

## RESEARCH BRIEFS

# DO INTERNAL BRANDING EFFORTS HELP ENSURE POSITIVE SERVICE DELIVERY EXPERIENCES?

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### RESEARCH QUESTIONS

Think of your last visit to a big box retailer. Did that experience live up to your expectations? Did the employees you encounter deliver great service? Or was your service experience something that would drive you to a competitor down the road?

Branding is a major focus for all companies in today's hypercompetitive marketplace. Firms have to continually focus on how to shape—and protect—the image of their brand. Indeed, companies have to play “brand defense,” monitoring social media for feedback that could quickly sour a brand's image.

For service companies, the branding equation is complicated and less controllable due to the human element involved in service delivery. All the positive “feel good” advertising in the world that builds-up a customer's brand perception can be ruined in an instant if he or she encounters a “feel bad” employee.

The importance of each customer's interaction with every service employee was captured by Jan Carlzon, the former CEO of Scandinavian Airlines (Carlzon, 1987). Central to the airline's operational turnaround was the fact that Carlzon focused on making certain that Scandinavian Airlines' customers had the best experience possible when they interacted with each employee during their individual journeys. He termed these interactions “moments of truth,” in which customers form their unique impressions—positive or negative—of the company and its brand through their interactions with employee.

Scholars have noted that it is difficult for service company executives to overcome the inherent challenge of managing these “moments of truth” that enable front-line employees to spark a positive connection with customers (Beaujean, Davidson, & Madge, 2006) and how little research has been done on such interactions (Punjaisri & Wilson, 2007). Indeed, while we typically think of corporate

branding efforts as aimed at external audiences, a recent research study examined the recently developed concept of *internal branding*. The study, coauthored by Thomas Baker and Adam Rapp (both of the University of Alabama), Tracy Meyer (University of North Carolina Wilmington), and Ryan Mullins (Clemson University), provides new insights into the importance of internal branding efforts in influencing a company's critical front-line employees to provide brand-reinforcing levels of service.

### STUDY DESIGN AND METHOD

Baker and his colleagues defined internal branding in terms of information and brand communications provided to employees to help them guide and improve interactions with customers in ways that meet their brand expectations.

In their research, Baker and his colleagues sought to measure the effect of internal branding efforts on employees' attitudes towards the company, the brand, and its service offerings. They looked at how effective such corporate communications efforts can be at shaping the extent to which employees believed in the brand's authenticity (i.e., does the brand genuinely embody the values it supposedly stands for?) and felt there was brand value congruence (i.e., do the values of the brand align with employees' personal values?). The study also explored how employees' perceptions of authenticity and congruence would influence their ability to perform their respective tasks successfully and in line with company expectations.

Finally, the study examined the degree to which these attitudes made employees more willing to engage in brand citizenship behaviors, or BCBs. Such behaviors include employees' willingness to deliver service exceeding both managerial and customer expectations, endorse the brand, and make extra efforts to learn about and help shape the brand.

To investigate these issues, Baker and his colleagues used data from surveys of 265 front-line service employees from a firm in the hospitality industry. They also collected data from 68 managers regarding employee service abilities and propensity to engage in brand citizenship behaviors. Customer satisfaction with the services provided and with the employees involved was assessed via customer service ratings and experiential metrics.

### KEY FINDINGS

The analysis conducted by Baker and his colleagues confirmed their proposed overall linkage between a company's internal branding efforts, employees' attitudes toward the brand, and, ultimately, employees' ability to perform the service and their willingness to go the extra mile to support the firm and the brand. They found strong support across the board for the power of the internal branding concept to help develop positively disposed front-line service employees who are committed to delivering high-levels of service to the customer that helps to satisfy not just that individual, but to further develop the positive image of the brand, and in turn, the company itself.

These findings tie internal branding efforts to promoting better customer service and more reliable service delivery across the board. This is especially key in today's large chains, with some having thousands of locations around the country and around the world. Such large organizations often find consistency in service delivery and quality to be a severe operational and strategic issue. A classic example of this is McDonald's, as the company faces numerous issues in regard to its service/value equation and the impact on its brand, overall prospects, and profitability (Buncombe, 2015; Maze, 2015).

Consequently, the results of this study help make the ROI (return on investment) case for internal branding efforts to improve service quality and consistency and build a positive brand image not just externally, but internally as well.

Finally, in addition to building an awareness of the concept of brand citizenship behaviors, the work of Baker and his colleagues demonstrates that BCBs can indeed heighten the customer satisfaction ratings with employees, the brand, and the company. This shines the spotlight on the question of how companies can better recognize and reward such exceptional efforts among their front-line workers to better compete for both customers'

initial business and their longer term loyalty. This is an area where future research will help provide needed answers for management in practice in service-based firms.

### CONCLUSIONS AND IMPLICATIONS

So how can executives in service firms leverage internal branding to their advantage and better manage the countless, yet critical, "moments of truth" that help build their brand, both in the minds of customers and employees? Baker and his colleagues do not believe that this is simply a matter of throwing money at the problem and simply prioritizing internal communications aimed at employees to build brand awareness—and hopefully pride—within the ranks. In fact, too much brand messaging—especially if it is perceived to be inauthentic—can have a negative effect on employees' attitudes toward the brand and ultimately, on their motivation to provide superior customer service.

Rather, messages about the brand must seem authentic to employees and make them more want to identify personally with the brand. Consequently, the emphasis with internal branding efforts should be on making certain that the messaging is consistent and meaningful to the employees themselves. Executives should consider how to better manage the brand internally as part of managing the corporate culture, making sure to involve employees in the process. This can be done by inviting them to join branding communities within the company, where they can share their brand citizenship behaviors with others through corporate storytelling. Such stories could then be used to create internal branding communications that can be distributed company wide.

In the end, the customer service world has changed a great deal. As Anders (2014) recently observed: "Customer service is one of those maddening fields where success is measured by statistics—but failure is defined by anecdotes. Managers focus on getting overall customer satisfaction scores to tick up a few percentage points, only to throw up their hands in horror when blunders end up going viral on the Internet."

Today, a customer's poor service encounter can be captured on a smart phone and be shared online in minutes for the whole world to see. On the flip side, when a company and its employees go that extra mile, the positive PR value from what are often simple acts of kindness by employees can be almost incalculable in the age of social media. Executives

must therefore focus on building and managing both external and internal branding efforts, to create customers—and committed employees—who will become brand loyalists. With such brand champions, a company's future can be quite bright indeed!

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