



IMPACT OF INTERNAL MARKETING PRACTICES AMONG INFORMATION TECHNOLOGY EMPLOYEES IN CHENNAI

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ABSTRACT The study examined the relationship among various dimensions of Internal Marketing Practices among Information Technology Employees. The total number of questionnaires distributed in the self-administered survey was 900 sets. Purposive sampling method is applied in this research for selecting the sample. As a result, 560 (filled questionnaire) valid sets of questionnaires were available and then used for further analysis using SPSS software version 21. A structured questionnaire was used to collect the data while Correlation Coefficient was used to analyze the data. A result revealed that correlation coefficient for various dimensions of Internal Marketing Practices i.e., Internal Market Intelligence generation, Internal-Intelligence Dissemination and Response to Internal-Intelligence is strong and positive. Hence, the study therefore concluded that dimensions of Internal Marketing Practices among Information Technology Employees are strong and positive.

KEYWORDS : Internal Marketing, Information Technology, Employees.

INTRODUCTION

The concept of internal marketing originated in the field of marketing research in the service industry (Berry, 1981; Gronroos, 1981), emphasizing that enterprises should value and respect their employees and regard them as “internal customers” (Longbottom, Osseo-Asare, Chourides, & Murphy, 2006). Viewing employees as an organization's internal customers, Berry (1981) treated employees with “marketing-like” methods, which allowed the employees to obtain satisfactory “products”, or “jobs”. Berry and Parasuraman (1991) pointed out that “internal marketing” refers to the development of products that meet employees' needs in order to attract, develop, inspire, and retain qualified employees. Internal marketing is the management philosophy of treating employees as customers, as well as a development strategy of offering the products (or jobs) that meet employees' demands in order to win employee loyalty and organizational commitment (Longbottom et al., 2006). Employee job satisfaction represents the subjective attitudes and evaluations of employees toward their overall work environment and reflects the success of an enterprise in providing a workplace environment that fully meets employees' demands for skill utilization, social value, and achievement, and serves as the judgment indicator for fairness and appropriateness of an organizations' regulations (Shimizu, Eto, et al., 2005). Therefore, internal marketing has a powerful influence on employees' sense of belonging, isolation, and work motivation (Kudo et al., 2006).

Review of Literature

Bouranta et al., (2005) opined that internal marketing and customer orientation are important in modern banking institutions because it is the frontline employees of the bank who interact with a majority of customers and generally handle a wide range of banking transactions. The researchers explored the relationship between the Internal Marketing and Market Orientation. Findings revealed that Internal Marketing has a strong positive influence on Market Orientation. It was also found that the components of Internal Marketing have a positive influence on Customer Orientation and the other components of Market Orientation. **Buchanan (2005)** Continuance Commitment is the “need” component or the gains versus losses of working in an organization. “Side bets,” or investments, are the gains and losses that may occur should an individual stay or leave an organization. An individual may commit to the organization because he/she perceives a high cost of losing organizational membership. In Normative Commitment, the individual commits to and remains with an organization because of feelings of obligation, the last component of organizational commitment. These feelings may derive from a strain on an individual before and after joining an organization. **Chang and Chang (2009)** found that internal marketing was positively related to job commitment of nurses in Taiwan. However, an extensive review of the extant literature suggests a dearth of research linking internal marketing practices and employee commitment especially in the financial services industry. Moreover, the reviews also revealed that

marketing scholars have not been consistent with the conceptualization of the dimensions of internal marketing. Chang and Chang conceptualized internal marketing into employee oriented measures, internal communication and external activities. **Nittala and Kameswari (2009)** opined that service organizations need to attract and retain customers to ensure a sustainable competitive advantage. In-services marketing, the employee plays a central role in attracting, building and maintaining relationships with customers. They conducted an empirical study on the relationship among internal marketing factors and job motivation and job satisfaction in the retail stores in Visakhapatnam city. Results showed that the working conditions and hours, hygiene & sanitation, rest rooms, support from superior, and attitude of colleagues have highest influence on job satisfaction and motivation. Findings showed significant correlations and suggest that the retail stores should concentrate on internal marketing to have the satisfied employees to deliver customer satisfaction. **Caruana et al., (2010)** found that there is a direct link between market orientation and organizational commitment and more direct link between the employee responsiveness dimension of market orientation and organizational commitment.

Objectives of the Study

1. To study the relationship among various dimensions of internal market practices.
2. To analyze the relationship among various dimensions of organizational commitment.

METHODOLOGY

The study is basically an empirical one based on data gathered from the respondents have been chosen for the study. A sample of 560 respondents has been chosen for the purpose of the study. For this study, the researcher used a well-structured questionnaire to collect the data from the respondents. The questionnaire related to various dimensions of Internal Marketing Practices i.e., Internal Market Intelligence Generation, Internal-Intelligence Dissemination and Response to Internal-Intelligence. Also various dimensions of Organizational Commitment i.e., Affective Commitment, Continuance Commitment and Normative Commitment. The researcher used Correlation analysis to identify the relationship among various dimensions of Internal Marketing Practices i.e., Internal Market Intelligence Generation, Internal-Intelligence Dissemination and Response to Internal-Intelligence. IBM SPSS 21 version was used for statistical purpose.

RESULTS AND DISCUSSION

Relationship among dimensions of Internal Marketing Practices

In this study, Internal Marketing Practices consists of three factors that measure, Internal Market Intelligence Generation, Internal Intelligence Dissemination, and Response to Internal Intelligence.

H_0 : There is no relationship among various dimensions of Internal Marketing Practices.

Table 1
Relationship among dimensions of Internal Marketing Practices

Internal Marketing Practices	Internal Market Intelligence Generation	Internal-Intelligence Dissemination	Response to Internal-Intelligence
Internal Market Intelligence Generation	1.000	0.780**	0.558**
Internal-Intelligence Dissemination		1.000	0.614**
Response to Internal-Intelligence			1.000

**Correlation is significant at the 0.01 level (2-tailed)

From the above table it can conclude that the correlation coefficient for Types of Internal Marketing Practices is strong and positive. Hence it can be concluded that Internal Market Intelligence Generation has positive and strong relation with Internal-Intelligence Dissemination (78%), and Response to Internal-Intelligence (55.8%), Internal-Intelligence Dissemination has positive and strong relation with Response to Internal-Intelligence (61.4%).

Relationship among dimensions of Organizational commitment

In this study, Organizational commitment is divided into three - Affective Commitment, Continuance Commitment, and Normative Commitment.

H₀: There is no relationship among various dimensions of Organizational Commitment.

Table 2
Relationship among dimensions of Organizational commitment

Organizational commitment	Affective Commitment	Continuance Commitment	Normative Commitment
Affective Commitment	1.000	0.581**	0.219**
Continuance Commitment		1.000	0.263**
Normative Commitment			1.000

**Correlation is significant at the 0.01 level (2-tailed)

From the above table it can conclude that the correlation coefficient for Types of organizational commitment is strong and positive. Hence it can be concluded that Affective Commitment has positive and strong relation with Continuance Commitment (58.1%) and Normative Commitment (21.9%). Continuance Commitment has positive and strong relation with Normative Commitment (26.3%).

CONCLUSION

The study is aimed at analyzing internal marketing practices among IT employees in Chennai City. It is found that there is significant relationship among all the dimensions of Internal Marketing Practices; they are Internal Market Intelligence Generation, Internal-Intelligence Dissemination and Response to Internal-Intelligence. Also found that there is significant relationship among all the dimensions of Organizational Commitment i.e., Affective Commitment, Continuance Commitment and Normative Commitment.

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