

The investigation of the effects of internal marketing on the services quality emphasizing the Inter Mediate Role of organizational Citizenship Behaviors (case study of Esfarayen City Banks)

Sanaz Roshani^{1*}, Mohamad Reza Kabaran Zad², Mohamad Hosein Bijarchi³

¹MA, Business Management, Faculty of Management, Neyshabour Branch, Islamic Azad University, Iran

²Associate Professor, Faculty of Management, Central Tehran Branch, Islamic Azad University, Tehran, Iran

³MA in Entrepreneurship Management, Faculty of Management, Central Tehran Branch, Islamic Azad University, Tehran, Iran

Abstract: In a Service organization the services quality is one of the most important factors to Retain and gain new customers. In fact, in such organizations Competitive advantage, quality of service and staffing offering that service are the resources. One of the most important factors in improving the quality of the resources is internal marketing. Thus, this study which is applied-descriptive is performed in order to identify the effects of internal marketing according to intermediate role of Organizational Citizenship Behaviors on the services quality. The statistical population of this research is the employees of Esfarayen banks. To measure the research variable, Likert questionnaire containing a range of 5 options with 33 questions was used. This questionnaire was distributed among 130 bank employees in this city. The results of the research showed that implementing and performing the principles of internal marketing in the organization, due to effective and efficient role of organizational citizenship behaviors, insure the organization in competition arena and cause dramatic improvement in the services quality.

Key words: Internal marketing; The services quality; Organizational citizenship behaviors

1. Introduction

Service and financial institutes particularly banks have an important role in the economic structure of each country. The factor of the services quality is mostly considered in advanced banking. In one hand the banks try to gain better position and situation in competitions by presenting more desirable services to their customers, in another hand the quality of the desirable services increases the customer's satisfaction and loyalty. Today, introducing two ideas and concepts of internal marketing and the services quality, the importance and determining role of an organization's internal customers (employees) have become clearer in realizing the services quality (Catler and Armstrong, 2006).

In today's world, the organizations especially The Third World Country organizations need A major mutation in enhancing creativity and innovation otherwise they will remain from speedy competition convoys and one of the factors that can be helpful in this regard is establishment of organizational citizenship behavior and it won't be possible unless by identifying and implementing organizational citizenship behavior in the country's organizations and offices. An organizational citizenship behavior is desirable for each organization since it is connected with important organizational variables like organizational effectiveness, efficiency and

productivity so many researchers sought to define and investigate these behaviors that help organizational long-term success and was neglected before (Varey and Lewis, 1999).

Internal marketing has a specific position in marketing literature, particularly service marketing. Most of research works in the field of internal marketing were conducted around the issues of employee satisfaction, performance and services quality (Rezayi and Salimi, 2008). In internal marketing literature fewer researches were performed on the relation between internal marketing and organizational citizenship behavior and simultaneous effect of these two factors on the services quality. The writers believe that internal marketing besides organizational citizenship behavior simultaneously can have a meaningful effect on the services quality. It is worth noting that internal marketing is less considered in Iran. According to the mentioned issues the main question of this research is that is there any relationship between internal marketing and the services quality and do the organizational citizenship behaviors have the role of intermediate among internal marketing and the services quality? The employees of Esfarayen banks were selected and investigated to answer these questions.

2. The theoretical literature of research

2.1. Internal marketing

* Corresponding Au thor.

Internal marketing is an important part of strategic planning of the organization in order that the organization be directed and managed properly. One of the forms of Competitive Advantage is servicing to customer which results in the customer's Unwavering loyalty. One of the most important approaches of obtaining this purpose is internal marketing which is a key factor to present better services and success foreign marketing of an organization (Ballantyne, 2000). Barry and Gronus introduced the concept of internal marketing for the first time in 1980s. There is a point in the heart of internal marketing which forms Domestic market workers inside the organization. It means that the organization is an internal marketing that has internal Customers and suppliers and meeting their needs is vital and essential for the organization's success (Panigyrakis and Theodoridis, 2008). Denis (1995) considers internal marketing a kind of strategic management philosophy to attract, develop, motivate and keep important and dominant employees by providing high quality work space and supply their needs (Willson, 2003). Hug and Carter defined internal marketing an integral part of market-orientation which requires applying marketing techniques within an organization to create and communicate company's values (Catler and Armstrong, 2006). Rafiq and Ahmad proposed one of the most comprehensive definitions of internal marketing: internal marketing is against changing, balancing, motivating and intra-functional coordinating and integrating employees in order to effective performing of official and functional strategies to satisfy the customer by the process of making motivated and customer-based employees « a scheduled effort by using an approach similar to marketing in order to overcome organizational resistances against changing, balancing, motivating and intra-functional coordinating and integrating employees in order to effective performing of official and functional strategies to satisfy the customer by the process of making motivated and customer-based employees» (Daft, 1999). Gomson considered internal marketing a vital component of market-orientation and Katler and Armstrong stated that internal marketing should overtake external marketing (Catler and Armstrong, 2006).

2.2. The services quality

Service is an activity or benefit that one party offers another party which is basically Impalpable and doesn't have the ownership of anything and may result in physical or immaterial product. Servicing is a process consists of a series of almost impalpable activities which naturally, not necessarily always, occurs in interaction between the customers and employees, physical resources, goods or systems of service providers to be a solution for customers' problems. The most important factor in determining proper services quality is service provider (employee). Thus the organization's employees, particularly servicing organizations, have a vital role

in providing services (Valerizytaml and Parasyramal, 2008). Richard and Saucer (1990) stated that providing a proper services quality is one of the basic strategies for the survival of the organization. The quality has 2 dimensions: technical and functional. Technical quality refers to tangible aspects of the services and generally what is delivered to the customer. Functional quality refers to impalpable aspects of the services and how are the services presented. In particular, functional quality refers to the behavior of employees presenting that service and the way of interaction between employees and customers along the process of presenting the service. The employees' activities in an organization are associated with the organization's customers. These activities are vital factors in developing effective relations with the customer. So the employees' skills, attitudes and behavior are important in this regard because they are responsible to provide services with the quality expected by the customer. One of the most important factors which can employ the employees' skills, attitudes and behavior in better providing the services quality is internal marketing (Bairstow & Skinner, 2007).

2.3. Organizational citizenship behaviors

Organizational citizenship behavior is seen as a Desirable status because such a behavior both increases available benefits and reduces the need for official and costly controlling mechanisms (Naude, 2002). McKenzie et al. (1998) defined organizational citizenship behavior as Conscious and voluntary behaviors by an employee which directly increases effective performance of an organization apart from the goal of employee's productivity. In another definition Lee Payne and Johnson (2002) defined organizational citizenship behavior as Tendency to collaboration and be helpful in organizational environments. Also Allen et al. (2000) said that organizational citizenship behavior contains Constructive and cooperative behaviors which are not only ordered by job description but also are not rewarded directly or contractual through the official system of the organization (Awwad and Agti, 2011). Bureaucratic system in which managers do their best to achieve greater performance while retaining the pyramid hierarchy of the organization a shallow and unreliable relationship occurs among the individuals. But in democratic human and value system proper and reliable relationships are formed among the individuals and in such an environment the organization and its members are given the opportunity to go on as much as they can, accordingly the citizens are considered more. And when the citizens' importance is understood as one of the most important resources of the organization, their behavior can also be considered essential, hence many researchers analyzed citizenship behavior. Organizational citizen-oriented behavior refers to fair and discretion measures which

promote the organization's effectiveness (Kaplan and Norton, 2009).

3. The investigation of research background

3.1. External background

1-Papasolomo has researched in the field of applying internal marketing in bureaucratic systems and obtained some results in this research which include that in bureaucratic systems the effects of internal marketing may be reversed (Varey and Lewies, 1999).

2- Papasolomo and Rontis studied the effect of internal marketing on company brand which resulted that internal marketing can create a distinct brand (Rontis and Papasolomo, 2006).

3- Huang and Chi examined the effect of internal marketing on employees' satisfaction and organizational performance and concluded that marketing has a meaningful positive effect on satisfaction and performance (Howangh, 2005).

4- Keller, Lynch, Elinger, Ozment and Kalanthon were researchers who studied the effect of internal marketing on employees' satisfaction and customer-orientation and concluded that internal marketing has a meaningful positive effect on satisfaction and customer-orientation (Calleya and Caruana, 1998).

5- Rafigh and Ahmad Sad studied the effect of internal marketing on performance and concluded that Organizational competencies are an intermediate factor between internal marketing and performance (Ahmad and Rafiq, 2003).

3.2. Internal background

1-SeyyedValiTabatabaiHanzai and NimaAkhavan presented an article named *the investigation of the relation between internal marketing and the services quality* and its case study is Semnan Agricultural Bank and this article was represented in National Conference on the Iranian organizations' leadership and management challenges in Islamic Azad University of Esfahan. The results of this study showed that the measurements of internal marketing according to a conceptual model (Path Analysis) improve the services quality and also showed that there is a positive and meaningful relation between internal marketing and the services quality.

2- Amin Reza Kamalian and Seyyed Iman HashemiMoghaddam and Hamid Reza Rezvani in an article named *the investigation of the relation between internal marketing and the services quality in banking industry* which was represented in the 2nd International Conference on Marketing of Financial Services obtained the following results:

The status of internal marketing and the services quality are insufficient and sufficient respectively and also the measurements of internal marketing couldn't affect the quality.

A research on simultaneous effect of internal marketing and organizational citizenship behaviors to investigate the services quality are less seen.

4. Necessity and importance of this study

Since high quality services marketing are a critical issue for service organizations, and that one of the important features of services is interaction between employees and clients and have a proper behavior with clients, so different studies are needed for investigation of this factors. The author (researcher) suggest that implementing of this study in the current conditions of this country can be helpful for prosperity and development of clients confidence to organizations specially Banks. There for, this study can be useful for service renderers in banks and other institutions.

5. Methodology

Since the research goal is to determine causality relations between internal marketing, organizational citizenship behaviors and the service quality, the study is applied in term of goal and descriptive in terms of data gathering method. Descriptive statistic such as investigation of standard deviation and regression was used for study demography test, and correlation test has been used for deductive test because of determination the effects between variables. It should be noted that before deductive test it was necessary to determine the study normalization, so colmogroph-smirnoph Test was used for that reason. It was determined that the study is normal. In this study, internal marketing is an independent variable (variable effecting on dependent variable positively or negatively) and it's effect on services quality as a dependent variable is measured, and organizational citizenship behaviors are intermediate variable (variable which affect on the direction and amount of independent and dependent variable effects).

5.1. Study hypothesis

Main hypothesis: internal marketing has effect on services quality in Esfarayen city banks.

Derivative hypothesis: 1. internal marketing has a positive effect on organizational citizenship behaviors in Esfarayen banks.

2. Organizational citizenship behavior has an intermediate roll in effecting the internal marketing on services quality in Esfarayen banks.

6. Methodology

The statistical sample was selected randomly from a society of 300 individuals and its volume is obtained by the following formulation:

To determine the volume of the sample in practical tasks base on the type of the research the following formulation is used:

$$(1)n_0 = \left(\frac{t \times S}{r \times \bar{Y}_n}\right)^2 \quad \text{or} \quad n_0 = \frac{t^2 pq}{d^2}$$

In which t students, S Standard deviation of prototype, r is test failure (usually 0.05 or 0.01). Substituting the first values of average and variance from the table below, the value of n0 as a primary sample will be obtained as follow:

$$n_0 = \left(\frac{t \times s}{r \times \bar{Y}_n}\right)^2 = \left(\frac{1.71 \times 11.02}{0.05 \times 25.25}\right)^2 = \left(\frac{18.84}{1.262}\right)^2 = 222.86 \approx 223$$

$$\hat{n} = \frac{n_0}{1 + \frac{n_0}{N}} = \frac{223}{1 + \frac{223}{300}} = \frac{223}{1.74} = 127.94 \approx 128$$

In which N is the volume of the society and is considered 300.

To determine the value of n0 in equation 1, the average and standard deviation should be estimated in the primary sample. So in the primary sample which was derived for Validity and reliability the average and standard deviation were calculated and presented in the Table 1.

Table 1: calculating the average and standard deviation

	Number	Minimum	Maximum	averages	Standard deviation
quality	24	17	30	25/25	4/33
Marketing	24	41	80	60/37	11/02
Citizenship behavior	24	27	55	46/25	7/55

6.1. Measuring tools in the research

In this research the measuring tool is questionnaire which consists of:

Research questionnaire contains 12 questions of internal marketing, 6 questions of the services quality and 13 questions for measuring the organizational citizenship behaviors.

The research questionnaire is closed type. Arranging questionnaire is based on Likret spectrum with 5-choice scale measuring, as absolutely disagree, disagree, no idea, agree, absolutely agree.

6.2. Reliability and validity of the research

To determine the reliability of the research questionnaire, the researcher first extracts the desired questionnaire by studying the articlessimilar to the current one. Then the questionnaire is approved by a number of professional and academic experts and also the ideas of bank specialists and directors are used. The validity of the desired questionnaire was determined by using a 24 primary

sample which was distributed among the individuals of the determined statistical population and its Cronbach's alpha coefficient was obtained. The results of Cronbach's alpha coefficient of the questionnaire's questions are shown in the following table:

Table 2: the calculation of Cronbach's alpha

	Internal marketing	Citizenship behavior
Number of questions	20	13
Sample size	24	24
Cronbachs alpha	0/904	0/922

7. Research findings

7.1. Descriptive statistics

In the current study we descriptively have investigated the observation namely determined the average, standard deviation and skewness by related tables and diagrams.

Table 3: descriptive statistics

	Number	Minimum	Maximum	Averages	Standard deviation	Skewness (skew)
Internal marketing	130	17	68	43/9	8/37	-0/535
Services quality	130	13	30	23/92	4/53	-0/479
Organizational citizenship behavior	130	29	80	59/4	10/21	0/048

The results of the Table 3 indicates that 130 individuals attended the research, in other words number 130 in the first column of table 3 shows The absence of missing view. In the following diagram the variables' averages are compared with each other.

Skewness coefficient is shown in the last column of table 3. If this index is much closer to zero it will indicate the symmetrical distribution of the observations and this leads to normal distribution for gathered observations. Skewness coefficient is for internal marketing index of -0.535 in diagram

1which a little endangers the normality of the observations related to this index. Thus the normality of the observations is more precisely investigated by Box graph and the Kolmogorov – Smirnovtest

In Kolmogorov - Smirnovtest the normality of the observations is supposed zero and since the calculated statistics for each of the tested indexes is less than z criteria 1.96, the normality hypothesis is accepted for all 3 indexes. In this research we are looking for discovering the relation between the above mentioned variables.

7.2. The main hypothesis of the research

«There is a relation between internal marketing and the services quality in Esfarayen banks.»

Pearson correlation coefficient between internal marketing and the services quality was calculated to investigate the above hypotheses.

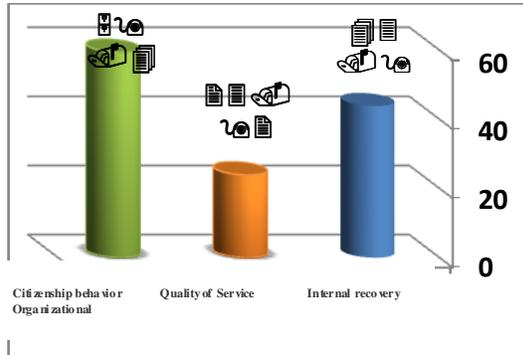


Fig. 1: bar graph to compare the averages

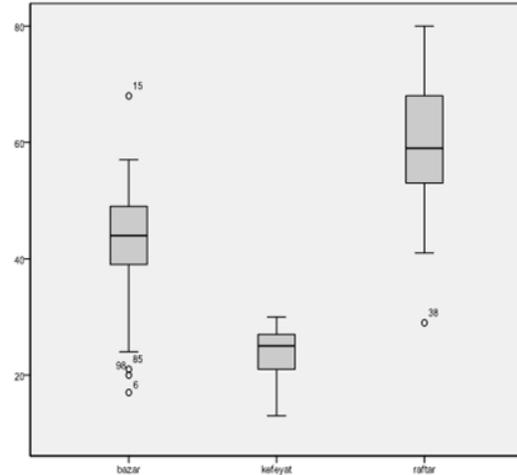


Fig. 2: the Heuristic analytic box graph for the indexes of internal marketing, the services quality and citizenship behavior of the above box graph, shows that the registered mark for 4 of the subjects have been diagnosed as extra data (outlying)

Table 4: the Kolmogorov - Smirnovtest to investigate the normality of the observations

	Internal marketing	Services quality	Organizational citizenship behavior
z-statistics Kolmogorov-smirnov test	0/813	1/48	1/19
p-value	0/523	0/084	0/113

Table 5: Pearson correlation test between the indexes of the services quality and internal marketing

		Services quality
Internal marketing	Pearson correlation coefficient	0/577
	P-value	0/000
	t-statistics	7/93
	Number	130

The table findings show that we can conclude 95% it is probable that there is a meaningful relation between the investigated variables. So the main hypothesis of the research i.e. «there is a relation between internal marketing and services quality in Esfarayen banks» is confirmed.

The results of the above table indicate that 33% of the changes in the banks' services quality scale as a dependent variable comes from the changes in independent variable which is internal marketing scale. In the table of variance analysis we seek to investigate the hypothesis that all regression coefficients are zero simultaneously and the results are shown in the table. In fact variance analysis addresses the investigation of this hypothesis:

$$\begin{cases} H_0 : \beta_1 = 0 \\ H_1 : \beta_1 \neq 0 \end{cases} \text{Table}$$

Table 6: the summary of simple linear regression model

Watson-durben statistics	Determination coefficient	Correlation coefficient
1/961	0/333	0/577

Table 7: the summary of the variance analysis results

	sum of squares	Degrees of freedom	Sum of squares average	f-statistics	Level of significance
Regression	882/881	1	882/88	63/906	0/000
Error	1768/35	128	13/815		
Total	2651/23	129			

In the above variance analysis table since **p-value**=0.00 so the fitted pattern has suitable efficiency and the independent variable considered in this research can be used to predict the services quality scale.

Considering the coefficients obtained in Table 8 and their act, the fitting prototype will be as Table 8.

In fact this model shows that there is a direct relation between internal marketing and services quality of the banks. In other words by adding 1 unit

to internal marketing variable 0.312 unit is added to the services quality of the banks.

Table 8: regression coefficients for simple linear regression model
 (quality)=10/208+0/312(internal marketing variables)+ε

	Estimated regression coefficient	Standard deviation estimates	t-statistics	Level of significance
Constant factor	10/208	1/746	5/845	0/00
Internal marketing	0/312	0/039	7/99	0/00

The first secondary hypothesis
 «Internal marketing has a positive effect on organizational citizenship behavior in Esfarayen banks»

Table 9: Pearson correlation test between citizenship behavior and internal marketing

Internal marketing	Organizational citizenship behavior	
	Pearson correlation coefficient	0/536
	P-value	0/00
	t-statistics	7/12
	Number	130

Since the calculated t statistic (T=7.12) with the above degree of freedom (df=128) is bigger than standard t statistic (T= 1.97) with the probability of 95% we conclude that there is a meaningful relation between the subject variables. So the main research hypothesis is confirmed that «there is a meaningful relation between internal marketing and organizational citizenship behavior in Esfarayen banks». The following table is stated to investigate the type of this relation between the mentioned variables by regression analysis method:

Table 10: correlation test and regression analysis

Panel regression–The effect of internal on citizen ship behavior			
Correlation coefficient	0/536	F**statistics (p-value)	51/5 (0/00)
Determination coefficient	0/287	T-statistics (p-value)	7/176 (0/00)
Watson-durbeen statistics	1/773	Regression line coefficient	0/653
Thefinal regression model) :internal marketing + 0/653 = 30/717organizational citizenship behavior			

The second secondary hypothesis
 Organizational citizenship behavior has the role of intermediate between internal marketing and services quality in Esfarayen banks.

8. Conclusion and suggestions

According to the results of this research there is a positive and meaningful relation between internal

marketing and services quality so the organizations can improve the employees' customer-oriented behaviors and the quality of their services by improving the measurements of internal marketing and use 2 concepts and tools of balanced scorecard and human resources (HR) scorecard to have suitable systematic direction and effect in the field of regional links between internal and external marketing and appropriate influence on each other.

Table 11: Partial correlation test between the indexes of services quality and internal marketing

Organizational citizenship behavior	Mediator Variable: Internal marketing	Services quality	
		Pearson correlation coefficient	0/328
		P-value	0/00
		t-statistics	3/89
		Number	130

So the hypothesis is confirmed.

In this way that they identify their HR deliverable items for Implementation of organizational strategies in balanced scorecard and according to strategic plans and pursue and measure the fulfillment of these deliverable items. It is suggested that the organizational structure be revised and go toward decentralization and collaboration of the employees, the required information be given to the employees and they become responsible for whole work because management support has a positive effect on the indication of organizational citizenship behavior. It will have many beneficial results for the organization (rising of services quality and promoting competitive position of the organization). Like every researches this research has some limitations some of them are: the research findings are completely limited to the research space and time range, calculated data and the statistical methods used and definitely the generalization of them without considering each of these factors is incorrect.

In the researcher's viewpoint, we won't witness tangible and considerable effects on producing high quality and desirable goods followed by the foreign customers' satisfaction unless there is a tremendous growth and change in management thought and science in country's organizations along supporting and applying the principles of internal marketing (Respect and satisfaction of employees) whether in

1.This statistic shown the fitted regression function

personality or activity. So we can say that the idea of the organization's director can be considered as a strong content obstacle in concluding these researches.

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