

**The impact of Internal branding on employees' brand  
supporting behaviour in South Africa**

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## **ABSTRACT**

The rapid shift in the financial services industry, triggered by the continuous changes in customer behaviour, has brought so much competition for both loyal customers and employees. In order to understand the specific needs of the customer, businesses have to invest in training and educating their employees about their brands.

The purpose of this study was to investigate the relationship between internal branding and brand supporting behaviour of financial services employees in South Africa. The study investigated the relationship between internal branding and brand identification, brand commitment, brand awareness within the financial services sector in a South African context, and how these ultimately influence employee brand supporting behaviour.

The research methodology employed was a quantitative study, with respondents from one of the 5 major banks in South Africa. Study participants were selected through a combination of purposive and random (convenience) sampling. A structured questionnaire was the primary data collection method. A total of 241 responses were received and analysed using the Structural Equation modelling technique and Correlation analysis with descriptive statistics. The correlations between the latent and exogenous variables were recorded as high suggesting strong relationships between the tested variables.

The findings of the study supported all the six hypotheses formulated, showing a positive and significant relationship between Internal Branding and Brand Identification, Brand Commitment and Brand awareness. The study also concluded that from the relationship between Brand Identification, Brand Commitment, Brand awareness and Brand supporting behaviour is significant and positive. The relationship between the demographic variable, gender and Brand Supporting Behaviour was also tested using the independent-samples t-test which indicated that the group means between male and female participants are not statistically different on all the variables under study.

## **DECLARATION**

I, \_\_\_\_\_Basetsana Taku \_\_\_\_\_, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Basetsana Taku

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Signed at Sandton, Johannesburg

**On the .....31..... day of .....March..... 2020**

## DEDICATION AND ACKNOWLEDGEMENTS

*This research is dedicated to my late father, Elias Nchimane Maiketswane “Ta Chicco”, for his dedication and hard work in making sure that we go to school even though he himself never had the opportunity to do so. Thank you, Papa, for all that you did for me while you were still here on earth; I carry your teachings with me all the time.*

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Kea Legoga!

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# CHAPTER 1: INTRODUCTION

## 1.1 Purpose of the study

The purpose of this study was to investigate the relationship between internal branding and brand supporting behaviour of employees in South Africa. The study sought to determine the impact of internal branding on brand identification, brand commitment and brand awareness within the financial services sector in a South African context; and how these ultimately influence employee brand supporting behaviour.

Today's competitive environment places emphasis on organisations to clearly define their competitive niche in the market, a challenge manifested through how an organisation provides a service, physical or otherwise (King & Grace, 2008). Companies have to do better than their competitors in terms of creating satisfactory experiences for both customers and employees (Chi & Gursoy, 2009). Building powerful brands relies heavily on the positive behaviour of employees. They should be able to articulate the brand and form relationships with customers through their actions and how they interpret and represent the brand. The success of a good brand management programme will result in how well employees of a company live the brand whenever they interact with customers (Du Preez & Bendixen, 2015). Thus, the success of any corporate brand remains dependent on the employees' behaviour in producing and delivering the service (Punjaisri & Wilson, 2007). When an organisation has employee buy-in of its brand and its values are deeply rooted in the hearts and mind of its employees, a sustainable competitive advantage will be achieved Ind (2004).

According to Mosley (2007) employees play a significant role in delivering service experience. He further reinforces that there is a strong correlation between satisfied employees, satisfied customers and positive business results. It is critical that one of an organisation's tasks be that of appropriately managing attitudes and behaviours of employees as these become evident in the interaction between the employees and customers (Pugh, 2001).

Burmann, Zeplin, and Riley (2009) highlight that internal brand management has been widely recognised as having the capability of achieving a sustainable competitive advantage through building strong brands whose positioning would be impossible to copy by competitors. Similarly, research has also recognised internal branding as an influence of employee behaviour. Schiffenbauer (2001) as cited in Devasagayam, Buff, Aurand, and Judson (2010) asserts that a brand message without the support of a unified employee behaviour will lose credibility. The efficiency and effectiveness of the internal branding efforts of an organisation will be determined by how well the internal and external environment is understood and known (Mahnert & Torres, 2007).

Whenever employees of an organisation are aligned with its values, they are able to better assist that organisation to achieve a sustainable competitive advantage through providing these values to the external stakeholder (Chong, 2007). Frontline employees of service organisations can be guided and encouraged to perfectly represent the brand when dealing with customers through the actions of their managers and how they demonstrate the brand values (Du Preez & Bendixen, 2015). The study further investigated the impact that internal communication, training and the human resources (HR) department's involvement has on employees' brand supporting behaviour. It sought to ascertain how internally communicating the brand affects employees' brand supporting behaviour and how they understand their role in delivering an organisation's brand promise. Internal communication can greatly influence employees' brand awareness and behaviour Punjaisri and Wilson (2007). The brand image of any organisation is driven by its employees, particularly for organisations operating in the service sector. Effectively communicating the mission and vision of an organisation to employees accomplishes two things; firstly it ensures that each employees knows, understands and is able to experience the desired brand image and secondly it sustains the psychological contract between an employee and the organisation (Miles & Mangold, 2005). Holistic brands that are incorporated need to be driven by leadership within the

organisation, starting with the Chief Executive Officer (CEO), down to management level.

Training and development programmes also need to be infused in the performance of employees so as to bring about consistency to the external brand experience, therefore it is critical that the marketing function should lead HR when it comes to incorporating the brand concept into these programmes Punjaisri and Wilson (2007). There is no denying that the role of HR in organisations has increased, though there is limited research available that supports the significant role that it plays in the development and implementation of strategic initiatives, including how it can support the delivery of a brand promise Aurand, Gorchels, and Bishop (2005).

The study also explored employees as key stakeholders within the organisation; their role as brand ambassadors. Literature on internal branding suggests that employees are the interface between an organisation and its customers (Dean, Arroyo-Gamez, Punjaisri, & Pich, 2016) , it is therefore critical that employees must have the required capabilities and support from the organisation as well as understand their role in delivering the brand so that they are better able to act as brand ambassadors of their organisation Vallaster and De Chernatony (2005).

Punjaisri, Evanschitzky, and Wilson (2009) state that employees significantly influence how customers perceive a brand, which places them at the centre of the delivery of any brand promise whenever a service encounter takes place. It is therefore critical that service organisations take care to ensure that all employees deliver on the promises made to customers.

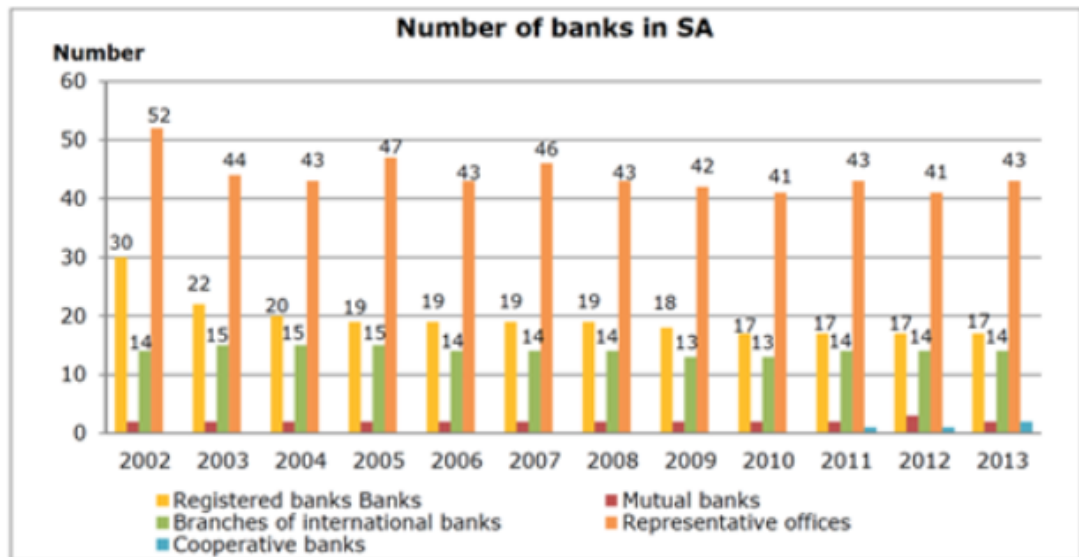
The research findings of this study will highlight to marketing managers, brand managers and human resources professional particularly in service organisations the importance of building strong brands internally by using employees as ambassadors through effective internal brand management.

## **1.2 Context of the study**

Since early 1990s, the South African economic growth has mainly been driven by the services sector. With a contribution of around 22% to the Gross Domestic Product (GDP), the major sectors of South Africa's economy are finance, real estate and business service. General government service follows these at 17% and then 15% by the sector of wholesale, retail and motor trade, catering and accommodation. Manufacturing comes in fourth position at 14% (Brand South Africa, 2018).

This research study focused on the financial services sector, specifically, the banking sector. The banking system in South African is well established and regulated and is on par with those in developed countries. This has caught the attention of investors and banks abroad, resulting in a number of foreign banks establishing offices in South Africa, and foreign investors buying shares in some major South African Banks. According to the World Economic Forum global competitiveness survey carried out during 2015/2017, South Africa was rated number 8 out of 140 countries in Financial Sector Development. The South African Banking sector comprises 17 registered banks, 2 mutual banks, 14 local branches of foreign banks, 2 co-operative banks and 43 foreign banks with approved local representative offices (The Banking Association, 2018).

**Figure 1: Number of Banks in South Africa**



Source: SA Reserve Bank

Nevertheless, technological advancement is not the only driver of success within banks due to their service oriented nature. These services are run by people and therefore it is important that employees form part of the critical aspects of the an organisation's competitive differentiation, thus creating a focused service philosophy that is in line with the core brand values is important. Internal branding will, therefore, provide a base for such actions.

In 2013, Actionable Research conducted a global study on customer service and it found that "South Africans felt that the best customer service came from hotels, with 61% of South African respondents ranking them as among the best, in line with the global respondents' ranking of hotels. Online retail stores came in second place as far as best customer service, according to South Africans (41%) and globally (51%). Third in line for best customer service were banks with 41% of South Africans ranking it and 45% globally" (Fin 24, 2013).

In order for companies to be considered as high performing, there needs to be an understanding of their employees. To this end, internal branding has emerged key in making sure that the behaviours of employees and brand values are aligned (Punjaisri & Wilson, 2017).

There is an increase in the number of touchpoints through which organisations interact with customers. With this in mind, an organisation must strive to deliver

a consistent and positive customer experience during service encounters as this can significantly affect brand loyalty. Punjaisri, Evanschitzky, et al. (2009) assert that employees in organisations are pillars in delivering the brand promise to customers at each encounter, and further go on to say that because of the influence that each employee has on how customers perceive the brand, service organisations need to enable employees to be better at delivering the highest quality service levels as promised by the brand they represent.

The study will, therefore, consider the context of a South African banking sector in terms of the financial sector as it relates to the perspectives and practices concerning how internal branding is managed and brand supporting behaviour achieved.

### **1.3 Problem statement**

There is an increasing interest in the subject of internal branding by both academics and practitioners though despite this fact, there is still a void in terms of uncovering the answers to the what, how and why of internal branding Punjaisri, Wilson, and Evanschitzky (2009). Regardless of the increased attention on internal branding and the importance placed on employees' behaviour, there is limited academic marketing literature investigating the relationship between the two (Verhoef et al., 2009).

The mediating effect of internal branding on employee behaviour requires further research. The high interest in internal branding as discipline still has not closed the gap in the number of research conducted into the processes needed to boost brand supporting behaviour (King & Grace, 2005). As important as reputation building is for organisations, it is still arguable as to whether employees see themselves as critical in this aspect, particularly around the fact that this role is not on most job descriptions (Helm, 2011). Though this is true, little research has been done in discovering employees' perceptions of their role in delivering the brand promise to customers (Punjaisri & Wilson, 2007). The lack of



comprehensive models on internal branding also remains a challenge (Merrilees & Frazer, 2013).

### **1.3.1 Main problem**

To investigate the relationship between internal branding and brand supporting behaviour within a South African banking sector.

### **1.3.2 Sub-problems**

To determine how much internal branding affects the level of brand identification

To determine how much internal branding affects brand commitment

To determine how much internal branding affects the level of brand awareness

### **1.3.3 Research questions**

Based on the sub-problems listed above, this study seeks to investigate the following research questions:

#### **a. Sub-problem 1: Research question**

- I. To what extent does internal branding affect brand identification?

#### **b. Sub-problem 2: Research question**

- II. To what extent does internal branding affect brand commitment?

#### **c. Sub-problem 3: Research question**

- III. To what extent does internal branding affect brand awareness?

#### **d. Sub-problem 4: Research question**

- IV. To what extent does brand supporting behaviour affect brand identification?

***e. Sub-problem 5: Research question***

- V. To what extent does brand supporting behaviour affect brand commitment?

***f. Sub-problem 6: Research question***

- VI. To what extent does brand supporting behaviour affect brand awareness?

## **1.4 Research Objectives**

This study aims to achieve the following objectives:

### ***1.4.1 Research Objectives***

- To examine the influence of internal branding on employee's brand identification in the banking sector of south africa.
- To examine the influence of brand identification on employee's brand supporting behaviour in the banking sector of south africa.
- To examine the influence of internal branding on employee's brand commitment in the banking sector of south africa.
- To examine the influence of brand commitment on employee's brand supporting behavior in the banking sector of south africa.
- To examine the influence of internal branding on employee's brand awareness in the banking sector of south africa.
- To examine the influence of brand awareness on employee's brand supporting behaviour in the banking sector of south Africa.

## **1.5 Significance of the study**

The study focus on the relationship between internal branding and brand supporting behaviour within the South African banking services sector from the client-facing employees' perspective. It is a widely held belief that the establishment of a solid internal brand management practice within the banking

sector is important to bring about competitive advantage for the business, if implemented successfully. Furthermore, (King & Grace, 2009) assert that although promoting internal branding has become widely prescribed in the literature, the benefits of such efforts and investment haven't been clearly articulated.

The study will contribute to the existing literature and fill the gap in that it will explore, measure and validate the key aspects of internal branding and brand supporting behaviour, including how these impact on a company's competitive advantage.

Abratt and Kleyn (2012) revealed in their study the important role employees perform in bringing to live the brand promise, and the need to train and motivate accordingly. Therefore, this study may provide guidance to client-facing employees from the banking services sector of the role they perform in the creation of a competitive advantage through the fulfilment of the brand promise.

The awareness around the study of internal branding has increased over the past decades, though despite this realisation, research on the actions needed to encourage brand supporting behaviour is limited (Punjaisri & Wilson, 2017). While organisations realise the importance of customer experience, a gap in the literature still exist in demonstrating how internal branding influences employee behaviours when engaging with customers.

It is hoped that this study will provide useful insights into the internal branding process, internally communicating the brand messages and employee brand supporting behaviour and therefore guide banking service sector organisations on how to build strong brand support and brand commitment amongst employees.

Though it has become popular to coordinate efforts around educating and training employees on the brand messages of the organisation and how they can make them as part of their work, the critical and deliberate role that HR can play in internal branding is still not clear (Aurand et al., 2005). This study will further aim to provide insights to HR and marketing professionals as to how coordinating the activities of these functions can greatly benefit an organisation.

Furthermore, academics who are involved in the studies of internal branding and brand citizenship within organisations may find the results of this study significant, more so for service sector organisations.

Lastly, this study aims to enhance awareness at client facing level within the banking service sector in South Africa though;

- Highlighting the significant role internal branding has on client-facing employees
- Providing insights on how companies can manage internal branding such that employees are able to retain and satisfy customers

## **1.6 Delimitations of the study**

- The study will only focus on financial services sector in South Africa – especially the 5 major banks.
- The study will only focus on client-facing employees
- The study will include people from all races and management/employment levels
- The study will include males and females
- The study will focus only on permanent staff who have been with the organisation for more than six months
- The study will include participants with different qualification levels

## **1.7 Definition of terms**

- *Internal branding*: “Internal branding seeks to achieve consistency with the external brand and encourage brand commitment and the possibility of brand championship among employees, it is the concerted, inter-departmental and multi-directional internal communications effort carried out to create and maintain an internal brand. Thus, internal branding can

be identified as a specific tool and placed in the wider context of internal marketing” (Mahnert & Torres, 2007).

- *Internal Marketing*: “Internal marketing is a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and interfunctionally coordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer orientated employees” (Rafiq & Ahmed, 2000).
- *Brand commitment*: The extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand’s goals, that is, to exert brand citizenship behaviour and hence generate a new quality of brand strength (Burmam, Zeplin, et al., 2009).
- *Brand identification*: “The extent of psychological attachment of employees
- to the brand, which influences their willingness to exert extra effort towards reaching the brand goals” (Burmam & Zeplin, 2005, p.284).
- *Brand awareness*: The ability the customer has to remember and identify a brand no matter the setting or situation .
- *Brand loyalty*: “An employee’s willingness to remain with the present brand” (Punjaisri, Wilson, et al., 2009)

## 1.8 Assumptions

The following assumptions have been made about the study:

- The respondents will be willing to participate in the research and will honestly and openly respond to the questions.
- Respondents will have adequate comprehension of what constitutes internal branding, internal communication and employee behaviours.
- The respondents will not discuss their answers with one another and therefore responses will be independent.

- Staff may be apprehensive to participating in the research due to fear of intimidation and apprehension regarding the confidentiality of the study.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.1 INTRODUCTION**

This chapter of the research is on the literature review of critical themes relevant to internal branding and employee brand supporting behaviour within the banking sector in South Africa. Literature in the form of journal articles, textbooks, websites and other materials will be used but not limited to internal branding, brand supporting behaviour, internal marketing, brand commitment, brand identification, and brand awareness. Summary of the literature review and hypothesis will conclude the literature review chapter.

The arguments in my study are aligned to the organisational identification theory which speaks to the degree to which a person defines the self in terms of belonging to the organisation; the seeming unity between an individual and the organisation (Ashforth & Mael, 1989). Whenever an individual identifies with a group and considers themselves as part of that group, that mindset will lead to a shift in terms of the “I” to the “We” mentality as the simple definition of behavior (Brewer & Gardner, 1996); (Turner, Hogg, Oakes, Reicher, & Wetherell, 1987). Their findings highlight that it is necessary for the company’s success that marketing efforts are directed to ensure that employees’ behaviours and attitudes supports the delivery of the brand promise.

Internal marketing literature will be used to build on this study in order to assess the relationship between internal branding and employee brand supporting behaviour. Furthermore, the study will review the impact of internal branding processes within the South African banking services.

### **2.2 THEORETICAL GROUNDING, DEFINITION OF TOPIC AND BACKGROUND DISCUSSION**

Underpinned by the idea that aligning internal and external corporate marketing efforts is crucial for the success of any business, internal branding can be one of

the most powerful tools in creating and building successful brand and organisations.

The challenge of getting all employees to be part of creating and strengthening a company's brand image, particularly in service sector organisations, is prevalent (Morhart, Herzog, & Tomczak, 2009). Companies have to do better than their competitors in terms of creating satisfactory experiences for both customers and employees (Chi & Gursoy, 2009). In order for any organisation to achieve great customer satisfaction, there must be some kind of higher service level whereby the customer is at the centre.

Even with the increased advancement in technology within the banking sector, customers still demand a superior level of service; this aspect, once executed well can be one of the major differentiators that a company uses to gain competitive edge. Studies also suggest that employees who are satisfied are most likely to provide customers with great service (Chi & Gursoy, 2009), (Punjaisri & Wilson, 2017), (Schlager, Bodderas, Maas, & Luc Cachelin, 2011). Employees who have higher levels in the organisation feel happy in their jobs; they are likely to project those feelings during service encounter. They will also articulate the brand and create relationships with customers through their own interpretations and actions. Through these interactions with customers, a long lasting relationship between a customer and company is developed. It is the entire customer experience with a service organisation that will form a brand image in the mind of the customer (Löhndorf & Diamantopoulos, 2014).

Keeping the above in mind, it is important to note that employees' attitudes and behaviours play a significant role within a service brand's image creation process (Löhndorf & Diamantopoulos, 2014). The quality of service relies heavily on the behaviour and quality of the client-facing employees. When a customer decides that they had a good customer service experience through their interaction with an organisation or brand, a long-term relationship might emerge and from thereon can lead to brand loyalty Ind (2001). Employees' buy-in of the brand within an organisation is important, hence it is imperative that its values are deeply rooted in the hearts and minds of these employees in order to achieve a sustainable competitive advantage Ind (2004). Employees must have the required



capabilities and support from the organisation as well as understand their role in delivering the brand so that they are better able to act as brand ambassadors of their organisation (Vallaster & De Chernatony, 2005). Employees must be aware of how the company wants its customers and other stakeholders to experience and perceive its brand.

Employees' brand supporting behaviours can be encouraged to reflect how the organisation is to be perceived by providing employees with direction (King & Grace, 2010). Training can enhance how employees perform and increase their understanding of what it means to live the brand promise (Punjaisri, Wilson, & Evanschitzky, 2008). Organisations need to invest in educating employees about the importance of quality service by provide training in order ensure that the brand promise is delivered as expected.

### **2.3 BRANDING MANAGEMENT**

A brand is can be defines as “a name or symbol - and its associated tangible and emotional attributes that is associated with that is used to identify the goods or services of one seller in order to differentiate them from those of competitors” Seetharaman, Nadzir, and Gunalan (2001), p. 243. It is one of the most important and enduring asset of an organisation (Martin, Stewart, & Matta, 2005). Branding activities have been predominantly looking at organsiations' external constituencies and not much attention to internal stakeholders (employees) was given unti recently (Devasagayam et al., 2010).

Though external branding makes it easy for the customer to make a decision on whether to have a relationship with a particular company, many organisations are seeing the value of using advertising and strong brand promise as way of promiting brand messages internally as well (Martin et al., 2005). Brands represent the commitment of organisation's promise to its customers, both current and potential (Abimbola, Lim, Foster, Punjaisri, & Cheng, 2010b), and while corporate branding is mainly focused on the management of the brand promise (Foster, Punjaisri, & Cheng, 2010), internal branding emphasises the important role employees perform during brand management building process as

their behavior can enhance or undermine the credibility of the brand's advertised values and messages (Balmer, Harris, & de Chernatony, 2001). Although brand management and internal branding are two marketing concepts, the two are closely related, in that corporate branding management is managed through two pillars namely; employer branding and internal branding Foster et al. (2010).

## **2.4 INTERNAL BRANDING**

As part of organisations' efforts to ensuring that employees behave in a way that support the brand promise, internal branding has become of great importance to both academics and practitioners (Punjaisri & Wilson, 2007). Internal branding speaks to how employees view an organisation's brand, how much they know about the brand and their role in delivering that brand promise to current and potential customers (Punjaisri et al., 2009). It is about getting employees behind the brand whilst making sure that there is alignment in terms of internal and external branding messaging (Helm, 2011).

Mosley (2007) advances this view by acknowledging the significant role employees perform in delivering service experience and asserts that there is a strong correlation between satisfied employees, satisfied customers and positive business results. Furthermore, employees constitute the full value chain of the relationship between an organisation and its customers (Punjaisri et al., 2008). While it is important that an organisation promotes its brand to external constituencies, it is also important that the brand messages are supported internally through a series of marketing efforts (Devasagayam et al., 2010). They further state that employees will likely embrace the brand and serve customers as part of their responsibility, in a way that they themselves have experienced the brand through internal branding efforts by the organisation.

"Before you can even think of selling your brand to consumers, you have to sell it to your employees" (Zyman, 2002, p. 204) as cited in Berthon, Ewing, and Hah (2005). He goes on to say that the positioning of the brand in the minds of consumers heavily depends on the company's employees. Also recognising the

role that employees perform, Bansal, Mendelson, and Sharma (2001) stress that the success of any external marketing in a service organisation is dependent on how well it markets its brand to internal constituents.

Internal brand management has been recognised as a means to gaining successful businesses and producing employee satisfaction (King & Grace, 2005). It is important that an organisation creates an environment that nurtures and encourages an appreciation of employees; this ensures that the organisation not only has the kind of employees who are brand aware, but also that are able to deliver on the brand promise (King & Grace, 2008). Brands have emotional values that are communicated through employees' interactions with different stakeholders, they are more than just advertising (Balmer, Harris, & de Chernatony, 2001a). Client facing employees help customers connect with the brand by humanising it (Morhart et al., 2009). Whenever employees internalise the values of a brand and make it their own by living it, these values will be translated in all the touchpoints that a customer comes in contact with a brand or organisation (Punjaisri & Wilson, 2007). It is important that organisations focus on employees whenever branding is considered within a service centred approach (Schlager et al., 2011). Such investments as training programmes are an important aspect in enabling employees to constantly anticipate environmental challenges and deal with them best as an alternative to reacting unexpected challenges (Bansal et al., 2001). Finally, leaders and senior managers of an organisation are custodians of internal branding (Vallaster & De Chernatony, 2005).

#### ***2.4.1 Defining internal branding***

Merrilees and Frazer (2013) define internal branding as processes that internal management adopt for employees to understand the brand concept, commit to the brand and to live the brand.

Internal branding enables employees to adopt the brand values of an organisation, and ultimately deliver the brand promise to customers in a way that is expected by the organisation (Morhart et al., 2009; King et al., 2005; Aurand et al., 2005).

Punjaisri et al., 2009, p.567 define internal branding as “the internal communication technique and training programmes to educate employees about the brand promise”.

#### ***2.4.2 Internal branding and Human Resources***

Whenever marketing and HR theories are aligned and understood by management, employees are able to better comprehend and internalise the brand values and therefore align their attitudes and behaviours (Vallaster & De Chernatony, 2003). Through the implementation of a variety of plans, processes and actions, the HR function is able to make a great impact in the organisation’s brand (Aurang et al., 2005). Processes within HR management such as training, performance appraisals and policies need to be aligned in order to make sure that the organisation is not sending conflicting brand messages (Kundu & Vora, 2004). Therefore it is critical that the marketing function should lead HR when it comes to incorporating the brand concept into these programmes (Punjaisri & Wilson, 2007). Their study also highlights how internal communication and training can significantly impact employees’ brand supporting behaviour.

Internal branding has also been recognised as a key element in the recruitment of new employees (Devasagayam et al., 2010). Having staff members who are brand aware and are able to deliver on that brand promise requires an organisation to create a working environment that encourages and shows appreciation of its employees (King & Grace, 2008). Committed employees are able to build service brand through the behaviours they display during service encounters with customers, and also how they engage with their colleagues can create a work environment that supports brand building behaviours (King & Grace, 2008). Furthermore, adoption and emotional attachment to the brand will only happen if employees experience and perceive their leadership as supporting the brand (Wallace, de Chernatony, & Buil, 2013).

Internal reputation building therefore becomes key in ensuring that employees support the brand and has to do with all the behaviours that should be demonstrated by an employee in contribution to the corporate reputation (Helm, 2011). This is because when employees feel that they are valued and respected

within organisations they work for, they will project those same feelings to the customer. Marketing and HR are the two foremost functional areas within companies as they carry employees to the forefront of their disciplinary concerns (Bansal et al., 2001). HR and Marketing practitioners should coordinate efforts to ensure the embedment of coherent messages is within all internal branding actions (Punjaisri et al., 2008).

### ***2.4.3 Internal branding and Internal Marketing***

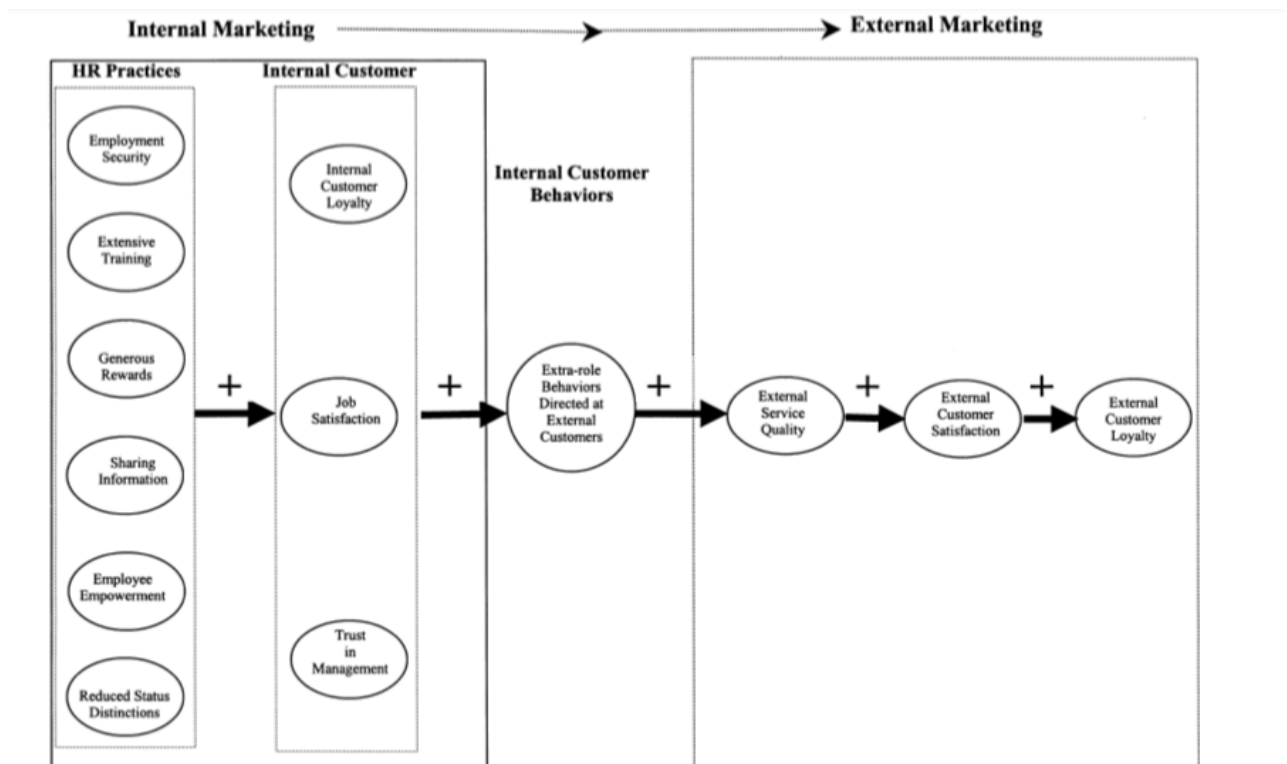
Internal marketing and internal branding have been claimed to have an effect on the employees' brand commitment (Punjaisri et al., 2009). Service oriented companies are highly impacted by the attitudes and behaviours of their employees whenever they engage with customers. It is through this engagement that a brand image is formed in the eyes of the customer.

The concept of internal marketing was first introduced over decades as the answer to the issues concerning the delivery of high quality service through internal branding efforts, though it has since received the attention of academics as an enabler of competitive advantage for many organisations (Rafiq & Ahmed, 2000). It is founded on the idea that in order for a company to have satisfied customers it must also have satisfied employees who must be treated as customers (Ahmed & Rafiq, 2013). The implication of this is that all efforts by management should be directed towards making sure that all employees are working towards delivering the needs of the customer whilst at the same time ensuring that the employees' needs are satisfied. When employees' or internal customers' needs are met, an organisation will be better positioned to deliver the desired quality in order to satisfy external customers (Rafiq & Ahmed, 2000).

The terms internal branding and internal marketing are often used interchangeably, although the two are different. Internal branding focuses on internal constituencies, namely the existing employees of an organisation (Abimbola, Lim, Foster, Punjaisri, & Cheng, 2010a) and internal marketing according to Punjaisri and Wilson (2007) is a key instrument in building

successful internal branding. Though the two are distinctly different, Woodruffe (1995) as quoted by Pinjaisri et al., (2009). stresses the importance of linking the two by arguing that internal marketing can be used as a way to creating commitment to the organisation among through implementing marketing concept internally.

The Bansal et al. (2001) model has two segments namely; internal marketing and external marketing as seen on figure 2. The model depicts employees as occupants of the centre stage in the service-profit chain, with management of internal labour markets being a critical factor in the creation and sustenance of an organisation's competitive advantage. This model supports the idea that internal marketing efforts and internal customers referring to employees meaning employees should be aligned.



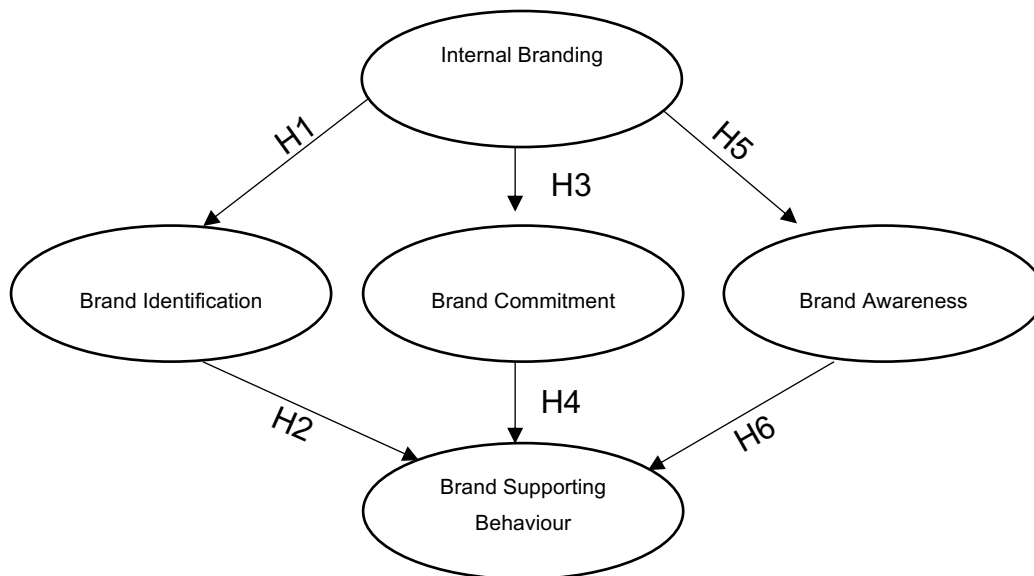
**Figure 2: Linking internal marketing activities to external marketing outcomes**

Furthermore, internal marketing challenges some of the traditional organisations with outdated structures that enable the silos functioning of departments within organisations. This view is supported by Ahmed, Rafiq, and Saad (2003) who assert that internal marketing is about bringing together all cross-functional

departments and efforts and adopting a marketing method that involves customer centric employees. Internal marketing should therefore include all employees, and departments, communications and other initiatives that an organisation may use to create and maintain customer relationships that effect high levels of quality service delivery.

## 2.5 PROPOSED CONCEPTUAL FRAMEWORK

The proposed conceptual framework was driven by internal branding and brand supporting behaviour literature. It looks at the relationship between internal branding's antecedents that leads to brand supporting behaviour. The framework depicts the relationship between internal branding antecedents; namely brand identification, brand commitment and brand awareness and how they relate to brand supporting behaviour, and will drive the rest of the sections. Hypothesised relations between the concepts will be presented after each section.



**Figure 3: Proposed Conceptual framework**

## 2.6 INTERNAL BRANDING AND BRAND IDENTIFICATION

It is deemed crucial that employees are able to identify with an organisation for which they work, particularly within the service oriented brands where attitudes and behaviours can build or destroy the brand Punjaisri, Wilson, et al. (2009). The manner in which customers and external stakeholders perceive an organisation's brand is hugely influenced by how employees behave (Abimbola et al., 2010a). Whenever employees identify with the brand, the higher the probability that they will demonstrate that identity in their action as they engage with customers. The premise is that when employees are provided with excellent service themselves, they are better placed to provide the same to customers. James et al., (1977) as cited by Punjaisri, Evanschitzky, et al. (2009) asserts that whenever employees are able to identify with the brand, they perceive the successes and failures of that brand as their own. They do not see themselves outside the brand but rather as an important part of it. "When employees believe in their organisation's brand, they are convinced of its importance because of the brand's value for customers and potential to induce favourable customer outcomes (Löhndorf & Diamantopoulos, 2014), p.13."

Therefore, customer-facing employees are critical in ensuring that the brand promise is delivered consistently as part of creating a great customer experience (Abimbola et al., 2010a). Customer experience, as defined by C. Meyer and Schwager (2007), is an internal and biased view that a customer may have when engaging directly or indirectly with an organisation. Through employees' behaviours when engaging with a client, this experience can be either positive or negative.

N Ind (2004) asserts that employees will better deliver on the brand promise if they see themselves beyond just being a channel to customers. If employees don't see themselves as brand ambassadors of an organisation through whom customers will build a relationship with an organisation, then customer experience will greatly be impacted and ultimately affect brand loyalty. If a loyal customer experiences bad service he/she is likely to walk away from that service provider and switch to another brand or find an alternative (Shankar, Smith, & Rangaswamy, 2003).



*H1<sub>a</sub>: Internal branding has a positive impact on employees' brand identification.*

*H1<sub>o</sub>: Internal branding has no positive impact on employees' brand identification.*

## **2.7 BRAND IDENTIFICATION AND BRAND SUPPORTING BEHAVIOUR**

Brand supporting behaviour focuses on how employees, through ensuring aligning attitudes and behaviour to the organisation's brand, can improve a brand's delivery performance Shaari, Salleh, and Hussin (2015). The concept of brand citizenship was first conceptualised in 2005 by Burmann and Zeplin (2005). The appropriate management of employee behaviours is critical as part of creating strong brands; these behaviours becomes evident in the interaction between employees and customers (Pugh, 2001). Organisations are adopting internal branding exercises as a way of ensuring that employees support these objectives through their behaviour or how they conduct themselves (King & Grace, 2009). Employees require a shared understanding of the brand's values, along with strong identification and commitment in order to encourage brand supporting behaviour (Vallaster & De Chernatony, 2005).

*H2<sub>a</sub>: Brand identification is positively related to brand supporting behaviour.*

*H2<sub>o</sub>: Brand identification is not positively related to brand supporting behaviour.*

## **2.8 INTERNAL BRANDING AND BRAND COMMITMENT**

Internal branding is considered a resource that can be used to make sure that staff members have a common appreciation of the desired corporate image and are willing and able to mirror to other constituencies through their behaviour (Garas, Mahran, & Mohamed, 2018). (King & Grace, 2010) and (Punjaisri, Evanschitzky, et al., 2009) support this notion by highlighting that brand

commitment has an important part to play as an antecedent of employees' brand supporting behaviour.

Punjaisri and Wilson (2007) discuss at length the importance of brand commitment and share their observation of internal branding as a measure of ensuring that staff articulate the desired brand messages into reality. Employees must understand what the brand stands for and be committed to supporting that brand and at the same time be able to deliver on its promise (Kimpakorn & Tocquer, 2010). However, according to Kimpakorn and Tocquer (2010), the whole notion of employee brand commitment is deserted by many.

Whenever a company implements internal branding efforts successfully, employees will be better placed to understand the company's brand and vision, take ownership of it and exhibit that ownership in their daily responsibilities. (Devasagayam et al., 2010). According to King and Grace (2008) companies are able to positively impact customer confidence by implementing employee orientated service culture, making employees feel respected and as a result treating customers with respect. Central to maintaining customer experience with an organisation's brand and subsequent perception of the brand by customers, is how effectively employees' own brand experience within the organisation is managed (King & Grace, 2008). Companies can have the best positioning of their brand but if employees' behaviours are not aligned in terms of how it wants to deliver a service for a customer, then the success of that company cannot be guaranteed (Punjaisri & Wilson, 2007).

There is need for clear communication to employees about the brand values, attitudes and behaviours expected of them by an organisation, in terms of how its brand must be experienced. Whenever a company fails to do this, the ability for employees to deliver on the brand experience is unlikely.

Schiffenbauer (2001) as cited in Devasagayam et al. (2010) asserts that brand messages lose credibility and meaning if there is no unified employee behaviour. When employees believe in the organisation and what it says, that trust encourages behaviours that allow for the embedment of quality throughout the whole supply chain process (Rafiq & Ahmed, 2000).

Research increasingly suggests that employees are crucial in how an organisation develops a sustainable brand that differentiates it from the rest, not only through positive behaviours from employees but also through emotional values as well (Mosley, 2007). If employees experience for themselves what the brand is about and how it seeks to make customers feel, then they will be advocates of the brand (Punjaisri & Wilson, 2007). Employees become key at the delivery of a brand promise at any service encounter Punjaisri, et al., (2009) . It is therefore critical that companies not only look at skills and capabilities as a means to building successful companies or brands, but should also ensure that, through internal branding, employees are provided with the required brand awareness around its values and how to deliver on the promise. Internal branding enables employees to internalise the brand and make them better in terms at delivering obvious and implied promises characterised in the brand and at the same time expected by customers (King & Grace, 2008). They further state that unless employees internalise the brand and make it their own, they will not be able to satisfy customers.

Employees who feel valued by their organisations are likely to provide great service to their customers (Kundu & Vora, 2004). As suggested by “the service-profit chain”, providing employees with a superior internal working environment is likely to lead to satisfied employees who demonstrate positive attitudes and are both loyal to the organisation and able to provide the customer with an excellent service experience. King and Grace (2005) state that consistency in effective brand management is a very important aspect, and therefore, it is critical that employees have a level of understanding in terms of what is expected of them with regards to their behaviour or actions they exhibit whenever they engage with customers. They further state that these behaviours and actions should be based on the organisation’s core values.

According to Farrell, Souchon, and Durden (2001) customers will judge the quality of the service delivered based on an employee’s behaviour during a service encounter, rather than based on what the employee feels (attitudes), although employee attitudes and behaviours will undoubtedly be related. Internal marketing and internal branding have been claimed to have an effect on the employees’ brand commitment (Punjaisri et al., 2009). In order to create a

differentiated and successful service brand, the commitment of all employees across the organisation will be critical (Balmer & Balmer, 2001).

*H3a: Internal branding has a positive impact on employees' brand commitment.*

*H3o: Internal branding has no positive impact on employees' brand commitment.*

## **2.9 BRAND COMMITMENT AND BRAND SUPPORTING BEHAVIOUR**

When employees are committed to the brand, they are able to assist the company to build good service brands by communicating to clients the sought after brand experience during service encounter, and through how they engage with fellow staff members (Wallace et al., 2013). Committed employees are able to build service brands through the behaviour they display during service encounters when communicating the brand experience and through their interactions with colleagues that promotes a work culture that supports brand supporting behaviour (King & Grace, 2008). It is therefore critical to note that the lack of brand commitment by employees might have a negative impact to how the customer perceives the brand Ind (2004).

*H4a: Brand commitment is positively related to brand supporting behaviour.*

*H4o: Brand commitment is not positively related to brand supporting behaviour.*

## **2.10 INTERNAL BRANDING AND BRAND AWARENESS**

King and Grace (2005) state that consistency in effective brand management is a very important aspect, and therefore it is critical that employees have a level of understanding in terms of what is expected of them regarding the behaviours or actions they exhibit whenever they engage with customers. They further state that these behaviour and actions should be based on the organisation's core values. Internal branding can help augment employees' awareness of the brand (King & Grace, 2010). Seetharaman et al. (2001) further asserts that brand

awareness is a critical element in the branding process. In order for companies to influence employees' attitudes and behaviour that is expected by an organisation, it is critical that they are provided with direction (King & Grace, 2010). Internal marketing literature explains how employees are critical in delivering the brand promise and how it is important that they understand the brand (Mosley, 2007).

Keller (1993) highlights brand recognition and brand recall as key components in brand awareness. Brand awareness is defined by Du Plessis, Jooste, and Strydom (2001) as the ease with which the customer will remember the brand. Keller (1993), p.3 in his study on conceptualising, measuring and managing customer-based brand equity defines brand image "perceptions about a brand as reflected by the brand associated held in customer memory". Unlike in Fast-Moving Consumer Goods (FMCGs) where external communication is largely used as a mechanism to articulate the brand to external customers, when it comes to service organisations, internal communication and training become critical in order to ensure that employees understand their role in brand promise deliver and are committed (Harris & De Chernatony, 2001).

Zehir, Şahin, Kitapçı, and Özşahin (2011) describe brand communication as a primary integrative element when managing brand relations with its various stakeholders i.e. suppliers, employees, media, government etc. Theory suggests that in order to build long lasting relationships with its internal and external constituents, companies need to take into consideration the role of internal brand communication which in turn takes in account all the organisation's messages and its brand .

According to Harris and De Chernatony (2001), communication about the organisation's brand purpose must be top priority for organisations to support internal branding efforts in order to ensure that employees are knowledgeable about the brand and feel inspired to deliver on its promise to customers. Zucker's 2002 study as cited in Punjaisri et al. (2008), states that internal branding needs to be supported by a communication strategy that considers both internal and external communication practices. Harris and De Chernatony (2001) further state that employees are in a far better position to act in a coherent manner when they

all understand the organisation's brand identity, thereby enhancing the chances of all of them supporting the desired identity.

In order for companies to have inspired employees who understand their role in the brand, managers will need to communicate the brand's purpose internally (Harris & De Chernatony, 2001). They go on to also highlight that it is imperative for companies to also convey the brand's core values as these guide employees' behaviours.

Gilly and Wolfinbarger (1998) as cited in Supornpraditchai, Miller, Lings, and Jonmundsson (2007) found that many scholars have emphasised the need for organisations to use internal communications as a way to educate and inform employees about the organisation's brand in order to create a sense of brand ownership amongst them. Internal communication is therefore important in communicating the companies brand messages to employees so that they are aware and knowledgeable their role in building the brand (Papasolomou & Vrontis, 2006).

Internal communication initiatives are key in making sure that every employee within the organisation knows and understands what is expected of them, and also how they impact the brand through their behaviour. It is therefore important that through internal communication, organisations constantly reinforce messages about the brand to employees as well as their role in delivering those messages in the customer experience journey.

*H5a: Internal branding has a positive impact on employees' brand awareness.*

*H5o: Internal branding has no positive impact on employees' brand awareness.*

## **2.11 BRAND AWARENESS AND BRAND SUPPORTING BEHAVIOUR**

Internal communication, managed and unmanaged, happens consistently within organisations, through both formal and informal structures (Welch & Jackson, 2007). It is one of the fastest and growing disciplines in the communications and public relations field, its primary aim being to stimulate employees' knowledge of

an organisation's brand, including their attitudes and behaviours Punjaisri and Wilson (2007). (Cleaver 1999) asserts, as cited in De Chernatony and Segal-Horn (2003) that internal communication programmes can greatly influence the success of service brands and organisations.

Employees' buy-in of the brand is critical in making sure that all efforts towards building strong brands are successful. Crafting of internal communication strategies is regarded as one of the most popular internal marketing applications – doing this at the same time when crafting external communications, an organisation's employees are better able to deliver the brand promise to the required quality because they understand it and are better prepared to deliver (Ahmed et al., 2003).

Although there is sufficient evidence to prove that communication is critical to an organisation's existence, this awareness is not rendered to practice (Kalla, 2005). A great deal of attention has been drawn to the external salesperson and customer interaction, though there isn't much done in terms of understanding how internal branding impacts this relationship (Lynch & De Chernatony, 2004).

*H6a: Brand awareness is positively related to brand supporting behaviour.*

*H6o: Brand awareness is not positively related to brand supporting behaviour.*

## **2.12 CONCLUSION OF THE LITERATURE REVIEW**

Unified employee behaviour is crucial in ensuring that the brand message of an organisation is credible. Employees are important in delivering the brand promise of an organisation, and through their engagement with customers, a positive relation might develop between an organisation and its customers. When an organisation's employees are engaged, the result of that can be satisfied customers. It is therefore important that organisations invest significantly in internal marketing programmes in order to increase competitive advantage.

The literature review shows that internal branding management must be considered key within service oriented organisations because their differentiator

is the quality of customer service. Internal branding mechanisms can be used as one of the key tools that organisations can use to distinguish themselves from their competitors. Through internal branding, employees are able to identify with the brand, commit to it and remain loyal to the organisation's brand. Whenever organisations consider their corporate branding strategies, they also need to look at how the brand is perceived internally because it is through internal stakeholders that a corporate brand can be solidified. The two, internal stakeholders and brand cannot be viewed in isolation.

Establishing the relationship between internal branding and employees' brand supporting behaviour in South African's financial institutions is important in making sure that through proper implementation of internal branding management, an organisation is able to distinguish itself from competitors through a strong competitive advantage.



## **CHAPTER 3: RESEARCH METHODOLOGY**

Chapter 3 outlines the research methodology that was followed in the research study. The section will deal with aspects of the research that speak to the research paradigm, design, population and sample, instrument, procedure for data collection, data analysis and interpretation, limitations of the research procedure and methods and the reliability and validity measures used.

### **3.1 RESEARCH METHODOLOGY/PARADIGM**

According to Bryman (2012) the research paradigm is about what methods can be applied when collecting data, which can be done in varying ways. The research design consists of three possible methodologies including qualitative, quantitative and mixed method and can involve research instruments such as surveys, questionnaires, participant observation (where the researcher listens or watches others) and structured interviews.

A quantitative research design approach was followed in this study in order to quantify and analyse data collected. Creswell (2014, p. 4) defines quantitative research as “an approach for testing objective theories by examining the relationship among variables. These variables, in turn, can be measured (typically with instruments) so that numbered data can be analysed using statistical procedures”.

A quantitative approach is deductive in nature and is about testing objective theories through analysing the relationship between two or more variables (Creswell, 2013). This purpose of the study is to investigate the relationship between internal branding and brand supporting behaviour of employees in South Africa.

## 3.2 Research Design

Creswell (2013) states that what informs the researcher's study design decision should be their worldview assumptions that they bring to the study. Research designs are research processes used to move decision making from assumption to complete methodologies of data collection and analysis

Quantitative research was adopted for the purpose of this study. Quantitative research tests objective theories through studying the relation between diverse variables which are measured using instruments in order for numbered data to be analysed using statistical methods or procedures. The study followed the correlational, questionnaire design, where relations among key constructs were examined.

## 3.3 POPULATION AND SAMPLE

### *3.3.1 Population*

The financial services sector in this study refers to banking institutions in South Africa. According to The Banking Association (2014) the financial services sector in South Africa employs over 1600 000 employees, with 85% of those in the major banks.

The population of respondents for the study comprised employees from South Africa's financial institutions. The sample population represents the units from which the sample is to be selected (Bryman, 2012). For this study, the target population was employees with a minimum tenure of six months with the bank in order to ensure that the participants have gained experiences they can rate and that they understand the organisation and the brand.

The target population for the proposed research is defined below:

- **Age:** 18 years and older
- **Employment status:** Participants must be in employment at the time of responding to the questionnaire

- **Length of relationship with the organisation:** Participant must be at least six months with the organisation
- **Job level:** Lower and middle management job levels that are client facing
- **Geographic:** Respondents must reside and work in South Africa

### ***3.3.2 Sample and sampling method***

It is important that the sample size is large when it comes to quantitative research. Purposive sampling was applied. In purposive sampling, participants are selected on the basis that they will provide the most information on the topic in question (Leedy & Ormrod, 2014). In this regard, a combination of purposive and random (convenience) sampling was employed with 250 participants as a minimum.

## **3.4 THE RESEARCH INSTRUMENT**

The research instrument for collecting data for this study was a survey to allow for systematic collection of the data. In order to test and validate the questionnaire, a pilot survey was done thereby ascertaining reliability of the outcome. The feedback from the pilot study was used to refine the research instrument. 20 people from the actual sample were used as part of the pilot study sample. The pilot study was therefore done to improve the format, questions and scales used, and to establish content validity (Creswell, 2013).

## **3.5 PROCEDURE FOR DATA COLLECTION**

This section of the research proposal defines the process that was followed for data collection from participants.

Both online and offline methods of data collection were employed. For online data collection, the questionnaire was designed using **Google Forms** and communicated to all the client-facing staff. For offline data collection, printed

copies of the questionnaire were distributed to the banks major branches in Johannesburg, Gauteng.

### **3.6 MEASUREMENTS**

Brand identification was measured adapting five items from Punjaisri et al. (2009). For example, respondents were asked, “my sense of pride towards the organisation is reinforced by the brand-related messages”. The responses were measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

Brand commitment was measured adapting four items from Kimpakorn and Tocquer (2010). For example, respondents were asked, “I usually tell my friends that this is a great bank brand to work for”. The responses were measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

Brand awareness was measured adapting eight items from ZUHDIYANI (2018). For example, respondents were asked, “A strong brand is important for our organisation’ success”. The responses were measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

Brand Supporting Behaviour was measured by adapting two section i.e. employee branding – building behaviour and extra-role employee brand-building behaviour with three items for each section. For example, under employee branding – building behaviour respondents were asked “I generally pay attention to ensure that my personal appearance is in line with our organisation's brand” and under extra-role employee brand-building behaviour, respondents were asked “I often make constructive suggestions on how to improve customers' brand experience”. The responses will also be measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

Human Resources Involvement was measured adapting four items from (Özçelik & Fındıklı, 2014). For example, respondents were asked, “I use knowledge about the company brand to perform my job”. The responses was measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

Internal Communication and Training were measured by adapting five items from Özçelik and Fındıklı (2014). For example, respondents were asked, “The training provided by my organisation enables me to deliver the brand promise”. The responses were measured using a five-point Likert scale with 1 = strongly disagree; 2 = disagree; 3 = somewhat disagree; 4 = agree and 5 = strongly agree.

A cover letter and questionnaire design for the proposed study is included as Appendix A.

### **3.7 DATA ANALYSIS AND INTERPRETATION**

Structural Equation modelling was used to test the identified hypotheses once the data was collected from participants.

#### ***3.7.1 Data Analysis***

The analysis plan for the study included the following:

1. Frequencies were used to analyse single response questions
2. Custom tables were used to determine frequency count on constructs and their items
3. Reliability analysis using Cronbach’s Alpha coefficient
4. Correlation analysis was used to measure relationships between constructs
5. Structural Equation modelling was used to determine the impact of brand identification, brand commitment, brand awareness, internal communication and training on brand supporting behaviour.

### **3.8 LIMITATIONS OF THE STUDY**

- The sample size was determined by the number of employees willing to participate in the survey
- Due to the closed ended nature of the questions, participants were limited to the given options in the questionnaire.

### **3.9 VALIDITY AND RELIABILITY**

“Validity is concerned with the integrity of the conclusions that are generated from piece of research” (Bryman, 2012). Exploratory factor analysis was done to validate the constructs.

#### ***3.9.1 External validity***

External validity of a research study is “the extent to which its results apply to situations beyond the study itself-in other words, the extent to which the conclusions drawn can be generalised to other contexts” (Leedy & Ormrod, 2014, p.105). This research was limited to a financial sector organisation and therefore the views of the participants can be generalised to the industry.

#### ***3.9.2 Internal validity***

According to Bryman (2016), internal validity is concerned with the question of whether a conclusion that incorporates a causal relationship between two or more variables holds water.

#### ***3.9.3 Reliability***

Reliability is concerned with the question of whether the results of the study are repeatable (Bryman, 2012). Cronbach’s Alpha Coefficient will be done to ensure reliability.

### 3.10 PILOT STUDY

The findings of the pilot study are discussed in the context of literature that was reviewed in chapter two. Analysis of responses included the profiling of respondents in terms of demographics such as gender, age, race and level of education. The data from the survey administered through Survey Monkey was imported into IBM SPSS and analysed using the appropriate statistical methods.

This section presents results the Pilot Study using Descriptive analysis, Reliability tests, Correlation Analysis and the Hypothesis Testing. The sample size of the pilot study was small therefore the Confirmatory Factor Analysis and Structural Equation Modelling to further test the proposed framework were not performed since a sample size of least 200 participants is required to apply the statistical tests mentioned.

#### ***3.10.1 Measurement Scale of the Pilot Study***

To check the internal consistency of the constructs, Cronbach's Alpha test was used and a coefficient close to 1.0 means that the questions are measuring similar dimensions of a factor. By this standard, any factor with a Cronbach's Alpha coefficient less than 0.2 should be eliminated. In this case, all the factors had an alpha greater than 0.2 and therefore no questions were eliminated. The overall Cronbach coefficient of all 29 items was measured with raw coefficient of 0.909 and standardised value of 0.907( $n=39$ , item means=4.04). The overall coefficient indicates that the instrument was reliable.

**Table 1: Cronbach Alpha Coefficient for the Pilot Study**

Cronbach Alpha Coefficient				
	Raw	Standardised	Mean	Number of Items
Brand Identification	0.80	0.81	4.02	5

Brand Commitment	0.42	0.44	3.69	4
Brand awareness	0.56	0.54	4.26	8
Brand supporting behaviour	0.49	0.43	4.07	6
Internal Training	0.72	0.72	4.16	5
HR Involvement	0.77	0.77	4.10	7
Job Satisfaction	0.68	0.69	3.70	4

The coefficients for Brand Identification were measured with a high alpha of 0.80( $n=5$ , item means=4.02), whilst Brand Commitment, Brand awareness and Brand supporting Behaviour had low coefficients of 0.42, 0.56 and 0.49 respectively. A low value of alpha could be due to a low number of questions, poor inter-relatedness between items or heterogeneous constructs. In this case we did not remove any questions for the constructs with low alpha values instead we collected more data for the main research to improve these values. On the other hand, the alpha values of Internal Branding and HR Involvement was recorded as 0.72 and 0.77 respectively.

### **3.10.2 Results from the Pilot Study**

- The Pearson correlation coefficient between Internal Branding and Brand Identification ( $r=0.623, p<0.001$ ) is positively significant. Brand Communication ( $r=0.695, p<0.000$ ), Brand awareness ( $r=0.612, p<0.001$ ), Brand supporting Behaviour ( $r=0.723, p<0.000$ ) with Internal Branding are also highly correlated. The correlation coefficient value ( $r$ ) range from 0.10 to 0.29



is considered weak, from 0.30 to 0.49 is considered medium and from 0.50 to 1.0 is considered strong (Wong and Hiew,2005).

- The regression analysis indicated that Internal Branding is significant with a  $p < 0.001$  and positive coefficient of 0.831, suggesting that Internal Branding has a positive impact on employee Brand Identification. This implied that H1 is supported.
- The relationship between Brand Identification and Brand Supporting Behavior is significant, with a  $p < 0.003$  and positive coefficient of 0.410, suggesting that H2 is supported.
- The relationship between Internal Branding and Brand Commitment is positive and significant, with a  $p < 0.000$  and coefficient of 0.928, suggesting that H3 is supported.
- The relationship between Brand Commitment and Brand Supporting Behavior is significant, with a  $p < 0.001$  and positive coefficient of 0.409, suggesting that H4 is supported.
- The relationship between Internal Branding and Brand awareness is significant, with a  $p < 0.001$  and positive coefficient of 0.555, suggesting that H5 is supported.
- The relationship between Brand awareness and Brand Supporting Behavior is significant, with a  $p < 0.029$  and positive coefficient of 0.459, suggesting that H6 is supported.

Further statistical methods mentioned in above, such as the Confirmatory Factor Analysis, Structural Equation Modelling, were conducted in the main study after collecting more data points, seeing that these tests require large samples of data to be valid.

## **CHAPTER 4: PRESENTATION OF RESULTS**

### **4.1 INTRODUCTION**

The findings of this research study are discussed in the context of literature that was reviewed in chapter two. Analyses of responses included the profiling of respondents in terms of demographics such as gender, age, race and level of education. The data from Survey Monkey was imported into IBM SPSS and analysed using the appropriate statistical methods.

The purpose of this study is to investigate the relationship between internal branding and brand supporting behaviour of employees in South Africa. The study will seek to determine in what way internal branding affects brand identification, brand commitment and brand awareness within financial services sector in a South African context. Internal Branding will be defined with Internal Training and HR Involvement. Internal communication is found to be the central focus in IB activities (Zucker, 2002). In addition to internal communication, recent studies have acknowledged the role of HR in marketing the company brand to the employees (Punjaisri & Wilson, 2007). (Burmam, Jost-Benz, & Riley, 2009) recognised internal brand management as encompassing a combination of three components, namely, brand-centred HR activities, brand communication and brand leadership.

This section presents results using Descriptive analysis, the Reliability tests, Correlation Analysis and the Hypothesis Testing. The questionnaires were sent out to 260 targeted personnel working in the financial institutions and a total of 241 (93%) responses were received to perform the Confirmatory Factor Analysis, and the Structural Equation Modelling to further test the proposed framework

### **4.2 DEMOGRAPHIC PROFILE OF RESPONDENTS**

This section highlights the descriptive analysis of the demographic variables of the respondents.

The demographics from the main study (n=241) comprised of 51 percent were Male and 48.5 percent were Female participants. The participants were broken down by race:32 percent were Black, 22.8 percent Coloured, 22 percent Indian and 22.4 percent White. The educational background was also recorded, with 21.2 percent having obtained a Diploma,19.5 percent obtained a Certificate,17.8 percent hold a Master’s degree and 23.7 percent hold a Bachelors degree whilst 18.7 percent have a matric or lower qualification.

**Table 2: Frequency of the Demographic variables**

		Count	Table N %
<b>Gender</b>	Male	123	51.0%
	Female	117	48.5%
	Prefer not to say	1	0.4%
<b>Race</b>	Black	77	32.0%
	Coloured	55	22.8%
	Indian	55	22.8%
	White	54	22.4%
<b>Education</b>	Primary	45	18.7%
	Matric	47	19.5%
	Diploma	71	29.5%
	Bachelor’s Degree	57	23.7%
	Postgraduate	21	8.7%

### **4.3 CRONBACH ALPHA TEST OF THE MEASUREMENT SCALES**

To check the internal consistency of the constructs, the Cronbach’s Alpha test was used. A coefficient close to 1.0 means that the questions are measuring similar dimensions of a factor. By this standard, any factor with a Cronbach’s Alpha coefficient less than 0.2 should be eliminated. In this case, all the factors have an alpha greater than 0.2, therefore no questions were eliminated. The overall Cronbach coefficient of all 39 items was measured with raw coefficient of 0.960 and standardised value of 0.961(n=39, item means=4.128). The overall

coefficient indicates that the instrument was reliable. (George & Mallery, 2003) suggested that an alpha value greater than 0.9 is excellent, with a value of 0.8 being good.

**Table 3: Cronbach Alpha Coefficient for the research study**

CRONBACH ALPHA COEFFICIENT				
	Raw	Standardised	Mean	Number of Items
Brand Identification	0.874	0.875	4.352	5
Brand Commitment	0.769	0.776	4.063	4
Brand Awareness	0.804	0.809	4.109	8
Brand Supporting Behaviour	0.800	0.800	4.140	6
Internal Training	0.832	0.835	3.958	5
HR Involvement	0.816	0.816	4.161	7
Job Satisfaction	0.740	0.743	4.087	4

The coefficients for Brand Identification were measured with a high alpha of 0.874 (n=5, item means=21.76). Brand Commitment, Brand awareness and Brand supporting Behaviour also recorded high coefficients of 0.769, 0.804 and 0.8, respectively. It should also be noted that while a high value for Cronbach's alpha indicates good internal consistency of the items in the scale, it does not mean that the scale is unidimensional.

#### **4.4 MEASUREMENT SCALE**

The measurement scores computed using the means of the scales were presented. The Brand Identification scale had a maximum of 5 and mean of 4.35(SD=0.69). Brand Commitment was measured using 4 questions and the scale showed a maximum score of 5.0 and mean of 4.06(SD=0.79). Brand

awareness was measured using 8 questions with a maximum score of 5 and mean of 4.11(SD=0.65).

**Table 4: Means and SDs for key variables**

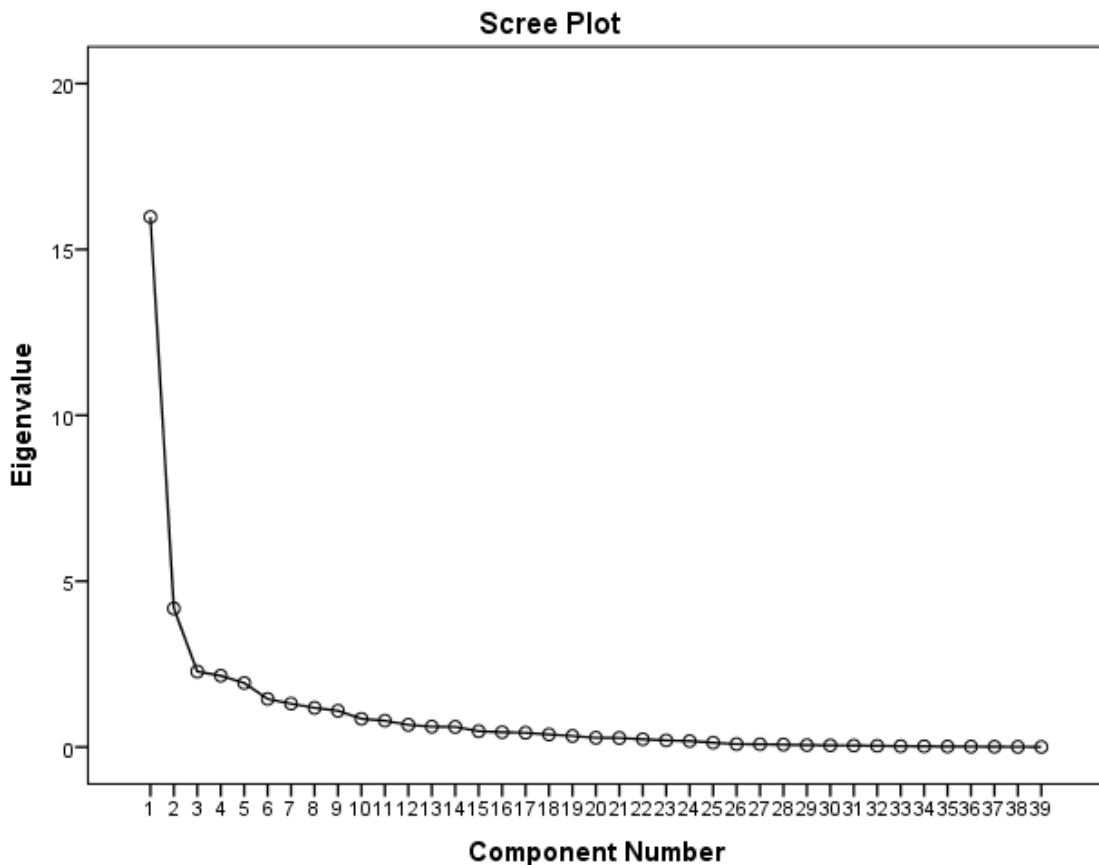
Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Brand_ID	241	1.80	5.00	4.35	0.69
Brand_Com	241	1.00	5.00	4.06	0.79
Brand_Aware	241	1.00	5.00	4.11	0.65
Brand_support	241	1.17	5.00	4.14	0.68
Job_Sat	241	1.25	5.00	4.09	0.74
HR_Invol	241	1.71	5.00	4.16	0.65
Internal_Train	241	1.00	5.00	3.96	0.76
Valid N (listwise)	241				

The measurement scale for Brand supporting Behaviour has a maximum score of 5 with mean of 4.14(SD=0.68). The elements which were used to measure Internal Branding in this study, namely Internal Training and HR Involvement, recorded a maximum score of 5 with mean of 4.16(SD=0.65) and 3.96(SD=0.76), respectively.

#### **4.5 CONFIRMATORY FACTOR ANALYSIS**

The principal Component Exploratory Factor Analysis was run in IBM SPSS on the 33 questions relating to Brand supporting Behaviour. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. High values (close to 1.0) generally indicate that a factor analysis may be useful with your data. The Kaiser Measure of Sampling Adequacy is 0.801 indicating that the

sample is reasonable for to perform factor analysis and confirmatory analysis. The principal component analysis suggested eight components. The confirmatory factor analysis was then performed in IBM Amos. A Scree Plot is a simple line segment plot that shows the fraction of total variance in the data as explained or represented by each principal component principal analysis and it suggests 9 components.

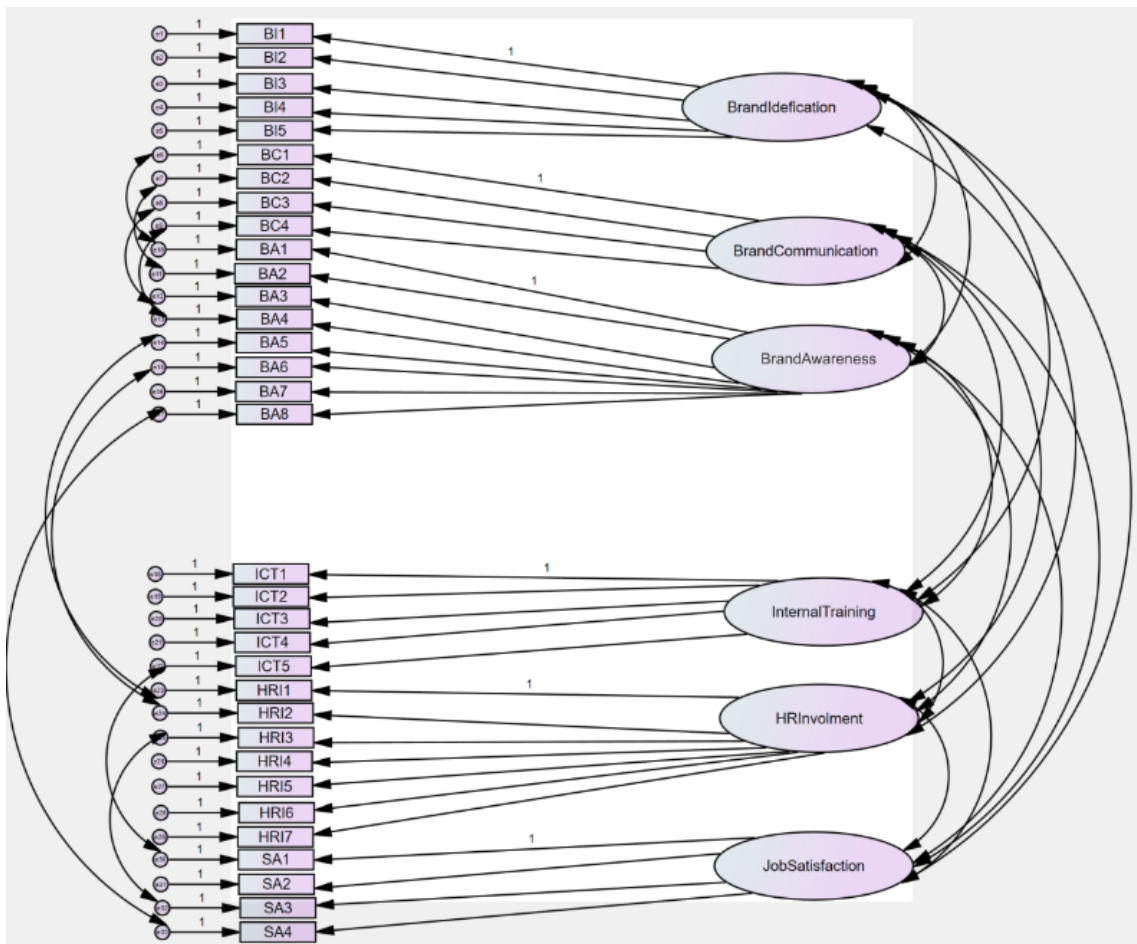


**Figure 4: Scree plot of the Principal Component Analyses**

The percentage of variance explained by component 1 is 40.972 percent, component 2 explained 10.715 percent whilst component 3 explained 5.839 percent. The rotated eigenvalues were used and scree plot (see Figure 3) to determine the number of significant factors. The cumulative variance of the nine components is explained by 80.899 percent.

A confirmatory factor analysis was then performed in IBM Amos to verify the factor structure of a set of observed variables and test the hypothesis that a

relationship between observed variables and their underlying latent constructs exists.



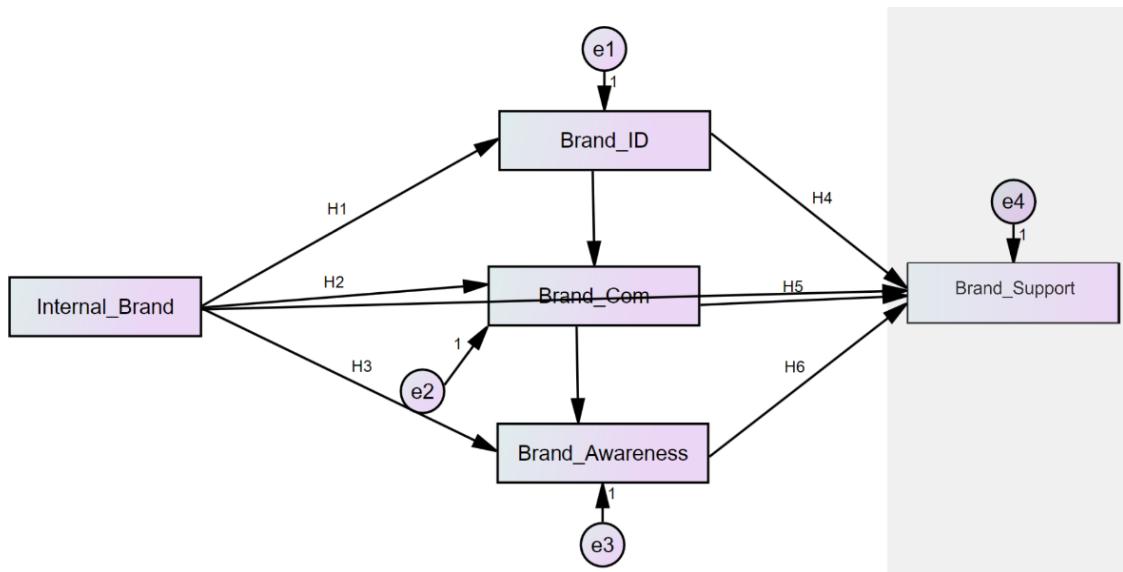
**Figure 5: Factor Model of key variables with Standardised Estimates**

The confirmatory factor analysis has unsatisfactory results with a GFI(0.650), AGFI(0.583) and an RMSEA of 0.141 suggesting that the model doesn't fit the data. The default model has a discrepancy(CMIN) of 2708.846.

## 4.6 STRUCTURAL EQUATION MODELLING

The conceptual model's results used to assess the main effects of the internal branding on brand promise delivery model had a chi-square value of 1.793

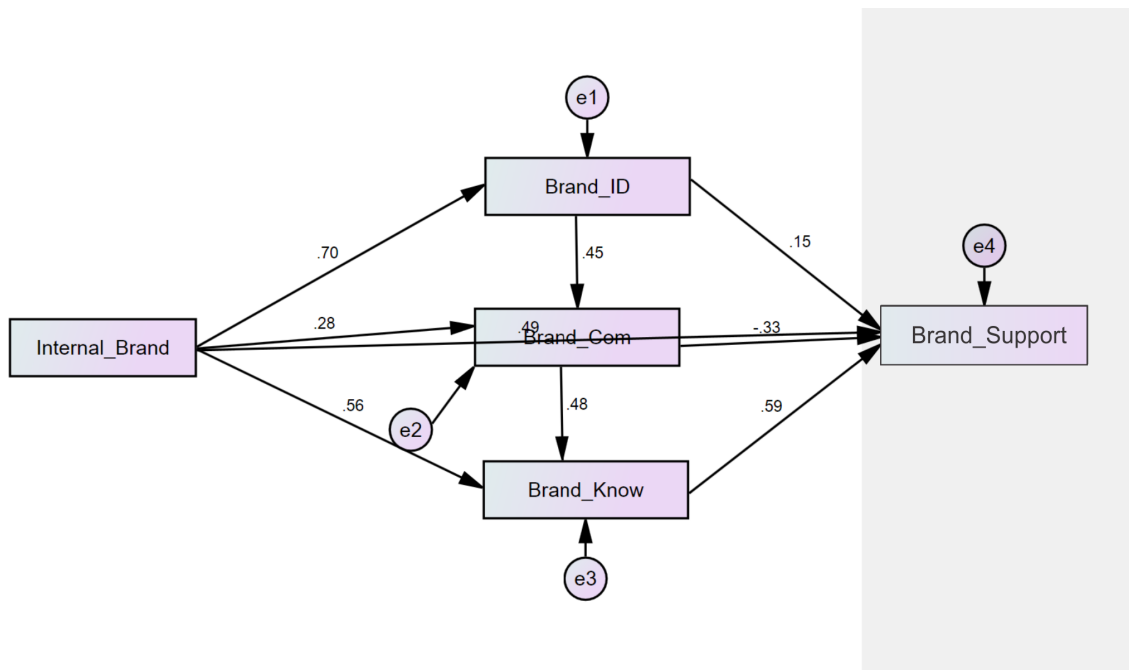
indicating a satisfactory level as it is below the recommended 3.0 (Bollen and Long, 1993). The proposed conceptual framework is shown below:



**Figure 6 :Hypothesized theoretical model of Brand supporting behaviour**

Structural analysis results provide a goodness fit of the model tested to the data, as indicated by the various fit indices of CF1(0.999), TLI(0.994), RMSEA(0.057). The model has a CMIN (411.662) with a  $p=0.000$  which is significant. The GFI(0.997), AGFI(0.995) of the model are within the recommended threshold for good fit of 0.95, 0.90 and 0.90, respectively. The goodness-of-fit statistics revealed that the model fits the data reasonably well. As can be seen from Figure 6 internal branding has positive and significant impacts on employees' Brand Identification (0.70,  $p = 0.01$ ), Brand Commitment (0.28,  $p = 0.01$ ), and Brand awareness (0.56,  $p = 0.01$ ), lending support for H1, H2 and H3. Also, H4, H5 and H6 are supported as the result suggests the positive and significant influence of Brand Identification on Brand supporting behaviour (0.15,  $p=0.01$ ), Brand awareness on Brand supporting behaviour (0.59,  $p=0.01$ ).





**Figure 7: Theoretical Model of Brand supporting behaviour with Standardized Estimates**

#### 4.7 IMPLIED CORRELATIONS

The estimated correlations between the latent variable Brand Identification and internal branding is 0.696. When Internal Branding goes up by 1 standard deviation, Brand Identification goes up by 0.696 standard deviations. The highest correlation recorded is between Internal Branding and Brand supporting behaviour with an estimate of 0.893.

**Table 5: Implied Correlations (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware	Brand_support
Internal_Brand	1.000				

Brand_ID	.696	1.000			
Brand_Com	.596	.647	1.000		
Brand_Aware	.842	.697	.811	1.000	
Brand_Support	.893	.687	.535	.838	1.000

## 4.8 REGRESSION WEIGHTS

The Table below presents the regression weights between the latent and exogenous variables. The relationship between internal branding and brand identification is significant and is shown with an estimate of 0.760 and se=0.51; when internal branding goes up by 1, Brand Identification goes up by 0.760. The results of this table are explained in more detail in the Hypotheses Testing Section.

**Table 6: Regression Weights: (Group number 1 - Default model)**

			Estimate	S.E.	C.R.	P	Label
Brand_ID	<---	Internal_Brand	.760	.051	15.018	***	H1
Brand_Com	<---	Internal_Brand	.353	.083	4.260	***	H2
Brand_Com	<---	Brand_ID	.518	.076	6.830	***	par_8
Brand_Aware	<---	Internal_Brand	.566	.031	18.278	***	H3
Brand_Aware	<---	Brand_Com	.389	.025	15.748	***	par_7
Brand_support	<---	Brand_ID	.146	.036	4.012	***	H4
Brand_support	<---	Brand_Aware	.621	.068	9.172	***	H6
Brand_support	<---	Brand_Com	-.283	.039	-7.300	***	H5
Brand_support	<---	Internal_Brand	.521	.054	9.683	***	par_9

## 4.9 HYPOTHESIS TESTING

The sub problem of this study was to investigate the relationship between the variables of internal branding and brand supporting behaviour using the structural equation modelling and the results of the regression weights are interpreted below.

### 4.9.1 Hypothesis 1 results: Internal branding has a positive impact on employees' brand identification

The regression weights estimates indicate that the Internal Branding variable is significant with a  $p < 0.001$  and positive coefficient of 0.760 ( $se = 0.051$ ) suggesting that the Internal Branding variable has a positive impact on employee' Brand Identification (see table 6). The regression weight estimate is 15.018 standard errors above zero. In other words, the regression weight for Internal Branding in the prediction of Brand Identification is significantly different from zero at the 0.001 level (two-tailed).

#### **4.9.2 Hypothesis 2 results: Brand identification is positively related to brand supporting behaviour**

The regression weights estimates indicate that the Branding Identification variable is significant with and positive coefficient of 0.146 ( $se = 0.036$ ), suggesting that the Brand Identification variable has a positive impact on Brand Supporting Behaviour supporting the proposed hypotheses (see table 6). The regression weight estimate is 4.012 standard errors above zero.

#### **4.9.3 Hypothesis 3 results: Internal branding has a positive impact on employees' brand commitment**

The regression weights estimates indicate that the Internal Branding variable is significant with a  $p < 0.001$  and positive coefficient of 0.3530 ( $se = 0.083$ ), suggesting that the Internal Branding variable has a positive impact on Brand Commitment (see table 6). The output of the regression analysis indicates that the Internal Branding is significant with a  $p < 0.000$  and positive coefficient of 0.746 suggesting that the Internal Branding does influence Brand Commitment.

#### **4.9.4. Hypothesis 4 results: Brand commitment is positively related to brand supporting behaviour**

The regression weights estimates indicate that the Branding Commitment variable is significant with and positive coefficient of 0.283 ( $se = 0.039$ ), suggesting that the Brand Commitment variable has a negative impact on Brand Supporting

Behaviour; the finding does not support the proposed hypotheses (see table 6). The regression weight estimate is 7.300 standard errors below zero. A regression analysis was then performed to test this relationship and Brand Commitment was significantly positive with coefficient of 0.456(se=0.046).

#### **4.9.5. Hypothesis 5 results: Internal branding has a positive impact on employees' brand awareness**

The regression weights estimates indicate that the Internal Branding variable is significant with a  $p < 0.001$  and positive coefficient of 0.566(se=0.031), suggesting that the Internal Branding variable has a positive impact on Brand awareness, thus supporting the proposed hypotheses (see table 6). The regression weight estimate is 18.278 standard errors above zero

#### **4.9.6. Hypothesis 6 results: Brand awareness is positively related to brand supporting behaviour**

The regression weights estimates indicate that the Brand awareness variable is significant with coefficient of 0.621(se=0.068), suggesting that the Brand Awareness variable has a positive impact on Brand Supporting Behaviour; the finding does not support the proposed hypotheses (see table 6). The regression weight estimate is 7.300 standard errors below zero.

### **4.10 RESULTS CONCLUSION**

The purpose of this study was to investigate the relationship between Internal Branding and Brand Supporting Behaviour of employees in South Africa. There were slightly more males (51 percent) who took part in the pilot study compared to females (48.5 percent).

The overall alpha coefficient of the instrument was very high, with a value of 0.909 thus indicating that the questions were reliable (n=39, item means=4.042). The results of the implied correlations were all positive, with highest value of 0.893 recorded between Internal Branding and Brand Supporting Behaviour. The structural equation model supported the proposed conceptual framework in chapter 3 with GFI (0.997), AGFI (0.995) and an RMSEA value of 0.057.

The chapter concludes with the findings of the regression weights which indicated that internal branding has a positive impact on employees' Brand Identification, Brand Commitment and Brand awareness. It is also concluded from this study that Brand Identification, Brand Commitment, Brand awareness are all positively related to Brand Supporting Behavior.

# **CHAPTER 5: DISCUSSION OF THE RESULTS**

## **5.1 Introduction**

This chapter discusses and explains the results presented in chapter 4 against the research hypotheses and conceptual framework of the study posed in the literature review section. Section 5.2 recaps the purpose of the research problem and discusses the results in relation to the published research work, while section 5.3 concludes the chapter.

## **5.2 Discussion of the main research problem**

The purpose of this study as to investigate the relationship between internal branding and brand supporting behaviour of financial sector (banking) employees in South Africa. The study sought to determine in what way internal branding affects Brand Identification, Brand Commitment and Brand awareness within the financial services sector in South African, how these ultimately influence employee Brand Supporting Behaviour. (Punjaisri, Evanschitzky, et al., 2009) define internal branding as “the internal communication technique and training programmes to educate employees about the brand promise”. In other words, proper communication channels and training need to be made accessible to employees so as to bring awareness and knowledge about the company brand such that if customers engage with them, they can comfortably see the brand with minimum supervision. (Merrilees & Frazer, 2013) define internal branding as processes that internal management adopt for employees to understand the brand concept, commit to the brand and to live the brand.

The conceptual model proposed was tested on 241 respondents using the Structural Equation modelling technique and Correlation analysis supporting all the six formulated hypotheses. The correlations between the latent and exogenous variables were also recorded as high, suggesting strong relationships between the tested variables. The overall tests of reliability were reliable with a coefficient of above 0.9.

### 5.3 Demographic profile of the respondents

Lee (2005) noted that demographic characteristics such as gender, age, income level, educational level, etc., play an important role in consumer's purchase decision process and can cause deviation from general patterns of consumer decision making. Perhaps the most important and central part of self-image is one's gender identity (Palan, 2001) and this gender-self generates strong congruency effects with regard to one's brand perceptions and choices Sirgy, 1982; Sirgy, 1986). It is important to understand the results of this study in the context of the demographic profile of the sample, and particularly the potential impact of gender on Brand Supporting Behaviour.

### 5.4 Group Statistics

The Group Statistics in table 8 show that, on average, female participants have a slightly higher Brand awareness (mean=4.12, sd=0.62) than male participants (mean=4.09, sd=0.67) and higher Brand support (mean=4.20, sd=0.63). However the independent-samples t-test (or independent t-test, for short) show that the group means are not statistically different because the value in the "Sig. (2-tailed)" row is greater than 0.05 for gender on all the variables under study. According to the research done by (Mak & Sockel, 2001), gender does not affect consumers' opinions and men and women do not differ in their decision concerning domestic and foreign brands.

**Table 7: Group Statistics for the research**

GROUP STATISTICS					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
Brand Identification	Male	123	4.340	.6918	.0624
	Female	117	4.368	.6987	.0646
Brand Commitment	Male	123	4.0203	.78706	.07097
	Female	117	4.1068	.80697	.07460
Brand awareness	Male	123	4.11890	.624970	.056352
	Female	117	4.09829	.671509	.062081
Brand support	Male	123	4.20461	.627908	.056617
	Female	117	4.07265	.722644	.066808

Internal Branding	Male	123	4.09417	.608639	.054879
	Female	117	4.05484	.664793	.061460

## **5.5 Discussion of the hypotheses tested**

### **5.5.1 The relationship between Internal Branding and employees' Brand Identification**

As presented in Chapter 4, the results of the regression weights estimates indicates that the Internal Branding variable is significant, with a positive coefficient showin that Internal Branding variable has a positive impact on employee' Brand Identification variable. Confirmation of the first hypothesis in the study through structural equation modelling analysis provides evidence that the more the organisation improves the internal communication and training with its employees, the more they relate to the brand.The findings are consistent with previous studies.For instance Punjaisri, et al., (2009) tested this relationship on 699 customer-interface employees from five major hotels in Thailand, from three different departments (food and beverage, housekeeping and front office) as they were considered to be at the interface between the brand and customers. They used the Structural Equation Modelling which also indicated that internal branding has positive and significant impacts on employees' Brand Identification (0.72,p<0.01).

### **5.5.2 The relationship between Internal Branding and employees' Brand Commitment**

The results of the structural equation modelling that the Internal Branding variable is significant with a  $p < 0.001$  and positive coefficient are also consistent with the results of Punjaisri et al., (2009) who found that internal branding has positive and significant impacts on employees' Brand Commitment (0.24,p<0.01). In another research conducted by Mak and Sockel (2001), they used regression analysis which showed that 30.8% (p-value 0.000) of the affective commitment of customer contact employees within the retail sector of the service industry can be explained by three of the four identified internal branding activities i.e. brand oriented training, brand oriented recruitment and brand oriented leadership. The



positive relationships are also explained by the current view held in the literature that internal branding activities facilitate commitment De Chernatony & Segal-Horn (2003), Punjaisri & Wilson (2007), Punjaisri et al., (2009). According to Yang, Wan, and Wu (2015), the regression analysis showed that Internal Branding had a significant impact on employee Brand Commitment, with a value of 0.66 and a non-standardized regression coefficient of 0.40 ( $p < 0.01$ ).

### **5.5.3 The relationship between Internal Branding and employees' Brand awareness**

Many of previous studies on employees' brand consistent behaviours such as brand awareness and brand understanding are conceptual in nature, for example studies by Scheys and Baert (2008), Ballantyne (2003), Chong (2007), Miles and Mangold (2005) and Mosley (2007); and others are qualitative in nature such as by (Bergstrom, Blumenthal, & Crothers, 2002); (Boyd & Sutherland, 2006); (King & Grace, 2008); (Miles & Mangold, 2005). This current study tested the relationship between Internal Branding and Brand awareness using a quantitative approach and correlation analysis. The regression weights from the structural equation modelling indicated that the Internal Branding variable is significant and positive with a coefficient of 0.566 ( $se = 0.031$ ), suggesting that the Internal Branding variable has a positive impact on Brand awareness. According to Wasmer and Bruner (1991) and King and Grace (2008) knowledge dissemination helps employees understand the brand strategy and the rationale behind management decisions with respect to employees, customers and service delivery and, in turn, employees reduce their role conflict/ambiguity (Jones, Busch, & Dacin, 2003). In another research Wasmer and Bruner (1991) noted that knowledge dissemination helps employees understand the brand strategy and the rationale behind management decisions with respect to employees, customers and service delivery.

### **5.5.4 The relationship between Brand Identification and Brand Supporting Behaviour**

The regression weights estimates indicate that the Branding Identification variable is significant with a positive coefficient suggesting that the Brand

Identification variable has a positive impact on Brand Supporting Behaviour. (Punjaisri, Evanschitzky, et al., 2009) also showed that Brand Identification is a driver of Brand Commitment, which precedes brand loyalty of employees brand-supporting attitudes and behaviours. The eight-item scale of brand identification that (Punjaisri, Evanschitzky, et al., 2009) used in this research was adapted from different studies e.g. those by Herrbach, Mignonac, and Gatignon, 2004; Mael and Ashforth, 1992; O'Reilly and Chatman, 1986; Shamir, Zakay, and Popper, 1998). In another research study, (Burmam & Zeplin, 2005) p. 282, define Brand supporting Behaviour as "an aggregate construct that describes a number of generic employee behaviours that enhance brand identity". The study of (Punjaisri & Wilson, 2007) depicted the mediating effect of the three attitudes i.e. Brand Identification, Brand Commitment and Brand Loyalty on the link between internal branding's tools and employees' brand performance.

#### **5.5.5 The relationship between Brand Commitment and Brand Supporting Behaviour**

According to (King & Grace, 2008), committed employees are able to build service brands through the behaviour they display during service encounters when communicating the brand experience and through the interactions with colleagues that promotes a work culture that supports brand supporting behaviour. The results from the structural equation modelling are not consistent with the findings of King & Grace(2008) as the regression weights shows a negative significant relationship between Brand Commitment and Brand Supporting Behaviour. Findings from H5 are not consistent with the work of (Piehler, King, Burmann, & Xiong, 2016) who used a structural equation modelling and variance-based partial least squares using AMOS; the results revealed significant, positive, direct effects of brand commitment and brand understanding on Brand supporting Behaviour. Brand commitment's positive impact on Brand supporting Behaviour is consistent with other Organization Citizen Behaviour studies (J. P. Meyer, Bobocel, & Allen, 1991); Podsakoff et al., 2000) as well as with IBM research (King & Grace 2010; 2012). Furthermore, Brand Supporting Behaviour is driven by Brand Commitment, which is the degree of psychological affection to the brand by employees; this also influences

employees' willingness to apply extra effort towards meeting the brand's objectives (De Chernatony, Cottam, & Segal-Horn, 2006); (King & Grace, 2012); Xie, Peng & Huan, 2014). Committed employees are motivated (Mathieu & Zajac, 1990) and exhibit Brand supporting Behaviour which strengthens the quality of the relationship that the customer has with the brand (Burmam, Schaefer, & Maloney, 2008).

### **5.5.6 The relationship between brand awareness and brand supporting behaviour**

The organisational role theory (Kahn et al., 1964) suggests that when employees experience role ambiguity because of a lack of brand understanding, they cannot behave in a brand-consistent manner. In this study the relationship between Brand awareness and Brand Supporting Behaviour was found to be positively significant and these findings are consistent with the work of Mitchell (2002) who used regression analysis to test the hypothesis and found that employees are at the highest quality for brand delivery when they are well aware and knowledgeable with the organization's brand. The findings of this current study were also consistent with previous studies of Mitchell (2002) and (Miles & Mangold, 2005) that suggested that employees' knowledge pertaining to their organisations' brand would influence brand-consistent behaviour such as in this case i.e. brand supporting behaviour. (Miles & Mangold, 2005) suggested that brand awareness contributes to employee brand image which later influences an organisation's positioning, turnover, employee and customer satisfaction, and favourable brand reputation.

## **5.6 Discussion Conclusion**

In summary, the findings of the study supported all the six hypotheses formulated, showing a positive and significant relationship between Internal Branding and Brand Identification, Brand Commitment and Brand awareness. The study also concluded that the relationship between Brand Identification, Brand Commitment, Brand awareness and Brand supporting behaviour is significant and positive. Research on internal branding has shown positive relationships between internal

branding and employees' commitment to the brand (Matanda & Ndubisi, 2013); (Balmer, Powell, Punjaisri, & Wilson, 2011); (Burmman, Zeplin, et al., 2009); (Rushton, Croucher, & Baker, 2014). Employees' brand commitment is regarded as an antecedent to the employees' citizenship behaviour towards the brand, brand performance and to the overall strength of the brand (Burmman & Zeplin, 2005); (Burmman et al., 2008); (Punjaisri & Wilson, 2007). A holistic view takes the employees' skills and knowledge as well as their brand attitude into consideration when building an internal brand (King & Grace, 2008; Punjaisri, et al., 2009)

# CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

## 6.1 Introduction

This chapter presents the conclusions of the research study. First, the findings of the research are summarised and the conclusions are drawn in the context of existing work in Internal Branding (Section 6.2). Next, the theoretical and practical implications are outlined in the recommendations (Section 6.3). To conclude, the study limitations and suggestions for future work are discussed and suggestions for areas of future research (Section 6.4) are outlined.

## 6.2 Conclusions of the Study

The purpose of this study was to investigate the relationship between internal branding and brand supporting behaviour of employees in South Africa. The study sought to determine in what way internal branding affects brand identification, brand commitment and brand awareness within financial services sector in a South African context, and how these ultimately influences employee brand supporting behaviour.

A structural equation model using the maximum likelihood function supported the proposed conceptual framework discussed in chapter 3 with GFI(0.997), AGFI(0.995) and an RMSEA value of 0.057. The Conceptual framework depicts the relationship between internal branding antecedents; namely brand identification, brand commitment and brand awareness and how they relate to brand supporting behaviour. Literature on internal branding has focused on the influence of mechanisms of internal branding on employees' brand attitudes, brand supportive behaviour and brand performance (Burmamann & Zeplin, 2005), 2005; Burmann et al., 2008; (Punjaisri, Evanschitzky, et al., 2009), (Punjaisri, Evanschitzky, et al., 2009), Punjaisri & Wilson, 2007, 2011). The findings of this study indicated that Internal Branding has a positive impact on employees' brand identification, Brand Commitment and Brand awareness. The model also indicated that Brand Identification, Brand Commitment, Brand awareness are positively related to Brand supporting behaviour. This was also evident with the

estimated correlations between the latent variables and the exogenous latent variables and Endogenous latent variables which was also positive and significant. Natarajan, Balasubramanian, and Kasilingam (2017) also used partial least squares structural equation modelling (PLS-SEM) and their results showed that internal branding influences employees' knowledge, commitment and image of the brand.

### **6.3 Recommendations and Implications**

Verhoef et al. (2009) note that despite the increased attention on internal branding and the importance placed on employees' behaviour, there is limited academic marketing literature investigating the relationship between the two constructs. Another study done by (King & Grace, 2005) highlighted that there has been limited research conducted into the processes required to encourage brand-supporting behaviour. According to (Burmamann & Zeplin, 2005) p. 282), "Brand Citizenship Behaviour is an aggregate construct that describes a number of generic (brand or industry independent) employee behaviours that enhance the brand identity." The theoretical and practical implications and recommendations that follow from this research are outlined below.

#### ***6.3.1 Theoretical Implications***

This present research was conducted within a South African context and theoretically it contributes to the existing work by examining the interrelationships between the key aspects of internal branding and brand supporting behaviour, including how these impact on a company's competitive advantage. Branding is an entity underpinned by multiple theoretical perspectives, which generates a range of concepts for practical and theoretical enquiry (Brodie, Whittome, & Brush, 2009). The study also provides useful insights into internal branding process, internally communicating the brand messages and employee brand supporting behaviour and therefore guides financial service sector organisations in South Africa on how to build strong brand support and brand commitment among employees. Existing researchers including Ind (1997, 2001), (LePla & Parker, 2002), (Schiffenbauer, 2001), Duboff (2001), (Hatch & Schultz, 2001),

emphasise the significance of a coordinated internal and external branding programme and the inherent benefits of marketing efforts that address not only the needs and wants of the target market, but the proper hiring, training, and motivation of those who must deliver the brand's promise (Aurand et al., 2005). To the customer, the brand helps in identifying the source of the product, which in turn, assigns responsibility to the product maker (Keller, 2003). This study found that Internal Branding has a positive impact on employees' brand Identification, Brand Commitment and Brand awareness. The model further indicated that Brand Identification, Brand Commitment, Brand awareness are positively related to Brand supporting behaviour. Therefore this study adds to the existing academic knowledge regarding internal branding and also extends the generalisability of the research findings into developing countries. Foster et al. (2010) state that although research into brand-supporting behaviours has been conducted in many industries, there has been little literature on the role of Human Resources and other departments in strategic internal branding efforts

### ***6.3.2 Managerial Implications***

From a managerial perspective the findings of this study suggest that the management of financial institutions needs to invest more in brand promoting initiatives, both internal and externally, as there are strong relationships between these components of internal branding and brand supporting behaviour as supported by H4, H5 and H6. The results of this study highlights the importance of Brand awareness, Brand Commitment and Brand Identification in any Internal Branding programme. Herington Scott & Johnson (2005) noted that an integrative internal branding process allows management to positively influence their employees' identification with, commitment, and loyalty to the brand, which implicates the strength of the internal relationships. The management of financial institutions can differentiate their offers and build powerful corporate brands through their employees' brand supporting behaviour. The brand message loses its credibility if it is not supported by unified employee behaviour (Schiffenbauer, 2001). Today's brand building efforts are looking for new ways of value creation processes to have unique and inimitable strategies for customer retention (Aaker, 1991; Aaker, 1996; Fournier, 1998; Keller, 2008; Foster et. al, 2010; and

Punjaisri & Wilson, 2011). Recently, with the Fourth Industrial Revolution disrupting businesses, there has been so much competition within every sector, including the financial sector. As markets mature and competition intensifies, management is exploring ways to increase the equity of the brand which has been shown to increase company's profitability (Aaker, 1991). Institutions are coming up with new ways of retaining and attracting customers and their employees through the use of Artificial Intelligence solutions. Employees need to have the necessary skills in order to engage in brand citizenship behavior (Burmam & Zeplin 2005; Piehler 2011; Wentzel et al. 2012). Management can use this opportunity to improve on the internal communications and training of their employees to equip them with the necessary skills needed to support the brand.

Furthermore, management should consider using internal branding as part of growing employees brand performance. Management can use internal branding to enhance employees' attitudes and behaviors when it comes to communicating an organisation's brand values and customer experience. Training intervention can also be adopted by managers on an ongoing basis to develop employees' brand understanding and knowledge.

When employees' Brand Commitment is high, employees put more effort into their work to reach the organisation's goals. This in turn can increase the strength of the brand (Kimpakorn & Tocquer, 2010; (Piehler et al., 2016). Organisations need to support employees by aligning organisational structures and processes with the brand (Piehler, 2011). An open work environment improves employees' morale and job attitudes, particularly at the induction phase of employment (Burmam & König, 2011).

#### **6.4 Limitations and suggestions for future research**

The purpose of this study was to investigate the relationship between internal branding and brand supporting behaviour of employees in the South African financial sector.



The first limitation of the study was the data collection process which was done in a limited time and given that the researcher doesn't come from the financial sector it was challenging to get more participation for the main study. The researcher needed enough time to collect the data and verify it against bias therefore caution must be exercised when interpreting and applying these findings.

Secondly, the inconsistency of the results between the findings of the structural equation modelling and regression analysis on Brand Commitment in relation to Brand supporting behaviour is also a concern when generalising these findings.

Future research may replicate and investigate the study and determine whether similar results occur in areas such as the hospital industry, health care, transportation or education, since the relationship between understanding the brand promise and brand commitment might vary from business to business. Conducting further research in the area of internal branding, it would be interesting to consider both the quantitative and qualitative methods in order to generate in-depth insights (Hammersley, 2002). The qualitative approach would then allow the author to further investigate processes and reasoning ideologies within the emergent patterns (Bryman et al., 2014).

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## **APPENDIX A - Questionnaire**

**20 August 2019**

Basetsana Taku

109 Wilton Avenue, Bryanston

Johannesburg

### **Dear Participant**

My name is Basetsana Taku, a Master's student from the University of the Witwatersrand specialising in Masters in the Management of Strategic Marketing.

I am undertaking a research project to determine how internal branding influences brand supporting behaviour among employees. In line with this, I would appreciate if you could please complete this short questionnaire regarding your experience at Nedbank Bank.

The information you provide in this questionnaire remains confidential and all the responses will be reported in summary only as part of my final research report. You are therefore not required to enter your name or contact details on the questionnaire.

Should you have any questions about this questionnaire, please contact me on my mobile +27 82 8493224 or via email on [basetsak@rocketmail.com](mailto:basetsak@rocketmail.com)

Yours sincerely,

Basetsana Taku

Mobile: 082 849 3224

Email: [basetak@rocketmail.com](mailto:basetak@rocketmail.com)

**Instructions**

Simply indicate your acceptance or refusal to complete the survey by ticking on the options below.

- I agree to continue with survey
- No, I do not agree to continue with the survey

**Begin the survey here!**

**SECTION A – DEMOGRAPHICS**

This section is asking about your background information. Please indicate your answer by choosing the applicable answer. Please [v].

<p>Q1. Please indicate your gender</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Male</td> <td style="width: 20%; text-align: center;"><input type="checkbox"/> 1</td> </tr> <tr> <td>Female</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> </tr> <tr> <td>Prefer not to say</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> </tr> </table>	Male	<input type="checkbox"/> 1	Female	<input type="checkbox"/> 2	Prefer not to say	<input type="checkbox"/> 3																	
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Female	<input type="checkbox"/> 2																						
Prefer not to say	<input type="checkbox"/> 3																						
<p>Q2. Please indicate your racial group</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Black</td> <td style="width: 20%; text-align: center;"><input type="checkbox"/> 1</td> </tr> <tr> <td>Coloured</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> </tr> <tr> <td>Indian</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> </tr> <tr> <td>White</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Other, please specify.....&gt;&gt;&gt;&gt;&gt;.....</td> <td></td> </tr> </table>	Black	<input type="checkbox"/> 1	Coloured	<input type="checkbox"/> 2	Indian	<input type="checkbox"/> 3	White	<input type="checkbox"/> 4	Other, please specify.....>>>>>.....		<p>Q3. Please indicate your level of education</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Some primary school</td> <td style="width: 20%; text-align: center;"><input type="checkbox"/> 1</td> </tr> <tr> <td>Grade 12/Matric</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> </tr> <tr> <td>Diploma</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> </tr> <tr> <td>B-Tech/Bachelor’s Degree</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Post-Graduate Degree</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Other, please specify.....&gt;&gt;&gt;&gt;&gt;.....</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>	Some primary school	<input type="checkbox"/> 1	Grade 12/Matric	<input type="checkbox"/> 2	Diploma	<input type="checkbox"/> 3	B-Tech/Bachelor’s Degree	<input type="checkbox"/> 4	Post-Graduate Degree	<input type="checkbox"/> 5	Other, please specify.....>>>>>.....	<input type="checkbox"/> 6
Black	<input type="checkbox"/> 1																						
Coloured	<input type="checkbox"/> 2																						
Indian	<input type="checkbox"/> 3																						
White	<input type="checkbox"/> 4																						
Other, please specify.....>>>>>.....																							
Some primary school	<input type="checkbox"/> 1																						
Grade 12/Matric	<input type="checkbox"/> 2																						
Diploma	<input type="checkbox"/> 3																						
B-Tech/Bachelor’s Degree	<input type="checkbox"/> 4																						
Post-Graduate Degree	<input type="checkbox"/> 5																						
Other, please specify.....>>>>>.....	<input type="checkbox"/> 6																						
	<p>Q4. Which bank do you bank with?</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Nedbank</td> <td style="width: 20%; text-align: center;"><input type="checkbox"/> 1</td> </tr> <tr> <td>FNB</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> </tr> <tr> <td>Standard bank</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> </tr> <tr> <td>Capitec</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Absa</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Other, please specify.....&gt;&gt;&gt;.....</td> <td></td> </tr> </table>	Nedbank	<input type="checkbox"/> 1	FNB	<input type="checkbox"/> 2	Standard bank	<input type="checkbox"/> 3	Capitec	<input type="checkbox"/> 4	Absa	<input type="checkbox"/> 5	Other, please specify.....>>>.....											
Nedbank	<input type="checkbox"/> 1																						
FNB	<input type="checkbox"/> 2																						
Standard bank	<input type="checkbox"/> 3																						
Capitec	<input type="checkbox"/> 4																						
Absa	<input type="checkbox"/> 5																						
Other, please specify.....>>>.....																							

**SECTION B**

**In this section we ask you about how you as an employee of your bank relate to its brand as your employer.**

Please indicate the extent to which you agree or disagree with each of the statements listed below by crossing (x) the number that corresponds with your answer.

(Please note that

**(1 = Strongly Disagree; 2 = Disagree; 3 = Neither Agree nor Disagree; 4 = Agree; 5 = Strongly Agree)**

Please indicate how strongly you agree or disagree with the following statements		Strongly Disagree → Strongly Agree				
<b>Brand Identification</b> adapted from (Punjaisri, Wilson, et al., 2009)						
BI1	My sense of pride towards the bank is reinforced by the brand-related messages	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BI2	I view the success of the bank's brand as my own success	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BI3	The bank is like a family to me	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BI4	I feel a sense of belonging to this bank.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BI5	When someone praises the bank brand, it feels like a personal compliment.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>When you think about your commitment to your employer's brand, how would you agree or disagree with the following statements</b>		Strongly Disagree → Strongly Agree				
<b>Brand commitment</b> adapted from (Kimpakorn & Tocquer, 2010)						
BC1	I usually tell my friends that this is a great bank brand to work for.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BC2	I am proud to tell others that I am part of this bank brand Identification.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BC3	For me, this is the best of all possible bank brands to work for.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BC4	It would take very little to cause me to leave this bank brand.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>When you think about how much you know about your employer, how would you agree or disagree with the following statements</b>		Strongly Disagree → Strongly Agree				
<b>Brand awareness</b> adapted from (ZUHDIYANI, 2018)						
BA1	A strong brand is important for our organisation' success	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BA2	Our brand is an important asset for our organisation	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BA3	With my behaviour, I can affect bank's brand success	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

BA4	I know what our brand stands for	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BA5	I know our brand promise	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BA6	I know how to live our brand in my daily work	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BA7	I know how to act brand consistent in my daily work	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BK8	I know how to deliver our brand promise in my daily work	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>Again, please rate how you strongly agree or strongly disagree with the following statements</b>		<b>Strongly Disagree → Strongly Agree</b>				
<b>Employee Brand Supporting Behaviour</b> adapted from (Liu, Ko, & Chapleo, 2017)						
<i>Employee branding-building behaviour</i>						
BSB1	I generally pay attention to ensure that my personal appearance is in line with our organization's brand.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BSB2	The organization ensures that employees' actions in contact with others are not at odds with standards for brand-adequate behaviour.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BSB3	I adhere to behaviour standards that are consistent with the Bank brand.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<i>Extra-role employee brand-building behaviour</i>						
BSB4	I often make constructive suggestions on how to improve customers' brand experience.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BSB5	Employees generally bring up the bank's brand name in a positive way in conversations with friends and acquaintances.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
BSB6	I share my ideas about how to improve customers' brand experience.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>Again, please indicate the extent to which do you agree or disagree with the following statements</b>		<b>Strongly Disagree → Strongly Agree</b>				
<b>Internal Communication and Training</b> adapted from (Özçelik & Fındıklı, 2014)						
ICT1	The training provided by my organisation enables me to deliver the brand promise.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
ICT2	My organisation informs employees in a good way the things that are relevant to them	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
ICT3	Written communication (newsletters, memos) are adequate within this organization	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

ICT4	I am made aware of the overall policies and goals of my organisation	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
ICT5	We are encouraged to suggest ways to improve our organization.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>Please tell us how you disagree or agree with the following statements?</b>		<b>Strongly Disagree → Strongly Agree</b>				
<b>Human Resources Involvement</b> adapted from (Özçelik & Findıklı, 2014)						
HRI1	I use knowledge about the company brand to perform my job.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI2	Our organisation's brand values guide the way I deal with customers	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI3	I am aware of the skills I need to deliver brand values.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI4	My bank makes a real effort to develop the employee's skills.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI5	My bank has a sound program to attract qualified people	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI6	I can see a clear relationship between job performance and rewards.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
HRI7	My bank takes good care of the employees.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
<b>Lastly, In this section, we ask you to indicate your level of satisfaction with your current job and working with your current employer.</b>		<b>Strongly Disagree → Strongly Agree</b>				
<b>Job Satisfaction</b> adapted from (Mak & Sockel, 2001)						
SA1	Overall, I am very satisfied with my job.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
SA2	In general, I like working here.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
SA3	I will probably not be looking for a job outside of banking.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
SA4	I hardly think about quitting my job.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

End of survey

Thank you.

## **APPENDIX B - Constructs and Measurements**

**Brand Identification** adapted from (Punjaisri, Wilson, et al., 2009)

- My sense of pride towards the Bank is reinforced by the brand-related messages
- I view the success of the bank's brand as my own success
- Bank is like a family to me
- I feel a sense of belonging to this bank
- When someone praises the bank's brand, it feels like a personal compliment

**Brand Commitment** adapted from (Kimpakorn & Tocquer, 2010)

- I usually tell my friends that this is a great bank's brand to work for.
- I am proud to tell others that I am part of this bank brand Identification
- For me this is the best of all possible bank's brands to work for.
- It would take very little to cause me to leave this bank's brand.

**Brand Awareness adapted from (ZUHDIYANI, 2018)**

- A strong brand is important for our organisation' success
- Our brand is an important asset for our organisation
- With my behaviour, I can affect Bank's brand success
- I know what our brand stands for
- I know our brand promise
- I know how to live our brand in my daily work
- I know how to act brand consistant in my daily work
- I know how to deliver our brand promise in my daily work

**Brand Supporting Behaviour** adapted from (Liu et al., 2017)

*Employee branding-building behaviour*

- I generally pay attention to ensure that my personal appearance is in line with our organization's brand
- The organization ensures that employees' actions in contact with others are not at odds with standards for brand-adequate behaviour.
- I adhere to behaviour standards that are consistent with the Bank brand.

*Extra-role employee brand-building behaviour*

- I often make constructive suggestions on how to improve customers' brand experience.
- Employees generally bring up the Bank's brand name in a positive way in conversations with friends and acquaintances.
- I share my ideas about how to improve customers' brand experience.

**Human Resources Involvement** adapted from (Özçelik & Fındıklı, 2014)

- I use knowledge about the company brand to perform my job.
- Our organisation's brand values guide the way I deal with customers
- I am aware of the skills I need to deliver brand values.
- I am aware of the skills I need to deliver brand values.

**Internal Communication and Training** adapted from (Özçelik & Fındıklı, 2014)

- The training provided by my organisation enables me to deliver the brand promise.
- My organisation informs employees in a good way the things that are relevant to them
- Written communication (newsletters, memos) are adequate within this organization
- I am made aware of the overall policies and goals of my organisation
- We are encouraged to suggest ways to improve our organization.

**Job Satisfaction** adapted from (Mak & Sockel, 2001)

- Overall, I am very satisfied with my job.
- In general, I like working here.
- I will probably not be looking for a job outside of banking.
- I hardly think about quitting my job.



## APPENDIX C - Reliability Testing of the Instrument

**Table 8: Reliability Analysis for the full scale**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
BI1	156.60	535.507	.599	.959
BI2	156.59	532.810	.689	.958
BI3	156.55	536.590	.631	.959
BI4	156.74	533.975	.620	.959
BI5	156.74	531.725	.644	.959
BC1	157.07	526.561	.611	.959
BC2	156.65	531.445	.675	.958
BC3	157.11	539.967	.377	.960
BC4	156.89	530.263	.601	.959
BA1	157.00	528.592	.578	.959
BA2	156.60	533.075	.646	.959
BA3	157.07	541.396	.349	.960
BA4	156.77	531.787	.622	.959
BA5	157.02	530.379	.612	.959
BA6	156.64	534.339	.623	.959
BA7	157.01	526.833	.666	.958
BA8	156.99	530.962	.601	.959
BSB1	156.60	534.541	.644	.959
BSB2	156.83	531.308	.629	.959
BSB3	157.03	530.532	.610	.959
BSB4	156.64	534.255	.621	.959
BSB5	157.05	526.694	.660	.958
BSB6	156.98	530.295	.611	.959
ICT1	156.93	532.637	.646	.959
ICT2	157.10	532.445	.559	.959
ICT3	157.41	537.426	.403	.960
ICT4	157.02	533.691	.571	.959
ICT5	156.73	529.921	.673	.958
HRI1	157.03	529.932	.621	.959

HRI2	156.62	535.453	.614	.959
HRI3	156.98	527.583	.661	.958
HRI4	156.98	530.425	.615	.959
HRI5	156.66	532.799	.650	.959
HRI6	156.82	530.497	.646	.959
HRI7	156.73	534.588	.593	.959
SA1	156.74	530.194	.674	.958
SA2	156.78	530.933	.679	.958
SA3	157.09	526.458	.651	.959
SA4	157.03	530.203	.611	.959

**Table 9: Reliability Analysis for Brand Identification Scale**

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
BI1	17.37	7.983	.686	.539	.851
BI2	17.35	8.170	.665	.455	.856
BI3	17.31	8.157	.734	.567	.841
BI4	17.51	7.543	.769	.597	.830
BI5	17.51	7.759	.666	.497	.857

**Table 10: Reliability Analysis for Brand Commitment Scale**

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
BC 1	12.33	5.798	.549	.347	.729
BC 2	11.91	6.458	.636	.480	.688
BC 3	12.37	6.509	.452	.255	.776
BC 4	12.15	5.728	.673	.494	.657

**Table 11: Reliability Analysis for Brand awareness Scale**

Item-Total Statistics					
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	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
BK1	28.88	19.831	.554	.423	.776
BK2	28.48	21.101	.602	.543	.772
BK3	28.95	21.851	.370	.271	.805
BK4	28.65	20.238	.651	.568	.763
BK5	28.90	21.115	.490	.362	.786
BK6	28.52	21.876	.505	.385	.784
BK7	28.89	20.617	.524	.409	.781
BK8	28.87	21.282	.472	.355	.789

**Table 12: Reliability Analysis for Brand Supporting Behaviour Scale**

<b>Item-Total Statistics</b>					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
BSB1	20.45	12.723	.519	.337	.778
BSB2	20.68	11.720	.588	.412	.762
BSB3	20.88	11.623	.558	.350	.769
BSB4	20.49	12.626	.503	.292	.781
BSB5	20.89	10.930	.632	.425	.750
BSB6	20.83	11.695	.540	.342	.773

**Table 13: Reliability Analysis for Internal Communication and Training Scale**

<b>Item-Total Statistics</b>					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
ICT1	15.73	9.966	.692	.487	.784
ICT2	15.89	9.500	.649	.431	.793

ICT3	16.20	9.154	.612	.499	.807
ICT4	15.81	9.322	.752	.587	.764
ICT5	15.53	10.800	.478	.320	.838

**Table 14: Reliability Analysis for Human Resources Involvement Scale**

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
HRI1	25.17	15.214	.573	.397	.788
HRI2	24.76	16.502	.525	.316	.797
HRI3	25.12	14.828	.615	.438	.780
HRI4	25.12	15.536	.532	.349	.796
HRI5	24.80	15.946	.578	.430	.788
HRI6	24.95	15.227	.619	.433	.780
HRI7	24.87	16.716	.444	.252	.809

## APPENDIX D - Structural Equation Modelling

**Table 15: Regression Weights: (Group number 1 - Default model)**

			Estimate	S.E.	C.R.	P	Label
Brand_ID	<---	Internal_Brand	.760	.051	15.018	***	H1
Brand_Com	<---	Internal_Brand	.353	.083	4.260	***	H2
Brand_Com	<---	Brand_ID	.518	.076	6.830	***	par_8
Brand_Aware	<---	Internal_Brand	.566	.031	18.278	***	H3
Brand_Aware	<---	Brand_Com	.389	.025	15.748	***	par_7
Brand_support	<---	Brand_ID	.146	.036	4.012	***	H4
Brand_support	<---	Brand_Aware	.621	.068	9.172	***	H6
Brand_support	<---	Brand_Com	-.283	.039	-7.300	***	H5
Brand_support	<---	Internal_Brand	.521	.054	9.683	***	par_9

**Table 16: Standardized Regression Weights: (Group number 1 - Default model)**

			Estimate
Brand_ID	<---	Internal_Brand	.696
Brand_Com	<---	Internal_Brand	.282
Brand_Com	<---	Brand_ID	.451
Brand_Aware	<---	Internal_Brand	.556
Brand_Aware	<---	Brand_Com	.479
Brand_support	<---	Brand_ID	.149
Brand_support	<---	Brand_Aware	.592
Brand_support	<---	Brand_Com	-.332
Brand_support	<---	Internal_Brand	.488

**Table 17: Variances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Internal_Brand	.401	.037	10.954	***	par_10
e1	.246	.022	10.954	***	par_11
e2	.340	.031	10.954	***	par_12
e3	.060	.005	10.954	***	par_13
e4	.066	.006	10.954	***	par_14

**Table 18: Squared Multiple Correlations: (Group number 1 - Default model)**

	Estimate
Brand_ID	.484
Brand_Com	.460
Brand_Aware	.857
Brand_support	.857

**Table 19: Implied Covariances (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware	Brand_support
Internal_Brand	.401				
Brand_ID	.305	.478			
Brand_Com	.299	.355	.629		
Brand_Aware	.343	.311	.414	.415	
Brand_support	.382	.321	.287	.365	.457

**Table 20: Implied Correlations (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware	Brand_support
Internal_Brand	1.000				
Brand_ID	.696	1.000			
Brand_Com	.596	.647	1.000		
Brand_Aware	.842	.697	.811	1.000	
Brand Support	.893	.687	.535	.838	1.000

**Table 21: Total Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.760	.000	.000	.000
Brand_Com	.746	.518	.000	.000
Brand_Aware	.856	.202	.389	.000
Brand_Support	.953	.125	-.041	.621

**Table 22: Standardized Total Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.696	.000	.000	.000
Brand_Com	.596	.451	.000	.000
Brand_Aware	.842	.216	.479	.000
Brand_Support	.893	.128	-.048	.592

**Table 23: Direct Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.760	.000	.000	.000
Brand_Com	.353	.518	.000	.000
Brand_Aware	.566	.000	.389	.000
Brand_support	.521	.146	-.283	.621

**Table 24: Standardized Direct Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.696	.000	.000	.000
Brand_Com	.282	.451	.000	.000
Brand_Aware	.556	.000	.479	.000
Brand_Support	.488	.149	-.332	.592

**Table 25: Indirect Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.000	.000	.000	.000
Brand_Com	.393	.000	.000	.000
Brand_Aware	.290	.202	.000	.000
Brand_Support	.432	-.021	.242	.000

**Table 26: Standardized Indirect Effects (Group number 1 - Default model)**

	Internal_Brand	Brand_ID	Brand_Com	Brand_Aware
Brand_ID	.000	.000	.000	.000
Brand_Com	.314	.000	.000	.000
Brand_Aware	.285	.216	.000	.000
Brand_Support	.405	-.022	.284	.000

**Table 27: Chi-square equivalent in Confirmatory Factor**

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	14	1.793	1	.181	1.793
Saturated model	15	.000	0		
Independence model	5	1239.775	10	.000	123.978

**Table 28: Goodness of Fit Index**

Model	RMR	GFI	AGFI	PGFI
Default model	.003	.997	.955	.066
Saturated model	.000	1.000		
Independence model	.277	.320	-.021	.213

**Table 29: Baseline Comparisons**

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.999	.986	.999	.994	.999
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

**Table 30: Parsimony-Adjusted Measures**

Model	PRATIO	PNFI	PCFI
Default model	.100	.100	.100
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

**Table 31: Minimum value of discrepancy function**

Model	FMIN	F0	LO 90	HI 90
Default model	.007	.003	.000	.037
Saturated model	.000	.000	.000	.000
Independence model	5.166	5.124	4.658	5.621

**Table 32: Root Mean Square Error of Approximation**

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.057	.000	.193	.304
Independence model	.716	.682	.750	.000



**Table 33: Akaike Information Criteria**

Model	AIC	BCC	BIC	CAIC
Default model	29.793	30.511	78.580	92.580
Saturated model	30.000	30.769	82.272	97.272
Independence model	1249.775	1250.032	1267.199	1272.199

**Table 34: Expected Cross-validation Index**

Model	ECVI	LO 90	HI 90	MECVI
Default model	.124	.121	.158	.127
Saturated model	.125	.125	.125	.128
Independence model	5.207	4.741	5.705	5.208

**Table 35: HOELTER**

Model	HOELTER	HOELTER
	.05	.01
Default model	515	889
Independence model	4	5