Measuring Internal Marketing Influence On Life Assurance Corporate Sales' Performance.

[1]Vingirayi, Ishumael
Zimbabwe Open University
Lecturer and Programme Coordinator -Marketing

[2]Manyani. Ethel
Researcher-Marketing
Zimbabwe Open University

Abstract: *The research sought to assess the influence of internal marketing on sales performance at a selected life assurance corporate in Zimbabwe. The study employed an instrumental case study descriptive research design in form of a case study. A quantitative research approach was used for its benefit of objectivity. The study population consisted of employees at the case organization's head office in Harare. A sample of 60 employees from a population 189 was used. Regression test and mean score statistical analysis were used in the research to answer the objectives of the research statistically. Respondents had varying responses on how empowerment, motivation, training and development and communication contribute to sales performance. After all other tests, regression test was carried out to test the cause and effect relationship between sales performance and internal marketing. The study concluded that internal marketing plays a significant role in the sales performance within the organization. The researchers recommended that the company should not only be confined to internal marketing practices only but equal efforts should be exerted to address other factors for instance marketing research, embracing new technology as well as address competition in the now liberalized industry in which the company is operating. The study further recommended that there is need to treat employees as internal customers and make sure that internal marketing initiatives are properly executed and aligned to business goals and objectives.*

Key Words: *Internal Marketing; Corporate Sales' Performance; Life Assurance Company; Motivation; Empowerment.*

I.   Introduction

Companies spend most of their time planning marketing activities for their customers without even thinking that the same activities are also required by their internal customers which are their employees (Rafiq & Ahmed, 2000; Ballantyne, 2003; Chang & Chang, 2009). Internal marketing is simply practicing external marketing to internal customers. In other words, it is the process of attracting, developing, motivating and retaining qualified employees through job-products that satisfy their needs (Baba, Kamibeppu & Shimada, 2001; Nyagadza, Kadembo & Makasi, 2020). Javadein, Rayej, Estiri & Ghorbani (2011) alluded that in today's knowledge-based and service-oriented economy, organizations must acquire a competitive advantage in order to survive and prosper and intangible assets such as human resources of an organization plays a crucial role in its success. More so, having competent staff is the key success of any organization. According to Martey (2014), internal marketing plays a pivotal role in improving marketing performance. The relationship between internal marketing and marketing performance has been confirmed by many researchers such as Metabis and Alhaway (2013), Piercy and Morgan (1990), Keller, Lynch, Ellinger, Ozment and Calantone (2006).

The selected case study life assurance company is in the business of providing insurance and financial solutions to individuals. It is the third largest Insurance company in Zimbabwe and offers a wide range of products/services such as micro finance, actuarial services, funeral services, life assurance services and medical aid (IPEC, 2018). There still appears to be a gap on the part of internal marketing for the case study company compared to other players in the industry who have crafted innovative staff retention policies such as staff empowerment as well as providing superior benefits to make their staff happy. Other have adopted an "everyone

is a marketer" culture which has seen the company increasing their sales due to the products knowledge instilled in all employees (IPEC, 2018).

In 2016, the company experienced high staff turnover and most ex-employees cited lack of motivation and empowerment as the reasons for leaving (IPEC, 2018). Econet and Nyaradzo are fast becoming the most preferred employer in the industry because of their internal marketing programmes. It is therefore against that background that there is need for the identified case study company to strategize its internal marketing approach in order to remain competitive in the market as well as to attract and retain critical staff. In this light, this study is therefore meant to establish the extent to which internal marketing could positively impact on the sales performance of the case company studied (IPEC, 2018). With this background, the study was meant to achieve the following objectives: to examine the relationship between internal marketing and sales performance of the company; to identify areas of internal marketing that affect sales; to determine the benefits of internal marketing on sales; to identify challenges involved in increasing sales in the company. Before addressing the former, the following is a brief literature review. This section analyses the existing literature on the research topic with the objective of revealing contributions, weaknesses and gaps.

II. Literature review

The study seeks to bring out the importance of internal marketing on the overall marketing performance. Indeed, Deming's famous 'chain reaction' portrays the organization as a system and receives its motivation from the end-consumer. The system is arranged as a process chain of customer–supplier that encapsulates within itself the external customer. The TQM concept, by adopting a systemic view, is able to shows how an internal focus can lead to positive external outcomes (Keller et al., 2006). This works only as long as the internal production system assigns a clear position for the external customer within its chain. Activities such as quality and marketing are so fundamental that they cannot be considered as separate functions (Agasisti & Johnes, 2009; Nyagadza, 2019). They are in fact the whole business seen from the point of view of its outcome, that is, from the customer's point of view. In this sense, marketing and quality are all pervasive and are part of everyone's job description. More than this, if we can combine marketing with quality then we are able to integrate the customer into the design of the product/service and develop a systematic process for delivering to these needs.

III. Methodology

For the purpose of this research, the researchers used stratified random sampling technique. The study used descriptive research design as it allowed for the assessment of the effects of cost cutting. A total of sixty questionnaires were distributed to sample respondents. The researchers had a target population of 189 for the study. The study was mainly targeting the whole organization including management and all other workers from various departments at the case company head office. The researchers used 33% of the total population as the sample size, thus a sample size of 63 participants from a population of 189 was used for the study. Respondents were divided into strata's where a simple random sampling was then carried out. The research cut across the whole organisation hence the need to have a representative from every level, starting from the clerks and officers to the directors. The pilot study revealed important information within the data set. Ten questionnaires were administered as a pilot study. Researchers made possibilities in gaining the room for security, anonymity and confidentiality. Further, to this they observed the practices that uphold the values and integrity of research by not making manipulations to ethical issues (Nyagadza, 2020).

IV. Results Analysis and Discussion

Table 1: Response rate

Questionnaires sent	Returned	Not returned or distorted	Response rate %
63	56	4	89%

Source: Researcher data (2020)

Table 1 shows a response realization rate of 89%. According to Saunders *et al* (2012) any response rate that is 50% and above would warrant validity of the study findings. A high response rate was achieved. The researchers tested the data collection tool for reliability. What followed was reliability testing. The test was carried out on 4 variables of the questionnaire excluding demographics. The scales that were adopted (to measure each of the constructs), or alternatively, provide the results of the CFA are from Ballantyne (2003).

Table 2 : Reliability Statistics

Category	Cronbach's Alpha	Number of items
Motivation	0.848	8
Empowerment	0.975	7
Communication	0.920	7
Training	0.790	7

Source: Researcher data (2020)

The reliability was tested using Cronbach's alpha coefficients. The instrument was reliable, with Cronbach's alpha coefficient values of larger than 0.7 for all independent variables of internal marketing. According to Polit and Beck (2010), if the Cronbach alpha is greater than 0.7 the tool is considered reliable. The normality test was done using the non-parametric tests. Parametric tests are utilized for ordinarily disseminated information and non-parametric tests are for unevenly dispersed data. For smaller samples that is those beneath 2000, Shapiro-Wilk test will be utilized (Polit & Beck, 2010). The criteria is that if the significance value (P-value) is greater than 0.05, then the data set is normally distributed else the data is unevenly distributed. To assess validity, content, discriminant and predictive validities were tested.

Table 4: Mean score analysis on motivation

Item Statistics			
	Mean	SD	N
Do you think marketers are given adequate resources that support marketing activities?	3.38	.843	56
Do you think marketers are paid competitive fringe benefits and incentives	3.20	.840	56
Do you agree that marketers are paid competitive salaries	2.98	.798	56
Are marketers for the company getting treated to offer the best service to customers?	2.91	.837	56
To what extent do you rate the benefit policies of the company to retain marketers?	2.84	.826	56
How effective is the commitment of the company leadership to retain marketers.	2.64	.645	56
Do you think the company creates incentives and benefits that link marketing efforts to company targets	2.50	.853	56
Do you think it is necessary to treat marketers' complaints seriously for the company to retain them?	1.86	.943	56

Source: Research data (2020)

Mean score analysis on empowerment.
A scale of 1-5 was used to select the appropriate answer from the alternatives; Scale: 1 = Extremely Positive, 2 = Very Positive, 3 = Positive, 4 = Negative extent and 5 = Extremely Negative.

Table 3: Mean score analysis on empowerment.

Item Statistics			
	Mean	SD	N
Does the company trust marketers to exercise good judgement in solving problems?	2.61	1.021	56
Do you enjoy working for the company as a marketer?	2.68	1.011	56

Do you think the company marketers are given power to make decisions and suggestions?	2.77	1.079	56
Do you think the company empowers its marketers to take initiatives?	2.82	1.064	56
Do you think the company enhances marketers feeling of self-efficiency?	2.84	1.058	56
Do you think the company trusts marketers to exercise good judgement?	2.91	1.100	56
How do you rate empowerment skills of marketers for the company?	2.98	1.228	56

Source: Research data (2020)

The company trusts marketers to exercise good judgement in solving problems. Also workers enjoy working for the company. Furthermore, the company trust marketers to exercise good judgement in solving problems (mean = 2.61), marketers enjoy working for the company (mean = 2.68), are given power to make decisions and suggestions (mean = 2.77), it empowers its marketers to take initiatives (mean = 2.82), the company enhances marketers feeling of self-efficiency (mean = 2.84), it trusts marketers to exercise good judgement (mean =2.91) and marketers at the company are high performers (mean = 2.98).

Table 4: Mean score analysis on communication

Item Statistics			
	Mean	SD	N
The company management communicates clearly and unambiguously with the marketers	4.61	1.119	56
How good is the company in communicating marketers' expectations?	4.37	.789	56
Do you think the company has interactive communication channels?	3.20	.942	56
Does the organization encourages inter-department communication	3.13	1.063	56
How good is the internal communication strategies at the company?	2.95	.999	56
Management and marketers share ideas and values in a free atmosphere?	2.66	1.014	56
How good is the communication skill of marketers of company?	2.46	.852	56

Source: Research data (2020)

A scale of 1-5 was used to select the appropriate answer from the alternatives; Scale: 1 = extremely good, 2 = Very good, 3 = neutral, 4= poor and 5= extremely poor. From the findings, respondents had varying agreements on how communication contributes to sales performance; the mean is between two and five. According to empirical results, company interactive communication channels are good (mean =3.20), internal communication strategies at the company are good (mean =2.95), management and marketers share ideas and values in a free atmosphere (mean =2.66) and the communication skills of marketers at the company is very good (mean =2.46).

Table 5: Mean score analysis on training and development

Item Statistics			
	Mean	SD	N
The company constantly trains its staff	3.59	.497	51
Do you think the company has a sound training and development policy	3.31	.761	51
There are set dates and budgets for staff training at the company.	3.20	.939	51

Do you think marketer are given skills, facilities and opportunity to learn about market trends and products?	3.16	.579	51
Does the company foster mentorship among marketers and their managers/supervisors?	3.10	.878	51
New marketers are oriented on best marketing practice	3.10	.755	51
Training on how marketers interact with customers is prioritized.	3.02	.990	51

Source: Research data (2020)

From the findings, the respondents were agreeing on the training initiatives at the company conduct training on how marketers interact with customers and it is prioritized (mean =3.02), new marketers are oriented on best marketing practice (mean =3.10), the company foster mentorship among marketers and their managers/supervisors (mean =3.10), marketers are given skills, facilities and opportunity to learn about market trends and products (mean =3.16), respondents also agreed that there are set dates and budgets for staff training (mean =3.20); the company has a sound training and development policy. However regardless of the sound training and development policies in place, respondents disagreed that the company is constantly training its employees (mean =3.59).

A regression analysis was done between variables of internal marketing on sales performance. Since sample was too small, considering the number of variables multiple regression could not be assessed and met. The findings of the model summary give R Square value of .827 and Adjusted R Square is .813. The researchers used the Adjusted R. Square since it is regarded as more accurate by many scholars in sharing the predictive power on the dependent variable**.** As a percentage, 81.3% of sales performance is explained by internal marketing. However, the remaining 18.7% is explained by other variables which are probably outside the scope of this study.

Table 6: ANOVA on Internal marketing

ANOVA on Internal marketing						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.902	4	4.726	60.942	.000[b]
	Residual	3.955	51	.078		
	Total	22.857	55			
a. Dependent Variable: Sales Performance						
b. Predictors: (Constant), Training, Empowerment, Motivation, Communication						

Source: Research data (2020)

An ANOVA analysis was done between Internal marketing and organizational sales volume performance and at 95% confidence level, the F value = 60.942, p<0.000) therefore it is established that there is a linear relationship between internal marketing and sales performance.

Table 7: Coefficients OF Sales performance

Coefficients [a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.592	.239		2.477	.017
	Motivation	.366	.105	.327	3.488	.001
	Empowerment	.657	.072	1.030	9.082	.000
	Communication	.786	.081	.977	9.673	.000
	Training	.468	.083	.395	5.669	.000
a. Dependent Variable: Sales Performance						

In line with regression test internal marketing affect sales performance. This implies that motivation, empowerment, communication and training, all affect sales performance. Since all the p-values of the predictors were less than a p-value of 0, 05, there was a significant cause and effect relationship between dependent and independent variables. This entails that an improvement on communication by 1 unit will result to a shift to the positive direction on sales performance by 0.977. Regression is particularly useful to understand the predictive power of the independent variables on the dependent variable once a causal relationship has been confirmed (Pallant, 2007). To be precise, regression helps a researcher understand to what extent the change of the value of the dependent variable causes the change in the value of the independent variables, while other independent variables are held unchanged (Pallant, 2007; O'Brien & Sharkey, 2012).

V.   Conclusion

The purpose of the research was to investigate the influence of internal marketing on sales performance. All the four acknowledged components of internal marketing identified as motivation, empowerment, communication and training and development showed a positive relationship with sales performance (Nyagadza, Chodeva & Vingirayi, 2018). One of the main limitations was that some respondents were not at liberty to disclose correct information because of confidentiality and fear of exposure. The researcher had to diplomatically convince the respondents by incentivising them to offer some responses. Employees who are equipped in terms of skills and product knowledge always surpass targets and by so doing are motivated to execute more. Communication is key in any organization. It is the main driver of understanding and oneness in the organization. If properly fused with other determinants sales performance will sharply rise. The decrease in sales at the company or the stunted growth in its sales from the findings can be attributed to motivation of employees as identified that the firm in terms of motivation is somewhere in between motivation and non-motivation. The company should not only be confined to internal marketing practices; equal efforts should be exerted to address competition in Life assurance which has since been liberalized giving rise to more players in the industry. If not taken serious tough competition may take the firm out of business gradually (Nyagadza, 2019). The company need to invest more in research and development finding out more on how big international organizations in the same industry are making ends meet. This will also give rise to new products as room for innovation would have been embraced by so doing. No matter how good the service is, there is need to choose the right promotional mix. It should be able to identify its target market and come up with the right promotional mix targeted for each. Mass marketing is now a cliché way of executing marketing (Chang & Chang, 2009; Nyagadza, Kadembo & Makasi, 2019, 2020). The organization need to use the divide and conquer rule where the market is segmented and different promotional strategies crafted for each. By so doing the organization will get the best from each segment. The company should also embrace technology brought by digital marketing. Well trained digital marketers must be in a position to manage their brands on any digital platform timeously.

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