



## **The relationship between internal marketing and service quality in offices of sports and youth (A case study of Golestan province of Iran)**

**Maryam Sadeghloo and Marzie Tirgar**

*Department of Marketing Management, Islamic Azad University, Ali Abad Katul, Iran*

### **ABSTRACT**

*The purpose of this study is to investigate the relationship between internal marketing and service quality. The research method in this study was descriptive and correlation method. Sports and Youth offices staff of Golestan province have established statistical population of research that they all participated in the study (N=180). For this purpose, Tabatabai, (2010) Internal Marketing questionnaire and Davis's Service Quality questionnaire (2005) was used. Reliability of questionnaires after a pilot study using Cronbach's alpha test, respectively ( $\alpha=0.84$ ) and ( $\alpha=0.88$ ) were obtained. Descriptive and inferential statistics methods for data analysis were used. The findings showed that between internal marketing and service quality in sports and youth offices staff, there is significant positive correlation ( $r=0/547$ ,  $p<0/001$ ). The research findings on the importance of internal marketing and its levels as one of the factors affecting service quality within the sports and youth offices of Golestan province underlined. Thus, leaders and HR managers should use the strategic plans for the development of internal marketing in order to provide higher quality services.*

**Keywords:** Internal Marketing, Service Quality, Sports and Youth Offices.

### **INTRODUCTION**

Nowadays, organizations seek to improve their performance through increasing the quality of their services. As many researchers contend, organizations need to deal with both internal and external customers [1]. Successful organizations need to emphasize the quality of services offered to both internal and external customers. Such organizations are astute enough to predict the changing needs of their customers, to concentrate on their organizational capability to offer high-quality services, and to see the quality of internal service as a tool to gain competitive advantage [2].

With the emergence of industrial age, corporations changed their opinion about employees. Gone are the days when employees were treated as servants whose primary concern was to provide goods and services. But now this concept is totally changed as organizations realized that human capital is critical for the success of any organization. Especially in service sector the quality of service mainly depends on employees because service providing companies do not have physical goods. Internal marketing is an equal handling of both employees and customers with the aid of proactive policies to reach organizational objectives [3]. *Berry* (1981) pioneered the term internal marketing and originally defined it as "viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization [4]. According to *Kotler* (2000), internal marketing should be as a priority before external marketing. IM starts with the organization recruiting the right people in the position to reach the point where these employees are satisfied and willing to do their job and accomplish customer satisfaction [5]. *Hult, Hurley, Giunipero, and Nichols* (2000) pointed out that internal marketing means considering the internal employee as the internal customer and to contemplate on making the internal customer's (employee) satisfaction [6]. *Cooper and Cronin* (2000) pointed out that internal marketing was consistent with the organization's effort; the organization trained and aggravated its employees to present better service [7]. Internal marketing in the service industry helps all employees comprehend

the company's mission and aims, and refers to schooling, motivation, and appropriate appraisal to accomplish the organization's anticipated aims and keep excellent employees [8]. Internal marketing must be started, practiced, and supported by top management. It continues through middle management to front-line employees, and ultimately results in strong service quality [9]. Top management must treat middle management as a customer of the product and determine what middle management perceives as the technical qualities, functional qualities, and image of the organization. They must create programs to segment them into various consumer groups in order to determine their wants and needs, and a similar process must occur throughout the flow chart [4].

Many of researchers believed that internal marketing can be effect on organizational processes. In this regard, the research results of Davis (2005) demonstrated that the dimensions of internal marketing greatly impacted service quality [4]. Tabatabai (2010) research results showed that internal marketing activities can improve the service quality of within the organization [10]. Al Hawari, et al research results with title "The impact of internal marketing on employee's job satisfaction of commercial banks in Jordan" showed that internal marketing practices affect on employees job satisfaction [5].

As with other organizations, sports organizations follow unified principles in all divisions and aim to offer quality services to their customers [11]. In this regard, such factors as Internal Marketing may influence the quality of employee internal services, and, consequently, affect external service quality. Sports and Youth Offices is the main institution to manage sports activities in the country and has established a broad relationship with both sports and non-sports organizations, both national and foreign. Iranian organizations have paid insufficient attention to the science of management and its scientific achievements. The present study may offer the opportunity to both HR management and employees to build an understanding of Internal Marketing. The present study aims to investigate the relationship between Internal Marketing and service quality as perceived by the staff working with Golestan's Offices of Sports and Youth.

## MATERIALS AND METHODS

The method of the research is descriptive and correlational, which is conducted as a field study. The population of the study consisted of all staff with the Golestan's offices of Sports and youth. The sample size was considered equal to the population (N=180). For collecting data, two standard questionnaires were used, Internal Marketing developed by Tabatabai (2010) with 36 questions that have closed answer and Service Quality developed by Davis (2005) with 16 questions that have closed answer. The content validity of the questionnaires was approved by ten professors of sports management. To calculate the reliability of the questionnaires, a pilot study was conducted. The results showed a reliability coefficient of  $\alpha=0.84$  for Internal Marketing Questionnaire and  $\alpha=0.88$  for Service Quality Questionnaire, which indicated the consistency of measurement. A demographic data sheet was used to collect the data on personal information including age, level of education and work experience. SPSS software was used to analyze the data. As to the statistical measures, descriptive statistics including frequency, percentage, mean, standard deviation and tabulations were used to describe the data. Inferential statistics including Pearson correlation formula was used to test the hypotheses.

## RESULTS

The results showed that the participants were 41 years old on average. 53.9 per cent of the participants had B.S or higher degrees and 84.4 per cent had more than 5 years of work experience.

Table 1. Result of Kolomogorove Smirnov test to verify data normality

| Statistic Variable | N   | Z     | Sig   | Test result |
|--------------------|-----|-------|-------|-------------|
| Internal Marketing | 180 | 1.642 | 0.795 | Normal data |
| Service Quality    | 180 | 1.243 | 0.682 | Normal data |

Table 2. Relationship between Internal Marketing and its subscales with Service Quality

| Variables          | Service Quality |       |       |                |
|--------------------|-----------------|-------|-------|----------------|
|                    | N               | r     | P     | r <sup>2</sup> |
| Perspective        | 180             | 0.648 | 0.001 | 0.41           |
| Development        | 180             | 0.456 | 0.001 | 0.20           |
| Reward             | 180             | 0.386 | 0.001 | 0.14           |
| Internal Marketing | 180             | 0.547 | 0.001 | 0.29           |

To test if data were normally distributed the Kolmogorove-Smirinove Test was used. Results in Table 1 show that Internal Marketing data (Z=1.642, p=0.795) and Service Quality data (Z=1.243, P=0.682) are normal.

Pearson correlation formula was run to examine the relationship between internal marketing and its subscales with service quality. Table 2 illustrates the results of Pearson correlation test. Regarding the results in table 2, there is a positive and significant relationship between perspective and service quality ( $r=0.648$ ,  $P\leq 0.001$ ). Also, the results of correlation coefficient shows that there is a positive and significant relationship between the development and service quality from the employee's perspective ( $r=0.456$ ,  $P\leq 0.001$ ). In addition, there is a positive and significant relationship between reward and service quality from the employee's perspective ( $r=0.386$ ,  $P\leq 0.001$ ).

## DISCUSSION AND CONCLUSION

The issue of quality is one of the major challenges that organizations, particularly service organizations, face. The quality of services is typically investigated in terms of the viewpoint of external customers. The introduction of the two concepts of internal marketing and internal service quality has given a role to employees in the evaluation of service quality. Internal marketing is one of the main components contributing to the efficiency of modern dynamic organizations, particularly sports organizations. Therefore, the present study set to investigate the relationship between internal marketing and service from the viewpoint of sports employees working with offices of sports and youth of Golestan province.

The results revealed a significant correlation between internal marketing and service quality. This is consistent with the findings of Davis (2005) and Tabatabai (2010) [4,10]. Researchers consider internal marketing as one of the most important aspects of marketing strategies that reduce costs and increase profits in the long run. Davis (2005) asserts that Employees should extend beyond departmental walls and create relationships with customers through interaction. He stated internal marketing must precede external marketing. If not, the organization may offer a service it is unable to provide [4].

Providing good-quality service for the employees considerably affects the interaction between the employees and external customers. Internal customers constitute a cycle that can influence the external customers' satisfaction and contribute to organizational success. Internal marketing, which affects the factors contributing to the service quality offered to external customers, depends on the supports provided by organizational directors, particularly HR managers. Considering the role of sports in both physical and mental development of individuals and in economic development as an industry, it seems necessary to develop internal marketing and service quality in sports organizations. Therefore, directors and HR managers at the sports and youth offices of Golestan province are recommended to improve internal marketing through developing strategic plans consistent with their organizational activities.

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