Volume : 2 | Issue : 5 | May 2013 • ISSN No 2277 - 8160

Research Paper | Management

Employee Branding in Retail Sector

Ms M. Jegadeeswari Research Scholar, Department Business, Leadership And Management, Karunya University, Coimbatore.

Dr. S. Franklin John Principal, Nehru College of Management, Coimbatore.

ABSTRACT

Employee branding is a multi-disciplinary practice requiring cross-functional teams for both programme design and institutionalization. It is a key factor in business and brand success, being the bridge between business strategy and implementation. A substantial component of the bridge is the employee. In this paper the concept of Employee branding has been acknowledged as an important area of research in marketing literature. In the retail sector, employees play a crucial role in the Employee branding process. In order to inspire customers, corporate sectors first have to inspire their employees – to understand and believe in the products and brands they represent, to improve performance and ultimately to be more effective advocates with customers. The objective of this research is to examine the concept and effects of Employee branding, involving semi-structured interviews and a pilot survey to collect data for the development of measurement scales. The study also focuses on making the employees understand the significance of employee branding.

KEYWORDS: Employee branding, Internal customer, Internal marketing, Service encounters

The rise of corporate marketing and corporate branding has raised awareness of the crucial role that employees play in corporate marketing and the corporate branding process. In branding literature, the employee role is recognized as crucial in delivering the service as promised by the brand. Employees are seen as a crucial element in the brand management, since they represent the brand in the interaction with the customer (Ahmed and Rafiq 2003). Therefore, employees have to be enabled to deliver the brand image (Keller 2003, Wallace and de Chernatony 2005). They have to know the brand values, need to believe them and act in consistence with the values. It becomes very critical to ensure that the employees live the brand itself. Before promoting the brand to the customer, the brand should be promoted to the employees. Each employee should understand the value system of the organisation and the brand's deliverables, if this is not reflected in the behaviour of the employees, the customer faces a brand disconnect. Imparting the brand's value system to the employees is referred to as **"Employee branding or Internal Marketing"** (Czaplewski, Ferguson and Milliman, 2001)

Organized retailing in India has witnessed a sudden growth in recent times. Employee interface has been one of the most important aspects of organized retailing. For customers, the employee himself is the store. To maintain their differentiating edge, retailing companies are constantly trying to instill the brand values among their employees, but still, we see some brand disconnect in many companies.

Literature Review

While there is much written about traditional marketing and HR practices, the area of Employee branding remains an exciting new concept.

2004 Journal of Relationship Marketing article (Miles & Mangold, 2004) defined Employee Branding as the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents (p.68).

Amongst the very first attempts to define **Employee branding or Internal marketing**, was that by Berry, Hensel and Burke (1976). They commented that to satisfy the customer, a company must first satisfy its own employees (internal customers). Employee has also been seen as internal customers, and achieving employee satisfaction has been viewed as a key to having satisfied external customers (Berry, 1981; George, 1977). Subsequently, the emphasis on **internal customers** has led to the suggestion that their needs should be satisfied through the "job-products" the organization offers (Berry & Parasuraman, 1991, p.151). Mitchell (2002) supports this view noting that employees must know everything customers know about the company, long before customers know. Further Mullich (2002) stated that companies should not be looked upon as a bundle of products or services. They should be defined by the performance of their human capital. If the projection of the company by the employees is not in tune with the external communication of the organization, then it will create brand disconnect with the customers. Employees must therefore be treated like customers in order for them to believe in the company's brand (Payne et al., 2001). Employees need to be seen as the internal market within the organization as part of the larger relationship marketing plan.

Objectives of the study

- Whether employees understand the significance of employee branding.
- Whether employees understand that in their own limited capacity, they have a potential to contribute to the success of the business
- Whether the concepts and practices related to employee branding are present in the retail sector

Hypothesis

Employees understand the significance of Employee Branding.

Research Methodology

- Sampling Units and Size: 33 employees were selected from 3 convenient retail outlets in Sattur, All the employees were similar in their job profiles.
- Sampling Techniques : Convenience sampling
- Data collection instrument :A 5 point Likert scale semi-structured questionnaire.
- Data representation and statistical tools : Rank Correlation and Normal Tabulation.

Findings and Analysis

Exhibit 1 provides insights into the concept of Employee Branding. The first three points highlight that employees do understand the need and importance of Employee Branding. They also understand that it has become an important responsibility and priority of top management to successfully ingrain the values of organization in each of the employees.

The subsequent three points highlight that employees understand how they contribute towards the well being of their organization. They believe that they make a difference to their organization and they are always eager to know what is happening in and around the organization.

The next two points show that they understand the brand of the organization and also the fact that brand is a valuable asset. In subsequent statements they also acknowledge that they recommend their products and services to their friends and relatives. They also understand and admit that incentives are provided to those employees who "live the brand" of the organization. Most of the employees do believe that their colleagues go the extra mile for serving their customer as prom-

ised by the brand/organization. All the above mentioned points were rated between 4 and 5 (i.e., agree to strongly agree).

The subsequent points that emerged are discussed below in descending order of their score on the agreeableness scale:

- Most of the employees believe it is the best store to work with.
- Employees believe to varying degrees that the brand values and culture of the organization affect their day-to-day decisions. Their behavior and thinking process are guided by the values of the brand. But the varying degree of answers shows that the conviction amongst the employees is perhaps not so strong.
- Almost all employees agreed to the fact that internal marketing is present to some extent in their individual organizations. However, their expectation was that the internal marketing process should be two-way and customized as per the needs of the employees.
- Many employees were also of the opinion that the values of the brand are reflected in all the internal processes. But the lack of strong rating suggests that the values are not strongly reflected in the day-to-day organizational process. This provides scope for the top management to improve the business processes on priority to give a psychological signal that Employee Branding is the top priority of management. This also gets reflected in the statement, "senior executives of this company understand and live the brand of this organization," which was not strongly rated. Another statement which reconfirms the same fact is, "The Company immediately lets me know what is happening in the organization. I need not find it out from other people." Such slackness from the management may be detrimental to the efforts of Employee Branding.

Exhibit 1 : Concept of Employee Branding - Insights	
It is important for a company to have a unique brand identify to succeed in the market place	4.78
To succeed in the market place the company's employees should understand the brand values	4.66
It is top priority for this organization to ensure that its employee understand the brand and internalize the value of the brand	4.63
The employees of this company are completely interested in knowing what is happening in the organization	4.57
I clearly understand how I contribute to the success of this organization	4.51
I believe that I make a difference to this company	4.30
I completely understand the brand of this organization	4.24
Brand is a valuable asset for an organization	4.21
I recommend the products of my company to my friends and relatives	4.21
Incentives are provided top those employees who live the brand of the organization	4.09
The employees go the extra mile to serve customers	4.06
I can comfortably talk about the values and mission of my organization	4.00
This is the best company to work for in Virudhunagar.	3.96
The brand values and culture of the organization affect my thinking process and behaviour	3.93
The company evaluates the performance of employees based on how they live the brand of the organisation	3.84
Internal marketing should include two-way communication between management and employees	.3.81
The brand values are communicated to employees through the official communication system of the organisation	3.78
This company has an internal marketing program targeted towards employees	3.72
Every employee believes that the brand values and culture of the organization is reflected in all internal processes of the organization	3.69
Employees understand what brand experience the company expects its customers to have	3.66
The values of this organization affect my day-to-day decisions	3.60
Senior executives of this company understand and live the brand of this organization.	3.57
The company immediately lets me know what is happening in the organization. I need not find it out from other people	3.48
I have complete understanding of the brand values and vision of this organization.	3.36
I feel that my values match with the values of the organization	3.18
Source : Compiled on basis of data collected by the author	

Exhibit 2 : Rating and Ranking of Selected Store Dimensions				
Particulars	Rating	Ranking	Difference	D2
Low priced products	1	3	2	4
Promotional offers	2	2	0	0
Behaviour of the employees	3	1	2	4
Store ambience	4	5	1	1
Advertisements	5	4	1	1
Company's Brand Image	6	6	0	0
Total				10
Source : Compiled on basis of data collected by the author				

Exhibit 2 shows the relative importance attached by the employees of the stores to the various aspects of the store which attracts customers. The question was divided into two phases. Half the respondents were directly asked to rank all the six parameters in order of their importance. To avoid any bias, the remaining half of the respondents were indirectly asked to rate these parameters on a 5 point scale. They were asked whether they agree or disagree with the fact that customers visit their store repeatedly because of the individual parameters mentioned. Another set of ranks was prepared on the basis of the ratings given. Rank correlation was used to identify the extent of correlation between the rankings provided by the two sets of respondents.
Rank correlation **r** works out to be **0.715**. This shows a strong positive correlation between the two rankings provided by different sets of respondents.

Thus, from Exhibit 2, it can be interpreted that the employees understand that along with low pricing and promotional offers, their own behaviour plays an important role in attracting customers towards their stores. This confirms the hypothesis that employees in the retail sector understand the significance and advantages of Employee Branding. They understand how their behaviour contributes to the success of their organization.

Conclusion

The ever changing competitive world always demand dedicated and committed efforts of the employees.. The retail industry (including other service industries) needs to display this kind of effort. Business organizations are identified not so much by their products and services, but by the people who work in them. No efforts can succeed if they are not backed by the full commitment and support from employees. This is the reason why most service organizations are focusing attention towards Employee Branding.

REFERENCES

• Ahmed, P.K and Rafiq. (2003). Marketing Issues and Challenges. European Journal of Marketing, 37(a), 1177-1186. | • Berry, L.L.(1981). The employee as customer. Journal of Retail Banking, 3, 25-28. | • Czaplewski AJ, Ferguson JM & Milliman JF. (2001). Southwest Airlines: How Interal Marketing Pilots Success. Marketing Management, 10(3), 14-18. | • George, W.R.(1977). The retailing of services-A Challenging future. Journal of Retailing, 53, 3, 85-98. | • Keller, Kevin Lane. (2003). Strategic Brand Management. Upper Saddle River, NJ: Prentice Hall, Second edition. | • Miles, S. J. and Mangold G. (2004). A Conceptualization of the Employee Branding Process. The Journal of Relationship Marketing, 3, 2/3, 65 – 87. | • Mitchell, C. (2000). Selling the brand inside. Executive Excellence, 12 (19): 15. | • Mullich, J. (2003). Get in line. Workforce, 82 (13), 43-46 | • Wallace, E. and de Chernatony, L. (2005). The employee as brand builder: antecedents and measures of employee performance. paper presented at 1st Brand Colloquium, Birmingham. |