# T.C. İZMİR KÂTİP ÇELEBİ UNIVERSITY GRADUATE SCHOOL OF SOCIAL SCIENCES DEPARTMENT OF BUSINESS ADMINISTRATION MBA PROGRAM

# THE EFFECTS OF INTERNAL MARKETING ON SERVICE QUALITY IN ACCOMMODATION BUSINESSES: A RESEARCH FOR THE HOTELS IN IZMIR.

**Master Thesis** 

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#### **ABSTRACT**

The concept of internal marketing is discussed in the literature more than ten years. Despite the rapid increase in publications related to the subject, many companies are benefiting from this concept in practice. Many businesses still do not know exactly what the concept is and how to apply it. The most basic reason for this is that the research on the concept is rather limited and inadequate. This makes practical research more essensial among with descriptive research for the concept.

This study examines the effect of internal marketing practices on the quality of service hotels. The purpose of the study is to test the effect of the internal marketing components on the service quality of the 5-stars hotels in Izmir.

To investigate the relationship between internal marketing and service quality, a two-stage research was designed and implemented on the premises. In the first stage, an exploratory research was carried out in order to better understand the basic concepts of concept and understanding.

In the second phase, internal marketing scale developed by BEDMAN NARTEH and RAPHAEL ODOOM, 'Does Internal Marketing Employee Loyalty? Evidence From the Ghanaian Banking Industry "and servperf scale of "Customer repurchase intention: A general structural equation model" developed by Hellier, P.K., Geursen, G.M., Carr, R.A. and Rickard, J. A., (2003) were used. In addition, hypotheses have been tested with frequency analysis and multivariable regression analysis methods. The data were collected by face-to-face interview method using the questionnaire form. Experimentall research results show that there is a meaningful and similar relationship between internal marketing components and service quality and the internal marketing practices of 5-star hotels in Izmir provide meaningful contribution to service quality.

Key Words: Internal Marketing, Internal Marketing Measurement Scale, Service Quality,

Service Quality Model, Service Quality Measurement, Servperf Scale

## ÖZET

İçsel pazarlama kavramı, literatürde on yıldan daha uzun süredir tartışılmaktadır. Konu ile ilgili kaynakların hızlı artışına rağmen, çok az sayıda işletme, uygulamada bu kavramdan yararlanmaktadır. Çok sayıda işletme günümüzde hala kavramın ne olduğunu, nasıl uygulanması gerektiğini tam olarak bilmemektedir. Bunun en temel nedeni ise içsel pazarlama hakkında yapılan araştırmaların oldukça sınırlı ve yetersiz olmasıdır. Bu durum kavrama yönelik tanımlayıcı araştırmaların yanında uygulamalı araştırmaların da daha fazla yapılmasını gerekli kılmaktadır.

Bu çalışma, içsel pazarlama uygulamalarının otellerin hizmet kalitesine etkisini inceleyen bir araştırmadır. Araştırmanın amacı daha net olarak, içsel pazarlama bileşenlerinin İzmir'de yer alan 5 yıldızlı otellerin içsel pazarlama uygulamalarının hizmet kalitesine olan etkisini test etmektedir.

İçsel pazarlama ile hizmet kalitesi arasındaki ilişkiyi incelemek için iki aşamalı bir araştırma tasarlanmış ve oteller üzerinde uygulanmıştır. Birinci aşamada, kavramın ve kavrama yönelik temel unsurların daha iyi anlaşılabilmesi için keşfedici bir araştırma yürütülmüştür. İkinci aşamada ise, BEDMAN NARTEH and RAPHAEL ODOOM tarafından geliştirilmiş, ''Does Internal Marketing Influence Employee Loyalty? Evidence From the Ghanaian Banking Industry'' makalesin de ki internal marketing ölçeği ile Hellier, P.K., Geursen, G.M., Carr, R.A. and Rickard, J.A., (2003)'' Customer repurchase intention: A general structural equation model'', European journal of marketing, 37(11/12), pp.1762-1800 makalesinde ki servperf ölçeği kullanılmıştır. Ayrıca hipotezler frekans analizi ve çoklu regresyon analizi yöntemleri ile test edilmiştir. Veriler, anket formu kullanılarak yüz yüze görüşme yöntemi ile toplanmıştır.

Ampirik araştırma sonuçları göstermektedir ki, içsel pazarlama bileşenleri ile hizmet kalitesi arasında anlamlı ve aynı yönde bir ilişki bulunmaktadır ve İzmir'de yer alan 5 yıldızlı otellerin içsel pazarlama uygulamaları hizmet kalitesine anlamlı katkı sağlamaktadır.

Anahtar Kelimeler: İçsel Pazarlama, İçsel Pazarlama Ölçüm Skalası, Hizmet Kalitesi, Hizmet

Kalitesi Modeli, Hizmet Kalitesi Ölçümü, Servperf Skalası

## **TABLE OF CONTENTS**

| ABSTRACTiii  |
|--|
| ÖZETiv   |
| CONTENTSv  |
| LIST OF TABLESix   |
| LIST OF FIGURESxi  |
| PREFACE  |
| CHAPTER ONE  |
| INTERNAL MARKETING   |
| 1.1. Concept of Internal Marketing                                       |
| 1.2. Developmental Stages of Internal Marketing Concept                  |
| 1.2.1 Satisfying The Employees Stage                                     |
| 1.2.2. Customer Orientation Phase  |
| 1.2.3. Strategy Implementation and Change Management Phase               |
| 1.3. The Importance of Internal Marketing                                |
| 1.4. The Aim of Internal Marketing                                       |
| 1.5. Benefits of Internal Marketing                                      |
| 1.6. Models of Internal Marketing  |
| 1.6.1.Internal Marketing Model   |
| 1.6.2.Lings Model  |
| 1.6.3. Service Marketing Triangle Model                                  |
| 1.6.4. Internal Marketing Matrix   |
| 1.7. Internal Marketing Strategies 23                                    |
| 1.7.1. Internal Market Segmentation                                      |
| 1.7.2. Development of Internal Marketing Karma                           |
| 1.8.Internal Marketing Practices   |
| 1.9. Important Concepts in Internal Marketing Practices                  |
| 1.10. Problems Encountered in Internal Marketing Practices in Businesses |

## **CHAPTER TWO**

# SERVICE QUALITY

|      | 2.1.Service Concept   | 35  |
|------|---|-----|
|      | 2.1.1. Service Features   | 37  |
|      | 2.1.1.1. Abstractness   | 38  |
|      | 2.1.1.2. Non-homogeneity (Variability)                                      | 39  |
|      | 2.1.1.3. Impartibility  | 40  |
|      | 2.1.1.4 Lack of Durability (Instability)                                    | 41  |
|      | 2.1.2. Classification of Services   | 41  |
|      | 2.1.2.1. Classification According to the Structure of Service Process       | 43  |
|      | 2.1.2.2. Classification According to the Relation with the Customers of     | the |
|      | Service Business  | 45  |
|      | 2.1.2.3. Classification According to the Flexibility and Initiative of Serv | ice |
|      | Businesses  | 46  |
|      | 2.1.2.4. Classification According to the Structure of the Service Demand.   | 47  |
|      | 2.1.2.5. Classification According to Service Presentation Type              | 47  |
|      | 2.1.2.6. Classification According to the Nature of Service Product          | 48  |
| 2.2. | . Service Quality   | 53  |
|      | 2.2.1. Concept Of Quality   | 53  |
|      | 2.2.2. Properties of Quality  | 55  |
| 2.3. | . Concept of Service Quality  | 56  |
|      | 2.3.1. Dimensions of Service Quality  | 58  |
|      | 2.3.2. Quality of Service Models  | 61  |
|      | 2.3.2.1. Grönroos Model   | 61  |
|      | 2.3.2.2. Gummesson's 4Q Model   | 64  |
|      | 2.3.2.3. "Synthesized Quality Model" of Grönross and Gummesson              | 65  |
|      | 2.3.2.4. The KANO Model   | 66  |
|      | 2.3.2.5. Service Quality Model of Normann                                   | 67  |
|      |   |     |

| 2.3.2.6. Sasser, Olsen and Wyckoff's Service Quality | 68  |
|--|-----|
| 2.3.2.7. Service Quality Model of Lehtinen&Lehtinen  | 68  |
| 2.3.2.8. SERVQUAL Model                              | 70  |
| 2.3.2.9. Cronin and Taylor's SERVPERF Model          | 77  |
| 2.4. Previous Studies                                | 78  |
| CHAPTER-3  |     |
| RESEARCH METHODOLOGY                                 |     |
| 3.1. Purpose of the Research                         | 82  |
| 3.2. The Importance of the Research                  | 82  |
| 3.3. Scope and Limitations of the Research           |     |
| 3.4. Model of the Research                           |     |
| 3.5.Population and Sample                            | 85  |
| 3.6. Data Collection and Techniques                  | 85  |
| 3.6.1. Data Collection Tools                         |     |
| 3.6.1.1. Internal Marketing Scale                    | 85  |
| 3.6.1.2.Service Quality Scale                        | 86  |
| 3.6.2.Data Collection Techniques                     | 87  |
| 3.7. Analysis of Data and Methods Used               | 88  |
| CHAPTER 4  |     |
| FINDING OF THE RESEARCH AND ANALYSIS RESULTS         |     |
| 4.1.Reliability Analysis                             | 89  |
| 4.2. Validity Analysis                               | 93  |
| 4.3. Participants Demographic Characteristics        | 94  |
| 4.4.Normality Analysis                               | 108 |
| 4.5. Factor Analysis                                 | 109 |
| 4.5.1. Factor Analysis Related to Internal Marketing | 109 |
| 4.5.2.Factor Analysis Related to Service Quality     | 111 |
| 4.6.Regression Analysis                              | 112 |

| 4.6.1. Multivariable Regression Analysis                                     |  |  |
|--|--|--|
| 4.7.Findings on the Hypothesis of the Research                               |  |  |
| 4.7.1. Relationship Between Rates of Development, Rewarding, Vision,         |  |  |
| Empowerment, Organizational Commitment, Corporate Culture, Communication and |  |  |
| Quality of Service   |  |  |
| CHAPTER 5  |  |  |
| CONCLUSIONS AND SUGGESTIONS  |  |  |
| FUTURE STUDIES   |  |  |
| REFERENCES   |  |  |
| APPENDIX144  |  |  |

## LIST OF TABLES

| Table 1.1. Transactional and Relational Marketing Comparison  |
|---|
| Table 2.1. Classification by Service Structure  |
| Table 2.2. Classification According to the Relation with the Customers of the Service   |
| Business  |
| Table 2.3. Classification of Services according to the Flexibility and Initiative of  |
| Service Operation   |
| Table 2.4. Classification According to the Structure of the Service Demand 47   |
| Table 2.5. Classification of Service by Service Presentation Line   |
| Table 2.6. Classification of Services According to Doyle  |
| Table 2.7. Approaches to Service Classification   |
| Table 2.8. Quality of Service and Expressions Related to Corporate Image 63   |
| Table 2.9. Main Factors Causing the Gap in Service Quality in Terms of Service  |
| Provide   |
| Table 3.1. The scale of Hellier, P.K., Geursen, G.M., Carr, R.A. and Rickard, J.A 87  |
|   |
| Table 4.1. Reliability Statistics   |
| Table 4.1. Reliability Statistics   |
|   |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor . 90   |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor .90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor                        |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor . 90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question) |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor . 90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question) |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor . 90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question) |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor . 90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question) |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor .90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question)  |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor .90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question)  |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor .90 Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question)   |
| Table 4.2. Expression Dimension Reliability Statistics of the Development Factor .90  Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7. question)  |

| Table 4.11. Frequency Distribution of Gender                                       |
|--|
| Table 4.12. Frequency Distribution of Age Groups                                   |
| Table 4.13. Frequency distribution of occupational experience in the Hotels 95     |
| Table 4.14. Frequency Distribution of Education Level in the Hotels                |
| Table 4.15. Frequency Distibutions According to Questions                          |
| Table 4.16. Freguency Distibutions According to Std.Dev. and Mean of Questions 105 |
| Table 4.17. Normality Test Results Regarding the Sub Factors of the Internal       |
| Marketing Scale  |
| Table 4.18. Normality Test Result of Service Quality Scale                         |
| Table 4.19. Results of Factor Analysis Related to Internal Marketing               |
| Table 4.20. Results of Factor Analysis Related to Service Quality                  |
| Table 4.21. Relationship Between Internal Marketing with All Dimensions and        |
| Service Quality  |
| Table 4.22. Relationship Between Organizational Commitment, Rewarding,             |
| Development, Corporate Culture and Service Quality                                 |
| Table 4.23. Results About The Hypotheses   |

# **LIST OF FIGURES**

| Figure 1.1 Connection Between Internal and External Marketing Programs               |
|--|
| Figure 1.2: Relationship between Internal Marketing, External Marketing, Interactive |
| Marketing and Relational Marketing   |
| Figure 1.3: The links in the service-profit chain.                                   |
| Figure 1.4: Internal Marketing Model   |
| Figure 1.5: Berry's Internal Marketing Model   |
| Figure 1.6: Grönroos' Internal Marketing Model                                       |
| Figure 1.7: Internal Marketing Meta Model  |
| Figure 1.8: Behavioral Internal Market Orientation Dimensions                        |
| Figure 1.9: Service Markets Triangular Model2  |
| Figure 1.10: Internal Marketing Matrix   |
| Figure 2.1: Properties of Services   |
| Figure 2.2: Conspiracy Spectrum  |
| Figure 2.3: Production-Based Human or Equipment Based Services                       |
| Figure 2.4. Classification by Attribute of Service Product                           |
| Figure 2.5: Properties of the Qualifications   |
| Figure 2.6: Service Quality Model  |
| Figure 2.7: Gummesson's 4Q Quality Model   |
| Figure 2.8. The Kano Model 60  |
| Figure 2.9: Lehtinen & Lehtinen's 3 Dimensional Quality Model                        |
| Figure 2.10: Quality of Service Model  |
| Figure 2.11: Extended Service Quality Model  |

#### **PREFACE**

The concept of marketing has undergone a great change in the twentieth century. Along with the change in the living, marketing, dominance has become a field where the producers dominate, and the dominance has passed completely through the customers. With such a change in marketing, new approaches such as internal marketing have emerged.

Since services offered by service-based businesses are abstract, heterogeneous-synchronous, the most effective forces in the competitive environment are "people". It improves quality of service, embodies services in the eyes of the consumer and is the most effective weapons service employees in creating customer satisfaction. The dissatisfaction with the business of the employees who come in direct contact with the customer in the production and presentation of the service may reflect the customer and damage the business image. For this reason, businesses should make efforts to achieve "occupational satisfaction" in order to achieve their goals. The work to be done in this regard is being studied in "internal marketing" approach and employees are accepted as "internal customers".

The "internal marketing" approach concerns the concepts of customer satisfaction, occupational satisfaction, organizational commitment, job satisfaction, service quality. In order for the operator to reach the goal of 'profit', the management must use the human resource effectively. It is aimed to increase the efficiency of the employees by motivating employees by carrying out internally marketing qualified and efficient workshops, keeping experienced personnel in operation, giving trainings about processes and innovations, making pricing to continue quality production process, cooperation and teamwork in business processes, transferring authority and responsibilities, is a process that aims to reach.

The aim of this study is to determine the effect of various human resources practices on service quality, which are applied to internal customers (workshops) and which can be regarded as a measure of their satisfaction. In this way, the extent to which service quality is influenced by human resource applications for internal

customers has been revealed, and the literature on this subject will also be contributed.

This study consists of three main parts. In the first part, the literature on the subject is given in detail in the context of the definition of internal marketing, the importance of internal marketing, the aims of internal marketing, internal marketing models, elements of internal marketing, internal marketing strategies and benefits of internal marketing.

In the second part, starting from the definition of service, the titles such as service characteristics, the definition of quality, the definition of service quality, dimensions, features, models used in measurement are examined in detail and details about service quality are tried to be explained.

In the third chapter, the research methodology part of the thesis is included. In this section, the method, purpose, questionnaires, and hypotheses of the research are explained. In particular, the scope, scales, limitations and data collection methods used on the research were explained with the aim of showing the scientifically valid and accurate results were obtained in this thesis.

In the fourth chapter includes finding of the research and results of the research. The data obtained by the questionnaire application were analyzed in the SPSS program and the findings obtained were interpreted. Also in this chapter includes results of reliability analysis, normality analysis, factor analysis and multivariable regression analysis.

The final part of the work includes the conclusions and recommendations. In this section, the conclusions reached by the thesis study and the following evaluations are given in the scientific studies.

#### **CHAPTER 1**

#### INTERNAL MARKETING

#### 1.1. Concept of Internal Marketing

The concept of internal marketing has been defined in many ways over the years. Only a few of them are mentioned in this study.

Internal Marketing concept has started to be mentioned on marketing literature at the late 1970's, mainly with service marketing. The concept was first suggested as an answer to the question "how constant high-quality service can be obtained?" by Berry et al. (1976). This concept was then used by George (1977) and Thompson et. al (1978) with Murray (1979). Even though it was not directly used, the idea internal marketing was mentioned in Sasser and Arbeit's (1976) articles. Internal marketing concept has started to take place after this period, especially in administrative science literature (Candan and Çekmecelioğlu, 2009).

According to Ewing and Caruana (1999), internal marketing is "activities focused on obtaining and keeping the customer focused employees". Internal marketing is described as "employees being directed to teamwork to meet internal and external customer needs following the organization mission and goals and be considered both as supplier and customer." (Yapraklı and Özer, 2001: 59). However, Kotler has described the internal marketing as education, motivation and payment process done in order for employees to serve the customer successfully (Kotler, 2003:23). Varey has expressed the internal marketing concept as "a process of handling the management of the departments working on satisfying the worker's needs and internal interaction between employees". Lings (2000) has described the internal marketing concept as expectations of internal customers and way of measuring the service quality. Ballatyne (2003) has described the internal marketing concept as a strategy serving the purpose of renewing the information to improve communications. Mucuk has described the internal marketing concept as business's educating and motivating activities of the employees with the purpose of providing the best service to their consumers (Mucuk, 2007:306). According to Grönroos,

internal marketing concept is the series of activities to help to create a customer centered organization which prioritizes the organization's internal customers' (employees) satisfaction and aims their marketing activities on that direction (Mucuk, 2007:306). Grönroos also interpreted the internal marketing concept as "motivating and keeping the qualified employees by selling the Company to the employees or improving the work conditions and products to make them more appealing (Grönross, 1990:50). Ay and Kartal (2003) has defined the concept of internal marketing as a planned effort of motivating the employees through the process of creating a customer oriented and motivated employee with the aim of providing customer satisfaction who work on different departments to use the business and department strategies more effectively, and to coordinate, integrate and break the resistance of change with a which adapts a marketing-like approach.

Internal marketing is defined most extensively as the concept of internal marketing as a planned effort of motivating the employees through the process of creating a customer oriented and motivated employee with the aim of providing customer satisfaction who work on different departments to use the business and department strategies more effectively, and to coordinate, integrate and break the resistance of change with a which adapts a marketing-like approach.

This description includes 5 basic concepts of internal marketing(Rafiq, Pervaiz, 2000):

- Motivating and satisfying the employees
- Customer satisfaction and orientation
- Coordination and integration between departments
- Marketing-like approach
- Application of specific company and department strategies

#### 1.2. Developmental Stages of Internal Marketing Concept

The evolution of internal marketing can be explained under three different stages which are connected to one other. These are; the stage of satisfying the employees, the stage of customer orientation and the stage of applying strategies which are can be explained as follows (Rafiq, Pervaiz, 2000).

#### 1.2.1 The Stage of Satisfying the Employees

The studies carried out during the period when internal marketing was being investigated as a research topic focused on employer satisfaction. According to Rafiq and Ahmed (2000: 450) the clear majority of the literature on internal marketing initially focused on employee motivation and satisfaction. The main reason behind this is the roots of the internal marketing concept focuses on the efforts to improve the quality of service. Individuals show differences in performance when they are giving the service, which changes service quality. The overall effect of this situation is, it brings out the issue of occupational motivation and satisfaction. With that starting point, the hypothesis of 'employee satisfaction is more important than customer satisfaction' was put forward. At this stage, the employees were focused on and internal marketing approach was introduced as a tool that business management had to use to satisfy the employees. Factors that reflect the positive emotions, attitude and expressions of the individual towards the work, and the factors that are effective in satisfying the occupations was examined.

The key assumption underlying internal marketing is "both satisfied customers and satisfied employee" (George, 1977). Sasser and Arbeit (1976) take this issue one step further and claim that the most important market of a service operation is employees. The development of marketing techniques in the field of employees has been described by Sasser and Arbeit (1976: 64) as a definition of "employees as a customer" and "work as a product"; "Employers who see their employees as clients and their products as business forces them to pay attention to their own employers as well as those who buy services."

The basic assumption of the first step of internal marketing is, the employers must have satisfied employees in order to have satisfied customers (Ay and Kartal, 2003: 16). On the road to customer satisfaction, it is important to emphasize that in order to have satisfied customers, business first has to pay attention to their internal customers. Thus, a new way has been proposed that has not been proposed so far to what they should do to businesses seeking to achieve their goals (Türköz, 2006: 15).

To find, keep and motivate the best possible staff has a crucial importance to the business. Hiring and keeping the best staff through employment is the most important factor of competition, especially among the businesses operating in the service sector. The effect of using the internal marketing approach arises at this point. It is suggested that the main way of creating customer-focused employees who show respectful and empathic behavior towards customers which leads to better customer satisfaction is treating employees as customers. (Rafiq and Ahmed, 2000, 450-451).

Despite the objection of the "employees as a client" philosophy, many potential problems have arisen with the concept of internal marketing in the first stage. First, contrary to the external marketing situation, the "product" sold by the employees may actually have an unwanted or even negative effect on them. Secondly, contrary to the external marketing situation, employees may not have the chance to "choose products". Third, due to the contract nature of employment, employees could be "forced" to accept "products" that they do not want in the final analysis. Fourth, the cost of having a satisfied worker could be high. And finally, the concept of "employee as a customer" concept raises the question of whether the needs external customer is superior over employees is a question. For example; the thought of employee being the most important market of a service business could push the external customers on background by giving priority to the employee market. This is the opposite of the marketing's main idea of "external customers always have the priority". (Rafiq and Ahmed, 2000: 30).

#### 1.2.2 The Stage of Customer Orientation

Internal marketing's aim on the second stage is to ensure that employees are customer-oriented. Grönroos' definition of internal marketing also supports this thought. In this approach, it is emphasized that it is not enough to motivate employees to do their jobs better, but they also have to be sale-oriented. In this period, definitions related to internal marketing have come to the forefront using a marketing-like approach to motivate employees towards customer orientation and sales mindset. Thus, having customer-oriented employees who can respond to customer needs is a key feature of this phase.

The modern marketing approach is based on the basic task of the business to determine the needs and requirements of the target market to utilize integrated marketing tools, satisfy the buyers and achieve the profit and other organizational goals. For this reason, modern marketing concept is also defined as marketing approach towards the customers (Tuncer and Ergunda, 2004: 1).

Zairi (2000: 389) suggests that businesses must demonstrate that their true focus is on their customers through their actions and activities. For this;

- Customer orientation must not stay on paper.
- Expressions related to customer orientation should be examined in detail by senior management in terms of suitability and applicability.
- Customer focus is an expression of intent. It shows the organization's opposition to stagnation and being ready to embrace the new management discipline and concepts. It has also been adopted by the best organizations.
- This means creating new systems and procedures to provide the best service and doing the job right the first time. Customer orientation is not a revolutionary process, but an evolutionary process. It requires high amount of attention, effort and patience.
- Finally, being customer oriented is an approach, a way of thinking aimed at reaching the optimum performance and overachievement.

At this stage, having customer-oriented employees that can respond to customer needs gains a high importance. Employees must be motivated primarily with marketing-like actions in order to be customer-oriented (Ay and Kartal, 2003: 16).

Motivating employees alone is not enough to achieve a higher performance. Employees should also adapt the sales mentality. Furthermore, effective service requires effective coordination between employees and support staff. At this stage, the concept of internal marketing is seen as a vital tool for providing customer satisfaction in service enterprises (Türköz, 2006: 17). Grönroos (1985) and Berry (1981) emphasize the necessity of motivating employees in internal marketing definitions and suggest that using the marketing-like techniques is necessary to do so (Rafiq and Ahmed, 2000: 451-452).

#### 1.2.3 The Stage of Strategy Implementation and Change Management

In the third stage, internal marketing has started being considered as a strategy application goal. Internal marketing has emphasized the necessity of motivating and educating employees towards business objectives (Winter, 1995).

At this stage, the role of internal marketing as an application tool and method is more evident. Initially, this point of view emerged in the context of service. It was then generalized to the complete marketing strategy by Piercy and Morgan (1991), which demonstrates the applicability of external marketing techniques and tools. As seen in Figure 1.1, it relates internal marketing and external marketing programs to each other.

Tasks **Tools** Strategic supervision Marketing tactics **Internal Marketing Program External Marketing Program Product** Product Price Price Distribution Distribution Promotion Promotion Key Target Group In The Enterprise **Key Customer Sections** 

Figure 1.1 Connection Between Internal and External Marketing Programs

Source: Piercy and Morgan, 1991: 84

Referring to Figure 1.1, Piercy and Morgan (1991: 84) express that internal market constraints and barriers are the parts of the strategic and tactical market planning process. The planning process can create an external marketing program in a traditional way and an internal marketing program in a different way. At the same time, the internal obstacles may show that external strategies do not apply, and

feedback might be needed to make some adjustments as needed. On the other hand, internal marketing analyses can present new opportunities and resources to influence the external marketing in the planning process. Managers can establish both internal and external balance in the current planning phase (Piercy and Morgan, 1991: 85).

A more general version of the model in figure 1.1 is shown in figure 1.2. This model incorporates relational marketing and integrates interactive marketing, thus recognizing the broad nature of external marketing efforts.

Organization Internal Marketing Relationship (Motivation, Marketing Customer (e.g. Loyalty Orientation. Schemes, External Co-ordination, Key Account Marketing Integration) Management) (Brand Name, Distribution, Promotion, Price, Warranties) Customers Employees Interactive Marketing (e.g. Up-selling, Crossselling, Customization)

Figure 1.2: Relationship between Internal Marketing, External Marketing, Interactive

Marketing and Relational Marketing

Source: Rafiq and Ahmed, 2002

In general, this approach can be used if existing strategies are to be implemented more effectively, or conflicts and breakdowns will occur in internal and external communication. All the extensions in Figure 2 define internal marketing as a tool, whether internal or external, organizational strategies can be used. Over time, internal marketing began to become a mechanism that reduced departmentalization, intersegment isolation, and came from a superstitious resistance (Rafiq and Ahmed, 2002: 8).

At this stage it is emphasized that the role of internal marketing is to "consolidate, train, motivate, and to make the staff to be aware of their role in the direction of organizational goals and understand the value of organization ". At this stage, the role of internal marketing as an application tool has been made clearer and clearer. Initially, this point of view emerged in the marketing of services. It was then generalized as a marketing strategy that could be applied to the marketing of products. This stage has shown that internal marketing is a far wider process than motivating employees to work in a customer focus (Rafiq and Ahmed, 2000: 452-453). This stage is focused on the necessity of marketing the work to employees.

The idea of marketing the business to employees is not a newly emerging concept. Changing demographic conditions have shown that future labor shortages will result in service-centered workers. The resulting quality of service has further emphasized the link between marketing and human resource management. Management support, rewarding, business design, etc. has become a key issue in service quality management (Varey, 1995: 50). With these issues surfacing, the importance of the employees in the workplace is emphasized, and once again the necessity of having qualified staff and retaining it is confirmed.

Internal marketing literature is now remarkable and growing. However, there are very few examples of how internal marketing works exactly in practice. The majority of work on internal marketing is conceptual. The concept focuses on the use of marketing-like tools to enhance service quality and motivate employees by considering employees as customers and works as products (Ahmed et al., 2003: 1221).

Although there have been a lot of studies on internal marketing in the last decade, there are still uncertainties about the definition and content of the concept. In parallel with its theoretical development over time, the concept of internal marketing, which was introduced for service enterprises, has widened its scope of application and became more ambiguous by intertwining with HRM. The first and most important issue that does not provide a full view on the concept is the structure of the relationship between internal and external customer satisfaction (Ay and Kartal, 2003: 23). In addition, although the concept has begun to converge with increasing research, the number of enterprises that implement it is still very limited and prevents

the concept becoming more evident. In particular, the inclusion of total quality management and human resource management increases the uncertainty of internal marketing efforts (Yaman, 2012: 64).

#### 1.3. The Importance of Internal Marketing

Internal marketing aims to create a cycle which firstly satisfies of the employees, and then the satisfies the customers (Yu and Wang: 13).

The interactive and highly motivated staff will increase the organization's dynamism which will provide quick adaptation to the innovations and changes in the highly competitive environment. Positive and favorable changes in the internal structure will also facilitate the development of client-focused perspectives of business people, thanks to improvements in internal marketing understanding. All the structure and work on the development of the internal marketing understanding, which will positively influence the marketing culture of the employees will also help to develop a common culture within the enterprise (Ene, 2013: 70). If businesses improve their internal marketing activities, communication between managers and employees will increase, leading to a higher employee satisfaction. This is possible with good understanding of the business objectives of the employees (Wu, 2011: 10).

The success in internal marketing will also have a positive effect on the business satisfaction of external marketing (Proctor, 2010: 257; Berry, 1976: 8). According to Tehrani (1999: 4), as long as internal marketing is not a priority, customer relationship management cannot truly succeed. If the business does not give importance to the employee, the employees simply will not give importance to the customer.

Occasionally employees may be the most loyal customer of the business, or the most profitable "Rock Star". Their best feature of that is they already exist. The duty of the manager is to discover and encourage them. Otherwise, it has no difference than the person who cannot detect the golden wall laying inside their house with a metal detector (Lee, 2013:8).

Heskett et al. (1994) conducted a study on providing the employee satisfaction. The "service- profit chain" approach used in this study in order to provide customer satisfaction, employee satisfaction must be provided beforehand is given on the Figure 1.3.

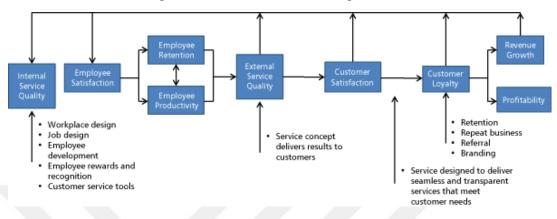


Figure 1.3: The links in the service-profit chain.

Source: Heskett vd. 1994: 166.

Service - Benefit Chain links the relationships between profitability, customer loyalty and employee satisfaction, loyalty and productivity. The links in the chain (accepted as a recommendation) are as follows; Profit and growth are stimulated primarily by customer loyalty. Loyalty is a direct result of customer satisfaction. Satisfaction is greatly influenced by the value of services provided to customers. Value; created by satisfied, loyal and productive employees. Employee satisfaction can be achieved by the provision of high-quality support services and policies to employees and subsequent reflection on the client (Heskett et al 1994: 165).

#### 1.4. The Aim of Internal Marketing

The main purpose of internal marketing is to provide satisfaction to external customers. Because, the focal point of the operations of the enterprises is the external customer. Providing this satisfaction will increase the likelihood of re-engaging customer loyalty and business, resulting in increased operational profitability and market share (Varinli, 2008, 114).

Other objectives of internal marketing can be summarized as follows:

- Preventing the separation of qualified employees from operation, to eliminate management standards that are weakening, to promote efficiency in management by adopting openness in company and occupational policies,
- Collaborate with the management team who share goals, develop their experience and skills, and mobilize individual motivation for economic recovery,
- Moving towards quality for competitive service delivery in a changing economic, political and technological environment,
- To create an attractive company brand in terms of both consumers and organization members,
- Managing communication with an open strategy based on research and evaluation, occupational development and responsibility,
- Increasing productivity through participation that leads, processes and commitments it requires (Varey and Lewis, 1999: 928).
- Internal marketing creates commitment and participation in organizational programs. Participation and commitment, doubled in purpose, is a precondition for focusing on the ultimate need and the most needed fit to deliver successful results.
- Participation is not only about employees. At the same time, it includes all organizational resources such as systems, equipment and information. For this reason, one of the main objectives of internal marketing is to contribute to the development and evaluation of the processes applied to make better efforts towards organizational goals. In this sense, internal marketing enables us to organize all the individual and organizational functions, activities, communications, and elements used by an operator to create, develop and maintain appropriate internal connections so that the quality expected by the last customer can be revealed (Ahmed and Rafiq, 2003: 1179).

### 1.5. Benefits of Internal Marketing

If the internal marketing activities are applied successfully, the benefits can be listed as follows; (Arnett, Laverie and Mclane, 2002: 87).

- Employee satisfaction is increased. It plays a role in reducing the conflict between departments. Workers' perspectives change, the feel of happiness increases the performance of the employee in the operation. This situation is positively affected by other employees. While people are doing their jobs nicely, the quality of service is indirectly increased.
- Decreases the ratio of resigns. Employees' loyalty to the business increases, thereby reducing costs of recruiting and training the new employees. The number of defective products is reduced due to the retention of the qualification element.
- An open organization to change and innovate in the organization helps to form a culture. It helps to reduce the employees' reactions on change.
- It helps to create an innovative spirit in organizations and helps the employees to reach the results on their own.
- By acting in a customer-focused perspective, the business can be flexed according to the conditions of the day, can cope with intense competition, and can be edited in the direction of a dynamic structure. (Ene, 2013: 70)

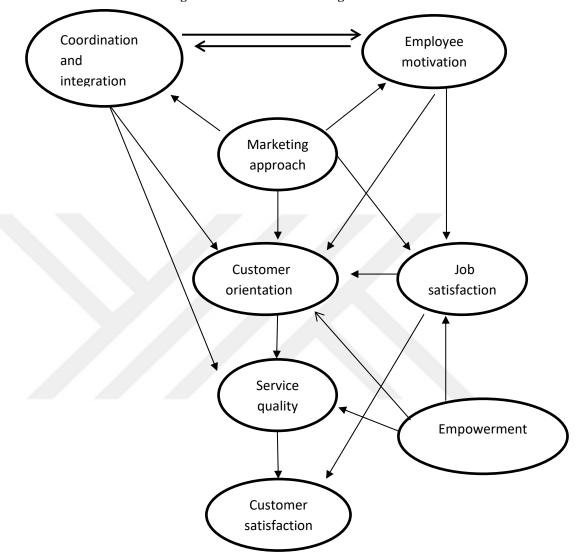
#### 1.6. Models of Internal Marketing

According to the expanded internal marketing concept, internal marketing is a motivated and consumer-oriented work creation through the process of creating customer satisfaction, effective marketing and operational strategies to effectively apply to business and functional strategies to break their resistance to change, to motivate and coordination between functions which are planned efforts towards integration (Rafiq and Ahmed, 2000: 455).

#### 1.6.1 Internal Marketing Model

The internal marketing concept focuses on actions, interactions and adaptations that enhance customer satisfaction. Behaviors that enhance this quality can be achieved by creating an environment in the workplace which employees can be a part of. These customer-focused behaviors that increase the quality displayed by business

people will be the most basic method for providing competitive advantage to businesses (Ahmed and Rafiq, 2003: 1181).



**Figure 1.4: Internal Marketing Model** 

Source: Rafiq, M. and Pervaiz, K.A. 2000:449-457

As seen in the figure, there is a marketing approach at the center of the model, which motivates employees, coordinates between functions and focuses on customer orientation. Customer orientation is crucial for business objectives and customer satisfaction, and all marketing efforts are carried out through these steps. Coordination between functions effects employee motivation which provides employee satisfaction, employee motivation effects coordination between functions and work satisfaction, work satisfaction effects authorization and success in

interactive relationships. Therefore, all processes are designed to provide customer focus and the result is the improvement of service quality and customer satisfaction (Rafiq and Ahmed 2000: 454-455).

#### ► Berry's Internal Marketing Model

In this model, which supports that employees should be seen as customers, it is essential that businesses perceive the company as any other product. This is to take the needs and wishes of the internal customer into account and to make the product (business) attractive to domestic customers (Ahmed and Rafiq 2002, p.13).

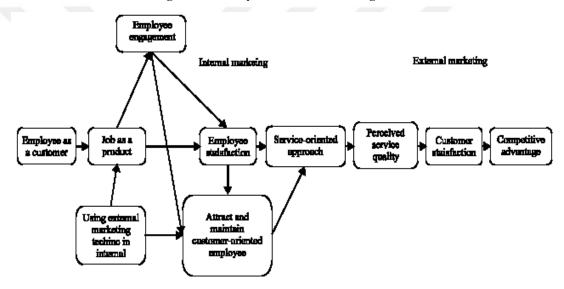


Figure 1.5: Berry's Internal Marketing Model

Source: Ahmed and Rafiq, 2002: 37.

#### ► Grönross Internal Marketing Model

According to Grönroos, employees should be customer-aware and salesoriented so that they can benefit from interactive marketing opportunities. Thus, high quality of service and high sales can be achieved (Ahmed and Rafiq 2002, p.14).

Prequisites of the employees with customer awareness is having supporting activities during recruitment, providing the necessary training, and settling a participatory management. Thus, the appreciation of those who interact with other employees or external customers enhances employee satisfaction and motivation. Employees must be informed of any marketing strategies and campaigns before the it

is announced to the public market. In this way, employees understand the importance of their role in providing and presenting services. Senior management must support the related actions (Ahmed and Rafiq 2002, p.15).

Information that launches market campaigns Supportive awareness of importance Interactive Increased employment of the role of employees marketing sales practices Supportive Education Perceived Custoer-Good Customer Increased manageent service focused satisfaction utility interactio quality employe Participatory Employee management satisfaction Employees be appreciated

Figure 1.6: Grönroos' Internal Marketing Model

Source: Ahmed and Rafiq, 2002: 37.

Another model related to internal marketing is called a meta model and the meta model is explained as follows;

Pre-launch information Employees realise the regarding marketing importance their role campaigns Supportive Participate Employee Training recruitment discretion management practices Service Supportive quality senior Motivated Word of Increased loyalty management strategy employees promotion Customer conscious/customer Perceived Good Customer Increased orientated service interaction satisfaction profitability employees quality Sales Increased sales due to interactive minded marketing employees Job as products Employee satisfaction Application of marketing techniques Attraction and retention of internally customer conscious employees

Figure 1.7: Internal Marketing Meta Model

Source: Yoldemir, 2015: 41

As seen in Figure 1.7, the basic item of the meta model is the quality of service strategies. Figure 1. 7 shows that the top management is very important within this model. It is understood that the meta model of internal marketing has a broader scope when compared with other models. Figure 1.7 shows that the factors that need to be considered according to the meta model of internal marketing are related to high quality of service.

#### 1.6.2 Lings Model

In this model developed by Lings, the dimensions of the internal marketing orientation are covered in 3 chapters (Lings 2004, p. 409). These are: internal market research, internal communication and internal response.

Internal marketing research includes important characteristics (value) of work, satisfaction level of employees' work, internal and external factors affecting employee satisfaction, external market surveys (Varey and Lewis 2000, p.181).

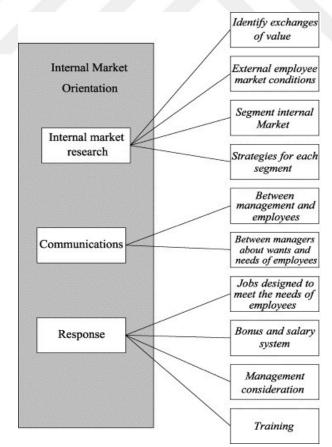


Figure 1.8: Behavioral Internal Market Orientation Dimensions

Source: Lings. 2004: 409

When conducting internal marketing research, it is important to employ people with similar skills in order to compete. Most businesses are looking for talented people to work with the customer during initial contact. Inner marketing research results, which contrasts employee competitiveness, are as important as research on service competitiveness in the same product (Lings, 2004, p.

In the process of internal communication, effective internal communication is needed as an element of internal marketing mix. Communication between management and businesspeople includes information about new marketing strategies, as well as the use of news and other resources. It is also recommended to use reports, presentations and official meetings. Coordination and co-ordination in internal communication (Varey and Lewis 2000, p.182). The fact that managers are in good communication with workshops and the reciprocal nature of this communication accelerates the acceptance of organizational guidelines and behavioral change (Lings, 2004: 411).

In the internal response phase, responding to information about the internal market can take place in several ways. Some of the approaches can be used in this phase can be implemented with applications such as financial and non-financial rewards, creation of wanted income levels, reorganization of business design, in and out training opportunities, and high job security (Lings, 2004: 411).

#### 1.6.3 Service Marketing Triangle Model

Service marketing triangle; attention is drawn to three different services that a service operation must successfully perform. In all three types of marketing, the focus is promises made to customers. The fulfillment of these is highly important (Rising, 2013: 431).

Internal Marketing "enabling the promise"

Satisfaction, Quality, Brand Loyalty

Employees

Customers

Interactive Marketing "delivering the promise"

Figure 1.9: Service Markets Triangular Model

Source: Zeithaml and Bitner (1996, p. 23)

As shown in the service marketing triangle in figure 1.9, three sub-marketing sub-processes and objectives of service marketing are indicated. According to this; on the right side of the trianglethere is "External Marketing" efforts directed towards the customers. External Marketing; is the traditional marketing approach, involving accepted promises by customers and sales (Bayuk, 2006: 8).

At the base of the service marketing triangle is the functioning of services and the customers. Interaction between business people and customers requires interactive marketing (Yükselen 2013, s.432). Interactive (interactive) determines the level of service quality and quality of the quality of interaction between the service provider and the offerer when served in the marketplace (Armstrong and Kotler, 2003: 309).

On the left hand side of the service marketing triangle is the "internal marketing" that takes place between business and occupation. Internal Marketing; company activities such as motivating employees and investing in customer-focused physical resources and systems can help keep promises; which makes it possible to make promises to foreign markets (Ziethaml and Bitner, 1996, p.24).

Armstrong and Kotler (2003), according to internal marketing, employees in contact with the service company of the customer, motivate and of the arrangements for training and all services support staff will be defined as work with team spirit for customer satisfaction. It is possible for the firm to be able to establish a consistently

high quality of service understanding by taking into account the orientation of the people in operation. Internal marketing should precede external marketing. To comply with the promises given to the customers, activities such as empowering the employees and educating and motivating the employees are elements of internal marketing. Internal marketing considers the understanding that business people and customer satisfaction are inseparable (Ziethaml and Bitner, 1996, p.24).

#### 1.6.4 Internal Marketing Matrix

Ballantyne (2000) has created a quadruple matrix as a new model in internal marketing. This model is shown in Figure 1.10;

TRANSACTIONAL
MARKETING
METHODS

1.
KNOWLEDGE
CAPTURE

3.
KNOWLEDGE
GENERATION

RELATIONSHIP
MARKETING
METHODS

2.
KNOWLEDGE
CODIFICATION
CIRCULATION

Figure 1.10: Internal Marketing Matrix

Source: Ballantyne, 2000: 277

In terms of internal customer relationships, two methods emerge in internal marketing analysis: transactional marketing and relationship marketing. In operational marketing, it is aimed to satisfy profitably the needs of internal customers. In this method, monologue and limited bidirectional interaction are mentioned.

It is about communicating information such as new product information, policy and procedure by accessing new information and linking it to a system of information by taking advantage of several selected businesses and information communication technologies in communication. In the context of relational marketing, there is a two-way communication that focuses on creating mutual value among customers. New knowledge is gained by means of functional project groups, creative approaches, innovation centers, quality improvement approaches. The

circulation of information is provided by means of intervention-based learning groups, workshops, feedback, etc. (Ballantyne, 2000: 278).

Relational marketing is not just a strategic application of techniques, tools and tactics, but a philosophy that emphasizes the importance of thinking about and creating value for customers (Berry, 2002, p. 73). Christopher et al. (1991) compared transactional and relational marketing (Table 1.1).

**Table 1.1 Transactional and Relational Marketing Comparison** 

| Operational Marketing                            | Relational Marketing                             |
|--|--|
| It focuses on winning new customer.              | It focuses on customer retention.                |
| It dwells on features of service.                | It focuses on customer value.                    |
| The time scale is short.                         | The time scale is long.                          |
| It less attaches importance to customer service. | It more attaches importance to customer service. |
| Customer loyalty is limited.                     | Customer loyalty is high.                        |
| Customer relationships are limited.              | The relationship with the customer is high.      |
| Quality concerns the operation.                  | Quality concern everyone.                        |

Source: Peck H, Payne A, Christopher M, Clark M. 1991, s.45

## 1.7. Internal Marketing Strategies

Internal marketing is often thought of as applying to employees within marketing and market-like instruments business (Lings 2004; 406). In order to satisfy the customers in the internal market as well as in the outer markets, it is first necessary to collect constant information about the internal market. The information includes topics such as job qualifications, working conditions, internal and external factors affecting employee satisfaction, and activities of competitors (Lings, 2004, 411). In line with the information obtained from this process, the market is being segmented and marketing mix is being developed. Internal marketing as the management of "4P" activities is organized based on a single general purpose view of the specific, holistic and organization. For this reason, it is emphasized that the position of the employees must be understood in order to be able to respond positively (Varey and Lewis 1999; 930).

#### 1.7.1 Internal Market Segmentation

It is made up of employees of the internal market enterprises. Adoption of internal marketing strategies is necessary to achieve the targeted objectives in foreign markets. Understanding and responding to the expectations and needs of employees increases the satisfaction level of both employees and customers. In order to satisfy the customers in the internal market as well as in the outer markets, the internal market should be segmented first. On the basis of this requirement, workers in the enterprise should be divided into groups in homogeneous groups. Frost and Kumar divide the internal customers by separating the two groups in the form of frontline staff and support staff. Frontline personnel are employees who are directly related to customers, while support staff consists of employees who are out of this group (Frost and Kumar, 2000, 364). In the form of another division, four different groups have been allocated, taking into consideration the connections of employees to the client. It is possible to list these groups as follows (Peck, H. et al., 1999, 315):

- 1. Establishers; employees who make frequent or periodic contact with customers.
- 2. Modifiers; employees who make direct contact with customers without face-to-face contact but less frequent.
- 3. Affectors; employees who decide how often establish direct contact with the customer though they did not make a direct contact.
  - 4. Abstracted; are employees who have no connection with the customer.

Internal marketing deals with all employees and departments operating as internal customers. Other employees and departments within the enterprise are examined as internal suppliers (Lings, 2004, 405).

#### 1.7.2 Development of Internal Marketing Karma

The marketing mix that McCarthy has widespread and is now generally accepted is composed of product, price, promotion and distribution (Mccarthy, 1975: 75). Today, there has been some changes in the handling of marketing mix elements. Product; buyer take the benefits that obtain from exchange. Price is deducted from

other marketing mix elements as revenue generating element, other elements create cost. As a result, firms are trying to raise their prices to the level at which their products differ (Kotler, 2000: 141). In addition, promotion is everything that affects both the buyer and seller's perceptions and the distribution is all the effort to add value between the starting point and the endpoint. In this case new concepts emerged. Instead of product concept; performance, instead of price concept; to the concept of peralty appreciation; perception and finally the concept of distribution; process concepts are proposed (Quote from Yudelson, 2002: 56-57; dergipark.ulakbim.gov.tr/selcuksbmyd/article/download/5000084528/5000078619, 375376).

# 1.8.Internal Marketing Practices

7P, which is an expanded marketing mix because it is available for service business, takes interdependence into account between departments.

In internal marketing, the 'product' is generally the work itself. However, at strategic level, applied marketing strategies can be expressed as product. At the tactical level, new performance criteria and new behavioral procedures and training programs to be implemented by the customer can be considered as products. In internal marketing, 'price' may be the product of the above examples, the psychological value of the employees' adoption. Transfer pricing between departments and expense distribution can also be considered as price. The cost of employees may not be monetary, and in this case, employees may predict more than they are worth and tend to resist changes. With regard to 'promoting' in internal marketing, human resources managers can be referred to from the various techniques and media they use to communicate with employees. Interest in new application and training programs within the company can be achieved by announcing them through tools such as corporate newsletters and news boards. However, in internal marketing, personal sales are much more influential. The reason for this is the administrator who gives the product or the owner who is the superior owner. Monetary and nonmonetary incentives and incentives such as contests should be used to break down the short-term resistance of employees and to motivate them to increase their productivity and to exhibit consistent behavior. The use of advertising in the national

media is limited in terms of internal marketing. However, in-house broadcast television is increasingly being utilized to effectively reach a large number of employees in different locations. Conferences and meetings where internal marketing applications are announced as 'place' as distribution refers to the places and channels used to deliver products to customers; third persons such as consultants and educational institutions used in the delivery of training programs can also be given as an example to "channels". The 'physical environment' products are presented in internal marketing is not as important as it is in services, as it is often the normal business environment. However, if employees are required to meet certain standards, it is important that such standards are documented. The 'process' of how the client receives the product can express ways of presenting various new applications such as training in internal marketing, trade union negotiations, circulars and videos. The source of internal marketing programs plays an important role in the effectiveness of programs. Employees are often influenced by their superiors who are closest to themselves. Although it is beneficial that direct contact between employees who are in contact with external customers and the senior management of the company is insufficient. In internal marketing, 'market segmentation' refers to the grouping of employees. The groupings that are commonly used in HRM vary according to the types of employees' earnings, roles and departments in operation. 'Marketing research' is used to determine the needs and desires of employees and to control HRM practices (Pervaiz, Rafiq, 1993).

The main question that managers of internal marketing should answer is when and under what circumstances internal marketing should be implemented. Internal marketing may not be implemented only by the whole organization. Internally marketing applications of departments, groups and functions within the organization are frequently encountered. The same can be said within the context of internal marketing (Pitt, Foreman, 1999).

If managers see jobs as products, they feel pressure to show the same selfesteem in the products, and as a result, the best personnel are acquired and kept in the organization. This requires that marketing managers, as well as human resource managers, take a more active role in decisions about the definition and characteristics of jobs (Pervaiz, Rafiq, 2000).

# 1.9. Important Concepts in Internal Marketing Practices

There are some important concepts that should be taken into consideration for the implementation of the internal marketing concept which aims to increase customer satisfaction by increasing employee satisfaction and which should be carefully considered by the management. The careful examination of these concepts will facilitate the implementation of the concept of internal marketing within the enterprise. These concepts, which will enable the implementation of an effective application, will help to pass the application in less time and with fewer problems.

### **▶** Communication

Communication in the process of all processes is an indispensable element. If the managers in the business do not understand that they have different working groups and that they have different needs, they will produce general and detailed messages, creating distances between employees and businesses, and causing confusion in business activities (Ahmed and Rafiq, 2003: 1183).

The existence of an effective communication system to achieve business objectives appears as a fundamental requirement for management levels. Communication is an important process in the management of the human relations between the employees as well as in the effective orientation of the activities. Because only through effective communication, employees and business management collaborate to reach business goals by reaching a common view and understanding (Mucuk, 2003: 345-346).

Two-way communication in internal marketing aims to build a bilateral understanding and trust between the rulers and the ruled and the functional departments. Collaboration is the necessary organizational culture and the critical success factor in building construction (Varey, 1995: 222). The critical success factor in establishing collaboration is communication. If effective communication can not be ensured between the cooperation teams that will be formed in order to realize the activities more effectively, problems will arise between the groups in the enterprise and the interruption of the business will be inevitable (Kotler 2012, p.22).

Administrators need to be more careful about communicating marketing strategies and objectives to employees. Through accurate and effective communication, employees can understand the roles and importance of implementing strategies and achieving marketing objectives. Open and continuous communication downwards will greatly reduce the role ambiguity of employees. As a result, employees' job satisfaction will increase. To be able to achieve this, administrators need to establish communication mechanisms that are appropriate for their specific operating structures and activities (Rafiq and Ahmed, 2000: 451-452).

Coordinated internal and external communication is an element that enhances service quality. Informing the employees on the necessary matters will ensure that they are prepared to anticipate the expectations of their customers and shareholders (Varey, 1995: 50). Employees who fully understand the expectations of customers and shareholders will make more and more effort to realize them. This will ensure that both the client, the shareholder and the occupier will win at the same time.

The use of inconsistent communication tools in business weakens internal marketing programs. The most reliable source of communication for many employees is face-to-face communication (Davis, 2001: 125). Through face-to-face communication, the message can be transferred to the other side in a precise and accurate way. There is also the possibility of making a check at the point of giving and receiving the message.

In internal marketing applications, both external communication and intraorganizational communication have great prospects. According to Zeithaml, advertisements in service businesses should be shown to employees before they are shown to external customers. Employees provide better service if they have a positive opinion of the ads. Therefore, domestic customers should not be forgotten in the external communication of the business (Schneider, Bowen, 1992; 71). There should be continuous communication among employees within the organization and cooperation should be made between staff in different departments to ensure that everyone works for the same purpose (Webster, 1991; 56). For more effective intraorganizational communication, questionnaires to be applied to employees can be used (Snee, 1995).

### **►** Technology

With technology, it is possible to provide better services to both the customers and the external customers. Thanks to new technologies, employees are able to access and better serve their customers. However, in case of possible disruptions, workers may be in a difficult situation. An example of this is when a computer system collapses on a bank and a long line of bank employees falls (Scneider, Bowen, 1992). According to a qualitative research (Frenkel et al., 1999), the technology employed by employees needs to be functional so that they can meet simple, reliable, fast and reasonable customer demands in order to increase customer satisfaction capacity (Sergeant, Frenkel, 2000).

### **►** Culture

One of the issues that need to be taken into account in the implementation of internal marketing activities is the employees' business culture (Armstrong, 1990: 206). The establishment culture consists of the business traditions, the way in which the activities are carried out, the language used, behavior style, the style of management, common values, social labels, horizontal, vertical, and cross-over relationships and attitudes towards customers. Every business has a unique culture, a culture shaped by its technology, organizational and managerial structure and social conditions. In order to carry out a program in a customer-focused, domestic and foreign market chain, some changes must be made in areas such as organization, culture and technology (Varey and Lewis 2000, p.200). Internal marketing helps the organization develop its culture; existing organizational culture also facilitates the internal marketing process. Internal marketing understanding and marketing culture increase business performance by positively affecting non-business marketing activities (Varey and Lewis 2000, p.202).

### **►** Socialization

Socialization refers to a process involving adaptation to the organizational culture and norms of newly joined employees. New employees learn processes, procedures, norms, group work, reward systems and social relations in the business

(Varey and Lewis 2000, p.182). The organizational socialization process in service enterprises is very important in improving customer focus among employees. The opportunities provided for employees in socialization and individual development contribute to the employee's self-development, the feeling of being important for the organization, and the organizational commitment and job satisfaction of the employee (Varey and Lewis 2000, p.187). Another important issue to consider when providing employees at the right level for their employees to fulfill their jobs after getting such employees. The research results show that the role ambiguity can be reduced by educating employees appropriately. An appropriate training also means that employees can meet the needs of their customers more effectively (Rafiq and Ahmed, 2000: 457).

Internal marketing concept is based on the idea that communication quality and social facilities between departments and processes in operation will increase organizational performance and thus increase the liking of the organization against the target audience (Varey and Lewis 2000, p.193).

### **►** Empowerment

It is called "empowerment" for employees to take responsibility in the decision-making process without the permission of senior managers in the enterprises. Researchers such as Gronroos, Berry and Parasuraman have stated that they are an important part of the internal marketing of the Authority. They are used correctly and widely throughout the operation (Varey and Lewis 2000, p.184) (Davidson, 2008, p. 491). Internal marketing to be applied in the service sector provides high service experience and satisfaction as a result of the authority given to employees (Chen and Zhao 2010, p.3). It is believed that the empowerment is influenced by employee satisfaction, customer orientation and quality of service (Varey and Lewis 2000, p.181). However, internal marketing can access and be responsible for the relevant work while empowering employees. Authorization may not have a similar effect on all employees, as individual liability may vary (Rafiq, Pervaiz, 2000). Empowering the employees of the business increases employee loyalty and participation, strengthening customer relationships (Mishra, 2010, p.189).

# **▶** Employee Satisfaction-Customer Satisfaction

Bitner (1990) showed that employees 'attitudes and behaviors can affect customers' perceptions of service and service quality positively or negatively (Hartline, Ferrell, 1996). Because of this, businesses spend a considerable portion of their time and capital to understand the needs and needs of their domestic customers. Most of the work done on the subject reveals the following conclusion: Internal customers have similar characteristics with external customers from many directions. Internal marketing concept is applied for the professionalization of the personnel and for increasing the quality of the services and products. This philosophy assumes that employees are clients of the business (Harrell and Fors, 1995: 22). There are a number of studies that have shown that friendship, enthusiasm, and attention from employees who are in contact with customers positively influence customer perceptions of service quality (Hartline, Ferrell, 1996). In addition, according to a survey, customers should consider that they do not see enough reason to change the companies around 70% (Stershic, 2001). In addition to influencing the external customer in a positive way, employees in contact with the customer are important customer information sources and report complaints about management, pricing, distribution and employee attitudes (Drew, Fussell, 1996). Therefore, the role of the employees who are in contact with the customer is very critical. However, employees who are not in contact with customers in internal marketing should be able to show attitudes and behaviors in the direction of better service delivery to the last customer (Rafiq, Pervaiz, 1993).

In a survey of salespeople by Lambert, Sharina and Lew (1997), a positive relationship was found between satisfied customers with sales staff and satisfaction with sales. The salesperson's image can successfully improve the level of satisfaction of the management client versus the customer. Perceived as a particularly reliable and up-to-top expert can help salespeople establish long-term business relationships (Liu, Leach, 2001).

Piercy says that in the applications that companies choose to provide external customer satisfaction, it is a critical mistake to ignore the real costs of the

applications, their difficulties, and the limitations inherent in the company itself (Ambler, 2001).

### ► Management's Attitude

In order to achieve the objectives of the business, the employees must provide continuous managerial support and the employees should operate in the most appropriate way according to their knowledge and skills and create value for them (Varey and Lewis 2000, p.203). Internal marketing is an integrated process based on accelerating positive business relationships with developmental management of collaboration and success within a system (Ballantyne, 2000: 276). In order to be successful in relationship marketing strategies, managers need to determine and take into consideration the desires and needs of employees. For the success of relational marketing, it is important for the top management to support it (Kotler 2012, p.22). Employees should be allowed to control and participate in the design of business processes in order to make contributions to the business. Business processes should be designed to be approved by employees (Varey and Lewis 2000, p.179). The messages reflected to the customers from the top management to the bottom level must be positive and clear. In organizational decisions, managers should ensure that employees are involved in these processes for healthy communication with employees in the organization of their workplaces (Varey and Lewis 2000, p.188). Interest, tolerance and understanding shown to the employees at lower levels will be an interesting indicator that they will show to their customers (Varey and Lewis 2000, p.198).

# 1.10. Problems Encountered in Internal Marketing Practices in Businesses

It is not easy for Internal Marketing to be fully understood out of the ordinary and be operational in businesses. It is quite difficult to understand the concept without associating it with employees or business. This concept is integrated. When implemented, managers will play an important role. If academics and managers use internal marketing as a means to increase productivity and functionality, they must first fully understand the concept of internal marketing. (Ahmed and Rafiq, 2003, 1186).

The worker who is forced to accept the product or is the only option will be unhappy after a while. This situation will be reflected first to the customer satisfaction and then emerge customers who are not satisfied with the total service. In addition, the proposed changes to the organization may not be compatible with organizational culture, resources or employees' abilities. The developed plan may not be applicable. (Varey, 1995: 42). In this case, it will cause the decrease in the success of the business again. The employee who cannot adapt to the new situation will not be able to present the necessary effort to achieve the objectives of the business.

While Schonberger (1990) argue Ciampa et al. (1991)'s views that an internal customer chain should be recognized as a provider of the external customer service, Guaspari (1991), Mudie (1987) and Howe et al. (1991) had a suspicious approach for this view. They argued that a great deal of focus on internal customers would diminish the value of management of external customer relationships and that managers in practice often need more imitation than service orientation. (Varey, 1995: 42).

Internal marketing ensures that the concept and practice of marketing are not monopolized by the marketing department and that functional specialists interact with marketers in order to create internal customer-focused groups. Common research issues in marketing and quality management ensure business success, change, sustainable competitive advantage, competencies, and values that businesses need. (Varey, 1995; 54).

At the end of changes made to implement internal marketing, problems can arise such as making decisions without evaluating organizational culture, making decisions unchanged when necessary, unable to determine customers and their expectations clearly, or errors in the flow of information and decision making. The most fundamental reason for these problems is the managers who are not able to explain the execution and context of the plans and unable to incorporate the necessary persons in the action. (Varey, 1995: 43). The basic element needed to avoid such negativities is the presence of the manager, who can make the right decisions

and change the decisions already determined when necessary, taking into account the organization's culture.

There is confusion about what exactly internal marketing is, how it needs to be implemented, and who is going to run it. Various comments on what internal marketing is have led to a wide range of activities. This has been worsened by the confusion of internal marketing with the concept of economic internal markets. The main problem is that there is not a single consensus on what is explained by internal marketing. The differences in interpretations and definitions have led to difficulties in the implementation and widespread adoption of the concept. The fact that the definite domain of internal marketing is not identified at the conceptual level makes it more difficult to question the concept experimentally (Rafiq and Ahmed, 2000: 450-452).

There are very few empirical (experimental) data that show a positive relationship between internal marketing practices, effectiveness, and performance. Therefore, it is really difficult to generalize to what extent internal marketing is impacted by the implementation of relevant business strategies.

Although inter-functional coordination is a key feature in both internal marketing and marketing orientation, it remains as a highlighted concept, and it is not fully determined how it should be implemented. At least on a conceptual level, internal marketing is proposed as a structure that makes that happen. However, there is still little research on this subject (Ahmed and Rafiq, 2003, 1180-1181).

### **CHAPTER 2**

# **SERVICE QUALITY**

#### 2.1. SERVICE CONCEPT

The concept of service originated from the business literature. Services were not included in the marketing area before 1975. But, this approach has changed with the publication of the article "Breaking Free from Product" by Lynn Shostack, a New York banker, published in 1977 in the Journal of Marketing magazine. This article is the beginning of the field of marketing of services (Benjamin, 1997).

Service descriptions from the years 1960 to the end of the 1980s focus on the fact that service is a phenomenon and it is mainly performed by service businesses. Gummesson, as a critique of various advocated definitions, refers to an undefined root as "service is such a thing that although it can be bought and sold, it cannot be lowered". Although this definition criticizes the work that everyone would accept, it actually points to "abstractness", which is one of the most basic features of service. In other words, service is not a tangible fact that can be handled, although it is mutable (Grönross, 2000: 46). Services are not as tangible as physical products or goods. While products are concrete objects existing in space and time, services are only social movements and interactions that exist in time (Kundu and Vora, 2004: 41)

Many scientists have made service definitions differently. Kotler describes service as an activity or benefit that one side represents to the other, essentially abstract and does not end with ownership of anything. The production of the service may or may not depend on any physical product (Kotler, 1997).

Some important features that arise from the nature of services and distinguish services from goods make it difficult to make a definition of service. Information on goods and physical product quality is inadequate for understanding and explaining the concepts of service and service quality (Parasuraman, 1985).

According to Ramaswamy, the service is a business interaction between a seller (service provider) and a buyer (customer) in order to produce output that will provide customer satisfaction (Ramaswamy, 1996).

According to a definition by Pine and Gilmor, the service is a set of activities held on behalf of a buyer (customer) and untouchable (non-physical). (Pine and Gilmor, 1998).

In another definition, service is defined as "economic activities that produce time, place, form or spiritual services ". (Murdick et al., 1990).

Zeithaml and Bitner describe service as the simplest form of actions, processes, and performances (Zeithaml and Bitner, 2000).

Lovelock defines service as a movement or performance offered by one party to the other (Lovelock, 1996).

Service is a non-physical product that is produced by people and machines with human endeavor and directly benefits the consumers. (Skinner, 1990: 631).

The service is an activity or benefit that is not inherently tied to an organization or person and does not result in ownership of anything. (Palmer, 1994: 91).

With the generally accepted definition, service is to meet and exceed the expectations and needs of the customer (Swartzlander, 2005: 1).

Adrian Payne defines service as "an activity that can be related to a product that is produced or presented to a customer on its own, has an abstraction in it, requires a relationship with its customers, and leads to a temporary ownership, in which ownership is not entirely a customer" (Payne, 1993: 6).

Services differ from other physical products, from production to consumption, from untouchability to stocklessness. When the physical product and service are compared, the physical product is defined as an "object" and the service is defined as "an action, work or performance". (Krishnan and Hartline, 2001: 15).

From time to time, concepts are tried to be defined by explaining "what they are not". According to Quinn and Gagnon, service means any economic activity that is not the product or the basic output. (Van Looy et al., 2003: 10).

After observing these service definitions, Yong has established the following important features to provide a better understanding of the service concept. First, the

service is a performance. It is not a physical object. This performance occurs during the interaction between the customer (service receiver) and the service provider. Second, other factors, such as physical sources or environmental conditions, play an important role in the process of production and consumption of services. Thirdly, the service needs the customers to play an active role in resolving problems (problems that can occur during service delivery). The fourth is the difficulty in controlling the quality of service. (Chang et al., 2002, 2000, Olsen et al., 1998, Lindguist, 1992). Because of these features, services are separated from goods and products. A clear understanding of the differences between services and goods is important in explaining why services-producing organizations need to be designed and managed differently than goods-producing organizations. (Benjamin, 1997: 27-31).

### 2.1.1. Service Features

When designing a business' marketing programs, the characteristics of the service must be considered. These features are abstractness (non-physical), inseparability, variability, and instability. (Kotler & Armstrong, 2006; 257). These distinctive features create special marketing efforts and opportunities that lead to different tactics and strategies used in the marketing of goods. (Stanton, Etzel ve Walker, 1997, p.518).

Intangibility
Services cannot be seen,tasted, felt, heard or smelled before purchase.

Variability
Quality of services depends on who provides them and when, where, and how

Inseparability
Services cannot be separated from their providers.

Perishability
Services cannot be stored for later sale or use.

Figure 2.1: Properties of Services

**Source:** Philip Kotler and Gary Armstrong, Principles of Marketing, Eleventh Edition, New Jersey, Prentice Hall, Inc., 2006, p.258

### 2.1.1.1 Abstractness

The most obvious difference between goods and services is the abstractness, which is the most basic feature of service at the same time. This concept, first described by Jean-Baptiste Say (Translator: Lovelock and Gummesson, 2004: 24), is also a source of other features of service.

According to Zeithaml and Bitner, although some products are almost entirely abstract, abstractness is the main component of services. Accordingly, the "concrete spectrum" in Figure 2.2 gives an idea of how abstract or concrete the various products and services are. (Zeithaml V., Bitner, M., 1996: 7).

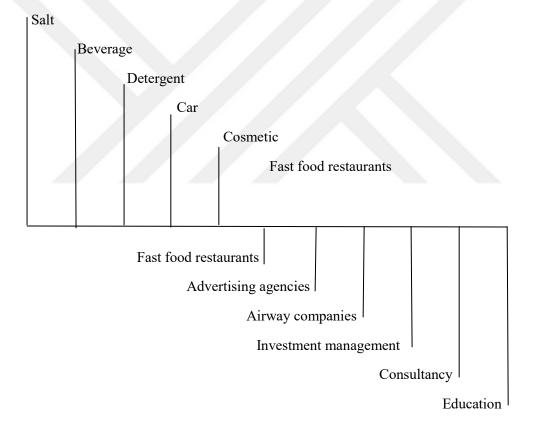


Figure 2.2: Conspiracy Spectrum

**Source:** (V.A Zeithaml and M.J. Bitner, (1996), "Services Marketing. Mc Graw Hill Inc", New York, p.7).

Examination of the concreteness spectrum in Figure 2.2 results in the conclusion that very few products or services are "pure product" or "pure service". For example, although fast-food companies are classified as a service business, they

have a number of tangible elements, such as food, packaging. In the same way, the automobile has many abstract elements such as being a concrete product and providing transportation and maintenance service. (Zeithaml V., Bitner, M., 1996: 7).

The abstractness of the service makes it difficult for the manufacturer to identify the service in concrete terms and for the customer, to see the possible good aspects of the service. According to Berry (1980), service performance is supported by physical assets, but the essence of what is offered is performance. Customers can only experience service performances (Lovelock, Vandermerwe, and Lewis, 1999, p.220). Services cannot be easily displayed or they cannot be easily transmitted to the customer. Therefore, it is difficult for customers to evaluate the quality of service (Zeithaml, Bitner and Gremler, 2006, p.22). Parasuraman et al. (1985: 42) draw attention to the difficulty of understanding how service businesses perceive and assess the quality of their services as a result of their abstract services. (Ghobadian, Speller, and Jones, 1994: 45). It is important to note that the quality indicators are not necessarily the same.

### 2.1.1.2 Non-homogeneity (Variability)

Since services are often human-generated performances, it is not possible for two separate presentations of the same service to be identical. Each unit of service is different from others of the same service. The quality and contents of services can vary from one service to another, from a customer to a customer, or even from day to day. Variability is a particular problem encountered in sectors where labor is intensive at service output. (Zeithaml, Parasuraman, and Berry, 1985, p. 34). Generally, the service staff is the service itself. People's performances can change day to day. The other reason for not being homogeneous is that the two customers are never the same. Each customer's expectations and service experience are different. Hence, non-homogeneity in services is often the result of human interactions (Zeithaml, Bitner and Gremler, 2006, p.23).

The variability (non-homogeneity) has two scenarios (Palmer, 1998, p.14):

- Change in production standards both in the results and in the production process.

- Diversification of services to meet the specific needs of individual customers.

At this point, a service business can follow three stages in terms of quality control. The first stage is to hire the right service personnel and give them a perfect training. This is a vital rule to be applied regardless of whether the employees are high-skilled professionals or low-skilled workers. The second phase is to standardize the process of service performance throughout the organization. Companies can do this by creating a flowchart that explains every point. Plan developments can then be made. The third stage is monitoring customer satisfaction through proposal and complaint systems, customer surveys and shopping at rival shops to evaluate competition (Kotler, 2001, p.201).

### 2.1.1.3 Impartibility

Physical products are first produced, stored, then sold and consumed. Services are sold first, then produced and consumed at the same time. Therefore, services do not leave the service provider, whether it is the person or the machine. Customer interaction with the service provider is one of the most important features of service marketing. Both are influential. (Kotler and Armstrong, 2006, p.259). Because production and consumption are synchronous, the occupation must be physically present during service delivery. The occupation that provides service in connection with the abstract of the service is considered as a concrete sign in this case and plays an important role in the formation of customer perception. With service being abstract, the service provided by worker is considered as a tangible sign under this circumstance and plays an important role on creating the customer perception. With the aspects of effective use of language, attire, personal care, personal communication skills, the worker is one of the most important components of service evaluation (Hoffman et.al., 2010).

Another consequence of concurrent production and consumption is that service providers must be part of the customer's service experience. Mass production is very difficult because services are produced and consumed simultaneously. Service quality and customer satisfaction are largely dependent on the moment of service delivery. This feature of the services can affect the outcome of the service because it

is part of the customer's production process. (Zeithaml, Bitner and Gremler, 2006, p.23).

### 2.1.1.4 Lack of Durability (Instability)

Instability means that services cannot be saved, stored, re-sold, or returned. This makes it difficult and costly for service creators to plan efficiently for demand forecasting and capacity utilization. A place in a restaurant or in an airplane, an hour of a lawyer's time, or a bad haircut at a hairdresser is cannot be asked for repayment, cannot be used at a later time, or sold later. The inability of the service to be returned and resold increases the need for businesses to have strong correction strategies (Zeithaml and Bitner, 1996: 21).

The lack of durability of the services also leads to the inability to carry out the quality control once production has taken place. In this context, the service provider's service becomes a necessity that is accurate at first and every time (Ghobadian, Speller, and Jones, 1994: 45). A similar example of the service sector will be given to this feature of the service that if an accommodation operation with 100 rooms can sell only 60 rooms in one day, it will never meet the alternative cost of 40 rooms that it cannot sell. Because it is not possible to 140 rooms are sold the next day, therefore, the revenue from 40 rooms are lost forever(Kotler et al., 1996: 84). Failure to comply with supply and demand in accommodation establishments also necessitates these businesses to take some measures in terms of supply and demand (Palmer, 1994: 96). With these measures, it is possible to adapt the demand for the demand as well as adapt the demand for the demand. When the demand is regular, there is no problem of the service's lack of stability. But when demand is volatile, service businesses often have problems. Service providers are implementing specific strategies to bridge the gap between demand and supply (Kotler and Armstrong, 1993, p.497).

### 2.1.2. Classification of Services

Due to the wide range of services and types of services, a large number of marketing specialists have made different service classifications in the literature.

Stanton and his colleagues distinguished services into two groups(Stanton et al., 1994; 486):

- 1. The main purpose or goal of the operation. For example; the car rental company must have cars (tangible goods) before it can provide rental services. The person who wants to rent a car will use the car by paying the usage fee and buy a service but they will not own the car.
- 2. Complementary services that facilitate or supports the sale of a tangible good or service. For example; A person receiving a CD player may ask for information or technical information regarding the advantages of the salesperson through payment by credit card.

Kotler and Armstrong classify services in four groups (Kotler and Armstrong, 1989; 576):

1. Services based on manpower or equipment (machinery): Services based on equipment are services that require full or partial mechanization or expertise and mechanization. Human-based services are services provided by professionals or those who do not or need expertise(Figure 2.3).

Full Mechanisation
-The machine that operate with coin
-Car washing machine

Partial Mechanisation
-Motion Picture
-Theater

Expertise and Mechanisation
-Excavate
-Airway

Figure 2.3: Production-Based Human or Equipment Based Services

Source: Kotler and Armstrong, 1989; 576

2. Services based on the customer's presence during the production: The person must be present at the place where the service will be offered when the person is examined by a doctor. But one does not have to be there to fix one's car.

- 3. Services to meet personal needs or business needs: services such as education and health care tailored to meet personal needs. Consulting, cleaning and maintenance services can be considered to meet the needs of institutions.
- **4.** Services for the purposes of service providers (profit-making or non-profit) and ownership (state or private): Services offered by private foundations for profit-making purposes, offered by foundations or non-governmental organizations are not for profit. For example, hospitals, schools, nursing homes may be operated by non-profit institutions.

Browning and Singelman (1975) categorized services as follows: (Browning and Singelman, 1975):

- a) Distributor services: Services such as transportation, storage, communication.
- b) Producer services: services provided to physical product producers.
- c) Social services: services offered to individuals in aggregate; education, associations, foundations and religious services.
- d) Personal services. Individual services are offered to individuals.

Services are categorized under six main headings by Lovelock.

### 2.1.2.1 Classification According to the Structure of Service Process

When the concept of service is examined, two main topics about service can be mentioned. These are the nature of the service activity and the nature of the service activity. In this respect, people can benefit from the service activities themselves or by the tangible goods they possess. In addition, services may be offered to customers in the direction of concrete or abstract activities. From this perspective, it is possible to classify services in a four-way manner (Lovelock, 1996: 28).

Table 2.1. Classification by Service Structure

|                      | Who or what directly acquires the service |                                       |
|----------------------|---|---------------------------------------|
| Structure of service | Human                                     | Object(goods)                         |
| Tangible             | 1.Services directed to people's           | 2.Services directed to goods or other |
|                      | body.                                     | physical objects.                     |
|                      | • Health                                  | Goods transport                       |
|                      | Beauty centre                             | Dry cleaner                           |
|                      | Hair cut                                  | Garden care                           |
| Intangible           | 3. Services directed to people's          | 4. Services directed to untouchable   |
|                      | minds.                                    | assets.                               |
|                      | • Education                               | Banking                               |
|                      | Theatre                                   | Insurance                             |
|                      | Museum                                    | Accountancy                           |

**Source**: Christopher H. Lovelock, Classifying Services to Gain Strategic Marketing Insights, Journal of Marketing, Summer, 1983, p.12.

Because the services are categorized as movements, processes, performances, the two basic questions to ask are: what is the managed activity? And is this activity abstract or concrete? As Table 3 shows, these two questions lead to a quadrant classification scheme of services. (Lovelock, 1996, pp.28-29).

- 1. The services projected on the human body. Customers need their physical presence throughout service delivery to receive the desired benefits of the services. E.g. haircut.
- 2. Services projected on furniture and other physical objects. The object to which the service process is to be applied must be present, but the customer does not need to be present. For example, dry cleaning.
- 3. Services projected in people's minds. The customer must be ready for the mental and physical service process, but the service may be in a location that is remotely connected via a special installation or telecommunications connection or radio waves. For example, classroom education.
- 4. Services projected at untouchable assets. There is no need to establish a direct connection (at least in theory) with the customer for such services. The service is accepted as soon as it reaches the request.

# 2.1.2.2 Classification According to the Relation with the Customers of the Service Business

Services can be classified as continuous or intermittent services according to the relationship with the customers. Consumers who buy goods usually make purchases and payments at regular intervals and do not enter into a formal relationship with the producer. Industrial customers enter into a longer relationship with supply sources. In the service sector, individual and institutional customers establish long-term relationships with service providers and obtain service continuously. This provides a basis for classification of real services. (Lovelock, 1996, p. 41).

Table 2.2. Classification According to the Relation with the Customers of the Service Business

| Quality of service delivery              | There is a membership relationship   | There is no formal relationship   |
|--|--|---|
| Continuous service delivery              | <ul><li>Insurance</li><li>Telephone Subscription</li><li>Banking</li></ul> | Highway     Radio Station   |
| Intermittent presentation of the service | <ul><li> Subscribing to a Theater</li><li> Monthly Bus Cards</li></ul>     | <ul><li>Car Rental</li><li>Restaurant</li><li>Theater, Cinema</li><li>Postal Services</li></ul> |

**Source:** Christopher H. Lovelock, Classifying Services to Gain Strategic Marketing Insights Journal of Marketing, Summer, 1983, s.13.

Such a classification is very useful in terms of quality. The advantage of the membership relationship in terms of service marketers is that the business owner can know who the customers are and how they can benefit from the service. If a good registration system is maintained, the business can be reached using direct mailing or telephone sales methods.

# 2.1.2.3 Classification According to the Flexibility and Initiative of Service Businesses

Today, customers who buy merchandise often do not ask for special orders. Customers who buy goods make purchases by choosing from the goods offered by the owner. A very different scenario is seen in service businesses. Service businesses often produce services according to the wishes of the customers.

As the creation and consumption of services take place at the same time and actively participate in the customer service process, the ability to arrange services to meet the individual needs of customers is very high. As can be seen from Table 5, there are two scenarios of the initiative area (Lovelock, 1996, p.41):

- 1. How flexible are the service and distribution system's features?
- 2. How is the initiative in relation to the customer setting the service's service characteristic?

Table 2.3. Classification of Services according to the Flexibility and Initiative of Service

Operation

| Initiative of the service provider to determine the characteristics of the service | High flexibility                      | Low flexibility                               |
|--|---------------------------------------|---|
| High   | •Legal Services •Taxi Service         | Mass education     Preventive health problems |
| Low  | Telephone Services     Hotel Services | Public Carriage     Cinema, Theater           |

**Source**: Christopher H. Lovelock, Classifying Services to Gain Strategic Marketing Insights Journal of Marketing, Summer, 1983, p.15.

The high and low expressions in the vertical axis in Table 2.3 show the initiative to meet the needs of the customer and on the horizontal axis, the high and low expressions show how flexible the service and the system's capability are. In addition, some services seem to be completely standardized. For example, in hotel services, the flexibility of service is low, but the service provider is incentive very high.

# 2.1.2.4 Classification According to the Structure of the Service Demand

The classification of services according to supply-demand balances is given in Table 2.4. This table assists in how to adjust the remand order to the business. If demand fluctuations can be predicted, preparations can be made for times when demand is high. Part-time staff can work and they may be encouraged to turn off requests when the stress is less frequent, by making reductions in time when insufficient or inadequate. In addition, the reservation system can be applied to balance the demand (Lovelock et al.,p.) In hotels, the excess demand may exceed the available capacity and the fluctuation in demand may continue at a higher level.

Table 2.4. Classification According to the Structure of the Service Claim

|   | Level of Demand Fluctuations   |   |  |
|---|--|---|--|
| Situation of Meeting the Demand   | Wide   | Narrow  |  |
| The increased demand can usually be met without delay The increased demand exceed the capacity continuously | Electricity, Natural gas,<br>Telephone, Police and fire<br>brigade, Passenger transport,<br>Hotesl, Restaurants, Theater | Insurance, Law services, Banking, Dry cleaning. It is the same as above services but the capacity of company that meet demand is insufficient |  |

Source: Lovelock, 1991; 32

# 2.1.2.5 Classification According to Type of Service Presentation

Services are categorized according to the presentation in Table 2.5. The advantage of this classification is that it allows the company to evaluate service delivery options according to whether the customer is required to come to the business' premises. If it is necessary to come to the business' place to receive customer service, service delivery is made under the most unfavorable conditions (Lovelock et al., 2009, p.20). In hotel operations, the customer goes to the location of the service organization and can receive the same service at the different destinations of the hotel.

Table 2.5. Classification of Service by Presentation Line

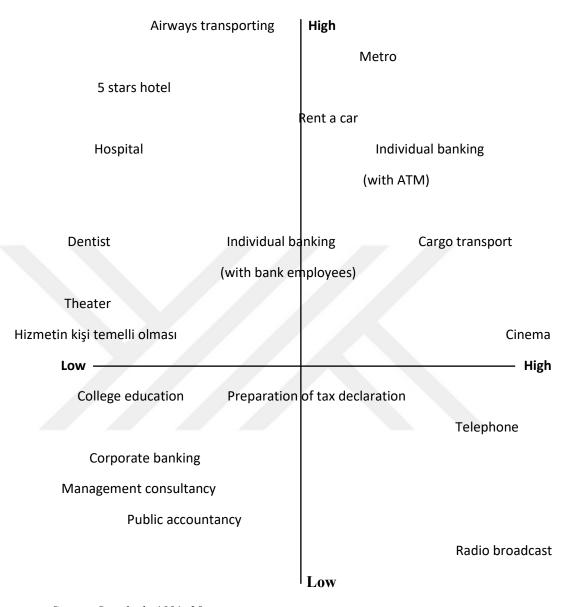
|  | Use of Service Delivery Centers      |                                 |
|--|--------------------------------------|---------------------------------|
| The Structure of the Interaction<br>Between the Service Business and the<br>Customer | In a specific region                 | More than one region            |
| Customer goes to service business  | Theatre<br>Barber                    | Bus service<br>Fast food chain  |
| Service business comes to customer   | Lawn care service<br>Taxi            | Post delivery Emergency repairs |
| Customer and service business do not   | Credit card company Local TV station | Broadcast network               |

Source: Lovelock, 1991; 33

# 2.1.2.6 Classification According to the Nature of Service Product

The service is grouped by equipment, facility-based or person-based.

Figure 2.4. Classification by Attribute of Service Product



Source: Lovelock, 1991; 35

Doyle (2002) classifies services into eight groups (Table 2.6):

Table 2.6: Classification of Services According to Doyle

| CLASS                            | EXAMPLE                          |  |
|----------------------------------|----------------------------------|--|
| Ownership                        | Health, Safety                   |  |
| Public                           | Banking, Transportation          |  |
| Private                          |                                  |  |
| Purposes                         | Hairdresser services, Insurance  |  |
| For profit                       | Education, Charity               |  |
| For non-profit                   |                                  |  |
| Degree of Competition            | Water, Electricity distribution  |  |
| Monopoly                         | Consultancy, Financial services  |  |
| Competitive                      |                                  |  |
| Type of Market                   | Retail, Childcare                |  |
| Consumer                         | Advertisement, Consultancy       |  |
| Industrial                       |                                  |  |
| Income Source                    | Air transportation, Dry cleaning |  |
| Consumers                        | Charities                        |  |
| Donations                        | Security, Health                 |  |
| Taxes                            |                                  |  |
| <b>Customer Contact</b>          | Health, Hairdresser              |  |
| High                             | Post, Car park                   |  |
| Low                              |                                  |  |
| Qualified of Employees           | Lawyer, Accounting               |  |
| Qualified                        | ified Home cleaning, Porter      |  |
| Featureless                      |                                  |  |
| <b>Production Factor Density</b> | Education, Health                |  |
| Labor intensive                  | Communication                    |  |
| Capital intensive                |                                  |  |

Source: Doyle, 2002; 341

Services are classified for the purpose of determining the scope of the activities carried out in relation to the production and presentation of services by bringing them together according to certain attributes. With these scopes, information about the economic positions of services can be learned, more effective formulas can be developed to develop new strategies, and the difficulties in service management can be identified. However, the complex nature of services and the availability of service activities in a wide variety of species make it difficult to classify services and cause very different classifications to appear in the literature. These classifications in the literature are given in Table 2.7.

**Table 2.7: Approaches to Service Classification** 

| Author                     | Major Bases of Classification   | Necessary addings related to classification  |
|----------------------------|---|--|
| Rathmell (1974)            | Type of buyer / seller Purchasing practicability and motivation The degree of regulation  |  |
|                            | touchable  The degree of regulation   |  |
| SHOSTACK (1977)            | Touchable and non-touching degree of every goods or service                               |  |
| HILL (1977)                | People who affected by the services are affected by the goods.                            |  |
|                            | Effect of service   |  |
|                            | The transformation of these effects.  |  |
|                            | The services that bring about physical changes are those that carry intellectual changes. |  |
|                            | Individual services, Collective services  |  |
| SASSER (1978)              | Per service contains percentage of touchable goods and untouchable benefits.              |  |
| THOMAS (1978)              | Used technology in production(ex.; primarily human-based, primarily equipment-based)      |  |
| CHASE (1978)               | Expansion of customer contact   | In the process from high contact to low contact, services are classified as high contact, mixed services or similar to production.   |
| MILLS and MARGULIES (1980) | Personal interface between customer and service organization.                             | Depending on the dimensions of the interaction between the organization and its customer, three types of organization - care-attractive, task-attractive and personal attractive are examined. |
| KOTLER and COX (1980)      | The type of used technology.  |  |
|                            | Customer needs that met in service production process.                                    |  |
|                            | Satisfaction of personal needs, satisfaction of business world needs.                     |  |
| KOTLER and COX (1980)      | Essence of service organization   |  |

| Cont.                              |  |   |
|------------------------------------|--|---|
| FITZSIMMONS and<br>SULLIVAN (1982) | Human-change Human-processes Facilitation of services  |   |
|                                    | The nature of the service (touchable, untouchable).  Service directed to who or for what.  The type of relationship between theservice organization and its customers.  Potential for standardization and customer appreciation. |   |
|                                    | Demand of service and nature of providing of its.  |   |
| SCHMENNER(1986)                    | Density of the degree of workmanship.  The degree of interaction of customer –  Provider and service standardization.  | The classification is based on two dimensions.  (1) The degree of standardization and interaction.  (2) Density of the degree of workmanship  Schmenner says that the model offers improvement in the Customer Contact model. |
| HAYVVOOD FARMER(1988)              | Density of the degree of workmanship.  The degree of interaction.  The degree of standardization.  |   |
| WEMMERLÖV(1990)                    | Interaction of customer/service service.  The degree of uniformity of service.  Process Objects where service activities are directed.   |   |
| Kellgs and Nie (1995)              | Contact with the customer. Interacting with the customer. Arrangement of services together with customer.  |   |
| Collier ve Wilson(1997)            | Technology-focused approach in realization of service  |   |
| Collier and Meyer(2000)            | Human-focused approach. Realization of value focused services. Customer contact time according to personalization level.   |   |

### 2.2. SERVICE QUALITY

# 2.2.1. Concept Of Quality

The concept of quality comes from the desire to ensure that the people and systems created by people operate without error and to achieve excellence with these applications. When we look at the origin of quality, we see that it is derived from the Latin "quality" word, meaning degree, perfection or characteristic (Shewhart, 1980: 38).

Quality is a very complex concept with scenarios that are difficult to understand and easily indistinguishable from each other (Parasuraman, Zeithaml, Berry, 1985: 41). The definitions of qualifications according to researchers, which are the pioneers of quality-related studies and known as quality gurus, are listed below.

- Quality is the sum of marketable production and maintenance features that enable the product or service being used to respond to customer expectations (Feigenbaum, 1961: 13).
- Quality is the degree of conformity to the requirements (Crosby, 1979: 6)
- Quality is the matching with customer expectations (Parasuraman, Zeithaml & Berry, 1985).
- Quality is the production of a product or service at low cost and with reliability and reliability to meet customer requirements (Deming, 1986; 5)
- Quality is applying checks, developing the most economical, most useful and always satisfying quality products, designing, producing and after-sales services (Ishikawa: 1990, 13).
- Quality is the degree of suitability of a product or service to the wishes of the consumer (European Quality Control Organization, 1991)
- Quality is the ability to meet organizational needs at the lowest cost and at the same time meet the needs of those most in need at the highest level, within the limits and directives established by high authorities and buyers (Ovretveit, 1992; 41).

- Quality is the sum of qualifications that have the ability to meet the demands or implied by the customer of the product (Kotler, 1997; 55).
- Quality is the degree of conformity (Juran, 1999, 2.2).
- Quality is the level of perfection that your goods and services provide (Besterfield et al., 1999; 1)
- Quality is defined as the quality of a product depending on its ability to meet customer needs (Berkowitz et al., 2000;
- Quality is the minimum level of damage the product has suffered from the time the product is handed over to the customer (Taguchi, 2005; 26)
- Quality is the ability to satisfy the needs of a product, its qualities, and all its specifications. International Standards Organization (ISO)
- Quality is all of the characteristics that characterize the ability of a product to satisfy a particular need (American Society for Quality Control, ASQC).

In some definitions of quality, it is also possible to see a multidimensional identification sequence separated by sections. Garvin (1988), for example, has divided quality into five groups. (Lovelock, 1991; 366):

- 1. According to the superiority-based approach, quality must be a high standard and excellent.
- 2. According to the product-based approach, quality is measured by the attributes of the product. The more features the product has, the better the quality.
- 3. According to the user-based approach, quality is determined by the degree of satisfaction given to the customer and the degree of satisfaction of the customer.
- 4. According to the production-based approach, quality is mainly related to production activities and engineering. It is driven by efficiency and low-cost objectives.
- 5. According to the value-based approach, quality is defined by price and value.

Different views according to Garvin's idea about quality help to explain the disputes that sometimes arise between different departments.

# 2.2.2 Properties of Quality

There are many factors that determine the quality of a product. Each of these elements constitutes a dimension of the quality. Garvin, who did one of the most comprehensive studies of quality from various angles, collects these dimensions under eight titles. These are (Garvin, 1984: 29-33; Garvin, 1987: 100-109):

Perceived Quality

QUALITY

Performance

QUALITY

Serviceability

Durability

Aesthetic

Figure 2.5: Properties of the Qualifications

Source: Bergman and Klefsjö, 1994, p.18.

• Performance: Performance refers to the basic characteristics of the product and its ability to function as a product or service. Performance in service businesses expresses characteristics such as service speed and wait time and they generally are measurable properties, so that an objective classification can be made in terms of performance among similar products.

- Features: are other features that provide the attractiveness of the product or service and include elements that complement the basic function of the product or service.
- Eligibility: is the degree to which the design and functioning of the product conform to predetermined documents and standards. The consumer or user gives an idea about the technical dimension of the qualification.
- Reliability: is a measure of whether the product fulfills all expected functions in its lifetime. A measurable characteristic is a reliability, average initial deterioration time, the period between deterioration periods, and so on.
- Durability: refers to the product's service life. Generally, buyers want product stability to be tested in certain conditions and approved in writing. Technological durability refers to the period of use until a product undergoes deformation.
- Service Skills: means an easy resolution of problems and complaints about the product. The ability to see service is expressed as speed, speed, courtesy, competence, driver's license and ease of repair.
- Aesthetics: is the product's attractiveness. In other words, it is the ability to speak to the consumers' senses. Color, packaging, style, etc., can be described as aesthetic properties for consumer enjoyment.
- Reputation (Perceived Quality): is a feature of the product's past performance. Since consumers do not always have detailed knowledge of all the properties of the product, some indirect criteria play an important role in making decisions in such cases. Factors such as product or brand image, for example, are extremely important for the consumer to perceive the quality of the product as positive or negative.

# 2.3. CONCEPT OF SERVICE QUALITY

Since the 1980s, the quality of service goods, whether physical or otherwise, has become one of the priorities of production and marketing. Aim of It is not possible to say the same for services, while the quality of physical goods is easy to identify and the measurement has a high accuracy. The most important reason for this is the process and performance rather than concrete objects of services. For this

reason, measurement of service quality, inventory and testing are often not possible (Zeithalm et al., 1988: 35).

Again, according to Chow and Luk (2005: 279), it is vital for companies to offer quality products to increase their market share and profitability.

Here, for all these reasons, quality of service is faced with a new quality concept.

Many researchers and academics have developed many perspectives on service quality (Zeithaml, 1994, Parasuraman, 1984, Grönroos, 1993, Douglas & Connor, 2003, Cronin & Taylor, 1992, Negi & Ketema, 2013). These viewpoints are:

Parasuraman et al. (1985: 42) have stated that the quality of service is an indication of how met consumers' expectations are. Similarly, according to Altman and Helms (1995: 45), "Quality of service is a measure of how satisfied the level of service is to meeting the expectation of the customer".

According to Brysland and Curry (2001), " the quality of service is about providing something that will please the consumer and give this consumer some value".

According to Lewis and Booms (1983), service quality is a measure of how well the level of service is compatible with customer expectations.

Brown et al. (1991: 3), "the quality of service is a process in which customers will gain meaning, the needs of the customers are met, and the discretion of the client is gained at the end". Chang (2009: 258) interprets service quality as "composition of quality and service concepts".

According to Asutonbeng, McCleary, and Swan (1996), service quality refers to the difference between the customer's perception of the service offered by the company and the expectation of the service that the customer considers to buy from these companies

Edvardsson (1998, p. 142) defines the quality of service as meeting customer expectations and identifying needs and requirements while Teas (1993, p. 27) defines the quality of service as a benchmark between performance and ideal standards.

AbuKhalifeh and Som (2012) describe service quality as a high level of satisfaction left in the service offered by customers. (Abu Khalifeh and Som, 2012: 138).

Gronross (1984) and Johnston (1995) define service quality as customer satisfaction, that is, the degree of conformity between customer service expectations and perceptions (Blesic, Dzigurski, Stankov, Stamenkovic and Bradic, 2011: 5).

Yousapronpaiboon & Johnson (2013) defines service quality as an inconsistency between customers 'perceptions of service provided by a particular company and customers' expectation of offering such services by these companies. (Yousapronpaiboon and Johnswon, 2013: 58).

Goetsch & Davis (2010) describes a dynamic situation related to products, services, people, processes, and environments that qualify, meet or exceed expectations, and help produce a higher value (Yousapronpaiboon and Johnswon, 2013: 58).

Quality of service is seen as an important determinant of competitiveness between businesses. In this respect, the quality of service ensures that a service operation differentiates itself from other enterprises and gains a sustainable competitive advantage (Ghobadian, Speller, and Jones, 1994).

Businesses that address customers with excellent service quality consider the needs of both their customers and their employees. In order to respond effectively to these needs, businesses need to create a continuous information research system that employs managers with sufficient knowledge. Through this research system, the information helps managers convey the impact of changes in service quality (Lovelock and Wright, 2002).

### 2.3.1 Dimensions of Service Quality

Having knowledge about the dimensions of the service quality allows the beneficiaries of the service to learn the reasons for the dissatisfaction of the individual, to make the necessary arrangements for the services to be realized according to the needs and wants of the service beneficiaries and to increase the efficiency and effectiveness of the service offered.

The most important work that reveals the dimensions of service quality and is generally accepted is the work of Parasuraman, Zeithaml, and Berry. Regardless of the type of service, basic criteria for services have been established. These criteria were collected in ten main categories, which were named dimensions of service quality. (Zeithaml, Parasuraman, Berry: 1990, 20-22)

These criteria (Parasuraman, Zeithaml, and Berry, 1985. p.47) are on the following:

### 1. Reliability

It explains that service performance and durability are continuous and service is performed correctly as required. The fact that the service is delivered right at the first time by the business creates a perception that the customer will continue to do so in the future. This includes, among other things, submission of the service at the time, correct registration, and pricing accuracy.

### 2. Responsiveness

### 3. Helping Customers

It explains the willingness to help customers, the willingness to provide services in a timely manner, the happiness of providing assistance and service. It indicates the degree to which the services are completed within the expected time and in full and determines the degree of effort shown to identify and remove mistakes that may occur.

### 4. Competence

It means that the staff has the necessary knowledge and experience in service delivery.

### 5. Accessibility (Access)

It expresses the approachability and forming an easy relationship. For example, It includes that the service can be easily reached, the lines are not always busy, it isn't expected to wait on the line for the service, the working hours are appropriate, and the service facilities have suitable places.

### 6. Courtesy

It includes the kindness, respect, politeness, and sincerity of the staff who provide the service. This dimension also includes employees' clean, tidy and stylish looks.

#### 7. Communication

It means to inform customers in a way that they can understand and listen to them. It also means that the company's language can be differentiated for different customers.

# 8. Credibility

Integrity includes truthfulness and persuasiveness. It involves involving employees in a sincere manner with the customer they serve. The credibility dimension includes the name, reputation of the business, the personal characteristics of the employees who interact with the customer, and the sales techniques used to interact with the customer.

### 9. Assurance

It is non-existence of danger, risk, and suspicion. It includes physical and financial security and customer privacy.

# 10. Understanding the customers

It expresses an effort to understand customer needs. It includes knowing the customer's specific needs, showing individual interest to each customer and recognizing current customers. The essence of this dimension of service quality is that each customer is different and special. Customers want to be understood and cared for the businesses that service them.

## 11. Physical Properties (Tangibles)

It includes physical evidence of the service. Including, physical facilities, the appearance of staff, the tools, and equipment used to provide services, the things that physically represent the service and other customers in the service facility.

Parasuraman, Zeithaml, and Berry decreased the number of their service quality dimensions to 5, which can be applied to a wide range of service areas, as a result of their experimental work with four different service providers from different industries. These 5 dimensions are (Carman, 1990, p. 34);

- Tangible features: Physical facilities, equipment, and appearance of employees.
- Reliability: Consistency of service performance, accurate service delivery at first try, keeping promises, and ensuring that the promised service is performed in a perfect and reliable manner.
- Eagerness: Employees who are willing and eager to provide services are to provide service promptly and quickly.
- Assurance: Employees' knowledge, courtesy, ability to trust and feel comfortable with customers.
- Empathy: Every customer is given care with special attention (Parasuraman et al., 1988: 23-24).

### 2.3.2 Quality of Service Models

#### 2.3.2.1 Grönroos Model

The service quality model, which was first introduced and considered as the most basic understanding by other researchers, was developed by Grönross (1984). Grönross began his work on this model in 1982, and in 1984 he introduced the "Perceived Service Quality" model. This model is also known as "The Nordic Model" (Nankervish, 2005: 22).

While Grönroos developed the first quality of service model, he was influenced by Swan and Comb's article (1976) about product performance and customer satisfaction.

Grönroos argues that companies need to determine how qualifications are perceived by customers and how qualifications are influenced so that they can be successful and compete with other companies (Grönroos, 1984: 36). Grönroos' service quality model consists of 3 dimensions; technical quality, functional quality and composite image (Grönroos, 1984: 38-39).

Technical quality answers the question of "what" the customer is received as service, while functional quality answers "how". In this case, the functional quality dimension cannot be evaluated objectively by the consumer as the technical quality dimension. The consumer will also be influenced by the functioning of the technical quality itself (Grönross, 1984: 36-44).

To explain the functional quality more clearly, a consumer will be influenced by the appearance and behavior of the waiter delivering the order he gives to the restaurant. How the company's employees perform, what they say and how they say it will affect the client's perspective on that service (Grönross, 1984: 36-44).

In summary, Grönroos (1984) stated that besides what the customer achieved as a result of the production process, it was concerned about the process itself and that the expected service gap with perceived service would give us the perceived service quality.

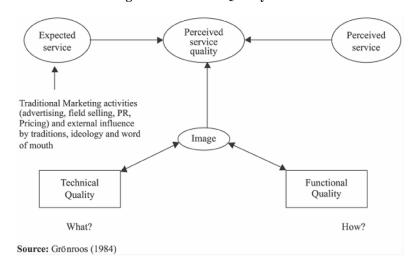


Figure 2.6: Service Quality Model

**Source:** Grönroos, Christian, "A Service Quality Model and its Marketing Implications", European Journal of Marketing. Bradford: (1984). Vol. 18, Iss. 4; p. 36.

When Figure 2.6 is reviewed, it is seen that a third of the dimensions of the service quality model of Grönroos is the "image". The image includes factors such as appearance, prices, public relations or organizational traditions of the business, other than technical and functional quality in service quality, and it is important that the service is perceived by the customer. For a business with a positive image, the customer will be able to evaluate the error in service delivery as negligible. (Grönross, 1984, p. 36-44).

Some of the questions that Grönroos (1984) used in his 1981 survey of 219 company managers in Sweden to test the quality of service model and hypotheses are given in Table 2.8.

#### Table 2.8. Quality of Service and Expressions Related to Corporate Image

In most cases, daily contact (buyer-seller interaction) with customers is a more important part of marketing than traditional marketing activities such as advertising, mass communication.

The image of the company is a result of the customer's contact with the company (buyer-seller interaction) rather than traditional marketing activities.

Traditional marketing activities are of marginal importance in the present image of the company, with customers looking only at the corporate image.

Word of mouth communication has more impact on potential customers than traditional marketing activities.

The way of communicating with the customer in communication with the customer compensates for the temporary problems related to the technical quality of the service if it is customer-oriented and service-oriented.

The way of communicating with the customer in communication with the customer compensates for the low level of the service quality in general if it is customer-oriented and service-oriented.

**Source**: Grönroos, Christian, "A Service Quality Model and its Marketing Implications", European Journal of Marketing. Bradford: (1984). Vol. 18, Iss. 4; p. 36.

As a result of the research, it has been reported that the functional quality, which is a dimension of the perceived service, is very important and in some cases, it leads the technical quality. It has been pointed out that the defects in the technical qualifications can be ignored at the rate of goodness in the functional level and finally, the image must not be ignored (Grönroos, 1984: 36).

## 2.3.2.2 Gummesson's 4Q Model

The aim of Gummesson's 4Q Model is to better explain the features that form quality. At the outset of the model, there is the idea that services and physical products are perceived as integrated parts in the services provided. For this reason, the model blends services and goods. As a result, it does not only depend on the goods or services, but also on the management and development of the quality. The model includes variables of "image" and "brand" as well as variables of "expectations" and "experience".

In this model shown in Figure 2.7, Grönroos uses the concept of the image that is used in the "perceived service quality model". While the image reflects the customer's view of the company, the brand is the idea that the product has formed in the minds of the customer. According to this model, the company's image influences the customers' overall quality perception, while at the same time the brand idea in the customer's mind is also affected (Grönroos, 2000: 69).

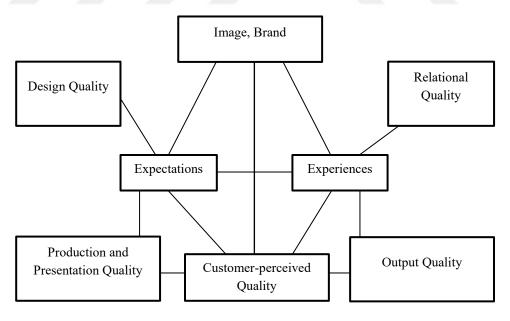


Figure 2.7: Gummesson's 4Q Quality Model

Source: Grönroos, 2000: 71

The quality of the design explains how well the promised service is designed. The quality of production and presentation expresses how well the promised service is produced, compared to the designed service. Low production and presentation

quality cause delays, connection errors, missed sales opportunities and damage customer relationships. The third quality, relational quality, describes the customer's perception of quality in the service production process, such as the kindness of the employees. The fourth and final quality is output quality. The output quality is that a serving-ending service continues to exhibit the desired performance over a certain time interval (Gummesson, 1993: 228).

This model clearly reveals the important dimensions of quality. (Grönroos, 2000: 69).

# 2.3.2.3 "Synthesized Quality Model" of Grönross and Gummesson

The model is a combination of quality models advanced one at a time by way of Grönross and Gummesson. Gummesson's "4Q model of the quality of goods" which he positioned forth in 1987 and "quality of service model" advanced by using Grönross in 1983 had been included with the work achieved via both scientists. This model turned into first presented on the 6th Quality of Service Conference in 1987. The Gummerson model is based on the quality of goods and information related to the model are obtained from Ericsson, a business which produces communication goods in a highly competitive field. The purpose of the model is to offer a higher perspective on the qualitative factors. In the model, quality is considered equal to customer satisfaction. Design quality, quality of production, quality of distribution and quality of relations are considered as the source of customer's perceived quality and customer satisfaction (Gummesson: 1987, 5).

The design quality is to design the products in such a way as to provide the features that meet the customer needs. The quality of production indicates that a product can be produced successfully in accordance with what designers think. According to the authors, the distribution quality is; timeliness, accurate and error-free goods, accurate documentation, and distribution-related procedures such as safe transport, loading, and unloading. The quality of the relationships points to the success of creating the relationships between the employees of the enterprise at every stage (internal customers) and everyone who is outside the enterprise and who is indirectly and directly related to the enterprise (external customer). These four

quality steps, combined with experience and experience creates customer satisfaction. In this way, all employees contribute to improving quality and getting better results.

When looking at the Grönross-Gummesson quality model, in addition to the 4Q specified in Gummesson's model, 2Q was added to achieve the customer's perceived quality. These additions were; technical quality and functional quality. With these 6 quality steps, the image, the expectations, and the experiences combine to reach the quality that the customer perceives (Grönross, Gummesson: 1987).

This model is designed to help both manufacturers and service companies in quality management(Grönross: 1990, 65).

#### 2.3.2.4 The KANO Model

Kano (1984) determined the three components of the quality as follows; normal quality expected quality and beyond-expected quality.

Kano Analysis is a measurement tool that prioritizes customer needs in terms of effectiveness towards customer satisfaction. Customers requests are very important for the strategic purposes of the enterprises. Businesses want to measure customer needs in order to be able to fully accomplish things such as being able to direct their goals, to make quality decisions, and to control their plans. The fact that customer needs and requests vary from customer to customer makes this measurement difficult (Löfgren ve Witell, 2005:9).

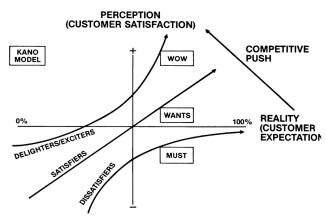


Figure 2.8. The Kano Model

Source: Löfgren and Witell, 2005:9

The graph in Figure 2.8 shows the Kano Model, where the horizontal axis represents the success of the product or service in meeting customer expectations, and the vertical axis represents customer satisfaction with the product or service. The Basic Quality Curve, which is also shown in Figure 2.8, is the curve of the model that reflects the basic customer requirements; The Expected Quality Curve is the sum of the expected properties for this cost when the customer takes the cost of the product into account. The Beyond Expectation Quality Curve represents an element that will enable the firm to demonstrate its value most effectively in terms of competition.

### 2.3.2.5 Service Quality Model of Normann

This model was developed by Richard Normann in 1991. Normann shows how the quality of a service in this model can change depending on whether the business is in a good or bad circle. Service enterprises are extremely sensitive to quality management. The abstraction of output and production are usually labor intensive at high rates, resulting in variable outputs (Normann: 1991, 117). According to Normann, there are many situations that can lead to good or bad quality management. The model shows how the situation of the business and the transition from bad to good can be effective.

The model consists of two parts. The first section is the bad circle. According to the model, if businesses give up variable features to reduce costs, this will have a negative impact on customers and increase customer loss. As a result, the revenue-decreasing business will continue to reduce variable services, resulting in customer loss due to dissatisfaction; the negative cycle will continue. In the good circle, when a new variable feature is applied and the customer is satisfied, the number of customers will increase and as the revenue increases, the good features will continue to be added to the circle (Edvardsson vd, 1994: 92).

## 2.3.2.6 Sasser, Olsen and Wyckoff's Service Quality

Sasser, Olsen, and Wyckoff mentioned three dimensions that determine the service level of a service business on their 1978 work which are following; (Parasuraman vd. 1985: 42).

- Qualities of resources used in service delivery,
- The physical environment in which the service is produced and the technical means,
  - Fast, smooth operation and behaviors of service workers

They emphasized that the quality of the service includes more than the result of the service and the way the service delivered.

### 2.3.2.7 Service Quality Model of Lehtinen&Lehtinen

Lehtinen's Quality of Service Approach, developed by Jarmo and Uolevi Lehtinen, is described as a concept of quality of service between the consumer and the service organization(Parasuraman, Berry, Zeithaml, 1985:49). In order to explain the quality of service, researchers refer to three dimensions of quality: physical quality, firm's quality, and interactive quality (Lehtinen, Lehtinen, 1991:287).

- 1. Physical Quality: Is the quality dimension of the service's physical elements (equipment, buildings, etc.). Physical elements are physical product and physical support.
- 2. Firm Quality: It is concerned with evaluating the image created by customers and potential customers in the public opinion of the firm or the company. It includes the image and profile of the company.
- 3. The interactional quality has been influenced by the interaction between the customer and the business, which is the relationship of the service organization to the customer. The interaction elements in the service production process are shown below. The interaction quality is between the customer and the business person as well as between the customer and the other customer.

Figure 2.9 shows the 3D Quality model of Lehtinen & Lehtinen.

Physical Quality
Dimension

Service
Quality

Business Quality
Dimension

Interactive Quality
Dimension

Figure 2.9: Lehtinen & Lehtinen's 3 Dimensional Quality Model

Source: Lehtinen and Lehtinen, 1982: 23

In the second approach Lehtinen and Lehtinen set out to assess service quality and dimensions, two quality dimensions were used. The second approach deals with quality from the point of view of the customer. Dimensions; process and output quality (Lehtinen and Lehtinen,1991:289):

The process quality dimension is the customer's personal and subjective judgment. The process quality dimension is based on how the customer sees the production process and how he feels himself in compliance with the process. The process quality is based on compliance with customer involvement style and service style of the person.

The output quality is the customer's assessment of the service production process outcome. Sometimes the output quality is evaluated not only by the customer but also by the people around him. The end result of service production can be divided into two categories: physical properties and non-physical properties.

In this model, the researchers handled the service process and service output supported by the qualification separately. The main arguments of Lehtinen and Lehtinen about service quality are that the service quality consists of the interaction between the quality of service, the elements of the service organization and the customer(Lehtinen, Lehtinen, 1991:289).

# 2.3.2.8 SERVQUAL Model

In 1985, A. Parasuraman, Valerie Zeithaml, and Leonard Berry published a paper entitled "A Conceptual Model of Service Quality and Its Implications For Future Research" in the autumn issue of Journal of Marketing. Three years later, they developed the SERVQUAL measure for the definition and measurement of service quality in the Journal of Retailing magazine. This was their new contribution to the literature to measure both perceived performance (P) and customer expectations (E). According to their approach, raising the quality came from raising the difference between the two measurements. In short, the negative result of (P-E) resulted in exceeding customer expectations. It is quite difficult to deny that the two articles – the conceptual and application oriented- and Parasuraman, Berry and Zeithaml trio had such meaningful effects on marketing research field and industry (Grapentine, 1998).

In 1985, Parasuraman and et al. published a conceptual article describing five service quality voids (Figure 2.10). This framework has been recognized as a fundamental contribution to the marketing literature (Grapentine, 1998). Parasuraman and et al. (1985) have developed their own concept of quality of service by conducting an exploratory research based on the idea that the conceptualization of service quality has not been sufficient so far. For this purpose, focus group work with consumers and in-depth interviews with managers identified five differences between expectation and perception, one on the consumer side and four on the marketing side (Figure 2.10). According to the said article, the definitions of these gaps are as follows:

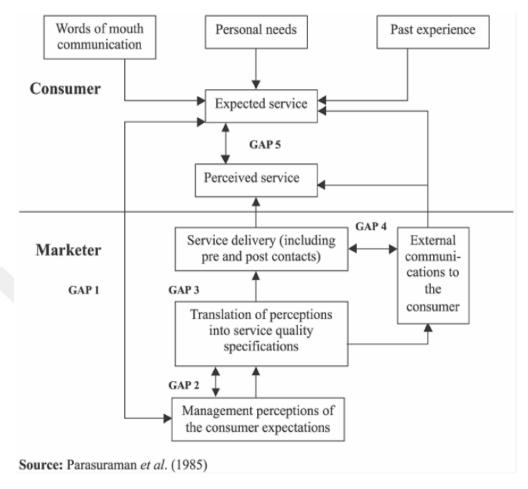


Figure 2.10: Quality of Service Model

**Source:** Parasuraman, Zeithaml ve Berry, "A Conceptual Model of Service Quality and Its Implications for Future Research", Journal of Marketing, Vol.49 (Fall 1985), 41-50.

# **Gap 1: Consumer Expectations - Management Perception Gap**

Parasuraman and et al.(1985) have pointed out that service managers do not always understand what high quality features consumers expect, what service features should be available to meet consumer needs, and which performance levels need to be distributed for high-quality service (Parasuraman, Zeithaml, and Berry, 1985, p.44). These deficiencies suggested the Gap 1 hypothesis, indicating that consumers may affect quality perceptions.

## Gap 2: Management Perception - Quality of Service Feature Gap

Parasuraman and et al. (1985) concluded that as a consequence of the focus group work, managers, although they know the expectations of the consumers, have not reached this quality level as a result of limited circumstances. The real reason for the potential gap between customer expectations and their conversion to appropriate service standards is that the management is not fully committed to the quality of service (Zeithaml, Parasuraman, and Berry, 1990, p. 44). On the other hand, the lack of market conditions, resource limitations, and short-lived profits in service operation are also causing this gap (Parasuraman, Zeithaml and Berry, 1985, s.45).

## **Gap 3: Quality of Service Features-Service Delivery Gap**

The difference between the quality of service specifications and the level of service delivered to consumers (Zeithaml, Berry and Parasuraman, 1988, p.36). Even when the standards guiding the service performance are good and communication with the customer is correct, service performance at high quality is not always achieved. This is because the factors such as inadequate employees causing a gap between service and performance and insufficient capacity are stil present. Effective service standards should not only reflect customer expectations but also have adequate and appropriate resources (people, systems, technology) (Zeithaml, Parasuraman ve Berry, 1990, p.43).

### **Gap 4: Service Distribution - External Communication Gaps**

The difference between the level of service delivered to consumers and messages sent to the consumers about the services (Zeithaml, Berry and Parasuraman, 1988, p.36). The advertisements service business has given, and other messages given on other communication platforms increase the customer's expectations aimed at the service quality. There may be an inconsistency between the service the client receives and the service promised. (Zeithaml, Parasuraman, and Berry, 1990, p.43).

## **Gap 5: Difference Between Expected Service And Perceived Service**

It is the difference between the expectation and the perceived service of customer. This gap depends on the direction and size of the above four gaps related to the delivery of service quality by the service marketer (Zeithaml, Berry and Parasuraman, 1988, p.45).

If the expected service is greater than the perceived service, the perceived quality satisfaction is insufficient and will lead to an inadequate quality level by increasing the gap between expected service and perceived service. If the expected service is equal to the perceived service, the perceived quality will provide customer satisfaction. If the perceived service is greater than the expected service, the perceived quality will reach higher than customer satisfaction and will increase towards the ideal quality by increasing the gap between the expected service and the perceived service (Parasuraman, Zeithaml, and Berry, 1985, s.48).

This exploratory research has been clarified with a scale named SERVQUAL which was developed for the measurement of customer perceptions of service quality. The formation process of the SERVQUAL scale started with 97 variables in 10 dimensions. Each variable consists of two propositions measuring expectation and perception. SERVQUAL uses a Likert-type 7-point scale of "I absolutely agree" (7) and "I absolutely disagree (1)" and the points (2 - 6) do not contain verbal expressions. On the second stage, the count of variables were reduced to 54 as a result of factor analysis. Then, the factor loadings and reliability values were calculated from 34 variables in the final scale 7 dimensions. Finally, the scale takes the form of expectations and 22 propositions in which performance is measured separately. At this point, the original size of the service quality is reduced to five dimensions. These dimensions are coherence, enthusiasm, concreteness, assurance(communication, competence, trustworthiness, courtesy, and security), accessibility and empathy which includes customer understanding and knowing (Parasuraman, Zeithaml, and Berry, 1988, p.17,23).

The SERVQUAL scale was later reviewed in 1991. The reason for this is that the word scores in the measure have caused the expectation scores to rise. The analysis focused on the way of expressing the measure "What do customers expect

from companies delivering excellent service?". The part of the expectations in the scale has been changed accordingly. At the same time, the two variables in the scale have been re-expressed to better capture the dimensions (Parasuraman, Berry and Zeithaml, 1991, pp. 422,423). The conceptual structure of the expectant model of the scale has been improved. It has been argued that when evaluating service quality of customer expectations, two levels of service is being used. These are the desired level of service and the level of service sufficient, ie the minimum level of service that the client can accept. The region between these two levels is called the tolerance zone (Zeithaml, Berry and Parasuraman, 1993, p.10). SERVQUAL was developed in 1994 both measure the inconsistency between the perceived service and the expected service (a measure of service superiority) and the perceived service and the measure of service adequacy. Alternative service quality measurement methods are (Parasuraman, Zeithaml and Berry, 1994, p.204, 205):

- Three-Column Format: This is a form of side-by-side assessment of the desired, sufficient and perceived service. Requires calculation of perceived-desired and perceived-adequate service level differences.
- 2. Two-Column Format: This is a form where service supremacy and the lack of service competence are directly assessed, side by side.
- 3. One-Column Format: This is the format in which the service superiority and the lack of service competence are assessed. The questionnaire consists of the two parts. The first part in which the service superiority is measured and the second part in which the service adequacy is measured.

In addition to these experimental studies, researchers who developed scale defined and described the first four gaps described above in 1988. This has led to the extension of the service quality model. According to the expanded model in Figure 2.10, most of the factors in service enterprises require the implementation of the communication and control process in the management of business employees (Zeithaml, Berry and Parasuraman, 1988, p.36,37). Table-2.9 summarizes the main factors that make a big difference in service quality.

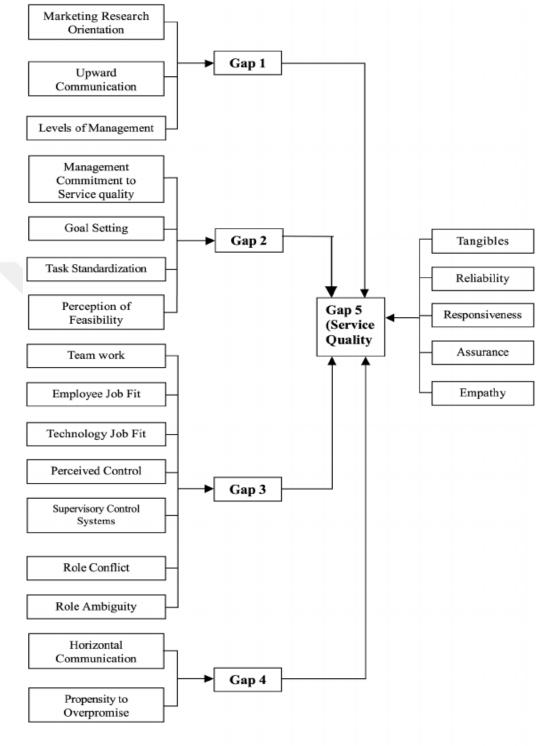


Figure 2.11: Extended Service Quality Model

Source: Zeithaml et al. (1988)

**Source**: V.A. Zeithaml, L.L.Berry and A. Parasuraman, Communication and Control Process in the Delivery of Service Quality, Journal of Marketing, 52. April, 1988, p. 46.

Table – 2.9. Main Factors Causing the Gap in Service Quality in Terms of Service Provider

| GAP 1   | GAP 3  |  |  |
|---|--|--|--|
| Inappropriate marketing research approach   | To clarify human resources policies  |  |  |
| Inadequate marketing research   | Inactive recruitment process   |  |  |
| Research that does not focus on quality of service  | Role uncertainty and role conflict   |  |  |
| Misuse of market research   | Employee and technology compatibility is weak                              |  |  |
| Lack of communication upwards   | Inadequate valuation and remuneration systems                              |  |  |
| Lack of interaction between management and customer   | Absence empowerment, perceived control and                                 |  |  |
| _   | teamwork   |  |  |
| Inadequate communication between managers and staff   | Supply and demand mismatch   |  |  |
| facing the customer  There are too many steps between the front desk staff  | T-1  |  |  |
| and senior management   | Talep zirvelerini ve düşüklüklerini törpüleyememe                          |  |  |
| Inadequate focus on long-term relationships   | Incompatibility of mix customer  |  |  |
| No market segmentation  | Excessive depend on the price in order to regulate the                     |  |  |
|   | demand   |  |  |
| Focus on more transactions than relationships   | Customer does not fulfill its roles  |  |  |
| Focus on more new customers than current customers  | Be knowledgeable about the roles and responsibilities                      |  |  |
|   | of customers   |  |  |
| Insufficient service improvement  | Customers adversely affecting each other                                   |  |  |
| Lack of encouragement to listen to customer   | Problems with service intermediaries                                       |  |  |
| complaints  |  |  |  |
| Failure to fix things that went wrong   | Channel conflict over goals and performance                                |  |  |
| Absence of correction mechanisms in place where   | Difficulty in quality control and consistency control                      |  |  |
| service failures occur  |  |  |  |
| GAP 2   | The tension between delegation and control                                 |  |  |
| No customer-facing standards  | GAP 4  |  |  |
| Absence of customer-oriented service standards  | Customer expectations can not be managed effectively                       |  |  |
| No process management to focus on customer needs  | Inability to manage customer expectations using all communication formats. |  |  |
| Not being a formal process to create service quality objectives   | Not be able to educate clients appropriately                               |  |  |
| Insufficient physical evidence and physical environment elements  | Extreme promises   |  |  |
| Failure to develop concrete things in line with customer expectations   | Excessive promises in advertisements                                       |  |  |
| The design of the place where the service process takes place can not meet the needs of the customers and employees | Excessive promises in personal sales                                       |  |  |
| Inadequate maintenance and updates at the place where the service process has passed                                | Excessive promise with physical hints                                      |  |  |
| Weak service design   | Lack of integrated service marketing communication                         |  |  |
| Non-systematic new service development process  | A tendency to see the internal communication                               |  |  |
|   | elements as independent from each other                                    |  |  |
| Indefinite, unspecified service design  | Absence of interactive marketing in the                                    |  |  |
|   | communication plan   |  |  |
| Connectionlessness of service design with service positioning   | Lack of effective marketing programs in the enterprise                     |  |  |
|   | Inadequate horizontal communications                                       |  |  |
|   | Inadequate communication between sales and                                 |  |  |
|   | operations Inadequate communication between advertisements                 |  |  |
|   | and operations   |  |  |
|   | Differences between policies and procedures between branches or units      |  |  |

**Source:** Valarie A. Zeithaml ve Mary j. Bitner, Services Marketing, The McGraw-Hill, Singapore, 2003, p.49

## 2.3.2.9 Cronin and Taylor's SERVPERF Model

SERVPERF (Service and Performance) model developed by Cronin and Taylor stands out as an alternative to the Servqual scale of Parasuraman, Zeithaml and Berry in the literature on the measurement of service quality. Cronin and Taylor suggest that the SERVQUAL model should use the performance-based measurement of service quality rather than using the difference between the customer's perceptions and expectations as the basis for determining service quality. For this purpose, they have developed a model they call SERVPERF. In the model, 22 variables on the Parasuraman, Ziethaml and Berry's SERQUAL model were used as base and was adjusted as the business's perceived performance. In the Servqual model, 22 units were used for the expectation and 22 units were used for the perception. 22 main variables in Servperf model were used and business's service performance was directly measured. In the model, it was not necessary to measure the expectations of the consumers used in the Servqual scale. The performance of the service is the effect of the service on presentation and on the people (Cronin ve Taylor; 1992:55).

Researchers have pointed out that "consumer satisfaction" is more effective than service quality when consumers are interested in purchasing. They also expressed the need to address the concept of consumer satisfaction with the SERVPERF model developed to measure service quality. According to the researchers, consumers have always stated that they will not get service with high-quality level and they will prefer service with high satisfaction. Cronin and Taylor argue that consumer satisfaction as a result of behavior-based measurement is a better indicator of consumer's long-running service quality behavior and that SERVPERF Model based on consumer satisfaction is more accurate than SERVQUAL Model, which measures service quality based on the difference between consumers' perceptions and expectations (Cronin and Taylor, 1992: 55-68).

Parasuraman and et al. (1994, p.115,116) stated that their models provided a more extensive information than the performance-based model and the facilitating value was higher. On the other hand, Cronin and Taylor (1994, p. 130) stated that the SERVPERF scale is a valid and reliable scale for the conceptualization of service quality. It has also been stated that the Servperf scale provides a total service quality

chart for specified time and specific customer subgroups. Again, the same authors suggested that the SERVPERF scale does not lose all of the additional information provided by the multidimensional scale and that by using regression analysis of managers and researchers, some of the information can be obtained by the increased effect of certain scale variables. For example, it is possible to determine by which variable the variance explains the service quality perceptions related to the service industry (Taylor ve Cronin, 1994, s.67).

#### 2.4. Previous Studies

Thesis's author: Neslihan Kan Sönmez

Name of thesis: The impact of internal marketing on organizational commitment

The universe of the research : 254 employees of the hotel that have 5 stars in Antalya.

Sample of the research: 53 employees of the hotel that have 5 stars.

Result of the research: There is a positive and strong relationship between the level of use of internal marketing practices by hotel businesses and the organizational commitment of employees.

Thesis's author: Mustafa Onur Kaçaroğlu

Name of thesis: Comperative evaluation of service quality and internal marketing at service firms: Example of Pamukkale University Sports Center

The universe of the research: The number of personnel is 67 and the number of active users is 2600 that was determined according to the information obtained by the fact

Sample of the research: Surveys were conducted with 60 of 67 personnel.

Result of the research: The first finding obtained is that internal marketing reveals different effects on between the managers and the employees of the sports center. The other important finding is that rewarding is inadequate in overall the firm. Finally, the weakness of the dimensions of service quality for individual

performance of employees has been identified. This may be considered as a reflection of lack of reward in the firm to individual performans of employees.

Thesis's author: Neşe Çullu Kaygısız

Name of thesis: The impact of internal marketing applications on service orientation and prosocial behaviors of employees in hotel business: A case of Nevşehir.

The universe of the research: The universe of the research is composed of employees who working at 4 and 5 stars hotel in Nevsehir province.

Sample of the research: 319 surveys were used in the research.

Result of the research: As a result of the research internal marketing applications in the hotel businesses and employees' prosocial behavior and service orientation were found to be high. In addition, it was found that internal marketing applications have a decisive impact on the service orientation and prosocial behaviors of hotel employees.

Thesis's author: Sarah May Lubbe

Name of thesis: Elements of Internal Marketing as predictors of Employee Satisfaction

The universe of the research: The population to be studied includes administrative, operational and customer contact employees within the company.

Sample of the research: The target population for the study is employees working for UTİ Distribution is a group of companies throughout South Africa specialising in freight movement locally and internationally.

Result of the research: Only two of the six IM elements included had a significant impact on employee satisfaction. These two elements were empathy and consideration, and job quality and reward. The result of the study partially contradicted previous studies, since it found that only two elements of IM have positive predictive value on employee satisfaction.

Thesis's author: Laura Bojarskytė

Name of thesis: The impact of internal marketing on employee engagement in innovative organizations

The universe of the research: The research population, also known as a well-defined collection of individuals or objects known to have similar characteristics, was innovative organizations that were described in literature review part.

Sample of the research: Due to time and geographical accessibility limitations, innovative organizations in Lithuania were selected as research population. Certain criteria that differentiate innovative organizations and the list of innovative organizations that participated in the research.

Result of the research: The quantitative empirical research conducted in innovative organizations in Lithuania provided strong support for the conceptual research model as most of the hypotheses were supported, except for the one which assumed positive relationship between internal communication and efforts. The strongest relationship was determined between Training and Passion, Internal market research and Passion variables. The qualitative research, in which employee engagement experts were surveyed, complemented quantitative research results by explaining that the weakest relationships among some variables were caused by the differences in employees' needs and expectations towards organizations. As the research used quantitative survey followed by qualitative expert survey, which complemented the results, the research results demonstrated overall consistency.

Thesis's author: Eva Maaninen-Olsson

Name of thesis: Implementing Internal Marketing To Influence Front Line Employee Job Satisfaction

The universe of the research: Internal marketing was chosen as the area of interest from a list of topics provided bythe university. Hotel industry was selected because it is one of the industries wherefront line employees play a critical part in order to deliver high service quality.

Sample of the research: Scandic Hotel

Result of the research: Through analyzing the theories and the empirical data two differences were found. It is believed that the result can be generalized to others in the hotel industry. First, the payper-performance is applied to motivate employees by giving extra bonus, however bonus is an extrinsic motivator that could have a negative effect on job satisfaction. Secondly, payment is regarded to have a minor

influence on job satisfaction in Scandic, nonetheless based on the theory payment is a strong motivator to achieve employees' satisfaction towards their job. This implies that there is room for improvement and that Scandic is able to refine their activities to increase job satisfaction.

### **CHAPTER 3**

### RESEARCH METHODOLOGY

### 3.1. Purpose of The Research

Nowadays internal marketing, showing the staff especially in service bussiness as an internal customer and approaching the staff in this manner, is an important activity to improve the quality of service.

The purpose of this research is to investigate of the quality of service in accomodation business. In this model (development, rewarding, vision, empowerment, corporate culture, organizational commitment, communication) the application of internal marketing and the quality of service by staff has been evaluated. So the quality of service and the training, promotion and vision of the personnel has a great importance. Thats why the effects and result of this methodology on a working staff and the guests is being researched generally in terms of quality of service.

Works in the Izmir region has an importance in terms of providing

- a- updates regarding the research
- b- useful information and suggestions for companies in accomodation business
- c- information with at macro level to the government and top level management.
- d- a reference information to the researchers focus on this topic.

#### 3.2. The Importance of the Research

One of the important advantages for a company to step further is to improve the quality of service and the evaluation of working staff.

The concept of internal marketing is an important issue for businesses to focus on. Without an active internal marketing activity, interactive marketing application has no meaning on customers and there would be decrease in the quality of service. As a result, customers would have negative effect on business profit(Başaran vd., 2011: 204).

To make an internal marketing productive is to have a long term motivated and customer focused staff(Fırlar ve Dündar, 2006: 1). As the management improve the internal marketing activity so the managers and personnel has communication making the staff satisfied(Wu, 2011: 10).

In this context, it has been pretty important in service business since the satisfaction of staff is related to the customer satisfaction directly or indirectly. Internal marketing is one of the topic focus on satisfaction of working staff that makes this research also important. This research has been done in accomadation business as it is vital for hotel management.

It has been found that there is a positive relationship between internal marketing and service quality in the studies conducted and that there are many studies in the literature about the dimensions of this relationship. We applied a scale that combine with internal marketing scale developed by Bedman Narteh and Raphael Odoom (Does Internal Marketing Influence Employee Loyalty? Evidence From the Ghanaian Banking Industry) and servperf scale developed by Hellier, Geursen, Carr, and Rickard, (2003), have not been studied before. Therefore, the fact that this type of study has not been done before, hotels in Izmir city center shows the importance of the researching. In addition, the difficulty of applying the survey obtained in the application part of the researching to the employees in the hotels reveals the importance of researching the subject.

### 3.3. Scope and Limitations of the Research

There are some restrictions in this research. First of all, it is the first limitation of the study that science always tries to explain the world by simplifying it and modeling only part of the fact that exists within it (Kalof, Dan ve Dietz, 2008). The biggest problem of social sciences is that the person who is the research object is reactive (Kalof, Dan ve Dietz, 2008). Another issue is the social sciences focus on the people whose information by various communication (cam, phones vs..) do not Show exactly the intention of them. It is not possible to do various experiments because of human that object of the research in the field of social science. It is ''practical constraint'' and ''ethical constraint'' (Kalof, Dan ve Dietz, 2008).

The fact that the data in social sciences can change on time and place depending on context, is also a limitation of the evaluation of the research result (Kalof, Dan ve Dietz, 2008).

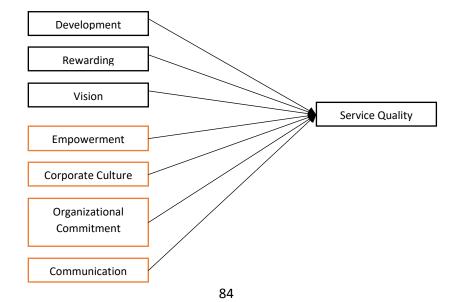
Some limitations have been made in order to achieve this purpose. The research was carried out in the province of Izmir. The research was conducted at two 5-star hotels. It was aimed to include in the survey the targeted counting of all the employees of these two hotels. However, the research has certain limitations in terms of possibilities. The accommodation companies are not looking positively to this kind of the research, therefore, it is impossible to get a sampling of accommodation companies operating in a particular region or type. As a result, the search is limited to two 5 star accommodation companies. A total of 350 survey were given to the employees. 289 questionnaires have been given back by the employees. 222 of the rotating scales are suitable for use.

In addition, this research is limited to the responses given by the participants because they are based on the hypothesis that the answers they give to the survey questions are correct.

#### 3.4. Model of the Research

The model of research consist of two parameters internal marketing and the quality of service.

Seven dimensions of internal marketing is below.



## 3.5. Population and Sample

The research was conducted among 5-star hotels in Izmir. 2 of the 20 5-star hotels in Izmir were interviewed and the survey was made in November of 2017. In the research, the satisfaction levels of the employees who working in the hotel business and the effects of this satisfaction level on the performances of the hotels have been examined. It is proposed that such research should be carried out in hotel enterprises which are labor-intensive enterprises because they need a great deal of human power while fulfilling their functions (Ahmed et al. 2003).

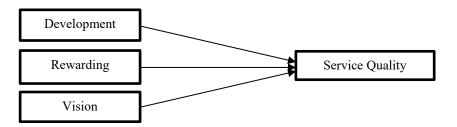
### 3.6. Data Collection and Techniques

### 3.6.1 Data Collection Tools

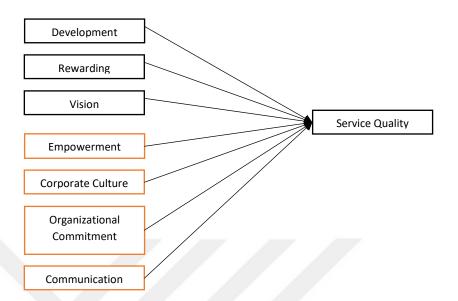
Survey method has been used as a data collection tool. It has been collected in 2 scales.

### 3.6.1.1 Internal Marketing Scale

The scale that was developed by Foreman and Money has been used in many thesis. The scale consists of 3 dimensions and 15 questions. These three dimensions are named as "development, rewarding and vision" (Foreman ve Money, 1995: 764).



When the foreign sources in the literature were examined, it can be seen that the following 4 factors may have an effect on "Quality of Service". So we combined the two models by adding them and obtained a new one. While creating this model, Bedman Narteh and Raphael Odoom ''Does Internal Marketing Influence Employee Loyalty? Evidence From the Ghanaian Banking Industry'' (2015; 125, 126) 's article were utilized.



The scale consists of 7 dimensions and 30 questions. These seven dimensions have been named "development, reward, vision, empowerment, corporate culture, organizational commitment and communication".

First one of the dimensions is "development" that consists of 7 questions. The second dimension is "rewarding" that consists of 3 questions. The third dimension is "vision" that consists of 5 questions, the fourth dimension is "empowerment" that consists of 4 questions, fifth dimension is "corporate culture" that consists of 4 questions, the sixth dimension is "organizational commitment" that consists of 4 questions and the seventh dimension is "communication" that consist of 3 questions.

## 3.6.1.2 Service Quality Scale

There are many scales used in the literature to measure "quality of service". Some of these;

- Cronin, Brady and Hult (2000)
- Taylor and Baker (1994)

In the research, the scale of Hellier, Geursen, Carr, and Rickard's article was used. The scale is the following table.

Table 3.1. The Scale of Hellier, Geursen, Carr, and Rickard

| Factor            | Variable | Question  |
|-------------------|----------|---|
| Perceived quality | 1        | The company employees (agent) tell me exactly when services will be performed |
|                   | 2        | The company employees (agent) give me prompt service                          |
|                   | 3        | The company employees (agent) are always willing to help                      |
|                   | 4        | me The behaviour of the company employees (agent) gives me confidence         |
|                   | 5        | The company employees (agent) understand my specific needs                    |

# 3.6.2 Data Collection Techniques

A test has been made before the survey on a sample group in 2017 october. Test has been prepared to avoid mistakes and correction of them with the help of academicians majoring in marketing. According to the pre-test results, some changes were made in the layout of the survey while no changes were made to the questions.

The scale consists of two parts. In the first part, 4 questions are included to reach data on the age, gender, educational level and occupational experience of the employees who participate in the survey. In the second part, there are 36 questions that include the evaluation of information about the hotel where employees are currently working on. The classification and expression scores used by the employees in order to evaluate the expressions in this section are as follows;

- (1) I absolutely disagree
- (2) I disagree,
- (3)I do not have any idea,
- (4)I agree,
- (5)I absolutely agree

There has been meetings with hotel managers in Izmir region in order to get permission and apply research. Some briefings has also been delivered regarding the scale of application. After the meetings, covering two months 2017 october and november, totally 475 pieces of measurement tools have been given. 289 of them has returned and 222 of them has been found applicable which is enough to proceed

analyse process. It has been accepted that it is sufficient for the study and the analysis procedures have been started.

## 3.7. Analysis of Data and Methods Used

Within the scope of the research, the data collected by survey has been put in a database and and analyzed by packet programmes that is SPSS. Statistical operations were performed with the Servperf method. Findings as a result of analysis were interpreted.

Applied analyses in the research:

- Reliability analysis
- Validity analysis
- Descriptive analysis (Demographic)
- Normality analysis
- Factor analysis to determine the dimensions of Service Quality
- Multivariable regression analysis

### **CHAPTER 4**

### FINDING OF THE RESEARCH AND ANALYSIS RESULTS

### 4.1. Reliability Analysis

One of the tests in which can be used to ensure the stability and consistency of the measures is known as reliability test. A scale is called reliable if it produces consistent results when repeated measurements are made (Hair et al., 2003). A popular approach to measure reliability is to use the coefficient alpha (Malhotra, 2006).

Depending on the alpha coefficient, the reliability of the scale is interpreted as follows (Kayış, 2006, p.405);

- $0.00 \le \alpha < 0.40$  the scale is not reliable,
- $0.40 \le \alpha < 0.60$  reliability of scale is low,
- $0.60 \le \alpha < 0.80$  scale is pretty reliable,
- $0.80 \le \alpha < 1.00$  scale is highly reliable.

Below is the result of the reliability (trustworhty) analyse. Reliability has been tested by Internal Stable Coefficient. In internal marketing scale this coefficient calculated as 0.973, service quality scale this coefficient calculated as 0,960 and these results show that there is high reliability. At the same time Foreman and Money (1996) showed that Cronbach alpha coefficient related to the "internal marketing scale" is 0940.

Table 4.1: Reliability Statistics of Internal Marketing

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .973             | 30         |

The main construct of the conceptual model of this study is internal marketing which is composed of seven elements(Parasuraman et al.2004): Development (Table 4.2 and 4.3) rewarding (Table 4.4), vision (Table 4.5) empowerment (Table 4.6), corporate culture (Table 4.7), organizational commitment(Table 4.8) and communication (Table 4.9). All sub dimensions and and "Servperf" scale that is service quality scale are analyzed separately.

Table 4.2. Expression Dimension Reliability Statistics of the Development Factor

|    | Scale Mean if | Scale Varianc | rrected Item-Total | Cronbach's Alpha if |
|----|---------------|---------------|--------------------|---------------------|
|    | Item Deleted  | Item Deleted  | Correlation        | Item Deleted        |
| S1 | 20,5676       | 32,645        | ,782               | ,884                |
| S2 | 20,5901       | 32,107        | ,794               | ,882                |
| S3 | 20,4820       | 32,341        | ,789               | ,883                |
| S4 | 20,2432       | 33,886        | ,757               | ,887                |
| S5 | 20,5676       | 33,441        | ,661               | ,898                |
| S6 | 20,2838       | 34,159        | ,755               | ,888                |
| S7 | 20,4550       | 35,299        | ,519               | ,914                |

| Cronbach's Alpha | 0,905 |
|------------------|-------|
|                  |       |

Test results show that the reliability of our factors changes between 0.85 and 0.92 which are above the acceptable level 0.70 (Hair, 1988). However, in order to increase the reliability level of development factor, one of the items in the scale was deleted. After that the Cronbach's Alpha level for this factor has been increased from 0.905 to 0.914. The Table 4.3 demonstrates the items for development factor.

Table 4.3. Expression Dimension Reliability Statistics of the Development Factor (without 7.question)

|    | Scale Mean if Item<br>Deleted |        | Corrected Item-<br>Total Correlation | Cronbach's Alpha if<br>Item Deleted |
|----|-------------------------------|--------|--------------------------------------|-------------------------------------|
| S1 | 17,1577                       | 24,523 | ,789                                 | ,894                                |
| S2 | 17,1802                       | 24,112 | ,795                                 | ,893                                |
| S3 | 17,0721                       | 24,203 | ,801                                 | ,892                                |
| S4 | 16,8333                       | 25,823 | ,742                                 | ,901                                |
| S5 | 17,1577                       | 24,830 | ,700                                 | ,908                                |
| S6 | 16,8739                       | 26,120 | ,733                                 | ,902                                |

| Cronbach's Alpha | 0,914 |
|------------------|-------|
|------------------|-------|

Table 4.4. Expression Dimension Reliability Statistics of the Rewarding Factor

|     |        | Scale Variance if Item Deleted |      | Cronbach's Alpha if Item<br>Deleted |
|-----|--------|--------------------------------|------|-------------------------------------|
| S8  | 6,6667 | 6,549                          | ,870 | ,941                                |
| S9  | 6,6036 | 6,358                          | ,902 | ,916                                |
| S10 | 6,6306 | 6,306                          | ,903 | ,916                                |

| Cronbach's Alpha | 0,948 |
|------------------|-------|
|------------------|-------|

Table 4.5. Expression Dimension Reliability Statistics of the Vision Factor

|     | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item  Deleted |
|-----|----------------------------|--------------------------------|----------------------------------|-----------------------------------|
| S11 | 13,0315                    | 14,465                         | ,772                             | ,831                              |
| S12 | 13,0901                    | 14,915                         | ,771                             | ,832                              |
| S13 | 13,0180                    | 16,479                         | ,602                             | ,871                              |
| S14 | 13,1441                    | 14,975                         | ,677                             | ,855                              |
| S15 | 12,9234                    | 15,184                         | ,702                             | ,849                              |

Table 4.6. Expression Dimension Reliability Statistics of the Empowerment Factor

|     | Scale Mean if<br>Item Deleted | Scale Variance if<br>Item Deleted | Corrected Item-Total<br>Correlation | Cronbach's Alpha if Item<br>Deleted |
|-----|-------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| S16 | 10,0495                       | 9,685                             | ,841                                | ,901                                |
| S17 | 10,1306                       | 10,168                            | ,779                                | ,922                                |
| S18 | 9,9234                        | 9,682                             | ,856                                | ,896                                |
| S19 | 9,9775                        | 9,751                             | ,844                                | ,900                                |

| Cronbach's Alpha | 0,927 |
|------------------|-------|
|------------------|-------|

Table 4.7. Expression Dimension Reliability Statistics of the Corporate Culture Factor

|     | Scale Mean if<br>Item Deleted | Scale Variance if Item Deleted | Corrected Item-<br>Total Correlation | Cronbach's Alpha if Item Deleted |
|-----|-------------------------------|--------------------------------|--------------------------------------|----------------------------------|
| S20 | 10,3243                       | 9,559                          | ,742                                 | ,860                             |
| S21 | 9,7703                        | 8,866                          | ,750                                 | ,859                             |
| S22 | 9,8964                        | 9,415                          | ,775                                 | ,848                             |
| S23 | 9,7523                        | 9,545                          | ,753                                 | ,856                             |

| Cronbach's Alpha | 0,888 |
|------------------|-------|

Table 4.8. Expression Dimension Reliability Statistics of the Organizational Commitment Factor

|     | Scale Mean if Item | Scale Variance  | Corrected Item-   | Cronbach's Alpha if Item |
|-----|--------------------|-----------------|-------------------|--------------------------|
|     | Deleted            | if Item Deleted | Total Correlation | Deleted                  |
| S24 | 10,3694            | 12,324          | ,795              | ,926                     |
| S25 | 10,1486            | 11,584          | ,857              | ,906                     |
| S26 | 10,3964            | 11,335          | ,864              | ,904                     |
| S27 | 10,3964            | 11,806          | ,848              | ,909                     |

| Cronbach's Alpha | 0,932 |
|------------------|-------|
|------------------|-------|

Tablo 4.9. Expression Dimension Reliability Statistics of the Communication Factor

|     | Scale Mean if Item | Scale Variance  | Corrected Item-   | Cronbach's Alpha if Item |
|-----|--------------------|-----------------|-------------------|--------------------------|
|     | Deleted            | if Item Deleted | Total Correlation | Deleted                  |
| S28 | 6,4505             | 4,484           | ,826              | ,848                     |
| S29 | 6,6847             | 4,181           | ,777              | ,888,                    |
| S30 | 6,4054             | 4,124           | ,823              | ,847                     |

| Cronbach's Alpha | 0,903 |
|------------------|-------|
|------------------|-------|

Reliability analysis of Servperf is shown in Table 4.10

Table 4.10. Reliability Statistics of Servperf

|     | Scale Mean if Item | Scale Variance  | Corrected Item-   | Cronbach's Alpha if Item |
|-----|--------------------|-----------------|-------------------|--------------------------|
|     | Deleted            | if Item Deleted | Total Correlation | Deleted                  |
| S31 | 18,5676            | 26,364          | ,870              | ,953                     |
| S32 | 18,6396            | 26,802          | ,857              | ,954                     |
| S33 | 18,6486            | 26,681          | ,883              | ,951                     |
| S34 | 18,2883            | 28,034          | ,846              | ,956                     |
| S35 | 18,4505            | 26,375          | ,903              | ,949                     |
| S36 | 18,4414            | 27,098          | ,886              | ,951                     |

|                  | 0.000 |
|------------------|-------|
| Cronbach's Alpha | 0,960 |

With respect to Table 4.3, Table 4.4., Table 4.5., Table 4.6., Table 4.7., Table 4.8., Table 4.9., Table 4.10, the  $\alpha$ -scores of selected dimensions are above 0.70, which indicates that these are reliable for the research. For this reason it is considered appropriate to include all statements in further analysis.

## 4.2. Validity Analysis

While reliability is concerned with how a variable affects a cluster expression (DeVellis, 2004, p.49), the validity concerns how well a measure of a measure must be measured (Netemeyer 152 et al., 2003, p.11). However, a reliable scale may not be valid. Concerning the validity of a scale used for the measurement of a specific variant, it is worth considering (DeVellis, 2004, p.49).

Peter (1981) defined the construct validity of a scale as (a) the magnitude of the sample representing the concept features and the degree of orientation assessment (b) the level of inclusion of the elements of the set of other concepts.

It is understood that there is no consensus in the literature regarding the classification of validity types. Although there are differences in classification, all the validity types are concerned with how accurate the effort to measure is to make the

theoretical one operational. According to the results of the literature study on the construction validity of Peter (1981), three basic evaluations in practice were found to be nominal validity with reliability, convergence and segregation validity respectively.

Content validity and structural validity have been examined in testing the validity of the scales used in the research. In order to ensure the content validity of the study, relevant expert opinions have been consulted.

## 4.3. Participants Demographic Characteristics

Descriptive and frequency tests are applied to the survey results of the demographics questions and importance and existence questions to see the distributions, means of the items.

Frequency analyses have been applied to research questionnaire's Demographic variables section. The aim of applying the frequency analysies is to explain the distributions of the responses in terms of numbers and related percentages.

The demographic items were intended to gather general information about the subjects. These demographic variables of employees (including the employee's gender, age, occupational experience and education level), were not hypothesized to have relationships with the variables. These variables were mainly gathered to describe the sample.

Table 4.11, 4.12, 4.13 and 4.14 show frequency distribution of the demographic variables of total employees in the hotels.

Table 4.11 Frequency Distribution of Gender

| Gender |                      |     |  |  |
|--------|----------------------|-----|--|--|
|        | Frequency Percentage |     |  |  |
| Male   | 123                  | 55  |  |  |
| Female | 99                   | 45  |  |  |
| Total  | 222                  | 100 |  |  |

The sample of survey respondents consist of females and males, 45% of the respondents is female whereas 55 % is males whereas of all the respondents in this survey.

Table 4.12. Frequency Distribution of Age Groups

| Age         |           |            |  |  |
|-------------|-----------|------------|--|--|
|             | Frequency | Percentage |  |  |
| Below 20    | 4         | 2          |  |  |
| 21-29       | 70        | 32         |  |  |
| 30-39       | 87        | 39         |  |  |
| 40-49       | 47        | 21         |  |  |
| 50 and over | 14        | 6          |  |  |
| Total       | 222       | 100        |  |  |

In case of Age, the dominant age group of the respondents was 30 to 39 years 39 %. This age group is most needed due to their dynamic and experienced experience. Followed by 21 to 29 years 32 % and 40 to 49 years 21 % and above 50 years 6 % and whereas 20 years and under made up the smallest group, representing 2 % of the respondents. This age group represents mostly trainees and student workers. Tourism is a sector that still needs a lot of young workforce despite many technological tools.

Table 4.13. Frequency distribution of occupational experience in the Hotels

| Occupational Experience |     |     |  |  |
|-------------------------|-----|-----|--|--|
| Frequency Percentage    |     |     |  |  |
| 1-5 years               | 53  | 24  |  |  |
| 6-10 years              | 65  | 29  |  |  |
| 11-15 years             | 51  | 23  |  |  |
| 16-20 years             | 29  | 13  |  |  |
| 21 and +                | 24  | 11  |  |  |
| Total                   | 222 | 100 |  |  |

Experience is one of the key success factors of the employees' growth. Experienced employees are having complete knowledge about the hotel's policies

and strategies. This question is formulated to discover the percentage participation, on the basis of their working experience in this study, based on 222 respondents' responses. The first category has been related to the less than 5 years experience group and 24% of respondents belong to this category. Next category has been related to the 6-10 years experience group and there are 29% of respondents who belong to this category. Other category has been related to the 11-15 years experience group and there are 23% of respondents who belong to this category. Next category has been related to 16-20 years experience group and 13% of respondents who belong to this category and finally category that is 21 and over years experience group and there are 11% of respondents who belong to this category.

Table 4.14. Frequency Distribution of Education Level in the Hotels

| <b>Education Level</b> |           |            |
|------------------------|-----------|------------|
|                        | Frequency | Percentage |
| Primary School         | 8         | 4          |
| Middle School          | 16        | 7          |
| High School            | 62        | 28         |
| Bachelor's Degree      | 32        | 14         |
| University             | 94        | 42         |
| Master                 | 10        | 5          |
| Total                  | 222       | 100        |

Majority of the respondents are white collar employees and the group is highly educated. Less than half of them (%42) hold a university degree, % 28 of them hold highschool degree and 14% of them are bachelor's degree student and %4 of them hold primary school degree and %5 of them hold master degree.

**Table 4.15. Frequency Distibutions According to Questions** 

|  | disa | I<br>lutely<br>agree |    | agree | ha | lo not<br>ve any<br>idea | I ag |      | y a | I<br>olutel<br>igree |     | tal |
|--|------|----------------------|----|-------|----|--------------------------|------|------|-----|----------------------|-----|-----|
| 01 //11 / 1  | f    | %                    | f  | %     | f  | %                        | f    | %    | f   | %                    | f   | %   |
| Q1: "Hotel management prepares employees to perform well."   | 18   | 8.1                  | 52 | 23.4  | 27 | 12.2                     | 96   | 43.2 | 29  | 13.1                 | 222 | 100 |
| Q2: "Hotel management views the development of knowledge and skills of employees as an investment rather than a cost."   | 21   | 9.5                  | 49 | 22.1  | 35 | 15.8                     | 82   | 36.9 | 35  | 15.8                 | 222 | 100 |
| Q3: "Skill and<br>knowledge development<br>of employees happens as<br>an ongoing process in<br>this hotel."  | 17   | 7.7                  | 45 | 20.3  | 38 | 17.1                     | 80   | 36.0 | 42  | 18.9                 | 222 | 100 |
| Q4: "Hotel management<br>teaches you not only<br>"how you should do<br>things", but also "why<br>you should do these<br>things."   | 8    | 3.6                  | 37 | 16.7  | 32 | 14.4                     | 99   | 44.6 | 46  | 20.7                 | 222 | 100 |
| Q5"In our hotel, we go<br>beyond training and<br>educate employees as<br>well. "   | 23   | 10.4                 | 45 | 20.3  | 38 | 17.1                     | 75   | 33.8 | 41  | 18.5                 | 222 | 100 |
| Q6"In this hotel, the employees are properly trained to perform their services roles.In this hotel, the employees are properly trained to perform their services roles." | 9    | 4.1                  | 34 | 15.3  | 37 | 16.7                     | 103  | 46.4 | 39  | 17.6                 | 222 | 100 |
| Q8"Our performance<br>measurement and<br>reward systems<br>encourage employees to<br>work together."   | 23   | 10.4                 | 55 | 24.8  | 21 | 9.5                      | 82   | 36.9 | 41  | 18.5                 | 222 | 100 |
| Q9"Hotel management measures and rewards the employee's performance that contributes most to the hotel's vision.   | 22   | 9.9                  | 51 | 23    | 25 | 11.3                     | 76   | 34.2 | 48  | 21.6                 | 222 | 100 |
| Q10"In our hotel, those<br>employees who provide<br>excellent service are<br>rewarded for their<br>efforts."   |      |                      |    |       |    |                          |      |      |     |                      |     |     |
| Q11"Our hotel offers<br>employees a vision that<br>they can believe in."   | 20   | 9                    | 47 | 21.2  | 41 | 18.5                     | 81   | 36.5 | 33  | 14.9                 | 222 | 100 |
| Q12"Hotel management<br>communicates hotel's<br>vision well to employees.  | 16   | 7.2                  | 53 | 23.9  | 46 | 20.7                     | 82   | 36.9 | 25  | 11.3                 | 222 | 100 |
| Q13"This hotel uses  | 10   | 4.5                  | 51 | 23    | 56 | 25.2                     | 76   | 34.2 | 29  | 13.1                 | 222 | 100 |

| information gathered      |     |      |     |      |               |      |            |      |     |       |     |     |
|---------------------------|-----|------|-----|------|---------------|------|------------|------|-----|-------|-----|-----|
| from its employeesto      |     |      |     |      |               |      |            |      |     |       |     |     |
| improve employee          |     |      |     |      |               |      |            |      |     |       |     |     |
| duties and improve the    |     |      |     |      |               |      |            |      |     |       |     |     |
| organization strategy."   |     |      |     |      |               |      |            |      |     |       |     |     |
| Q14"Employees are         |     |      |     |      |               |      |            |      |     |       |     |     |
| properly trained to       | 26  | 11.7 | 47  | 21.2 | 46            | 20.7 | 72         | 32.4 | 31  | 14    | 222 | 100 |
| demonstrate service       |     |      |     |      |               |      |            |      |     |       |     |     |
| roles."                   |     |      |     |      |               |      |            |      |     |       |     |     |
| Q15"In this hotel,        |     |      |     |      |               |      |            |      |     |       |     |     |
| communication with        | 13  | 5.9  | 50  | 22.5 | 38            | 17.1 | 82         | 36.9 | 39  | 17.6  | 222 | 100 |
| employees is very         |     | • ., |     |      |               | -,   | -          |      |     | -,    |     |     |
| important."               |     |      |     |      |               |      |            |      |     |       |     |     |
| Q16"I am allowed to use   |     | _    |     | 264  | 2.            | 1.0  | 0.5        | 20.2 | 2.0 |       |     | 400 |
| my own judgment in        | 11  | 5    | 58  | 26.1 | 36            | 16.2 | 85         | 38.3 | 32  | 14.4  | 222 | 100 |
| solving problems"         |     |      |     |      |               |      |            |      |     |       |     |     |
| Q17"I am encouraged to    |     |      |     |      |               |      |            |      |     |       |     |     |
| take initiatives by the   | 12  | 5.4  | 59  | 26.6 | 43            | 19.4 | 82         | 36.9 | 26  | 11.7  | 222 | 100 |
| hotel."                   |     |      |     |      |               |      |            |      |     |       |     |     |
| Q18"My hotel trusts me    |     | _    |     |      |               |      |            |      |     |       |     |     |
| to exercise good          | 11  | 5    | 40  | 18   | 55            | 24.8 | 73         | 32.9 | 43  | 19.4  | 222 | 100 |
| judgments "               |     |      |     |      |               |      |            |      |     |       |     |     |
| Q19"My supervisor         |     |      |     | 40.  |               |      |            |      | 4.0 | 4.0   | 222 | 400 |
| allows me a high degree   | 12  | 5.4  | 41  | 18.5 | 59            | 26.6 | 70         | 31.5 | 40  | 18    | 222 | 100 |
| of initiative "           |     |      |     |      | $\mathcal{A}$ |      |            |      |     |       |     |     |
| Q20"An internal           |     |      |     |      |               |      |            |      |     |       |     |     |
| monitoring mechanism      | 21  | 9.5  | 68  | 30.6 | 59            | 26.6 | 55         | 24.8 | 19  | 8.6   | 222 | 100 |
| for staff exists in the   |     |      |     |      |               |      |            |      | -   |       |     |     |
| hotel "                   |     |      |     |      |               |      |            |      |     |       |     |     |
| Q21"There is a spirit of  |     |      |     |      | 2.5           |      |            |      |     | 2.5.0 | 222 | 100 |
| collegiality across all   | 14  | 6.3  | 47  | 21.2 | 36            | 16.2 | 69         | 31.1 | 56  | 25.2  | 222 | 100 |
| levels in the hotel "     |     |      |     |      |               |      |            |      |     |       |     |     |
| Q22"There is openness     | 1.0 | 4.5  |     | 22   | 4.5           | 20.2 | 0.2        | 27.4 | 22  | 140   | 222 | 100 |
| in information sharing    | 10  | 4.5  | 51  | 23   | 45            | 20.3 | 83         | 37.4 | 33  | 14.9  | 222 | 100 |
| for all staff "           |     |      |     |      |               |      |            |      |     |       |     |     |
| Q23"The values of the     | 10  | - 1  | 2.1 |      | 50            | 261  |            | 245  |     | 10.0  | 222 | 100 |
| hotel are consistent with | 12  | 5.4  | 31  | 14   | 58            | 26.1 | 77         | 34.7 | 44  | 19.8  | 222 | 100 |
| my job roles "            |     |      |     |      |               |      |            |      |     |       |     |     |
| Q24"I really feel as if   | 1.7 |      | 20  | 15.1 | 40            | 22.1 |            | 22.0 | 40  | 10.4  | 222 | 100 |
| this hotel's problems     | 17  | 7.7  | 38  | 17.1 | 49            | 22.1 | 75         | 33.8 | 43  | 19.4  | 222 | 100 |
| are my own "              |     |      |     |      |               |      |            |      |     |       |     |     |
| Q25"I feel like a         | 1.2 | 5.0  | 20  | 17.1 | 20            | 17.6 | <i>(</i> 2 | 27.0 | 70  | 21.5  | 222 | 100 |
| member of my family in    | 13  | 5.9  | 38  | 17.1 | 39            | 17.6 | 62         | 27.9 | 70  | 31.5  | 222 | 100 |
| the hotel "               |     |      |     |      |               |      |            |      |     |       |     |     |
| Q26"I'd be happy to       | 21  | 0.5  | 41  | 10.5 | 10            | 20.7 | (2         | 27.0 | 50  | 22.4  | 222 | 100 |
| spend the rest of my      | 21  | 9.5  | 41  | 18.5 | 46            | 20.7 | 62         | 27.9 | 52  | 23.4  | 222 | 100 |
| career in this hotel"     |     |      |     |      |               |      |            |      |     |       |     |     |
| Q27"I am grateful to      | 17  | 7.7  | 42  | 18.9 | 51            | 23   | 65         | 29.3 | 47  | 21.2  | 222 | 100 |
| the hotel."               |     |      |     |      |               |      |            |      |     |       |     |     |
| Q28"My hotel              |     |      |     |      |               |      |            |      |     |       |     |     |
| encourages                | 7   | 3.2  | 49  | 22.1 | 55            | 24.8 | 88         | 39.6 | 23  | 10.4  | 222 | 100 |
| interpersonal             |     |      |     |      |               |      |            |      |     |       |     |     |
| communication "           |     |      |     |      |               |      |            |      |     |       |     |     |
| Q29"The hotel             |     |      |     |      |               |      |            |      |     |       |     |     |
| management attaches       | 21  | 9.5  | 52  | 23.4 | 58            | 26.1 | 69         | 31.1 | 22  | 9.9   | 222 | 100 |
| importance to the staff's |     |      |     |      |               |      |            |      |     |       |     |     |
| considerations "          |     |      |     |      |               |      |            |      |     |       |     |     |
| Q30"My hotel has          |     |      |     |      |               |      |            |      |     |       |     |     |
| interactive               | 12  | 5.4  | 46  | 20.7 | 45            | 20.3 | 87         | 39.2 | 32  | 14.4  | 222 | 100 |
| communication             |     |      |     |      |               |      |            |      |     |       |     |     |
| channels for staff."      |     |      |     |      |               |      |            |      |     |       |     |     |
| Q31"The service quality   | 15  | 6.8  | 30  | 13.5 | 31            | 14   | 90         | 40.5 | 56  | 25.5  | 222 | 100 |
| in this hotel is high. "  |     |      |     |      |               |      |            |      |     |       |     |     |

| Q32"The hotel<br>employees tell to hotel's<br>guest exactly services<br>will be performed." | 11 | 5   | 37 | 16.7 | 40 | 18   | 83 | 37.4 | 51 | 23   | 222 | 100 |
|---|----|-----|----|------|----|------|----|------|----|------|-----|-----|
| Q33"The hotel<br>employees give to<br>hotel's guest prompt<br>service."                     | 12 | 5.4 | 31 | 14   | 50 | 22.5 | 79 | 35.6 | 50 | 22.5 | 222 | 100 |
| Q34"The hotel<br>employees are always<br>willing to help to hotel's<br>guest."              | 1  | .5  | 32 | 14.4 | 27 | 12.2 | 86 | 38.7 | 76 | 34.2 | 222 | 100 |
| Q35"The bahaviour of<br>the hotel employees<br>gives to hotel's guest<br>confidence."       | 10 | 4.5 | 29 | 13.1 | 34 | 15.3 | 81 | 36.5 | 68 | 30.6 | 222 | 100 |
| Q36"The hotel<br>employees understand<br>hotel's guest specific<br>needs."                  | 6  | 2.7 | 31 | 14   | 36 | 16.2 | 85 | 38.3 | 64 | 28.8 | 222 | 100 |

The results of the frequency analysis of the scale is shown in the table 4.3.5. Q1 is first expression of the development dimension. Followed by "I agree" 43% and "I absolutely agree" 13% and "I disagree " 23% and whereas" I absolutely disagree " made up the smallest group, representing 8% of the participants. According to this result, hotel management has made necessary implementations for its employees to perform well. Like the selection of the employee of the month.

Q2 is the second expression of the development dimensionFollowed by "I agree" 37% and "I absolutely agree" 16% and "I disagree " 22% and " I absolutely disagree "10% of the participants representing. According to this result, HRM is organizing training programs to improve its employee.

Q3 is the third expression of the development dimension. Followed by "I agree" 36% and "I absolutely agree" 19% and "I disagree " 20% and "I absolutely disagree "8% of the participants representing. According to this result, just as hotel management routinely serves for guest satisfaction, it is also a principle to make practices for the development of its employee routinely.

Q4 is fourth expression of the development dimension. Followed by "I agree" 45% and "I absolutely agree" 21% and "I disagree " 17% and whereas" I absolutely disagree " made up the smallest group, representing 4% of the respondents.

Q5 is fifth expression of the development dimension. Followed by "I agree" 34% and "I absolutely agree" 18.5% and "I disagree " 20% and " I absolutely

disagree "10% of the participants representing. According to this result, HRM attaches importance to the training of the employee and works for its employee in this field.

Q7 is the sixth expression of the development dimension. Followed by "I agree" 46% and "I absolutely agree" 18% and "I disagree " 15% and whereas" I absolutely disagree " made up the smallest group, representing 4% of the respondents. This means that if the hotel management explains the importance of service roles to the employee, the employee serves more consciously to the guest. This is reflected positively in service quality.

Q8 is the first expression of the rewarding dimension. Followed by "I agree" 37% and "I absolutely agree" 18.5% and "I disagree " 25% and "I absolutely disagree "10% of the participants representing. According to the results of "I disagree" and the results of "I agree" are close. This means that there is no performance measurement at the hotel or the performance measurements are not encouraged to work together.

Q9 is the second expression of the rewarding dimension of the scale. Followed by "I agree" 34% and "I absolutely agree" 22% and "I disagree " 23% and " I absolutely disagree "10% of the participants representing. According to these results, hotel management has developed a reward system that employee contributes to hotel's vision. Thus, both hotel missions have been fulfilled and employees have been motived.

Q10 is the third expression of the rewarding dimension of the scale. Followed by "I agree" 32% and "I absolutely agree" 22% and" I disagree " 24% and whereas" I absolutely disagree " made up the smallest group, representing 10% of the respondents. According to the results of "I disagree" and the results of "I agree" are close. Rewarded employees serve better in each presentation. The hotel management should either improve the reward system or make a more attractive reward system.

Q11 is the first expression of the vision dimension of the scale. Followed by "I agree" 37% and "I absolutely agree" 15% and "I disagree " 21% and " I absolutely disagree "10% of the participants representing. According to the result, if the hotel management gives its employees a vision that employees can believe in, the hotel

will not lose its employees, the hotel's employees will be loyal to the hotel and employees will work at this hotel.

Q12 is the second expression of the vision dimension of the scale. Followed by "I agree" 37% and "I absolutely agree" 11% and "I disagree " 24% and "I absolutely disagree "7% of the participants representing 37% of the participants answered as 'I agree' and 24% of the participants answered as 'I disagree'. These results are close together. This means that if the hotel management communicates the hotel's vision to its employees, they will make more efforts to achieve the hotel's goals.

Q13 is the third expression of the vision dimension of the scale. Followed by "I agree" 34% and "I absolutely agree" 13% and "I disagree " 23% and whereas" I absolutely disagree " made up the smallest group, representing 5% of the respondents. According to the results, since employees are in one-to-one communication with the guest, they convey the satisfaction and deficiencies to the management and the problems are resolved. Thus, the vision can be reached easily and quickly.

Q14 is the fourth expression of the vision dimension of the scale. 32% of the participants answered as "I agree", 21% of the participants answered both "I disagree" and "I do not have any idea", 14% of the participants answered as "I absolutely agree" and finally 12% of the participants answered as "I absolutely disagree". This means that if employees are trained correctly, employees serve professionally and achieve success.

Q15 is the fifth expression of the vision dimension of the scale. 37% of the participants answered as "I agree", 23% of the participants answered as "I disagree", 18% of the participants answered as "I absolutely agree" and finally 6% of the participants answered as "I absolutely disagree". This means that as communication becomes more important and information is shared, problems within the hotel are resolved more quickly, service becomes faster and better quality.

Q16 is the first expression of the empowerment dimension of the scale. 38% of the participants answered as "I agree", 26% of the participants answered as "I do not have any idea", 14% of the participants answered as "I absolutely agree" and 5% of the participants

answered as "I absolutely disagree". According to the results,in this hotel, the employee is allowed to use his or her own decision to resolve the problems. Thus, employee can solve problems quickly with the ability to make decisions instantly. When instant solving is reached, guest satisfaction and service quality increase.

Q17 is the second expression of the empowerment dimension of the scale. 37% of the participants answered as "I agree", 27% of the participants answered as "I do not have any idea", 12% of the participants answered as "I absolutely agree" and 5% of the participants answered as "I absolutely disagree". According to the results, in this hotel, the employee is encouraged to use initiative when making decisions. Thus, the service accelerates. As the service accelerates, guest satisfaction increases.

Q18 is the third expression of the empowerment dimension of the scale. Followed by "I agree" 33% and "I absolutely agree" 19% and "I disagree "18% and "I absolutely disagree "5% of the participants representing.

Q19 is the fourth expression of the empowerment dimension of the scale. Followed by "I agree" 31.5% and "I absolutely agree" 18% and "I disagree " 18.5% and "I absolutely disagree "5% of the participants representing.

Q20 is the first expression of the corporate culture dimension of the scale. Followed by "I agree" 25% and "I absolutely agree" 9% and "I disagree " 31% and "I absolutely disagree "9.5% of the participants representing. According to this result, at this hotel, management is not interested in employee. If the management takes care of the employee, the employee is motivated. Because the employee feels a support behind it, the employee is confident and reflected in employee 's performance.

Q21 is the second expression of the corporate culture dimension of the scale. Followed by "I agree" 31% and "I absolutely agree" 25% and "I disagree " 21% and "I absolutely disagree "6% of the participants representing. According to the results ,there is a spirit of vocational across most department in this hotel. The work that the employees receive their education and enjoy doing is reflected in their performance. Thus, the error margin is reduced further.

Q22 is the third expression of the corporate culture dimension of the scale. Followed by "I agree" 37% and "I absolutely agree" 15% and "I disagree " 23% and "I absolutely disagree " 5% of the participants representing. According to this result, there is an openness in sharing information in this hotel. This ensures that the problem is solved quickly and accurately in every issue.

Q23 is the fourth expression of the corporate culture dimension of the scale. Followed by "I agree" 35% and "I absolutely agree"20% and "I disagree " 14% and " I absolutely disagree "5% of the participants representing.

Q24 is the first expression of the organizational commitment dimension of the scale. Followed by "I agree" 34% and "I absolutely agree"19% and "I disagree "17% and "I absolutely disagree "8% of the participants representing. According to this result, employees feel as if this hotel's problems are their own. That's why the employee thinks like their own business. This affects service quality positively as well as reducing the error margin.

Q25 is the second expression of the organizational commitment dimension of the scale. Followed by "I agree" 28% and "I absolutely agree"31.5% and "I disagree "17% and "I absolutely disagree "6% of the participants representing. According to this result, employees at this hotel feel like a member of the family. Because of this, the employee is more willing to work.

Q26 is the third expression of the organizational commitment dimension of the scale. Followed by "I agree" 28% and "I absolutely agree"23% and "I disagree "18.5% and "I absolutely disagree "9.5% of the participants representing. According to this result, employees are happy to spend the rest of their careers in this hotel. This causes the employee to feel at home rather than at the hotel. Employees work more efficiently.

Q27 is the fourth expression of the organizational commitment dimension of the scale. Followed by "I agree" 98% and "I absolutely agree"21% and "I disagree "19% and "I absolutely disagree "8% of the participants representing.

Q28 is the first expression of the communication dimension of the scale. Followed by "I agree" 40% and "I absolutely agree" 10% and "I disagree " 22% and " I absolutely disagree "3% of the participants representing. According to this result, in

this hotel, employees are encouraged to communicate with each other. When interdepartmental communication and organizational communication no obstacle, it is easy to solve problems and transfer information. The service quality is reflected positively.

Q29 is the second expression of the communication dimension of the scale. Followed by "I agree" 31% and "I absolutely agree" 10% and "I disagree " 23% and " I absolutely disagree "9.5% of the participants representing. According to this result, the management attaches importance to the staff's considerations at this hotel. Thus, the employees regard themselves as a valuable employee for the hotel. The employees are motivated and perform better.

Q30 is the third expression of the communication dimension of the scale. Followed by "I agree" 39% and "I absolutely agree" 14% and "I disagree " 21% and "I absolutely disagree " 5% of the participants representing.

Q31 is the first expression of the service quality scale. Followed by "I agree" 40.5% and "I absolutely agree" 25% and "I disagree " 13.5% and "I absolutely disagree " 7% of the participants representing. According to this result, at this hotel service quality is high. As the higher the quality of service so the greater guest satisfaction is.

Q32 is the second expression of the service quality scale. Followed by "I agree" 37% and "I absolutely agree" 23% and "I disagree " 17% and "I absolutely disagree " 5% of the participants representing. According to this result, this hotel carries out its services on time. This is reflected in guest satisfaction. At the same time it also affects the quality of service.

Q33 is the third expression of the service scale. Followed by "I agree" 36% and "I absolutely agree" 22.5% and "I disagree " 14% and "I absolutely disagree " 5% of the participants representing. According to this result, employee of this hotel respond to guest requests immediately. This increases the loyalty of the guest to the hotel.

Q34 is the fourth expression of the service quality scale. Followed by "I agree" 39% and "I absolutely agree" 34% and "I disagree " 14% and "I absolutely disagree " 0.5% of the participants representing. According to this result, only one of the participants answered as '' I absolutely disagree''. This shows that the employees are

really willing. The willingness of the employee to help the guest. Sincerity of employees are reflected to the guest.

Q35 is the fifth expression of the service quality scale. Followed by "I agree" 36.5% and "I absolutely agree" 31% and " I disagree " 13% and " I absolutely disagree " 4.5% of the participants representing. According to this result, this hotel gives confidence to the guest. Giving confidence to the guest provides that hotel's guests have a relaxing and peaceful holiday.

Q36 is the sixth expression of the service quality scale. Followed by "I agree" 38% and "I absolutely agree" 29% and "I disagree " 14% and "I absolutely disagree " 3% of the participants representing. According to this result, if employees understand the need of the guests, the guests feel valuable themselves. The guests enjoy spending time in this hotel and want to come again. This situation shows differentiation from competitors and the hotel is one step ahead of its competitors.

Table 4.16.Frequency Distibutions According to Standart Deviations and Means of Questions

| N           | Variables related to internal marketing   | X    | S.D   |
|-------------|---|------|-------|
| DEVEL       | OPMENT  |      |       |
| 1           | "Hotel management prepares employees to perform well."  | 3,30 | 1,196 |
| 2           | "Hotel management views the development of knowledge and skills of employees as an investment rather than a cost."  | 3,27 | 1,237 |
| 3           | "Skill and knowledge development of employees happens as an ongoing process in this hotel."   | 3,38 | 1,219 |
| 4           | "Hotel management teaches you not only "how you should do things", but also "why you should do these things."   | 3,62 | 1,097 |
| 5           | "In our hotel, we go beyond training and educate employees as well."  | 3,30 | 1,270 |
| 6           | "In this hotel, the employees are properly trained to perform their services roles. In this hotel, the employees are properly trained to perform their services roles." | 3,58 | 1,072 |
| <b>REWA</b> | RDING   |      |       |
| 8           | "Our performance measurement and reward systems encourage employees to work together."  | 3,28 | 1,303 |
| 9           | "Hotel management measures and rewards the employee's performance that contributes most to the hotel's vision.  | 3,35 | 1,312 |
| 10          | "In our hotel, those employees who provide excellent service are rewarded for their efforts."   | 3,32 | 1,322 |
| VISION      | l   |      |       |
| 11          | "Our hotel offers employees a vision that they can believe in."   | 3,27 | 1,210 |
| 12          | "Hotel management communicates hotel's vision well to employees."   | 3,21 | 1,144 |
| 13          | "This hotel uses information gathered from its employeesto improve employee duties and improve the organization strategy."  | 3,28 | 1,095 |
| 14          | "Employees are properly trained to demonstrate service roles."  | 3,16 | 1,243 |
| 15          | "In this hotel, communication with employees is very important."  | 3,38 | 1,181 |

| <b>EMPO</b> | WERMENT   |      |       |
|-------------|---|------|-------|
| 16          | "I am allowed to use my own judgment in solving problems"                       | 3,31 | 1,152 |
| 17          | "I am encouraged to take initiatives by the hotel."                             | 3,23 | 1,128 |
| 18          | "My hotel trusts me to exercise good judgments"                                 | 3,44 | 1,139 |
| 19          | "My supervisor allows me a high degree of initiative"                           | 3,38 | 1,138 |
| CORPC       | PRATE CULTURE   |      |       |
| 20          | "An internal monitoring mechanism for staff exists in the hotel"                | 2,92 | 1,129 |
| 21          | "There is a spirit of collegiality across all levels in the hotel"              | 3,48 | 1,250 |
| 22          | "There is openness in information sharing for all staff"                        | 3,35 | 1,123 |
| 23          | "The values of the hotel are consistent with my job roles"                      | 3,49 | 1,120 |
| ORGAI       | NIZATIONAL COMMINTMENT  |      |       |
| 24          | "I really feel as if this hotel's problems are my own"                          | 3,40 | 1,198 |
| 25          | "I feel like a member of my family in the hotel"                                | 3,62 | 1,252 |
| 26          | "I'd be happy to spend the rest of my career in this hotel"                     | 3,37 | 1,283 |
| 27          | "I am grateful to the hotel."   | 3,37 | 1,226 |
| COMM        | IUNICATION  |      |       |
| 28          | "My hotel encourages interpersonal communication"                               | 3,32 | 1,030 |
| 29          | "The hotel management attaches importance to the staff's considerations"        | 3,08 | 1,148 |
| 30          | "My hotel has interactive communication channels for staff."                    | 3,36 | 1,124 |
| SERVP       |   |      |       |
| 31          | "The service quality in this hotel is high."                                    | 3,64 | 1,190 |
| 32          | "The hotel employees tell to hotel's guest exactly services will be performed." | 3,57 | 1,158 |
| 33          | "The hotel employees give to hotel's guest prompt service."                     | 3,56 | 1,143 |
| 34          | "The hotel employees are always willing to help to hotel's guest."              | 3,92 | 1,039 |
| 35          | "The bahaviour of the hotel employees gives to hotel's guest confidence."       | 3,76 | 1,155 |
| 36          | "The hotel employees understand hotel's guest specific needs."                  | 3,77 | 1,097 |

 $\bar{x}$  =1.00-2.36 not agree.;  $\bar{x}$  =2.37-3.66 partially agree;  $\bar{x}$  =3.67-5.00 agree.

The statements of participant workers related to the survey are given on the Table X.

The highest average on "Development" dimension is ""Hotel management teaches you not only "how you should do things", but also "why you should do these things." Proposition ( $\bar{x}$ :3.62)

In General, statements are observed as more than avg. 3. Averages of "Development" of the employees of the hotel are very high. This result points out that work itself teaches company and customer the benefit of the work instead of company's technical teachings to the employee.

The highest average on "Rewarding" dimension ( $\bar{x}$ : 3,35) is statement of "Hotel management measures and rewards the employee's performance that contributes most to the hotel's vision." Generally, statements are observed higher than avg. 3. It can be said that employees think positively about "Rewarding" dimension. It is seen

that hotel management rewards those who contribute to the mutual vision, help the company move forward instead of those who produces a great performance.

The highest average on "Vision" dimension ( $\bar{x}$ : 3,38) is statement of "In this hotel, communication with employees is very important". Generally, statements are observed higher than avg. 3. Employees think mediocre about the "Vision" dimension. It is seen that hotel management developed an active and productive communication strategy.

The highest average on "Empowerment" dimension ( $\bar{x}$ : 3,44) is statement of "My hotel trusts me to exercise good judgments". Generally, statements are observed higher than avg. 3. Hotel Employees think mediocre about the "Empowerment" dimension. It is seen that employees are well-informed, experienced, decide accurately and pertinently, while employer has flexible initiative and trust towards employees enough to grant responsibility.

The highest average on "Corporate Culture" dimension is ( $\bar{x}$ : 3,49) is statement of "The values of the hotel are consistent with my job roles". Generally, statements are observed higher than avg. 3. Employees think highly positive about the provided "Corporate Culture". This result shows us that employees invest to hotel by working there, want to be in a permanent position and both parties want to contribute each other and continue the business life together.

The highest average on "Organizational Commitment" dimension is  $(\bar{x}: 3,62)$  "I feel like a member of my family in the hotel". Generally, statements are observed higher than avg. 3. Employees think highly positive about the provided "Organizational Commitment". Due to the reason that employee think about the job as hobby, there is a friendly and sincere environment within the institution.

The highest average on "Communication" dimension is ( $\bar{x}$ : 3,36) "My hotel has interactive communication channels for staff". Generally, statements are observed higher than avg. 3. Employees think highly positive about the provided "Communication". It is seen that hotel management develops communication strategies, implements applications which let the problems solved between departments and employees.

The highest average on "Servperf" dimension is ( $\bar{x}$ : 3,92) "The hotel employees are always willing to help to hotel's guest". Generally, statements are observed higher than avg. 3. Employees think highly positive about the provided "Servperf". It is seen that employees care about the customers, the brand of the hotel, help the brand to be different from other companies, help customer to be comfortable and have customer to come back again, perform their duties willingly and gladly, while management implements applications which motivate all employees.

# 4.4. Normality Analysis

Within the scope of the research, it is extremely important to check whether the data obtained through the questionnaire conforms to the normal distribution or not, and it will direct the tests to be used in the hypotheses to be investigated. In cases where normal distribution is available, analyzes will be performed with parametric tests; in cases where normal distribution is not available, analyzes are performed with non-parametric tests (Can, 2014: 88).

Table 4.17. Normality Test Results Regarding the Sub Factors of the Internal Marketing Scale

|                          | N   | MEAN | MEDIAN | SKEWNESS | KURTOSIS |
|--------------------------|-----|------|--------|----------|----------|
| Development              | 222 | 3.40 | 3.50   | -0.444   | -0.758   |
| Rewarding                | 222 | 3.32 | 3.67   | -0.328   | -1.152   |
| Vision                   | 222 | 3.26 | 3.40   | -0.358   | -0.706   |
| Empowerment              | 222 | 3.34 | 3.50   | -0.217   | -0.875   |
| Corporate Culture        | 222 | 3.31 | 3.50   | -0.283   | -0.781   |
| OrganizationalCommitment | 222 | 3.44 | 3.50   | -0.361   | -0.899   |
| Communication            | 222 | 3.26 | 3.33   | -0.280   | -0.779   |

Table 4.18. Normality Test Result of Service Quality Scale

|                 | N   | MEAN | MEDIAN | SKEWNESS | KURTOSIS |
|-----------------|-----|------|--------|----------|----------|
| Service Quality | 222 | 3.70 | 4.00   | -0.682   | -0.524   |

The data was also checked for normality. In order to understand whether the data is normally distributed or not, Skewness and Kurtosis tests were employed. The results indicate that the data of this study is in the acceptable range for these tests (i.e.  $\leq 2.58$ ) (Hair et al., 2010). In addition, the graphical analysis shows that the data

is normally distributed, since the mean and the median scores have similar values. Table 4.17 and 4.18 presents the Skewness and Kurtosis scores of all the variables used in this study.

# 4.5. Factor Analysis

Factor analysis is used to find out the interrelationships among the large number of variables and separate them as factors (Hair, Anderson, Tatham & Black, 1998)

# 4.5.1 Factor Analysis Related to Internal Marketing

First of all, internal marketing consists of seven subcomponents. According to this, variables of vision, development, reward, empowerment, corporate culture, organizational commitment and communication are included in factor analysis. In order to understand whether the items are suitable for the analysis, Bartlett test of sphericity and KaiserMeyer-Olkin (KMO) measure of sampling adequacy methods are used. Bartlett Test of Sphericity of the factors are all significant, therefore variables are suitable for factor analysis. According to Sharma (1996), KMO values of 0.90 and over points out excellent suitability, values between 0.80 – 0.90 very good, 0.70 – 0.80 good, 0.60 – 0.70 average, 0.50 – 0.60 weak suitability, and values below 0.50 unacceptable for factor analysis. KMO values of the analysis are 0.88, 0.77, 0.84, 0.83, 0.84, 0.85 and 0.75 respectively, therefore suitable for factor analysis. Furthermore, reliability scores, ranging from 0.87 to 0.94 indicate very high reliability (Kayış, 2009). And also if the value of Cronbach's Alpha is below 0.70, the relevant expressions are excluded.

Table 4.19. Results of Factor Analysis Related to Internal Marketing

|   | Component<br>Matris | Variance | KMO  |
|---|---------------------|----------|------|
| Development   | 17144115            | 70.18    | 0.88 |
| Hotel management prepares employees to perform well.  | 0.860               | 7,0010   |      |
| Hotel management views the development of knowledge and skills of employees as an   | 0.865               |          |      |
| investment rather than a cost.  Skill and knowledge development of employees  | 0.868               |          |      |
| happens as an ongoing process in this hotel.  Hotel management teaches you not only "how you should do things", but also "why you should do | 0.825               |          |      |
| these things.  In our hotel, we go beyond training and educate employees as well.   | 0.790               |          |      |
| In this hotel, the employees are properly trained to perform their services roles.  | 0.817               |          |      |
| This hotel has the flexibility to accommodate the differing needs of employees.   | 0.622               |          |      |
| Rewarding   |                     | 90.37    | 0.77 |
| Our performance measurement and reward systems encourage employees to work together   | 0.941               |          |      |
| Hotel management measures and rewards the employee's performance that contributes most to the hotel's vision.                               | 0.957               |          |      |
| In our hotel, those employees who provide excellent service are rewarded for their efforts.   | 0.957               |          |      |
| Vision  |                     | 66.85    | 0.84 |
| Our hotel offers employees a vision that they can believe in.   | 0.870               |          |      |
| Hotel management communicates hotel's vision well to employees.   | 0.868               |          |      |
| This hotel uses information gathered from its employeesto improve employee duties and improve the organization strategy.                    | 0.732               |          |      |
| Employees are properly trained to demonstrate service roles.  | 0.797               |          |      |
| In this hotel, communication with employees is very important.  | 0.814               |          |      |
| Empowerment   |                     | 82.07    | 0.83 |
| I am allowed to use my own judgment in solving problems.  | 0.913               |          |      |
| I am encouraged to take initiatives by the hotel.   | 0.872               |          |      |
| My hotel trusts me to exercise good judgments.  | 0.923               |          |      |
| My supervisor allows me a high degree of initiative.  | 0.915               |          |      |
| Corporate Culture   |                     | 74.95    | 0.84 |
| An internal monitoring mechanism for staff exists in the hotel.   | 0.858               |          |      |
| There is a spirit of collegiality across all levels in the hotel.   | 0.863               |          |      |
| There is openness in information sharing for all staff.   | 0.878               |          |      |
| The values of the hotel are consistent with my job roles.   | 0.865               |          |      |
| Organizational Commitment   |                     | 83.12    | 0.85 |

| I really feel as if this hotel's problems are my own.                   | 0.882 |       |      |
|---|-------|-------|------|
| I feel like a member of my family in the hotel.                         | 0.921 |       |      |
| I'd be happy to spend the rest of my career in this                     | 0.926 |       |      |
| hotel.  |       |       |      |
| I am grateful to the hotel.   | 0.916 |       |      |
| Communication   |       | 83.93 | 0.75 |
| My hotel encourages interpersonal communication.                        | 0.925 |       |      |
|   |       |       |      |
| The hotel management attaches importance to the                         | 0.898 |       |      |
| The hotel management attaches importance to the staff's considerations. | 0.898 |       |      |
|   | 0.898 |       |      |

| KMO- Scale validity:                   | 0,951   |
|--|---------|
| Bartlett Test of Sphericity: Ki square | 6376,82 |
| df:                                    | 406     |
| p value:                               | 0,000   |

In factor analysis, factor analysis was repeated by subtracting the expression "This institution has the necessary flexibility to meet the different needs of its employees". Because the reliability of the factors applied to these factors (Growth-3.7) was lower than the reliability level of 0.70, the most recent factor analysis was performed by subtracting this factor from the analysis. According to the results obtained, variables are gathered under the factors of development, rewarding, vision, empowerment, corporate culture, organizational commitment and communication.

# **4.5.2 Factor Analysis Related to Service Quality**

The service quality scale has been taken from Hellier, Geursen, Carr, and Rickard, (2003)'s article that is "Customer repurchase intention: A general structural equation model". Table 4.20 contains the factor analysis results of the scale.

Table 4.20. Results of Factor Analysis Related to Service Quality

|  | Component<br>Matris | Variance | KMO  |
|--|---------------------|----------|------|
| Service Quality                                |                     | 83.49    | 0.90 |
| The service quality in this hotel is high.     | 0.910               |          |      |
| The hotel employees tell to hotel's guest      | 0.900               |          |      |
| exactly services will be performed.            |                     |          |      |
| The hotel employees give to hotel's guest      | 0.920               |          |      |
| prompt service.                                |                     |          |      |
| The hotel employees are always willing to help | 0.893               |          |      |
| to hotel's guest.                              |                     |          |      |
| The bahaviour of the hotel employees gives to  | 0.935               |          |      |
| hotel's guest confidence.                      |                     |          |      |
| The hotel employees understand hotel's guest   | 0.923               |          |      |
| specific needs.                                |                     |          |      |

| KMO- Scale validity:                   | 0,901   |
|--|---------|
| Bartlett Test of Sphericity: Ki square | 1533,43 |
| df:                                    | 15      |
| p value:                               | 0,000   |

# 4.6. Regression Analysis

Determination and measurement of the shape, direction and degree of relations between two or more variables is done by regression analysis. Relations between two or more variables are examined by multivariable regression method (Çakıcı et al., 2003: 139)

Firstly, In this study, the relationship between internal marketing mix and service quality is revealed by Multivariable Regression Analysis.

The F value indicates the significance of the model. The  $R^2$  value indicates how much of the dependent variable can be explained by the independent variables. The  $\beta$  value is used to interpret the relative significance of the independent variables for the dependent variable. The variable with the highest beta value is the most important independent variable. Beta coefficients and significance levels were given in the table showing the results of regression analysis.

# 4.6.1 Multivariable Regression Analysis

The reason for the selection of the Multivariable Regression Analysis is to determine how much the dependent variable in the questionnaire can be explained by the independent variables. Moreover multivariable regression analysis is more powerfull tool according to simple regression in order to explain the relations between variables, especially in the social sciences, where the social reality is more complex and can be effected from many variables (Tabachnick and Fidel, 2013).

# 4.7. Findings On the Hypothesis of the Research

# 4.7.1 Relationship Between Rates of Development, Rewarding, Vision, Empowerment, Organizational Commitment, Corporate Culture, Communication and Quality of Service

In this analysis, "development, rewarding, vision, empowerment, corporate culture, organizational commitment, communication" has been taken as an independent variables and multivariable regression has been made with "quality of service". The developed hypothesies are as follows.

- H1: There is a positive relationship between development and quality of service.
- *H2: There is a positive relationship between rewarding and quality of service.*
- *H3: There is a positive relationship between vision and quality of service.*
- *H4: There is a positive relationship between empowerment and quality of service.*
- H5: There is a positive relationship between corporate culture and quality of service.
- H6: There is a positive relationship between organizational commitment and quality of service.
- H7: There is a positive relationship between communication and quality of service.

Table 4.21. Relationship Between Internal Marketing with All Dimensions and Service Quality

#### **Model Summary**

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | ,846ª | ,716     | ,707              | ,55951                     |

a. Predictors:(Constant), COMMUNICATION, REWARDING, EMPOWERMENT, DEVELOPMENT ORG.COMMITMENT, COR. CULTURE, VISION

#### A. ANOVA

| Model      | Sum of Squares | df  | Mean Square | F      | Sig.              |
|------------|----------------|-----|-------------|--------|-------------------|
| Regression | 168,853        | 7   | 24,122      | 77,054 | ,000 <sup>b</sup> |
| Residual   | 66,993         | 214 | ,313        |        |                   |
| Total      | 235,846        | 221 |             |        |                   |

a. Dependent Variable: SERVICE

b. Predictors: (Constant), COMMUNICATION, REWARDING, EMPOWERMENT, DEVELOPMENT, ORG.COMMITMENT, COR. CULTURE, VISION

B. Coefficients<sup>a</sup>

| Model          | Unstandardized<br>Coefficients B | Std.<br>Error | Standardized<br>Coefficients Beta | t      | Sig. |
|----------------|----------------------------------|---------------|-----------------------------------|--------|------|
| (Constant)     | ,541                             | ,150          |                                   | 3,617  | ,000 |
| Development    | ,281                             | ,076          | ,270                              | 3,724  | ,000 |
| Rewarding      | ,126                             | ,043          | ,153                              | 2,925  | ,004 |
| Vision         | -,118                            | ,086          | -,110                             | -1,381 | ,169 |
| Empowerment    | ,083                             | ,055          | ,083                              | 1,511  | ,132 |
| Cor.Culture    | ,161                             | ,078          | ,156                              | 2,060  | ,041 |
| Org.Commitment | ,283                             | ,064          | ,310                              | 4,453  | ,000 |
| Communication  | ,117                             | ,061          | ,115                              | 1,928  | ,055 |

a. Dependent Variable: SERVICE

According to this results, the contributions of variables vision, empowerment, communication to the model is not statistically important since their significance level in the t-test of coefficients is greater than 0,05. So the H3, H4, H7 hypothesies were rejected with 0,169 0,132 and 0,055 significance level respectively. As a result of analysis, it was seen that vision, empowerment, communication had not meaningful service quality relationship, so H3, H4, H7 were not accepted (p>0,05).

So the multivariable regression analysis is repeated after removing those variables from the model. The results are given as follows:

Table 4.22. Relationship Between Internal Marketing with Dimensions of Organizational Commitment, Rewarding, Development and Corporate Culture and Service Quality

# A. Model Summary

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | ,839ª | ,705     | ,699              | ,56666                     |

a. Predictors: (Constant), ORG.COMMITMENT, REWARDING, DEVELOPMENT, CORPORATE CULTURE

#### B. ANOVA

| Model      | Sum of Squares | Df  | Mean Square | F       | Sig.              |
|------------|----------------|-----|-------------|---------|-------------------|
| Regression | 166,167        | 4   | 41,542      | 129,372 | ,000 <sup>b</sup> |
| Residual   | 69,679         | 217 | ,321        |         |                   |
| Total      | 235,846        | 221 |             |         |                   |

a. Dependent Variable: SERVICE

# C. Coefficients<sup>a</sup>

| Model          | Unstandardized<br>Coefficients B | Std.<br>Error | Standardized<br>Coefficients Beta | t     | Sig. |
|----------------|----------------------------------|---------------|-----------------------------------|-------|------|
| (Constant)     | ,644                             | ,143          |                                   | 4,512 | ,000 |
| DEVELOPMENT    | ,243                             | ,066          | ,233                              | 3,683 | ,000 |
| REWARDING      | ,129                             | ,042          | ,156                              | 3,043 | ,003 |
| ORG.COMMITMENT | ,312                             | ,060          | ,341                              | 5,218 | ,000 |
| COR.CULTURE    | ,220                             | ,072          | ,213                              | 3,043 | ,003 |

a. Dependent Variable: SERVICE

According to the analysis, H1, H2, H5, H6 were accepted (p<0.05).

According to the above results, the equation and important points are as follows;

$$F=129,372, p<.001, R^2=0,705$$

So the change in the independent variables Development, Rewarding and Organizational Commitment, Corporate Culture explains the 70,5% of change in the dependent variable Quality of Service since R<sup>2</sup> in the model is 0,705. Model is

b. Predictors: (Constant), ORG.COMMITMENT, REWARDING, DEVELOPMENT, CORPORATE CULTURE

statistically meaningful according to F test and each coefficient is statistically meaningful according to t-test results. So the multivariable regression model can be set as follows:

 $Y=\beta_0+\beta_1$  Development +  $\beta_2$  Rewarding +  $\beta_3$  Organizational Commitment Quality of Service = 0,644 + 0,243\*Development + 0,129\*Rewarding + 0,312\*Org.Commitment + 0,220\*Cor.Culture

The contribution of Organisational Commitment is highest since its coefficient is the highest and then the Development, Rewarding and Corporate Culture comes respectively.

According to this model, for any search for quality of service, it can be measured only the development, rewarding and organisational commitment, corporate culture scores and the quality of service can be obtained from the equation.

# **CHAPTER 5**

# **CONCLUSIONS AND SUGGESTIONS**

Today's globalization has caused intense competition, which has proved that organizations need to move to different understandings beyond classical management to survive and sustain their existence. It is very important that allows you to meet the increasing demands of the clients, to hold up with the technology and alternate, to follow the innovations, to keep the modern-day workers and to keep their motivations. The studies and researches prove that the internal marketing concept is started out to be studied and applied as an alternative to the classical marketing concept.

Internal marketing, which is one of the important parts of the modern marketing concept, is becoming increasingly necessary for businesses. This concept is of vital importance, especially in businesses where the core product is served. Because of the marketing of the product to the workshops that will market the product before the customer increases the success of the promotion.

One of the most important ways to satisfy customers in the service sector is through satisfying employees. The customer will tend to buy or not to repurchase according to the behaviors of the service presenters. Satisfied workplaces are highly likely to satisfy and return customers. Internal marketing philosophy, which aims to see businesspeople as customers, is an important influence in ensuring occupation satisfaction. Operational satisfaction can be ensured especially with the internal marketing activities that the accommodation operators will correctly implement, and the customer can be regained to the satisfaction of the operation.

Internal marketing is a strategy of shaping work and/or products in a way that fits human needs by considering employees as internal customers. Internal marketing has 7 conditions. The race for talent involves choosing the ideal candidate for all types of positions according to the expectations of customer service and hiring them in the business. The heterogeneity of the talent market necessitates different placement according to the work-products designed for different market segments.

The prescient of vision is essential for the retention of quality employees, for attracting to the enterprise, for the development and motivation. They want to understand and agree with how they may be doing the work they are doing in the service quarter. They need to understand and trust in their purposes. Vision must be simple, communicated at each opportunity, personally given by means of senior management personally.

Preparing individuals for performance, giving technical expertise as well as sufficient information, is not only about how things work but also about why they're taught. Service employees should continue to learn continuously. Learning gives confidence, motivating, self-defense. A company that is strategically consistent and loyal to the improvement of its employees; knowledge and abilities invests in people and the benefits will develop ultimately.

The data acquired should be used accordingly at each step, mixed educational approaches and role models should be used, learning should be institutionalized, learning should be institutionalized, assessment and adjustments must be made. The use of the freedom factor as a trumpster involves giving service providers their creativity for their clients. A strong business vision drives employee behavior and requires fewer regulations. Shared goals and interdependence of the team stimulate individual initiatives. Putting authority and responsibility in the lower parts of the organization requires determination and patience. Performance measurement and reward systems should encourage creativity and initiative for customer benefit.

Measurement and reward symbolize the company's culture. The employees know that the management is measuring, and even more importantly, rewarding. The awards should be based on the vision strategy of the company. Many rewarding methods can be used, such as monetary, non-monetary rewards and career advancement. Reward systems should be used to accomplish rather than punishment. Not only individuals but also teams should be rewarded.

Service quality strategies are supported by top management and internal marketing techniques are used to increase employee motivation and perceived external service quality. Service quality can be achieved through high-quality support

services and organizational policies and strategies that will ensure that employees receive quality service and customer-focused results. In the context of internal marketing, quality of service contributes to employee satisfaction and creates customer value.

In the service industry, there is a positive relationship between service quality and internal marketing. Job satisfaction in hotel employees affects the efficiency of work quality and the cost of service provided. Concrete internal service quality factors do not matter when internal customers are considered. The concrete features do not satisfy the internal customer. Quality of service and intrinsic marketing are complex. Interactive internal service quality affects employee satisfaction positively (Pantouvakis 2013, s.37). Six expressions in the quality of service scale in the study were not eliminated in the factor analysis and were examined on a concrete scale. Perception of internal marketing provided by the hotel management of hotel employees is independent of gender, age, professional experience, and education.

Many researches conducted in the field of service quality has confirmed the importance of the internal marketing concept offered by marketers. These surveys have shown that there is a relationship between occupations and customers in terms of perception, attitude, and intention. There is also empirical evidence from Buzzell-Gale (1987), Philips, Chang, and Buzzell (1983) that service quality that can be improved with internal marketing applications affects profitability and profitability of the organization positively.

Internal marketing concept increases customer satisfaction by creating employee satisfaction. Employee satisfaction and customer satisfaction are two intertwined concepts. One cannot exist without the other and two must be provided at the same time. If there is a problem in the satisfaction of one side, it will surely affect the other side and decrease the satisfaction. If the customer is satisfied and the employee is unhappy, the employee will quit at the earliest opportunity, which will increase the staff turnover rate and will create uneasy clients. Clients are particularly committed to the service sector rather than to the business, but in the manufacturing sector, as the new employees will have to constantly invest in it, the results will be reflected in the product quality and the quality of the product will decrease. In the

case where the customer is unhappy, and the employee is satisfied; the customer will leave the business, which will affect the profit of the business and the employees. Because the opportunities offered to the employees of the company will increase in direct proportion to their profitability. It is necessary for all enterprises that want to get ahead of their competitors in the competitive environment to adopt the internal marketing concept and implement it within the enterprise. When internal marketing practices increase, the performance of the operator will increase, and customer satisfaction will be ensured.

This study was conducted with 2 (5-star) hotels located in Izmir province with the aim of showing the effects of internal marketing on service quality. The main operation of a business is service. Adequate worker count for the sampling, demographic diversity of the workers and positive reply to our research were the reasons two hotels were chosen for the study.

With surveying as data collection method of the study, a total of 289 questionnaires were collected from the surveys of 475 employees and 222 surveys answered in accordance with the rules. It is believed that the information obtained will provide important information to managers, practitioners and academicians working in accommodation enterprises.

When looking at the demographic features of the people participated in the study, out of all workers;

- 44,6% are women, 55,4% are men,
- 1,8% are between 20 years of age or younger, 31,5% are between 20-29 years of age, 39,2% are between 30-39 years of age, 21,2% are between 40-49 years of age and 6,3% are 50 and older,
- 3,6% are primary school graduates, 7,2% are middle school graduates, 27,9% are high school graduates, 14,4% are undergraduates, 42,3% are university graduates and 4,5% have master's degree,
- 23,9% have total of 1 to 5 years of experience, 29,3% have a total of 6 to 10 years of experience, 46,9% have a total of 11 or higher years of experience.

According to these results, the workers who have participated in this study are highly educated, young and middle-aged people who are experienced in tourism sector.

Table averages of variables were taken to evaluate the opinions of the participants.

#### It has been found that:

- In the asked questions regarding development dimension of internal marketing, the highest avg. variable was" Hotel management teaches you not only "how you should do things", but also "why you should do these things" (x̄: 3,62)
- In the asked questions regarding rewarding dimension of internal marketing, the highest avg. variable was "Hotel management measures and rewards the employee's performance that contributes most to the hotel's vision." ( $\bar{x}$ : 3,35)
- In the asked questions regarding vision dimension of internal marketing, the highest avg. variable was "In this hotel, communication with employees is very important" ( $\bar{x}$ : 3,38)
- In the asked questions regarding empowerment dimension of internal marketing, the highest avg. variable was "'My hotel trusts me to exercise good judgments' (x̄: 3,44)
- In the asked questions regarding corporate culture dimension of internal marketing, the highest avg. variable was "The values of the hotel are consistent with my job roles" ( $\bar{x}$ : 3,49)
- In the asked questions regarding organizational commitment dimension of internal marketing, the highest avg. variable was "I feel like a member of my family in the hotel" (x̄: 3,62)
- In the asked questions regarding communication dimension of internal marketing, the highest avg. variable was "My hotel has interactive communication channels for staff" ( $\bar{x}$ : 3,36)

• Statement of the highest average of six expressions of service quality which is a one-dimensional scale is "The hotel employees are always willing to help to hotel's guest" (x̄: 3,92).

Prior to testing hypotheses established for the specified purposes, the validity and reliability of the questionnaire used to collect data were tested. According to the results of the factor analysis conducted to measure construct validity of the questionnaire, the factor loadings of both the independent and dependent variables were found to be larger than 0.50, and the Kaiser-Meyer- Olkin sample value, which is the precondition of the number of samples required for factor analysis, 0,951 (p<.001) for the independent variable and 0.901 (p<.001) for the dependent variable.

In the study, 7 of the 30 internal marketing dimensions were not eliminated in factor analysis, only 7 of the questions were eliminated and 29 expressions were examined in 7 dimensions.

In the study, 29 statements included in the internal marketing scale, such as development, rewarding, vision, empowerment, corporate culture, organizational commitment and communication, were focused on as main topics respectively. Perception of hotel employees about internal marketing of the hotel management is unaffiliated with gender, age, occupational experience and level of education.

The "development" aspect of internal marketing in our study means that the employees of the institution are specifically developed through training to realize the objectives of the operator. The findings show that internal marketing is not neglected in terms of development. The most important finding supporting this is that the views on the adequacy of institutional development activities are somewhat similar to those of employees. For example; "Employees in this institution are taught not only how things should be done, but also why they should be done at the same time." In a similar way, it was accepted by employees that "this company explains the importance of service roles to its employees." As we try to explain with examples of the questions, the findings show that the employees in these institutions are moderate in their development. Based on this result, it can be suggested that in this institution

training activities for the development of employee should be continued and while it is being done, it should be increased.

Another aspect of internal marketing is "Vision". The vision aspect assesses the ability of the employer to accurately convey the vision to its employees and the vision of the employees. Findings from the perspective of the vision are not similar to the results obtained from the perspective of development. In other words, the level of the employees' vision of adopting and not adopting the vision is close to each other. This result shows that the institution cannot adopt its visionary goals as much as its employees. "This company provides a vision to their employees that they can believe." It is surprising that the level of non-involvement of employees in the expression is too high (9%) compared to other expressions. Also, the fact that employees are not supported by the phrase "Employees are properly trained to demonstrate service roles" is another important factor supporting our outcome. This conclusion emphasizes the importance of adopting the vision of the enterprise and the enterprises with similar characteristics. Since this deficiency in the adoption of the vision to the employees will cause the failure of the internal marketing activity, it can be suggested that the enterprises give importance to the communication with the employees, especially the vision holders.

Findings related to "Rewarding" in this study are different from other dimensions, but they have produced such a significant result. This result shows that all employees regard the institution as inadequate in rewarding. Expressions "agree" with "I do not agree" scale proportions close to each other. However, at first glance, it can be considered naturally that employees have a greater expectation of rewarding. This lack of rewarding may have occurred because the rewarding vehicles (premiums, bonuses, etc.) used in the private sector are not used in the surveyed hotels. However, since this situation will be reflected in customer satisfaction, not taking the necessary measures for rewarding in the institution will have a negative effect in reaching the objectives of the operator. Employees who interact with customers, in particular, can cause greater problems.

Another dimension of internal marketing is "empowerment". The empowerment aspect assesses the empowerment of the employer, the determination

of initiative when making a decision, and the reliance on employees' decisions. The findings obtained from the perspective of empowerment are similar to those obtained from the point of rewarding. For example, "The hotel management encourages me to take initiative when I make a decision." The statement is accepted by employees with a 14% difference between agreeing and disagreeing with other statements. In other words, while corporate managers deal with more important problems, they cannot follow the new ideas they can produce and the opportunities they can evaluate for developing the organization. Because the managers do not have enough time and energy. For this, it is recommended that employees and managers carry out various studies to increase their performance and keep them constantly high. It is possible to find many examples that emphasize that the employees are more productive, more positive, more committed to their work and to their organizations.

Another dimension is the 'corporate culture', which keeps the company together, creates the company identity, and differentiates it from other companies. According to the findings obtained, 20th-grade "Hotel management is closely related to each staff member" is not accepted at a high level. It seems that the managers do not work enough, and it is suggested to work in this area. Because; A corporate culture that employees see, and reward motivates employees and focusses on success. Leaders grow in a culture that invests in people, strategic vision becomes important, the company increases competitiveness and attracts the best talents in the company market. A positive corporate culture positively affects employees' behavior and communication towards each other, creates a healthy work environment, and increases teamwork.

"Organizational commitment" is another dimension of internal marketing. In the direction of the findings we have, the employees of the institution have answered this aspect with the criterion of "I have no idea". This indicates that the institution is weak in the name of organizational commitment. From here it can be mentioned that the employees are in the position they are working for because they are working because they need to work, which is the characteristic of continuity. Employees are bound by the continuing commitment to business because they are satisfied with the continuous cash income they have earned from the absence of business alternatives

or from their operation. Institutions, which are recommended to managers, are the principle that if they want to be in prosperity or to have their assets resolved, they must absolutely ensure the loyalty of their employees. Achieving a high level of performance in enterprises will result in high levels of organizational commitment of occupations. It is stated that when the occupations with high organizational commitment are fulfilling their duties, they are making more efforts, they tend to stay in the organization for a longer time, they have positive relations with the organization. An educated workforce, which continues to perform at a high level due to organizational commitment, contributes to the organization to work efficiently. Because an occupation with high organizational commitment is making more efforts to achieve organizational goals and does not consider leaving the organization. (Keleş, 2006:47).

Our findings on inner marketing's last aspect, Communication, shows our positive results. For example; " The communication between the employees at the hotel is encouraged. " The demonstration is accepted at the high level by the employees.

It is inevitable that the results described above will be reflected in the service quality. Explaining in which dimensions this reflection is manifesting will also guide the steps involved in internal marketing activities. Moving from this, the quality of service, which will provide a kind of satisfaction of employees and customers, has also been measured in the institution where the research was conducted.

In the study, 6 expressions of quality of service scale hasn't been eliminated and were examined in 1 dimension. Perception of internal marketing provided by the hotel management of hotel employees is independent of gender, age, professional experience, and education.

As a result of the analysis of the research, hypotheses and multivariable regression models designed to test the scale we obtained from a combination of two different scales, reveal important findings. According to the results of the regression analyzes have been completed, it was realized that occupations in accommodation

enterprises are expected to have effects on internal marketing and service quality. According to the result of the analysis, the equation we obtained is as follows:

- Y= β0 + β1 Development + β2 Rewarding + β3 Corporate Culture + β4
   Organizational Commitment
- Service Quality = 0,644 + 0,243\*Development + 0,129\*Rewarding + 0,220\*Cor.Culture + 0,312\*Org.Commitment

In the multivariable regression analysis of the scales used in the research, it is seen that there is a significant positive correlation between the internal marketing dimensions and the quality of service in terms of the orientations and ratings. It was found out that;

- There is a high degree of strong correlation between the development dimension of internal marketing and service quality (r = 0.751, p < 0.05),
- There is a moderate strong correlation between rewarding dimension of internal marketing and service quality (r = 0.649, p < 0.05),
- There is a high degree of strong correlation between corporate culture dimension of internal marketing and service quality (r = 0.766; p < 0.05),
- There is a high degree of strong correlation between organizational commitment dimension of internal marketing and service quality (r = 0.778; p <0.05),
- It was found that the internal marketing had a weak correlation between the vision dimension and service quality (r = 0.715; p > 0.05, p : 0.169),
- There is a weak correlation between the empowerment dimension of internal marketing and service quality (r = 0.655, p > 0.05, p : 0.132), and
- There is a weak correlation between the communication dimension of internal marketing and service quality (r = 0.655, p > 0.05, p : 0.132).

Based on these results, it is hypothesized that our hypotheses, H1 (a meaningful correlation between the development dimension of internal marketing and service quality), H2 (a meaningful correlation between the rewarding dimension of internal marketing and service quality), H5 (a meaningful correlation between the corporate culture dimension of internal marketing and service quality), H6 (a meaningful correlation between the organizational commitment dimension of internal marketing and service quality) are accepted and other hypotheses are rejected.

Table 4.23. Results About the Hypotheses

| Hypotheses   | P     | Result   |
|--|-------|----------|
| H1: there is a meaningful correlation between the  | 0,000 | Accepted |
| development aspect of internal marketing and       |       |          |
| service quality                                    |       |          |
| H2: there is a meaningful correlation between the  | 0,003 | Accepted |
| rewarding aspect of internal marketing and service |       |          |
| quality  |       |          |
| H3: there is a meaningful correlation between the  | 0,169 | Denied   |
| vision aspect of internal marketing and service    |       |          |
| quality  |       |          |
| H4: there is a meaningful correlation between the  | 0,132 | Denied   |
| empowerment aspect of internal marketing and       |       |          |
| service quality                                    |       |          |
| H5: there is a meaningful correlation between the  | 0,003 | Accepted |
| corporate culture aspect of internal marketing and |       |          |
| service quality                                    |       |          |
| H6: there is a meaningful organizational           | 0,000 | Accepted |
| commitment between the vision aspect of internal   |       |          |
| marketing and service quality                      |       |          |
| H7: there is a meaningful correlation between the  | 0,055 | Denied   |
| communication aspect of internal marketing and     |       |          |
| service quality                                    |       |          |

#### **FUTURE STUDIES**

Suggestions for future research;

- For researcher;

In the survey conducted, 2 5-star hotel employees were selected as the working group. Future research can be applied to a broader working group, which can be used to generalize the results.

The fact that the number of dependent and independent variables to be determined within the scope of the research, is high, will enable the study to reach more comprehensive results.

- For practitioners;

In the research, vision, empowerment, and communication aspects were found to be inadequate for employees.

Therefore; In order to raise the satisfaction level of employees in the "Vision" internal marketing;

- "Vision" should be a guide to employees and should be guiding principles as to how they should act while trying to achieve their intended goals.
- Employees should share vision.
- Vision should be about the distant future.
- Vision must be quantitative and achievable. Because only quantitative and achievable goals can motivate people, nobody wants to turn to unachievable and ambiguous goals.

Vision guides the business and motivates managers to achieve their goals. It has been revealed that researches with vision have been more successful than those without vision.

"Empowerment" to raise the satisfaction level of employees in the internal marketing dimension;

- Employer should provide empowerment to experienced employees who have been in the department for a long time.
- Specific and limited authorization should be done according to employees' knowledge and skills.

Empowerment is that employees help each other and the company. Hence, empowerment is very effective in keeping motivation among employees at a high level. It improves employee's sense of ownership of their works and the company. This leads employees to take risks in their efforts for improvement, to express their desire for decision-making, and to express a sense of disagreement.

"Communication" is to increase the satisfaction level of employees in the internal marketing dimension;

- Employees should be informed about all the negative developments in the business.
- Employees should be informed about the company's planning, objectives, marketing and advertising objectives.
- The existence of being able to report opinions within the enterprise,
- Regular organizational meetings should be held.

The main task of communication for employees is communication of corporate philosophy, purpose and thoughts. Thus, the employees will integrate with the institution's goals and with the institution. In addition, communication for employees will form the basis for corporate behavior. The better the information communicated to employees is, the more reasonable and persuasive it will be to ensure that they integrate with the organization and therefore become more productive.

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## **APPENDIX**

Sayın katılımcı,

Bu anket formu, İzmir Kâtip Çelebi Üniversitesi Sosyal Bilimler Enstitüsü İşletme Anabilim Dalı'nda hazırlamakta olduğum "içsel pazarlama" konulu yüksek lisans tezinin uygulama kısmı ile ilgili olarak akademik bir amaç, doğrultusunda düzenlenmiştir. Katılımınız için teşekkür ederim.

| Cinsiyet        | Bayan ( )      | Erkek ( )    |               |                |                  |
|-----------------|----------------|--------------|---------------|----------------|------------------|
| Yaş             | 20 ve Altı ( ) | 21 – 29 ( )  | 30 – 39 ( )   | 40 – 49 ( )    | 50 ve Üzeri ( )  |
| Mesleki Deneyim | 1–5 Yıl ( )    | 6–10 Yıl ( ) | 11–15 Yıl ( ) | 16–20 Yıl ( )  | 21 Yıl Üzeri ( ) |
| Eğitim Durumu   | Ortaokul ( )   | Lise ( )     | Ön Lisans ( ) | Üniversite ( ) | Diğer            |

|    | SORULAR<br>Aşağıdaki ifadelere katılım durumunuzu 1'den 5'e kadar puanlayınız.   |   | Katılmıyorum | Ne Katılıyorum<br>Ne Katılmıyorum | Katılıyorum | Kesinlikle<br>Katılıyorum |
|----|--|---|--------------|-----------------------------------|-------------|---------------------------|
|    |  | 1 | 2            | 3                                 | 4           | 5                         |
| l  | Bu kurum, çalışanlarını iyi performans göstermeleri için hazırlar.   |   |              |                                   |             |                           |
| 2  | Bu kurum, çalışanlarının bilgi ve becerilerinin gelişimini maliyetten ziyade bir yatırım olarak görür.                                 |   |              |                                   |             |                           |
| 3  | Bu kurum, çalışanlarının bilgi ve becerilerinin gelişimini, kurum içinde sürekli devam eden bir süreç, olarak gerçekleştirir.          |   |              |                                   |             |                           |
| 4  | Bu kurumda çalışanlara, sadece islerin nasıl yapılması gerektiği değil aynı zamanda neden yapılması gerektiği de öğretilir.            |   |              |                                   |             |                           |
| 5  | Bu kurum, çalışanlarını yetiştirmenin yanı sıra onları eğitir.   |   |              |                                   |             |                           |
| 6  | Bu kurum, çalışanlarına, hizmet rollerinin önemini izah eder.  |   |              |                                   |             |                           |
| 7  | Bu kurum, çalışanlarının farklı ihtiyaçlarını karşılayabilmek için gerekli esnekliğe sahiptir.   |   |              |                                   |             |                           |
| 8  | Bu kurumda yapılan performans ölçümleri ve ödüllendirme sistemi, çalışanları birlikte çalışmaya özendirir.                             |   |              |                                   |             |                           |
| 9  | Bu kurumda, çoğunlukla, kurumun vizyonuna katkıda bulunan çalışanların performansları ölçülür ve ödüllendirilir.                       |   |              |                                   |             |                           |
| 10 | Bu kurumda, mükemmel hizmet sağlayan çalışanlar, cabalarından ötürü ödüllendirilirler.   |   |              |                                   |             |                           |
| 11 | Bu kurum, çalışanlarına, inanabilecekleri bir vizyon sunar.  |   |              |                                   |             |                           |
| 12 | Bu kurum, vizyonunu çalışanlarına uygun bir şekilde iletir.  |   |              |                                   |             |                           |
| 13 | Bu kurum, çalışanların görevlerini iyileştirmek ve örgütün stratejisini geliştirmek için çalışanlarından topladığı bilgileri kullanır. |   |              |                                   |             |                           |
| 14 | Çalışanlar, hizmet rollerini sergileyebilmek için doğru bir şekilde eğitilmişlerdir.   |   |              |                                   |             |                           |
| 15 | Bu kurumda, çalışanlarla iletişime büyük önem verilir.   |   |              |                                   |             |                           |

|          | SORULAR<br>Aşağıdaki ifadelere katılım durumunuzu 1'den 5'e kadar puanlayınız. | Kesinlikle Katılmıyorum | Katılmıyorum | Ne Katılıyorum<br>Ne Katılmıyorum | Katılıyorum | Kesinlikle Katılıyorum |
|----------|--|-------------------------|--------------|-----------------------------------|-------------|------------------------|
| 16       | Sorunları çözmede kendi kararımı kullanmama izin verilir.                      |                         |              |                                   |             |                        |
| 17       | Otel yönetimi, karar alırken insiyatif kullanmamı teşvik eder.                 |                         |              |                                   |             |                        |
| 18       | Otel yönetimi kararlarımda bana güvenir.                                       |                         |              |                                   |             |                        |
| 19       | Müdürüm önemli kararlarda bana güvenir.  |                         |              |                                   |             |                        |
| -        |  | 1                       |              |                                   |             |                        |
| 20       | Otel yönetimi her personel ile yakından ilgilenmektedir.                       |                         |              |                                   |             |                        |
| 21       | Otel yönetiminin her departmanında mesleki bir ruh vardır.                     |                         |              |                                   |             |                        |
| 22       | Tüm personel için bilgi paylaşımında açıklık vardır.                           |                         |              |                                   |             |                        |
| 23       | Otelin vizyonu ve misyonu görevlerimle tutarlıdır.                             |                         |              |                                   |             | <u> </u>               |
| 24       | Bu otelin problemlerini kişisel problemlerim kadar önemsiyorum.                |                         |              |                                   |             |                        |
| 25       | Kurumumda kendimi ailenin bir üyesi gibi hissederim.                           |                         |              |                                   |             |                        |
| 26       | Kariyer hayatımın geriye kalanını bu otelde geçirmekten mutluluk duyarım.      |                         |              |                                   |             |                        |
| 27       | Kurumuma çok şey borçluyum.  |                         |              |                                   |             |                        |
| <u> </u> | Teatamama you goy ootgrayam.   |                         |              |                                   |             |                        |
| 28       | Otelde çalışanların birbiriyle olan iletişimi teşvik edilir.                   |                         |              |                                   |             |                        |
| 29       | Otel yönetimi personelin düşüncelerini önem verir.                             |                         |              |                                   |             |                        |
| 30       | Otelde personel için etkin iletişim yolları vardır.                            |                         |              |                                   |             |                        |
|          | , , ,  | · ·                     |              |                                   |             |                        |
| 31       | Bu oteldeki servis kalitesi yüksektir.   |                         |              |                                   |             |                        |
| 32       | Bu otel sunduğu hizmetleri zamanında gerçekleştirir.                           |                         |              |                                   |             |                        |
| 33       | Bu otel müşteri taleplerine hemen yanıt verir.                                 |                         |              |                                   |             |                        |
| 34       | Bu otel çalışanları müşterilerine yardım etmeye isteklidir                     |                         |              |                                   |             |                        |
| 35       | Bu otel müşterilerine güven verir.   |                         |              |                                   |             |                        |
| 36       | Bu otel müşterilerin ihtiyaçlarını anlar.                                      |                         |              |                                   |             |                        |