

INDIVIDUAL CONSEQUENCES OF INTERNAL MARKETING

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Abstract: Since the emergence of the concept of internal marketing in the literature there have been almost 40 years. This period was marked by a constant increase of the concerns in the internal marketing area, these efforts being evidenced by the publication of a consistent number of articles (conceptual and empirical) which analyze this subject. Considering the previous empirical studies, most of them have focused on studying the relationship between internal marketing and employee satisfaction and / or organizational commitment. However, the relationship between internal marketing and its consequences has been less analyzed in the context of emergent economies. In this paper we aimed to analyze the individual consequences of the internal marketing in the Romanian economy context, focusing our attention on three constructs: employee satisfaction, organizational commitment and organizational citizenship behavior. The research was conducted on a sample of 83 medium and large companies in various sectors of the Romanian economy. In order to proceed with the statistical data analyses we followed these steps: verifying the scales reliability, determining factor loadings and research hypotheses testing. Our research results are consistent with results of previous studies showing that the adoption of internal marketing practice has a positive effect on employee satisfaction, organizational commitment and organizational citizenship behavior.

Key words: internal marketing, organizational commitment, employee satisfaction, organizational citizenship behavior.

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1. Introduction

The importance of internal marketing has increased as a number of authors have shown, through conceptual or empirical studies, the various benefits that this concept has on the employee behavior or, respectively, on company performance. Thus, internal marketing is important for organizations as it may be linked to employee satisfaction, organizational commitment, organizational citizenship behavior, organizational conflict intensity or staff turnover. Each of these consequences of internal marketing is important not as an end in itself but because it was theorized that these constructs can have a positive influence on organizational performance.





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The purpose of this research is to identify and explain the effects of internal marketing on employee behavior. In order to fulfill this objective, we have achieved a measurement of the degree regarding the adoption of internal marketing at the level of the organizations in the sample, and we analyzed its correlation with a number of constructs that are considered to be consequences of internal marketing at individual level also generate a number of effects within the organization, we aimed to study the effect of these constructs on firm performance.

The novelty of our approach is represented by the classification of internal marketing consequences into two categories: individual-level (employee) consequences and company-level consequences. In the present paper, we aimed to analyze only the individual consequences of internal marketing (a category in which we have included: employee satisfaction, organizational commitment and organizational citizenship behavior), the next step being the study of internal marketing consequences at organizational level, as subject of a following research study.

2. Literature review

2.1. Internal Marketing

Internal marketing has emerged as a way to consistently provide high quality products and services (Rafiq and Ahmed, 2000; Bennett and Barkensjo, 2005) and the reasoning behind this concept is the belief that by satisfying the needs of internal customers (employees) the organizations will strengthen their human capital and will be better positioned to meet the needs of their external customers (Berry, 1981).

Lings (2002) stresses the fact that internal marketing is similar to treating employees as internal customers of the organization, an idea that is also found at Yusuf, Sukati and Chin (2014) or Yousefi, Teimouri and Jafarpisheh (2014). The idea of "employee as a customer" was also supported by Berry and Parasuraman (1991), which consider that internal marketing involves "treating employees as internal customers and treating jobs as products that satisfy internal customer needs". Other researchers (Sasser and Arbeit, 1976) went even beyond the idea of "employees as internal customers", and even argued that employees are the first market of a service providing company, placing customers on the second place.

According to Quester and Kelly (1999), internal marketing is perceived as *part of* the critical interface between marketing and human resource management, which is essential, mainly in the services sector.

Regarding the research in the field of internal marketing, Varey (1995) observed that most of the works on the topic of internal marketing are normative, while the share of empirical studies is still limited. Most of the empirical studies focused on studying the relationship between internal marketing and employee satisfaction and



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/ or organizational commitment, but with reduced emphasis on the examination of the effect of internal marketing practices adoption on strengthening the results of external marketing actions.

The role of internal marketing within an organization is to provide the link between the organization's external marketing objectives and its internal capabilities. Regarding internal marketing purposes, Amiri et al. (2009) consider that the major purpose of internal marketing is to develop the awareness of internal customers and to eliminate the functional barriers that can stand in the way of improving organizational effectiveness. According to Daryani et al. (2014), the primary objective of internal marketing is to develop employee awareness about their roles, so that the organization has the possibility to establish lasting relationships with the customers. According to Joseph (1996), the purpose of internal marketing is to satisfy employee requirements by creating harmonious exchanges between employees and the organization. Bairstow and Skinner (2007) address the role of internal marketing as being one of the most important factors that can facilitate the use of skills, attitudes and behavior of employees in order to provide better quality services for customers.

The basic idea of the internal marketing concept is based on the assumption that providing quality services for customers requires highly motivated employees who are aware of the importance of customers (Grönroos, 1981). Moreover, Grönroos (1981, p. 237) suggested that internal marketing should "create an internal environment that supports the importance of customer awareness among employees." Similarly, Bowen and Schneider (1988) suggested that the service providing companies should strengthen their internal environment, in order to have a positive impact on the attitudes and behaviors of employees who have direct contact with customers. Consequently, ever since the early stage of the evolution of the concept of internal marketing, its purpose was to ensure the existence of satisfied and motivated employees.

But in the same time Grönroos (1981) suggested that the objective of internal marketing should not only focus on satisfying employees, to motivate them to achieve their tasks better, but should also encourage them to show customer oriented behaviors in order to have a positive impact on customer perceptions about the quality provided by the firm, and about the firm as a whole, and to take advantage of the marketing opportunities that may arise during the interaction between customers and the frontline employees.

2.2. Organizational commitment

Organizational commitment represents the extent to which an individual identifies with and is involved in his organization and / or is willing to leave the respective organization (Greenberg and Baron, 1997). Organizational commitment has to do with the attitude of employees towards their organization.



According to Castro, Armario and Del Rio (2002), organizational commitment refers to the sense of belonging that employees have towards the organization and which influences their ability to perform also beyond expectations in order to achieve the company's objectives.

Mowday, Porter and Steers (1982) identified three characteristics of the organizational commitment: (*a*) *a strong belief and acceptance of the organizations goals and values;* (*b*) *a willingness to exert considerable effort for the organization and* (*c*) *a strong desire to maintain membership within the organization.*

Based on a review of previously published literature, Gilaninia et al. (2013) or Shekary et al. (2012) identified three dimensions of the organizational commitment: *affective commitment, normative commitment and continuance commitment.* This approach is based on the concept put forward by Meyer and Allen (1991) whose three-component model is regarded as being the dominant research framework in the organizational commitment area in the last decade, because it is based on a comprehensive understanding of this concept (Erdhem and Wang, 2006).

The *affective commitment* (also called *emotional commitment*) is related to the emotional attachment of the employees to the organization, and moreover their inclinations towards professional experiences, such as organizational support (Griffin and Hepburn, 2005).

The *normative commitment* appeals to the employee's sense of moral conduct that determines the employee to remain within the organization. It reflects the belief of the employees that they have to stay and grow with the organization, because social experiences insist on employee loyalty towards the employer (Griffin and Hepburn, 2005).

The *continuance commitment* refers to the commitment or dedication to the organization given that there are no other options or there is a lack of other career opportunities. In fact, this dimension of commitment refers to two aspects: the first considers what employees can lose after leaving the organization (Dawley et al., 2005), and the second is based on the awareness of employees about access to available alternatives if they would decide to leave the organization, which is usually called marginal cost (Namasivayam and Zhao, 2007).

The adoption of internal marketing practices can improve employee commitment to provide quality services.

From a marketing perspective, Jaworski and Kohli (1993) proved without doubt that organizational commitment is a direct consequence of internal marketing. They explained that since internal marketing emphasizes the need for cooperation between all departments and individuals to achieve common objectives, the cooperation process and the achievement of these objectives should lead to a situation where employees feel a sense of contribution to the organization. Therefore, employees experiencing a sense of pride associated with their belonging



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to the organization, they feel more satisfied with their jobs and become more committed to the organization. Also, Bansal et al. (2001), Makanjee, Hartzer and Uys (2006) or Farzad et al. (2008) showed, in their turn, the positive influence that internal marketing has on organizational commitment.

Yusuf, Sukati and Chin (2014) have determined that internal marketing has a significant effect on the employees' organizational commitment and on the level of their customer orientation. In a study conducted by Abzari, Ghorbani and Madani (2011) the authors examined the relationship between internal marketing and organizational commitment. Analyzing the data gathered from a sample of 100 managers and administrators of hotels in the Isfahan province, the authors proved that internal marketing had a strong impact on organizational commitment, both directly and indirectly through market orientation. This assumes that internal marketing has a direct influence on the market orientation and market orientation impacts on the organizational commitment.

Another study by Vazifehdoost, Hooshmand and Dehafarin (2012), who aimed to study the effect of internal marketing and of organizational commitment on the banks performances in Iran, demonstrated that internal marketing has a significant positive impact on organizational commitment. Farzad et al. (2008) have also found that internal marketing has a positive impact on the organizational commitment of employees in state-owned banks in Iran. In another study conducted by Tsai and Wu (2011), the authors explored the relationships between internal marketing, organizational commitment and the quality of health services. According to this study, which was undertaken in order to improve organizational commitment and service quality through the use of internal marketing, the authors noted that internal marketing was an important element that played a significant role in explaining employee perceptions of organizational commitment and service quality. In addition, the results of the study showed that organizational commitment plays a mediating role in the relationship between internal marketing and the quality of services provided. A study conducted by Narteh (2012), focused on investigating the impact of four internal marketing practices (empowerment; training and development, rewards and communication) on the commitment of employees in the commercial banks' sector in Ghana. The results of this study indicated that empowerment, the training and development but also the rewards have a significant impact on organizational commitment, while communication has no impact whatsoever on this construct. Gilaninia et al. (2013) examined the impact of internal marketing components on organizational commitment among the Refah bank staff in the Ardabil Province. The study showed that internal marketing had a positive impact on organizational commitment. Olorunleke and Akinvele (2013) conducted a study on a sample comprising 128 managers of Nigerian banks located in the largest commercial city of the country (Lagos), aiming to investigate the effects of five dimensions of internal marketing on the organizational



commitment of employees. The analysis of the gathered data indicated the fact that the internal marketing dimensions – Inter-functional coordination and integration, and Motivation and Training had positive effects on the organizational commitment of employees in Nigerian banks.

2.3. Employee satisfaction

Employee satisfaction has been indicated for the first time as a theoretical construct by Hoppock (1935) in his book entitled "Job satisfaction"; he defined employee satisfaction as a subjective reaction or an employee's degree of satisfaction in relation to physical and psychological aspects of its working environment. Later, Locke (1976) described employee satisfaction as "*a pleasant or positive emotional state resulting from a job evaluation or someone's experiences related to workplace*", this definition becoming the one most often cited by academics.

The analysis of experts' theories in the field of science related to individual psychology and human resource management on employee satisfaction (such as Maslow's hierarchy of needs, Herzberg's two-factor theory (motivational and hygienic), McGregor's X and Y theory, McClelland's triple needs' theory; the Theory of equality, etc.) shows that employee satisfaction is a multidimensional concept, which is associated with a number of factors. In other words, workplace satisfaction can be provided by implementing a set of factors. According to Holman (2002), these factors can be classified into five categories: the type of work undertaken and the working conditions, salary, the existence of opportunities for career advancement, the existing relations with the supervisors and the nature of relationships established among colleagues.

Satisfied employees provide better service to the firm's customers and the chances that they will stay with the organization for a longer period of time are increased (Lings, 1999).

As Nittala and Kameswari (2009) showed, the study of the relationship between internal marketing and employee satisfaction has been a concern for many researchers. Generally, previous research shows that the adoption of the internal marketing concept and the implementation of its specific activities within an organization help increase employee job satisfaction (Tansuhaj et al., 1991; Collins and Payne, 1991; Rafiq and Ahmed, 2000; Conduit and Mavondo, 2001; Lings, 2004).

As a result of an empirical study, Tansuhaj et al. (1991) showed that internal marketing improves employee work satisfaction. Ahmed et al. (2003) analyzed the impact of internal marketing practices on employee satisfaction and their results showed a positive relationship between the adoption of internal marketing practices and the employee's job satisfaction.

Chang and Chang (2007), in their study on hospital staff, observed that internal marketing has a positive influence on employee work satisfaction. In his study,





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Gounaris (2008) observed that employee work satisfaction is partly a function of specific internal marketing actions, such as empowerment, participatory decision-making process and informal communication. The results of a study conducted by Hwang and Chi (2005) on a sample of 359 respondents show significant correlations between internal marketing, employee satisfaction and performance within international hotels in Taiwan.

2.4. Organizational citizenship behavior

The notion of "organizational citizenship behavior" was first introduced in the literature in the field by Organ and his colleagues (Organ, 1977 and 1988; Bateman and Organ, 1983; Smith et al., 1983).

Organizational citizenship behavior designates a set of discretionary behaviors of the employees which are helpful but not explicitly required by employers. Although not expressly required, these behaviors are, as noted by Grant and Mayer (2009, p. 900) "*a key concern for both researchers and practitioners*."

Organ (1988) defines organizational citizenship behavior as a discretionary behavior that contributes to the overall effectiveness of the organization but which does not lead to a formal reward for the person who showed the respective behavior. The idea is also found at Awwad and Agti (2011), according to which organizational citizenship behavior includes constructive and cooperative behaviors that are not required by the job description, and which also are not rewarded directly or by contractual means through the official system of the organization.

Currently, the most popular dimensions used for measuring organizational citizenship behavior can be found in the five factors model put forward by Organ (1988): *altruism* (the desire to be helpful); *courtesy* (to be polite and courteous, to prevent conflicts); *conscientiousness* (performing more than the minimum required; attention to detail (preventing / minimizing errors)); *civic virtue* (to show interest and involvement in the organization (for example, always be aware of what is happening) to defend organizational policies and practices) and *sportsmanship* (*behavior worthy of a sportsman*) (to tolerate less than ideal conditions, to accept change and to meet the requests without complaint).

The number of studies that examined the relationship between internal marketing and organizational citizenship behavior is quite low compared to the number of studies that analyze, for example, the relationship between internal marketing and employee satisfaction, and the relationship between internal marketing and organizational commitment.

However, Bansal et al. (2001) argued that internal marketing can influence external marketing policy outcomes through organizational citizenship behavior and Souchon and Lings (2001) found as well that the adoption of internal marketing practices had a positive impact on organizational citizenship behavior. A similar



research was conducted by Abzari and Ghujali (2011) on a sample of 215 employees of the Melli bank of Isfahan (Iran). Examining the relationship between the two constructs by the structural equation modeling, the authors demonstrated the positive impact of internal marketing on the organizational citizenship behavior, thus confirming the results of previous research.

Barzoki and Ghujali (2013) have also validated the hypothesis of a positive impact of internal marketing on the organizational citizenship behavior, concluding that the adoption of internal marketing in organizations leads to voluntary behaviors in the working environment and thus facilitates organizational success.

Seyed Javadin et al. (2010) explored the mediating role of organizational citizenship behavior in the relationship between internal marketing and service quality. The statistical sample of their study included 850 employees of the gas company in the province of Teheran. The results showed that internal marketing actions carried out within the analyzed company led to the improvement of the organizational citizenship behavior of employees and, ultimately, to improving the quality of customer service.

3. Research methodology

3.1 Research hypotheses

Based on the literature review, we have proposed the following research hypotheses:

 H_1 : Internal marketing has a direct and positive influence upon organizational citizenship behavior.

H₂: Internal marketing has a direct and positive influence upon the organizational commitment.

 H_3 : Internal marketing has a direct and positive influence upon employee satisfaction.

H₄: Organizational citizenship behavior has a direct and positive influence upon the organizational performance.

 H_5 : Organizational commitment has a direct and positive influence upon the organizational performance.

 H_6 : Employee satisfaction has a direct and positive influence upon the organizational performance.

3.2 Scale development

To measure internal marketing we used 15 items developed by Foreman and Money (1995). Each variable is measured using a seven-point Likert scale (encoded from 7 - T otal agreement to 1 - T otal disagreement).

For the Organizational citizenship behavior construct we have used the 24 items scale of Podsakoff et al. (1990). In order to measure these items we have used a seven-point Likert scale (from 7 - Total agreement to 1 - Total disagreement).



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Organizational commitment consists of three dimensions: affective commitment, continuous commitment and normative commitment. The measurement scales with 8 items each were taken from Allen and Meyer (1990). These items were measured by using a seven-point Likert scale (encoded from 7 - Total agreement to 1 - Total disagreement).

To measure employee satisfaction we used 8 items developed by Brown and Peterson (1993) and Hartline and Ferrell (1996). Each item is measured using a five-point evaluative scale (encoded from 5 - Very satisfied to 1 - Very unsatisfied).

Organizational performance was measured with a scale taken from Santos et al. (2005). Respondents were asked to evaluate 12 performance elements of the firm, compared to the main competitors. In this case, we have used a seven-point evaluative scale (from -3 – much lower level than the competitors to +3 – much higher level than the competitors.

3.3 Sampling and data collection

In this research we used a non-probabilistic sampling method (convenience sampling). The questionnaire was administrated through the interview operators. The reference units are represented by the selected companies from the sample (i.e. with more than 50 employees). The reporting units are represented by people in the management of the companies. The sample size is of 83 companies. We have used the following variables to analyze the structure of the sample: turnover, number of employees and organization's sector of activity. Out of the sampling's total, 41% of the firms selected have a turnover between 10.000.001 and 50.000.000 Euro, 39.8% of them have a turnover between 2.000.000 and 10.000.000 Euro, and 18.1% have a turnover higher than 50.000.000 Euro. For 1.2% of the firms selected, the turnover is lower than 2.000.000 Euro. In terms of the number of employees, 59% of the firms have between 50 and 249 employees, 24.1% have a number of employees. From the point of view of organization's sector of activity, 53% of the companies are in the sector of production and 47% in the sector of services.

4. Research results

The main objective of the statistical data analysis is the testing of research hypotheses. For statistical data processing we used SPSS 21. In order to achieve the statistical data analysis process went through the following steps: verifying the scale reliability, verifying the opportunities of achieving the factor analysis, determining factor loading and research hypotheses testing.

We used the Cronbach-alpha coefficient to verifying the scale reliability. When Cronbach-alpha coefficient is greater than 0.7, the scale is reliable (Nunnaly, 1978). For verifying the opportunities of achieving the factor analysis, we have



used KMO (Kaiser-Meyer-Olkin) indicator and the Bartlett test. The two statistical tools measure inter-correlations within a set of variables. A low significance level of the Bartlett test (p<0.05) lead to the rejection of the null hypothesis (the construct variables are not correlated with each). KMO indicator measures the intensity of correlations between the construct items. If the KMO indicator value is greater than 0.5, the correlations can be studied using factor analysis. As a result of confirmatory factor analysis, items with a factor loading less than 0.5 were eliminated. This item is not strongly correlated with the extracted factor. Research hypotheses' testing was performed using linear regression. Thus the following elements were analyzed: the un-standardized value of the regression coefficient (ß), the significance level (p), the coefficient of correlation (R) and the coefficient of determination (R^2) . The coefficient of correlation indicates if there is or not a correlation between the dependent variable and the independent variable. The coefficient of determination shows the proportion of variation in the dependent variable explained by the independent variable. This coefficient takes on values between 0 and 1. The research hypotheses are valid if the significance level is lower than 0.05.

The scales used to measure the level of internal marketing, organizational citizenship behavior, affective commitment, continuous commitment, normative commitment, employee satisfaction and firm's performance obtained a Cronbachalpha coefficients of 0.930, 0.905, 0.929, 0.855, 0.903, 0.852 and 0.942 (see Table 1), which indicates a reliable scales according to Nunnaly (1978). The three dimensions of the organizational commitment construct (affective commitment, continuous commitment, normative commitment) were aggregated. This construct obtained a Cronbach-alpha coefficient of 0.709. In the case of the Employee satisfaction construct, the items relating to employee satisfaction in relation to their colleagues (ES2) and to employee satisfaction in relation to organization's customers (ES8) were eliminated as they reduced the overall reliability of the scale. The Cronbach-alpha recalculated for this scale is 0.888 (see Table 1). Table 1 presents the initial and final alpha-Cronbach coefficients for the constructs and dimensions included in research.

Between the variables of each construct there are significant inter-correlations, which may be studied through the factorial analysis because the values of the KMO (Kaiser-Meyer-Olkin) indicator are greater than 0.5: 0.898 (Internal marketing); 0.826 (Organizational citizenship behavior); 0.905 (Affective commitment), 0.801 (Continuous commitment), 0.877 (Normative commitment), 0.656 (Organizational commitment), 0.862 (Employee satisfaction) and 0.892 (Firm's performance), at a level of significance p=0,000 of the Bartlett test.

As a result of the confirmatory factor analysis for the Internal marketing construct, item referring to the remuneration of the employees' efforts who deliver excellent services, has been eliminated as its factor loading (0.486) is lower than 0.5.

SUES

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Table 1 Reliability of the measuring scales				
Construct / dimension	Initial α - Cronbach	Final a - Cronbach		
Internal marketing	0.930	-		
Organizational citizenship behavior	0.905	-		
Affective commitment	0.929	-		
Continuous commitment	0.855	-		
Normative commitment	0,903	-		
Organizational commitment	0.709	-		
Employee satisfaction	0.852	0,888		
Firm's performance	0,942	-		

(Source: self-research)

For the Organizational citizenship behavior construct, we noticed that the items referring to helping people who have been absent from work (0.295), staying at work beyond scheduled time (0.487) as well as focus on what is right rather than on what is wrong (0.480), have a factor loading lower than 0.5. Consequently, the two items have been eliminated from the following statistical analysis.

After conducting the confirmatory factor analysis for the three dimensions of the Organizational commitment construct (affective, continuous and normative), we have reached the conclusion that no factor loading has a value lower than 0.5. Thus, all items are kept in the analysis. The dimensions of the Organizational commitment construct obtained values of factor loading greater than 0.5. In these conditions, the affective commitment, continuous commitment and normative commitment dimensions are kept in the analysis.

For Employee satisfaction construct, all items are kept in the analysis because all factor loadings have values greater than 0.5 (the lowest value being 0.718). These items are strongly correlated with the extracted factor.

For the Firm's performance construct, the lowest factor loading value is 0.553 (>0.5). Consequently, all items are kept in the analysis.

Table 2 presents the un-standardized value of the regression coefficient and the significance level for the six hypotheses.

Hypothesis H₁ is accepted (p=0.001, β = 0.278), internal marketing has a direct and positive influence upon the organizational citizenship behavior. The existence within the firm of a higher level of internal marketing leads to obtaining a higher level of organizational citizenship behavior. Hypothesis H₂ is accepted (p=0.017), noticing that internal marketing influences in a favorable way the organizational commitment (β = 0.370). Internal marketing has a direct and positive influence upon employee satisfaction (H₃ is accepted, p=0.000, β = 0.501). The implementation of internal marketing programs leads to an increase of the employee satisfaction level. Research hypothesis H₄ is rejected, the level of significance being of 0.101 (>0.05).



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Table 2 Testing the research hypotheses					
Hypotheses		р	Result		
H ₁ : Internal marketing has a direct and positive influence upon organizational citizenship behavior.	0.278	0.001	Accepted		
H ₂ : Internal marketing has a direct and positive influence upon the organizational commitment.		0.017	Accepted		
H ₃ : Internal marketing has a direct and positive influence upon employee satisfaction.		0.000	Accepted		
H ₄ : Organizational citizenship behavior has a direct and positive influence upon the organizational performance.		0.101	Rejected		
H ₅ : Organizational commitment has a direct and positive influence upon the organizational performance.		0.003	Accepted		
H ₆ : <i>Employee satisfaction has a direct and positive influence upon the organizational performance.</i>		0.000	Accepted		

(Source: self-research)

Organizational citizenship behavior does not have a statistically significant influence upon the organizational performance. Organizational commitment influences in a positive way organizational performance (p=0.003, β = 0.296), thus accepting hypothesis H₅. As employees have a stronger sense of belonging to their organization, the more can be achieved a higher level of the organizational performance. Hypothesis H₆ is accepted (p=0.000, β = 0.703), employee satisfaction has a direct and positive influence upon the organizational performance. The existence within the firm of a higher level employee satisfaction leads to obtaining a higher level of organizational performance. In this research we tested six hypotheses. Out of these only one was rejected.

Table 3 presents the coefficients of correlation and determination in the case of accepted hypotheses.

Table 3 Coefficients of correlation and determination in the case of accepted hypotheses
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Hypotheses		\mathbf{R}^2
H_1 : Internal marketing has a direct and positive influence upon organizational citizenship behavior.	0.370	0.137
H_2 : Internal marketing has a direct and positive influence upon the organizational commitment.		0.068
H ₃ : Internal marketing has a direct and positive influence upon employee satisfaction.	0.536	0.287
H ₅ : Organizational commitment has a direct and positive influence upon the organizational performance.	0.323	0.104
H ₆ : Employee satisfaction has a direct and positive influence upon the organizational performance.	0.506	0.256

(Source: self-research)



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In the case of the research hypothesis H_1 , H_2 and H_5 we can observe the existence of low intensity relationships (R values of 0.370, 0.261 and 0.323). We can also observe that between internal marketing and employee satisfaction and between employee satisfaction and firm performance there is a medium intensity relationship (R values of 0.536 and 0.506).

After analyzing the values of the coefficient of determination, we can conclude that internal marketing explains 13.7% of the organizational citizenship behavior variation, only 6.8% of the organizational commitment variation and 28.7% of the employee satisfaction variation. Organizational commitment explains 10.4% and employee satisfaction explains 25.6% of firm performance variation. In conclusion, internal marketing has the strongest influence on employee satisfaction. Employee satisfaction has a stronger influence than organizational commitment on firm performance.

5. Conclusions, implications, limits and future research directions

In this paper, we investigated the impact of internal marketing on organizational citizenship behavior (H_1) , organizational commitment (H_2) and employee satisfaction (H_3) . We also tested the effect of organizational citizenship behavior, organizational commitment and employee satisfaction on firm performance $(H_4, H_5 \text{ and } H_6)$.

The results of this research show that a high level of internal marketing leads to a high level of organizational citizenship behavior (H_1 is accepted), the result being in accordance with the literature. Organizations can increase their level of organizational citizenship behavior among their employees by improving internal marketing activities. Awwad and Agti (2011) believe that any investment in human capital by adopting internal marketing practices can improve employee performance and their further performance (organizational citizenship behavior). Bansal et al. (2001) argued that internal marketing can influence the results of external marketing policies through organizational citizenship behavior. Souchon and Lings (2001) found that adoption of internal marketing practices had a positive impact on organizational citizenship behavior. A similar research was conducted by Abzari and Ghujali (2011) on a sample of 215 employees of the Melli Bank of Isfahan (Iran). Examining the relationship between the two constructs by the structural equation modeling, the authors demonstrated the positive impact of the organizational citizenship behavior on internal marketing. In addition, the results of the exploration of the impact of every dimension regarding internal marketing on organizational citizenship behavior have shown that the Work place and Environment dimensions had the greatest impact. The Communications dimension had the smallest impact on the organizational citizenship behavior within the analyzed organizations. Hung and Lin (2008) suggested that the organizations in the hotel services' sector can enhance employee perceptions regarding the adoption



of internal marketing and this will affect, directly, organizational citizenship behavior of employees. The hypothesis that internal marketing has a positive effect on organizational citizenship behavior was demonstrated by Ghorbani and Mostafavi (2013) in a study conducted on a sample of 180 respondents. Javadin et al. (2009) explored the mediating role of organizational citizenship behavior in the relationship between internal marketing and service quality.

By testing hypothesis H_2 , we reached the conclusion that internal marketing influences directly and positively the organizational commitment. The existence within the company of a higher level of internal marketing leads to obtaining a higher level of organizational commitment. The result is in accordance with previous empirical studies results. Jaworski and Kohli (1993) proved without doubt that organizational commitment is a direct consequence of internal marketing. Internal marketing emphasizes the need for cooperation of all departments and individuals to achieve common goals. This process of cooperation and the achievement of those objectives should lead to a situation where employees feel a sense of contribution to the organization. Hogg (1996) suggested that when traditional internal communication does not work, internal marketing is the best approach to obtain an employee's organizational commitment. From previous researches, some focused only on the direct relationship between internal marketing and organizational commitment, while another part investigated the relationship between internal marketing and organizational commitment mediated by the job satisfaction. Yusuf, Sukati and Chin (2014) have determined that internal marketing has a significant effect on the organizational commitment and customer orientation of employee's levels. Another study by Vazifehdoost, Hooshmand and Dehafarin (2012), who proposed to study the effect of internal marketing and organizational commitment to the success of banks in Iran, demonstrated that internal marketing has a significant positive impact on organizational commitment.

Internal marketing positively influences employee satisfaction (H_3 is accepted). Internal marketing treats employees as if they were customers. Their jobs are considered some products must meet the requirements and needs of internal customers. In these conditions, we can assume that internal marketing can lead to employee satisfaction. Arnett et al. (2002), discussing the benefits of adopting internal marketing programs show that one of these effects is increasing employee satisfaction that motivates employees to be more committed. Following an empirical study, Tansuhaj, Randall and McCullough (1991) showed that internal marketing improves employee satisfaction at work. Ahmed et al. (2003) investigated the impact of internal marketing practices on employee satisfaction and their results showed a positive relationship between the adoption of internal marketing practices and job satisfaction of employees. Nittala and Kameswara



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(2009) found that there is a positive relationship between internal marketing, workplace motivation and job satisfaction of employees of retail stores in India.

The results of this research show that a high level of organizational commitment leads to a high level of firm performance (H_5 is accepted). This result is in accordance with the literature. Lambert (2002) shows that employees who are more committed achieve greater performance at work. Awwad and Agti (2011) believe that any investment in human capital by adopting internal marketing practices can improve employee performance. The improvement of employee performance can lead to higher level of organizational performance.

By testing hypothesis H_6 , we reached the conclusion that employee satisfaction influences directly and positively the firm performance. The result of testing this hypothesis is in accordance with the literature. Pfeffer and Veiga (1999) and Nebeker et al. (2001) argue that the improvement of employee satisfaction lead to the improvement of organizational performance. Employees with high level of satisfaction take actions resulting in the improvement of customer satisfaction and the growth of firm profitability. Results of a research conducted by Hwang and Chi (2005) on a sample of 359 respondents show significant correlations between internal marketing, employee satisfaction and performance in international hotels in Taiwan.

The first limit of our research is given by the small size of the sample (83 companies). Another limit is given by the choice of the sampling method. We chose a non-probability sampling method, in order to increase the response rate. Given the limited time of the managers, the formulation of their answers to the questionnaire took a larger period of time. The results of this research cannot be extrapolated to the entire population.

A future research direction is given by the analysis of the mediating role of organizational citizenship behavior, organizational commitment and employee satisfaction in the relationship between internal marketing and organizational performance. Also, another future research direction is given by the analysis of the mediating role of individual performance in the relationship between organizational citizenship behavior and organizational performance (in this research the organizational citizenship behavior does not have a statistically significant influence upon the organizational performance). Future research may involve a representative sample on national level, to allow a comparative analysis between different sectors of activity and different sub-samples, according to firms' dimension and experience.

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