their jobs more effectively. Effective and efficient processes allow employees to create value. Effective and efficient processes allow employees to create value throughout all steps in the value chain. Internal customers will assess the service and service-delivery process they receive from internal suppliers. If the service process is perceived to be consistent and reliable, these internal customers will experience higher levels of satisfaction (Lovelock et al., 2009; Vella et al., 2009; Kasper et al., 2006). Similarly, from an internal perspective, physical working conditions relate to factors such as a comfortable working environment, ventilation, lighting, temperature, safety, better and cleaner office space. These factors have a strong influence on the employees' feelings of physical comfort and safety within their internal environment (Mansoor, et al., 2011). Changing or improving the physical environment of employees is one of the most effective tools for changing individual behaviour, as it allows for improved outcomes such as increased productivity and internal market-orientated behaviours (Martin & Martin, 2005).

III. Discussion And Conclusion

Internal marketing mix is consider to be a strategic tool that helps service organizations to deliver quality service to the end customers and ultimately customer satisfaction through satisfied employees. The elements in internal marketing mix enable management to maximize employee satisfaction through critically developing a combination of factors as similar to 7 Ps of external marketing. The 7 Ps of internal marketing; product, price, place, promotion, people process, and physical evidence are to be in place to incorporate customer orientation among the employees. The studies have suggested the relationship between each element in the marketing mix and employee satisfaction. All six factors except internal price are positively related with employee satisfaction whereas; internal price factor has a negative impact on employee satisfaction that can lead to dissatisfaction. It was indicated that the high internal price is not always negative as it can generates opportunities to gain bonuses and career growth which could results in higher levels of satisfaction. The implementation of an internal marketing mix focuses on treating employees with the same level of importance as customers in order to achieve both the internal and external marketing objectives (Farzad et al., 2008). In this way employees feel cared for by organisations, which results in increased levels of employee satisfaction and more positive attitudes towards their work such as increased organisational commitment and loyalty (Sahi et al., 2013). Each of the internal marketing mix elements contains factors which are very similar or are closely aligned to the predictors of employee satisfaction. By implementing the internal marketing mix proposed in the study, each of these employee satisfaction predictors would be addressed through a formal programme in that way contributing to higher levels of employee satisfaction. As per studies, if the employee is satisfied then it has an impact on job performance increases and employee retention which results in increased organizational effectiveness (Abdullah et al., 2011).

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