

## Internal Branding: Exploring How to Sell Brands in the Internal Market?

*Dr. Teena Mishra*

*Article history*

*Submitted: August 16, 2021*

*Revised: November 5, 2021*

*Accepted: December 12, 2021*

### **Abstract:**

Internal branding is a vital component of internal marketing which improves organizational performance in the competitive era. Internal marketing creates employee orientation or internal customer orientation. This research paper focused on internal branding as a solution to improve the internal market, which has a positive impact on the external market, which leads to organizational success. This is a conceptual paper and data has been collected from various journals, books and online articles. In this globalization, liberalization and technological era, branding is the challenge facing the organization.

Internal branding provides employees with information about the company's products and services, as well as an understanding of their value, which benefits customers. Customers respond positively to a customer-focused service culture. Internal marketing is concerned with employees; hence it develops employee orientation. Employees are aware of both tangible and intangible features of products and services that are provided to customers through internal branding. In this competitive era, attraction and retention are not the only ways to succeed. To sustain an organization in this competitive world, it is necessary to create a culture that fosters the best utilization of employees' talent. Internal market orientation helps the development of employee brand knowledge.

**Keywords:** Internal branding, internal marketing, internal market orientation, organizational performance

---

### **Corresponding author**

<sup>1</sup>Assistant professor, PSSCIVE, Bhopal ,Department of Business and Commerce 37/1, D-sector, Sainath Nagar, Kolar Road, Bhopal , email: [tina\\_nirmala@yahoo.com](mailto:tina_nirmala@yahoo.com), [teenamishra959@gmail.com](mailto:teenamishra959@gmail.com) Mo: 9754656390,

## **Introduction**

Internal marketing is one of the methods, tactics, or processes that has been demonstrated in various studies to aid in the growth and flourishing of firms. However, it is typical to measure it in the financial terms. Researchers and practitioners are striving to find out the impact of internal marketing and how to implement it successfully. The importance of internal or inhouse marketing is increasing, therefore various concepts associated with it are elaborated by the authors. Internal branding is one of the concepts that is attracting attention in the process of internal marketing implementation. Before selling products and services in the external marketplace, it is necessary to accept the quality of products and services provided by the internal people and fully utilize resources. Resources are defined as the elements and factors from which firms carry out their activities (Ceridwyn and Debra 2008). How to measure human investment is a challenging task. Therefore, the concept of internal branding is like a flying blind. Though there has been no attention driven to understand the added value of an organizations brand. Investment in an organizations' human capital is a priority for organizational success, especially in such a competitive global market. It is considered as a strategic weapon in the mission to gain an edge over competitors (Ceridwyn and Debra,2008).

Internal branding is the field of marketing, according to some authors (Tomasz and Gdanski, 2017). But this is the subject of interest of practitioners and researchers in the area of human resources and marketing to recognize the degree of involvement of organizations in the field of brand management, for example, internal branding, employee branding, and employer branding. In this reference, depicted that internal branding requires a broader integrative framework across marketing, human resource disciplines, and management (Tomasz and Gdanski , 2017).

## **Objective of the Research**

The objective of the research is to identify the role and relevance of internal branding in present competitive marketing scenario. It also investigates the different aspects and advantages of selling brands in the internal market.

## **Literature Review**

### **2.1 Internal Branding**

According to the American Marketing Association, a brand can be called a name, design, term, symbol, or any other feature that recognizes one seller's good or

service as unlike those of other sellers. Another approach described by Keller (2012) in which brand is treated as a transfer of value and experience (Tomasz and Gdanski, 2017). Internal branding is the continuous process through which employees understand the vision and mission of the organization. It assists in translating elements of the brand into physical employee behavior.

## **2.2. What are Internal Brands?**

Internal brands are intangible in nature. It helps to identify employees of a particular company, product or individual. It often uses identifying markers to help create brand identities within the internal marketplace. It provides enormous value to the company or individual.

## **2.3 Internal Marketing and Internal Market**

The internal market is the in house market of the organization where products and services are sold to internal people. According to Kotler, a product is offered to a market to satisfy a need or want (Kotler, 2000). He explained various products which are physical goods, services, experiences, events, people, places, properties, information, organizations, and ideas. Product policies comprise of programmes and services through which management can work with employees. Kotler explained products for the purpose of marketing. In the internal market, there are also products that are sold to internal people, which are job products introduced by Berry (Berry 1981). Further, explained by Abzari et al 2011 and Mishra 2021, redefined internal products and explained two categories of internal products. The first categories of products are those that are produced by the organization to sell to external customers, and the second category is those that are produced by the organisation to sell to internal customers, like job products.

Internal marketing is to enhance organizational performance, gain competitive advantage, improve organizational effectiveness, improve internal relationships, and build brand image. It is to utilize human resources to add value to the organization. Operant resources mean skills and knowledge that are supplied by the organization's human capital. Operant resources are invisible and intangible resources that are utilized by the organization to gain competitive advantage. Specialized skills and knowledge are the key to gaining competitive advantage in the organization (Ceridwyn and Debra, 2008). The main objective of internal marketing is to enhance the service quality of the organization that leads to organizational development. It is the exchange process of adding value to the organizational products and services by selling them in the internal market. The basic concept is that before selling products in the external market, it is essential

to sell them in the internal market. The competition in the internal market is healthy as it does not depress anyone. To increase the value of the external market, it is necessary to increase the value of the internal market first.

#### **2.4 Exchange Logic**

According to the new exchange model of internal marketing organizational, as a marketer selling jobs to internal customers by motivating them and employees as a customer purchasing a job and paying in the form of psychic cost, time cost, etc. On the other hand, employees as marketers sell their services and organizations as customers pay in the form of monetary and non-monetary benefits. Therefore, in the internal market, employees and organizations are both treated as customers and marketers (Mishra 2018b).

#### **2.5 Selling Brands in the Internal Market**

Internal marketing is one of the strategies or practices to improve inhouse marketing. According to Lings, internal marketing is to improve interaction between customers and internal suppliers to improve the quality of the products and services. It is a practice that develops human resources to bring change to the organizational system. Internal marketing is related to customer satisfaction, as depicted by Soheila et al (2018). He also emphasized that there are a few practical implications explained by the organizations. Initiatives for the internal orientation guide employees to improve service quality and bring the brand to life (Ceridwyn and Debra, 2008).

Internal branding is the procedure of exposing employees to branding communication so that they better recognize the core brand values and find out the role of internal branding as a device to enhance and promote a service employee's quality commitment. Quality commitment is the employees' recognition and loyalty to brand quality goals. A survey showed a positive impact of internal branding on service employees' quality commitment (Shamaila and Sahar 2012).

Internal branding is the way to achieve consistency with the external brand and also encourage brand commitment and the possibility of a brand championship among employees. Therefore, internal branding can be recognized as a specific tool and placed in the broader context of internal marketing (Mahnert, and Torres, 2007).

One of the vital roles of the internal branding process is to ensure that employees transform brand messages into brand reality for external stakeholders. Despite little research on the outcomes of internal branding, some research suggests that

internal communication can be instrumental in successful implementation of an internal branding strategy (Iyer et al. ,2018) . Also, Thompson et al. 1999 suggested internal communication and training are the crucial factors in the procedure of internalization of brand values by employees. The idea of a brand is explained in terms of the market and the consumer. Nevertheless, various entrepreneurs are looking for a means to define their brand based on their brand experience. Brand value can be communicated anywhere, i.e. the market, within the organization, outside the organization. It is vital that the messages of value are activated within internal corporate communication. It is proven in the literature that employees are influential on customers and other stakeholders' brand perceptions. This impact should be well thought out in the context of delivering both functional and emotional values ( Punjaisri et al. 2009, Tomasz and Gdanski (2017).

Tomasz and Gdanski (2017) studied to find out the degree of implementation of internal branding in the context of corporate communication and the results proved low assessment in the surveyed organizations. Smruti and Sasmita (2019) reviewed the antecedents of internal branding and its various dimensions. also examined the meaning of internal branding from the main idea of internal marketing. This study also described various determinants of internal branding assumed by Punjaisri et al. 2009 It is found that HR involvement, training, communication, job satisfaction, leadership, and motivation create the internal brand stronger, which aids in the fulfillment of external customer desires. In this situation, human resources are the basic source of gaining competitive advantage in the organization (Smruti and Sasmita 2019). This study also explores the brand-oriented leadership of top management as an important driver of the internal branding process and an indirect predictor of employees' commitment. Using a sample of 226 hospitality employees working in a European hotel chain, the results indicated that employee brand knowledge, employee-brand fit, and psychological contract fulfillment fully mediate the relationship between brand-oriented leadership and brand commitment. The results support the importance of top management's leadership in internal branding and its role in achieving employees' emotional attachment to the brand. We also suggest that, for leadership to enhance commitment, leaders must compel employees to possess brand-relevant knowledge, share similar brand values, and perceive their psychological contract as being fulfilled (Terglav et al 2016).

Javida et al., (2016), researched to find out the relationships between brand citizenship behavior, job satisfaction and commitment. The correlation test revealed that there is a significant relationship between internal brand management and brand citizenship behavior. The results revealed that internal

brand management and job satisfaction have a positive and vital relationship at a 99% confidence level. This result is similar to the findings of Javida, (2016) who proved a significant relationship between brand recognition factors, brand commitment, brand loyalty, brand performance and internal branding in the insurance sector. Iyer et al. (2018) studied the determinants of brand performance. They examined the relationships between internal branding with the three brand management issues that have been discussed in the literature. Internal branding works as a facilitator for brand orientation and the strategic brand management process, which has an impact on brand performance. It was also revealed that brand orientation, strategic brand management, and internal branding are directly linked with brand performance. Internal branding partially facilitates the relationship between brand orientation, strategic brand management, and brand performance (Iyer et al. 2018).

A survey of 314 UK-based nonprofit organizations was conducted by *Gordon 2017* and found that brand orientation leads to the development of internal branding mechanisms. They also studied mediating effect of brand orientation on extra-role employee brand building behavior. The results also revealed an inverted U-shaped relationship between internal branding mechanisms and extra-role employee brand-building behaviors. Adileh and Cengel (2019) et al., conducted an empirical study on internal branding and brand commitment and found a strong effect of internal branding mechanisms on employee brand commitment. This study also revealed differences in employees' perspectives on internal branding mechanisms and employee brand commitment depending on their work experience and income. In this reference, Punjaisri et al. described how internal branding mechanisms affect employees attitudinally through brand identification, brand commitment, and brand loyalty (Punjaisri (2008) Adileh and Engel, 2019).

The rationale behind the relationship. Between the various dimensions that cause and affect the internal branding mechanism was studied by Jasmine and Sudhahar (2019). They studied a conceptual framework for the internal branding process which is based on the typical review of relevant literature in the field. A brand is more than a "recognition factor" as it is more of a "feeling good" factor that forms a strong relationship. The major aim of this study is to discover the causal factors and the effect factors of internal branding. The dimensions identified in the conceptual study reinforce the implications for marketing practitioners to identify the role of employees in brand building efforts as necessary as acknowledging customers to endure competitive advantage. This brings the dual identity of internal branding which persists between human resource management and marketing.

Internal branding is found to have a positive impact on the attitudinal and behavioral aspects of employees. Employees' brand commitment does not have a statistically important relationship with employees' brand performance. Internal communication improves brand knowledge and role clarity. External communication and employee experience with the brand positively affect the brand community of the employees (Punjaisri et al. 2009).

In one of the studies of internal marketing practices on the internal branding practices in the private banking sector in Turkey revealed that internal marketing practices affect internal branding practices. Another vital result of the research is that employees who are motivated and trained in internal marketing practices are a significant factor in the success of the branding process of their affiliated business (Ünal and Akyol 2019).

Amue, and Ikechukwu (2014) investigated the collective influence of drivers of internal branding on the fast-food sector. They concluded that brand promise delivery is anchored on good understanding of the brand promise and employee commitment to the brand promise. His research mentioned that fast food firm managers should educate new and existing employees internally about the company's brand promise to enable them to share the company's value and be committed to the brand promise, which will improve higher brand performance.

Madhusudhan and Sheena (2020) examined the relationship between internal branding and organizational citizenship behaviors of front-line employees (FLEs) engaged in public sector banks in India. 126 FLEs data were collected through convenience sampling, and relationships were examined through structural equation modelling. The results indicate that internal branding manifested by internal communications, training, and rewards significantly influences organizational citizenship behaviors towards individuals and organizations. Challenged by demanding contextual conditions, public sector organizations struggle to succeed in internal branding. The effects of value congruence in internal communication and positive organizational practices on employees' brand perceptions was studied by the Leijerholt, et al. (2020) and demonstrate the importance of value congruence and positive organizational practices for facilitating employees' brand identification, brand pride, and brand commitment. Various studies discussed the importance of internal branding and various factors linked with it. More studies required in this field to implement it for the success of the internal marketing.

### **3. Research Methodology**

The purpose of this research is to explore the selling brands in the internal market. To achieve the objective of the research, an exploratory method of research was used. Data was collected from research papers, books, journals and other secondary sources.

#### **4. Discussion and Analysis**

Selling brands in the internal market plays a vital role for the organizational growth and development. For the purpose of the study exploratory method has been selected. Internal branding is the way of exposing internal customers or employees for brand communication. It is a device to promote a service employee's quality commitment. This is the best means to achieve consistency with the external brand. This concept included in the internal marketing.

There are various studies on internal branding that proved to be a positive practice for facilitating employees' brand identification, brand commitment and brand pride. However, there is a need to clarify this concept for the proper implementation in the internal marketing context. Internal marketing is one of the growing notions that strengthen organizational system. It motivates and satisfy internal customers and improves internal market successfully. In the internal market there is an exchange between the internal customers and internal suppliers. Internal branding concept is linked with various other concepts like training, internal communication, reward, brand loyalty, brand recognition, attitude and behavior for the organizational growth and development. Internal branding improves internal market and plays a vital role for gaining a competitive advantage. It works important role to compete in the marketplace. This study analyzed that internal marketing is the most important component of internal marketing to improve the internal market as well as improve organizational development.

#### **5. Conclusion**

Internal branding, according to this study, is critical for gaining a competitive edge and ensuring the organization's long-term success. The concept assumes that before selling things to the external market, they must first be sold in the internal market.

Internal branding is the ongoing process of internalizing an organization's brand so that it can compete in the marketplace. This concept is applicable to both the service and manufacturing industries, as both deal with internal and external personnel. Organizations deal with internal branding in a variety of ways, but the end goal is to generate a positive image and attitude toward the organization, as

well as a good work culture and environment. There are little studies that gives direction of its implementation however various studies proved that it is beneficial concept and linked with various factors like brand commitment, brand promise, internal communication, training, reward, brand recognition, brand loyalty, employee attitude and behavior for the organizational growth and development.

### **Acknowledgement**

The authors are thankful to the anonymous referees of the journal for their handy suggestions to improve the quality of the article.

### **Declaration of Conflict of Interest**

The authors declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

### **Funding**

The author received no financial support for the research, authorship, and/or publication of this article.

### **References**

Abzari, M., Ghorbani, H., & Madani, F. A. (2011). The effect of internal marketing on organizational commitment from market-orientation viewpoint in hotel industry in Iran. *International Journal of Marketing Studies*, 3(1), p147.

Adileh N . and Özgür,C. (2019). Internal Branding And Brand Commitment: The Role of Years Of Experience & Monthly Income, *International Journal of Commerce and Finance*, Vol. 5, Issue 1, 2019, 79-91.

Ahmed PK, Rafiq, M (2002). A Meta –model of internal marketing. In: Varey RJ, Lewis BR (eds.), *Internal marketing: Directions for Management* London: Routledge. pp. 223-237.

Amue, G J. & Ikechukwu, A.F. (2014). Internal Branding Initiatives and Brand Performance: An Empirical Investigation of Fast-Food Industry in Nigeria, *International Journal of Business and Management Invention* ISSN (Online): 2319 – 8028, ISSN (Print): 2319 – 801X www.ijbmi.org Volume 3 Issue 9, PP.32-40.

Berry, L. L. (1981). The employee as Customer. *Journal of Retailing Banking*, 3(1), 33–40. Berry, L. L., & Parasuraman, A. (1991). *Competing through quality*. New York, USA: *Free Press*.

Ceridwyn, K. and Debra, G. (2008), Internal branding: Exploring the employees' perspective, *Journal of Brand Management*.

Gordon, L., Wai W.K., Chapleoc, C. (2017). *Managing employee attention and internal branding, Journal of Business Research, 1–11.*

Iyer, P. et al (2018), 'Determinants of brand performance: the role of internal branding' *Macmillan Publishers Ltd.* <https://doi.org/10.1057/s41262-018-0097-1>

Javida, M., Soleimani, F., Monfareda, A., Aghamoosa, R. (2016). Internal Brand Management Relationship with Brand Citizenship Behavior, Job Satisfaction and Commitment in Saipa Teif Company, *Procedia Economics and Finance* 36, 408-413.

Jasmine, S. and Sudhakar, J. C. (2019) Dimensions of Internal Branding -A conceptual study, *Journal of Management*, vol. 6, issue 1, pp.177-185 ISSN Print: 2347-3940 and ISSN Online: 2347-3959.

Kanchan, G. (2018). Internal branding in the service sector: A conceptual framework, *Global Business and Management Research: An International Journal* Vol. 10, No. 4.

Kotler P. (2000) *Marketing Management*. Upper Saddle River, N.J.: Prentice Hall.

Leijerholt, U., Biedenbach, G. & Hultén, P. (2020): Internal brand management in the public sector: the effects of internal communication, organizational practices, and PSM on employees' brand perceptions, *Public Management Review*, DOI: <https://doi.10.1080/14719037.2020.1834607>

Madhusudhan, G. and Sheena (2020), 'Internal branding and organizational citizenship behaviours: Evidence from public sector banks, *Indian Institute Of Management Kozhikode' 04th International Conference on Marketing, Technology & Society 2020*, <https://www.iimk.ac.in/research/markconf20/>

Mahnert, K, F and Torres, A M (2007) 'The BrandInside: The Factors of Failure and Success in Internal Branding Special Issue on Irish Perspectives on Marketing Relationships and Networks'. *Irish Marketing Review*, 19 (1 & 2):54-63.

Mishra, T. (2018a). Internal marketing mix is myth or reality, *International Journal of Latest Technology in Engineering, Management & Applied Science (IJLTEMAS)* Volume VII, Issue V, May 2018 | ISSN 2278-2540.

Mishra, T. (2018b) "**Diamond shape model Advanced model of Service triangle**" Published in *International Journal of Trend in Scientific Research and*

*Development* (ijtsrd), ISSN: 2456-6470, Volume-2 | Issue-3, April 2018, pp.2445-2448, URL: <https://www.ijtsrd.com/papers/ijtsrd12707.pdf>

Mishra,T. (2020), Impact of internal marketing on Business performance, Vol XII, issue-II *Unnayan Journal*.

Punjaisri K., Heiner,E. and Wilson, A. (2009) Internal branding: an enabler of employees' brand-supporting behaviors *Journal of Service Management* Vol. 20 No. 2, 2009 pp. 209-22

Shamaila,G. and Sahar,A M. (2012). Impact of Internal branding on service employees' quality commitment-study on education sector of Pakistan. *International Journal of Business and Social Science* Vol. 3 No. 14.

Smruti,R and Sasmita (2019), Antecedents and dimensions of internal branding: An overview, *Revista*, vol 40 (issue 37) page 28, ISSN 07981015.

Soheila A. Z et al (2018), An overview on various models of internal marketing strategies, *International Journal of Environmental and Science Education*, vol. 13, No.2, pp.131-142, [www.ijese.com](http://www.ijese.com).

Terglav ,K. et al (2016) Internal branding process: Exploring the role of mediators in top managements leadership-commitment relationship. *International Journal of Hospitality Management*, 54 (2016) 1–11.

Tomasz,D. and Gdanski (2017). Internal branding in organization in the context of internal corporate communication, *Handel Wewnętrzny* 2 (367), pp.56-68.

Ünal,E.F.E and Akyol, A. 2019. The effect of internal marketing on internal branding: An empirical research on participation banks in Turkey *Pazarlama ve Pazarlama Araştırmaları Dergisi*, Sayı: 23, , Page 95-121