



## The Effects of Internal Branding on Employee Brand Commitment: In Case of University of Gondar, Ethiopia

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**Abstract:** *The practice of internal branding has become vital for several strategic concerns being formulated and implemented especially by convinced service organizations and its effect on employees brand commitment has been found out of the ordinary. Researchers identified this dexterously as a pertinent topic to deal in the case of university of Gondar, Ethiopia for its competency incidentally was to be experienced by appropriate research. Incorporating the four acknowledged dimensions of internal branding with brand commitment backed up by hypotheses and a standard questionnaire lead to collect the data from the 362 (96%) sampled employees of the university along with a secondary source of data collected from different books and articles. To analyze the collected data, both descriptive and inferential statistics were utilized using SPSS version 20. Correlation and regression analysis were employed to check the relationship between brand commitment the dependent variable and brand oriented leadership, brand oriented training, brand oriented internal communication and brand oriented recruitment the independent variables. The findings of the study have indicated that brand oriented leadership and brand oriented training are the most important factors on influencing brand commitment of employees and it is recommended to give more emphasis to these dimensions in order to enhance brand commitment of its employees as well.*

**Key Words:** *Internal Branding, Brand Commitment, Training, Recruitment and Leadership*

## 1. INTRODUCTION

### 1.1. Background of the Study

In today's market, basic success factor for any businesses is not enough only having financial capital but human capital as well. Knowledge of the employee about the organization is seen as a crucial factor for success in business operations (Shiu & You, 2010). De Chernatony (2001) showed that employees are the nerve in the process of brand building and their behavior can reinforce a brand's advertised values. As a result it's crucial to look inside the organization to give emphasis on how the employee's values and behavior can associated with a brand's desired values.

Implementing and sustaining internal brand initiatives requires the application of a wide variety of techniques. A key to implementation is encouraging appropriate employee behaviors. Therefore human resources play a strong role in ensuring effective implementation (Sharon, *et al.*, 2008).

Punjaisri and Wilson (2009) define internal branding "*is an a actions undertaken by an organization to achieve the brand promise reflecting the espoused brand values that set customers' expectations is enacted and delivered by employees.*" This shown as internal branding has grown as a concept that can help organizations to make their employees act in accordance with their brand promises.

According to Kimpakorn and Tocquer (2010) employees' brand commitment represent, "*the degree to which employees identify and are involved with their service brand, are willing to exert additional efforts to achieve the goals of the brand and are interested in remaining with the service organization.*" It is also defined as "*the extent of psychological attachment of employees to the brand*", which influences their willingness to exert extra effort towards accomplishment of the brand.

Thomson, De Chernatony, Arganbright and Khan (1999) argued that when employees are fully aware of and understand the brand values they become more committed to the brand and to practice on-brand behavior. Because of these different scholars have studied the some dimensions of internal branding. Those variables were internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership.

However, most of the studies were done in relation to branding was focus on external customers' level of commitment for a certain brand but some of the researchers tried to investigate the practice of internal branding. Some of the studies were Al Olayan and Khaled (2011) investigated how employees play a big role in communicating the brand meaning and brand values to customers, Kimpakorn and Tocquer (2010) explored the relationship between the employer brand dimensions and employees' commitment to support the brand and Punjaisri, Evanschitzky and Wilson (2009) assessed the relationship between internal branding and employees' delivery of the brand promise, as well as the relationships among their brand identification, brand commitment and brand loyalty. Even few studies have been done in Ethiopia context regarding internal branding (Tagay, 2013), the mediation role of

employees brand commitment in the relationship between employees' brand awareness and brand citizenship behavior, but it's not satisfactory that's why the need of conducting this study and also under this study other basic variables was investigated.

## 1.2. Statement of the Problem

As noted by Kothari (2004), a research problem, in general, refers to some difficulty which a researcher experiences in the context of either a theoretical or practical situation and wants to obtain a solution for the same".

A major cause for an internal branding program to fail is if organizations never tell the employees how to live the brand, meaning that the employees do not represent the brand in compliance with what the brand says and what the brand promises. The consequence is that they do not communicate the brand to the customers, and thus decrease the satisfaction level of employee (Khan, 2009).

Many researchers argue that if the employees are committed to the brand they perform better and they will perceive success and failure of the brand as their own if they identify themselves with the brand and manage to live the brand (Gotsi & Wilson 2001; Shiu & Yu, 2010). It is a challenging to make the employees live the brand, due to the fact that people can behave unpredictable and talk spontaneously. Therefore it is important to work with internal communication to reduce that unpredictable behavior is not aligned with the values of the organization (Gotsi & Wilson, 2001).

In the future internal branding will be very important and all-encompassing to achieve the organizations goal. (Sharon et.al., 2008). Because of this many researchers tried to look internal branding in different perspectives i.e. Al Olayan

(2011) investigated how employees play a big role in communicating the brand meaning and brand values to customers. Based on the employee-customer interaction, customers develop attitudes about the brand and thus decide to choose the company and remain loyal. Organizations today therefore seek to train employees to interact with customers, but often never specify how they want employees to deliver the brand promise. The study sought to uncover how employees deliver the brand's values to customers. The findings of the study showed that employees believed they had significant influence on customers when it came to communicating the brand values to customer (Kimpakorn & Tocquer , 2009). They assessed the growing importance given to employees are crucial to the making of the brand of the organization 'come alive'; the case has a more significant effect on services industry. The findings are that brand knowledge does not affect employees' brand commitment.

Aurand, Gorchels and Bishop (2005) explored the degree to which managers perceive that activities typically associated with human resource (hereafter HR) functions are utilized in internal branding initiatives, and the impact that these HR activities have on employees' personal attitude toward the brand and their incorporation of the brand message into their work activities. And also only few studies have been done on the practice of internal branding practice in the context of Ethiopia (Tagay, 2013)the finding showed that employees brand commitment has stronger mediation role between employees brand awareness and their brand citizenship behavior.

Even though most of the scholars focused their study on external customers' level of brand commitment for a certain brand but it's not only enough winning the heart of external customers but

also motivating the internal customers the employee as well, because they are valuable asset of the organization and the satisfaction level directly affecting external customer satisfaction as well (King & Grace, 2006). As a result employees are critical contributor of the brand and can be seen as brand builders, since there contribution is important to the organization and brand formation (De Chernatony , 2001). Under this study other basic variables of internal branding was investigated, i.e. internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership.

Therefore the researcher investigated the practice of internal branding and its effect on employees brand commitment in case of university of Gondar (top ranking public university).

### 1.3. Objectives

1. To determine the effects of internal communication on brand commitment of employees.
2. To assess the effect of brand oriented training on brand commitment of employees.
3. To determine the effect of brand oriented leadership on brand commitment of employees.
4. To analyze the effect of brand oriented recruitment on brand commitment of employees.

### 1.4. Hypothesis

Based on the literature review linked with internal branding the researcher has formulated the following hypothesis.

**H1.** Internal communication has a positive effect on brand commitment of employees.

**H2.** Brand oriented training has a positive effect on brand commitment of employees.

**H3.** Brand oriented recruitment has positive effect on brand commitment of employees.

**H4.** Brand oriented leadership has positive effect on brand commitment of employees.

## 2. REVIEW OF LITERATURE

### 2.1. Internal Branding

Internal brand management (hereafter IBM) is a subset of internal marketing which focuses on the development, reinforcement, and maintenance of the brand. This concept was emerged in 1970 by Berry et al (1976). In 1976, they proposed that employees that employees are internal customers of the organization, they have to be satisfied to deliver appropriate service.

Drake, Gulman, & Roberts (2005) indicated that internal branding have a great role in influencing employees to deliver the brand promise to meet users brand expectation and which is created through the practice of internal marketing. The success practice of internal branding engenders a shared brand understanding among employees which should create committed workforce who deliver on the brand promise. Previously, internal branding was considered as the task of marketing and which was primarily about communicating.

### 2.2. Dimensions of Internal Branding

#### 2.2.1. Internal Communication

Internal communication refers to the flow of information from managers to lower level

employees and vice-versa the information should have technical detail about the tasks and especially more related with brand information. If the employees understand brand and its values, simply they can be committed and deliver promised customers expectation. (Anand, 2014).

As mentioned by (Hallam, 2003) internal branding initiatives required supports from communication strategy taking account of both external and internal communication practices. In relation to this (Zucker, 2002) point out that internal Communications should be the main point of focus when implementing internal branding program, which help to secure people's commitment and encourage behavioral change to support the brand (George & Grönroos, 1991).

Terry (2003) has recently identified that there is a trend that merits marketing knowledge to successfully engage employees with the brand in terms of internal branding activities. He argues that because marketers know the brand and understand people's motivation, needs, desires, their previous experience and weaknesses, so they can communicate the brand to an internal audience and shape people's perceptions.

#### 2.2.2. Brand-Oriented Training

Training is "a planned and systematic effort to modify or develop knowledge/skill/attitudes through learning experience, to achieve effective performance in an activity or range of activities" (Pinnington & Edwards, 2005).

De Chernatony and Cottam (2006) showed that human resource plays basic role in the internal branding process through recruiting and training of employees that fits with the organization brand values. Therefore HR should be aware and effectively understand the brand values in order to

forward to their employees Aurand, Gorchels and Bishop(2005) and Punjaisri, Wilson and Evanschitzky (2009) suggested about the role of training programs and they argued that training can improve skills of employees to carry out their daily tasks and in addition training can enhance brand related skills which can increase employees' ability to deliver the brand promise appropriately. As a result training can enhance brand identification and commitment (Punjaisri, Wilson & Evanschitzky, 2009)) and findings of Henkel *et al.* (2007) indicated that employees should be trained to express behaviors that can project the brand, Miles and Mangold(2004) stressed that training and development are a key in relation to the information employees received.

Therefore, brand-oriented training is having a great contribution to improve the employees understanding about brand values and to align employees with the value(Ind, 2007). As result Training programmers' are seen as the most effective tool for internal branding and the Programs should provide technical details about the daily work, how to treat customers of the organization and how to be customer-focused in delivering brand promise which may help the employees to be committed.

### **2.2.3. Brand-Oriented Recruitment**

Burmann and Zeplin (2005) noted that recruiting employees who are a perfectly match with the values of the organization is very a time consuming and difficult task. However most of studies showed that the employees whose personal values are highly match with the company's brand goal are committed to the brand. In addition to this recruiting employee whose personal value match with the organization value reduce the cost of

training that the organization incurred for training. To reduce the possibility of recruiting less suitable employees, usage of brand-oriented evaluation systems is vital when assessing new recruitment. Initial training of new employees together with follow-up and informal activities like mentorship and social events further strengthen the fit between employees and the brand should be provided (Anand, 2014). This is also recognized by Punjaisri and Wilson (2009) the task of finding the right employees whose personal value match with the organization is not easy task. The study of Punjaisri & Wilson (2007) showed that after the recruiting the employees, training program should be arranged to make the employees committed. In addition to this Burmann and Zeplin (2005) forward that HR should apply brand oriented evaluation systems when recruiting new employees to reduce the risk of recruiting less suitable employees.

### **2.2.4. Brand-Oriented Leadership**

Effective role-model managers have the characteristics of improving and creating brand commitment of the employees. As a result manager's behavior and communication not only having impact on employees but also on customer relations as well. Working side-by side with the employees has a great impact on employee's willingness and committeemen to achieve on brand behavior (Anand, 2014).

The studies on internal branding note that the leadership characteristics of leaders are likely to influence internal branding. Burmann and Zeplin (2005) stated that the two brand relevant levels of leadership. The first is macro level which refers to the role of the CEO (chief executive officer) and executive board in the process of brand building,

while the micro level emphasized on the personal leadership of executives within the organization. Vallaster and De Chernatony (2009) noted that leader of the organization should exert their effort on internal branding in defining; communicating and driving corporate brand identity which improve the link between employees' behavior and the desired brand identity. Furthermore the finding of Vallaster and De Chernatony (2006) indicated that leaders should have the ability of influencing internal brand implementation through initiating and encouraging behavioral changes in relation with the desired brand.

### 2.3. Employee Brand Commitment

According to Kimpakorn and Tocquer (2010) employees brand commitment is defined as, *“the degree to which employees identify and are involved with their service brand, are willing to exert additional efforts to achieve the goals of the brand and are interested in remaining with the service organization.”* It is also defined as the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand.

Burmann and Zeplin (2005), for example, use the term 'brand commitment' in order to refer to employees' behavior as an outcome of internal branding. The term *'brand commitment'* can be defined as *“the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand goals”* (Burmann & Zeplin 2005). They also states that: *“the brand commitment construct as the authors understand it is synonymous with organizational commitment, which is generally defined as a psychological bond between the employee and the organization”*

### 2.4. The Effects of Internal Branding on Employee Brand Commitment

Commitment to the organization reflects employees' involvement and interference with the organization's goals and their interest to continue their works in the organization. Organizational commitment can be defined as one's sense of belonging to the organization and their sense of responsibility towards the organization's goals. It also means providing the social system with one's energy and allegiance (Ng & Feldman, 2011).

Punjaisri, Wilson and Evanschitzky (2009) noted that IB will affect an employee's attitude and behavior, and that an employee's brand recognition will affect his or her brand commitment (hereafter BC), thereby affecting brand loyalty. Punjaisri, Wilson and Evanschitzky (2009) also noted that in IB, internal communication and training should be used to educate employees on the BC and how to pass it on, and suggested that such an approach will significantly impact employee attitudes and behavior. If brand ideology is successfully instilled in the employees, it will influence their attitudes and behavior ( Miles & Mangold, 2004). Employees can obtain relevant brand information through formal or informal corporate channels; such information includes knowledge of commitments to the outside world (customer expectations), how to provide brand-appropriate services, the features of the products and services associated with the brand, differences from competitors' products and services, brand objectives, and the impact of employee performance on brand. The purpose of equipping employees with this information is to improve their attitudes and their ability to convey brand commitment.

## 2.5. Empirical Review of the Study

Internal branding is still a young research field in its literature (Burmam & Konig, 2011). Based on those the available internal branding literatures the researcher developed empirical review of the study.

Al Olayan and Khaled (2011) explored the employee's contribution in communicating the brand meaning and brand values to customers of the organization. Based on the employee-customer interaction, customers develop attitudes about the brand and thus decide to choose the company and remain loyal. The study suggest that the institution today's working environment they have to train employees especially how to interact with customers, but most of the organization never specify how they want employees to deliver the brand promise. The study sought to uncover how employees deliver the brand's values to customers. The findings of the study showed that employees believed in the brand had significant influence on customers when it came to communicating the brand values to customers

Punjaisri, Evanschitzky and Wilson (2009) also tried to empirically assess the relationship between internal branding and employees' delivery of the brand promise, as well as the relationships among their brand identification, brand commitment and brand loyalty. Their finding showed that internal branding had a positive impact on attitudinal and behavioral aspects of employees of the organization delivery of the brand promise. These authors tried to see internal branding from the perspective of employees.

Hadizadeh Moghadam, Jamali Kapak, and Rezaei (2012) assessed the impacts of internal branding on brand commitment. The results of the research indicated that brand citizenship behavior has significant impact on brand commitment.

According to Burmann and Zeplin (2005) brand commitment is the main stimulant to achieve brand citizenship behavior. In their findings, they conclude that brand citizenship behavior is possible based on the strong commitment of employees to the brand. They argue that internal brand management creates brand commitment which creates brand citizenship behavior.

Aurand, Gorchels and Bishop (2005) under their research explored the role of managers in combining with human resource to improve internal branding practice and they showed human resource activities have an impact on employee attitude towards the brand and incorporation of the brand message into their work activities.

Tagay (2013) also examined mediation role of employees' brand commitment in the relationship between employees' brand awareness and brand citizenship behavior and their study showed that employees brand commitment has stronger mediation role between employees brand awareness and their brand citizenship behavior.

Burmam and Zeplin (2005) mentioned that under their study brand commitment and brand citizenship behavior are vital tools for internal branding management and they showed that brand commitment have a strong impact on brand citizenship behavior. This relationship between brand commitment and brand citizenship behavior has been supported by the finding of Burmann and Konig (2011) and King and Grace (2012). The finding of Harry *et al.* (2012) also showed that brand commitment has a major role in brand citizenship behavior.

A research conducted on internal brand management in shared-service call centers by Burmann and Konig (2011) indicates that communicating brand messages via the

communication media, training activities and the study also shows that leaders have great role in encourage employees to feel that they are part of the brand. In addition the finding displays that brand-oriented communication activities were found to be more important than empowerment and promotional prospects (Burmam & Konig, 2011).

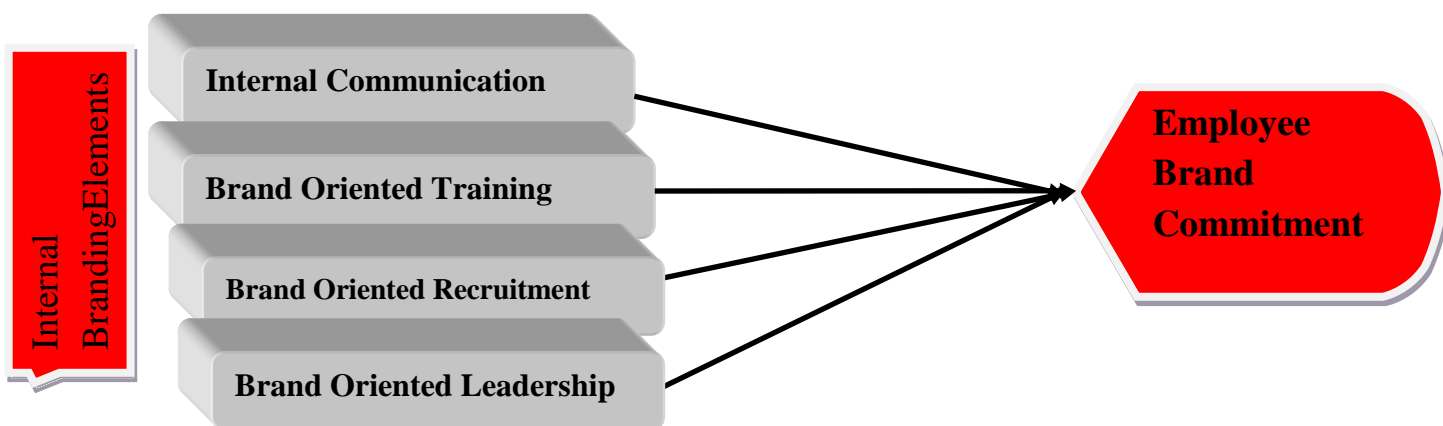
Furthermore, Gapp and Merrilees (2006) conducted a research in health care service focused on the impact of internal branding activities on employee behavior for the organization. The study shows that employees view the organization as a quality work environment and this are the result of internal branding activities through delivering brand values to employee and organized communication network in the organization. However, the study suggests that an organization's brand must be specifically communicated to each group of employees in a simple and convincing way, which is easy for the employees to understand and believe in (Gapp & Merrilees, 2006).

King and Grace (2010) defined how internal branding impacts on employees' level of brand commitment towards the organization. The study shown that if the employees have a positive relationship with the organization, then they have high level of commitment to the organization. In addition, Vallaster and De Chernatony (2006) used the term 'brand adequate behavior' to refer to the brand related behavior of an employee if it is an effect of internal branding.

Punjaisri and Wilson (2009) argue that internal branding activities will lead to employees' brand identification, commitment and loyalty which will create brand performance.

## 2.6. Conceptual Framework of the Study

**Figure1. Conceptual Framework of the Study**



**Source:** Adopted from Burmann and Zeplin (2005)



### 3. RESEARCH METHODOLOGY

#### 3.1. Study Area

Gondar is a city found in Amhara region, Ethiopia. It is located 12.60 latitude and 37.47 longitudes and it is situated at elevation 2201 meters above sea level where one of the oldest and most well established higher education institutions in the country University of Gondar is located. During the following Years University of Gondar have evolved according to the changing needs of our society and endeavored to tailor our institution to the address the urgent needs of our country. Currently the University is made up of the College of Medicine and Health Sciences, the Faculties of Agriculture; Veterinary Medicine, Business and Economics, Social Sciences and Humanities and Natural and Computational Sciences, and the Schools of Law, Technology and Education.

#### Research Mix

The researcher used a quantitative research approach and the study is descriptive. Survey study was employed and used as a method of data collection.

The statistical population of the research was employees working in University of Gondar both academic and administrative staffs. The researcher used stratified random sampling for the nature of the research recommended to stratify the frame into five stratum by campus.

University of Gondar currently has 6696 permanent employees, by considering this total population the sample size based on the determination test of Yamane (1967) set as 377 and the researcher calculated the proportion of each stratum using the formula developed by Creswell (1994).

The study used both primary and secondary data sources in order to gather relevant information for the study where the primary data collection study was cross-sectional and secondary sources of data were books, journals, articles, published/unpublished materials and from the website of university of Gondar.

Once the usable responses through the questionnaires are collected, the data were screened and coded into SPSS (20.0) software. The data-processing were carried out by using the SPSS after checking each data from respondent and they were coded, and cleaned carefully to ensure the accuracy and validity of the research. Then descriptive statistic (frequency distribution) was utilized to summarize data related to demographic characteristics of the respondents and responses of attitudinal questions. From the inferential statistics, correlation was used to check the validity of the study and multiple regressions was used to test the hypotheses and finally the multiple regression result was supported by structural equation modeling.

### 3. DATA ANALYSIS

#### 3.1. Correlation of Internal Branding Attributes With Employee Brand Commitment

Correlation analysis helps to gain insight into the direction and strength of correlation between variables. Correlation coefficients take values between -1 and 1 ranging from being negatively correlated (-1) to uncorrelated (0) to positively correlated (+). The sign of the correlation coefficient defines the direction of the relationship. The absolute value indicates the strength of the correlation. Correlation analysis was undertaken before conducting the regression analysis. As per the guide line suggested by Field (2005), the strength of relationship 0.1-0.29 shows weak

relationship; 0.3-0.49 is moderate; >0.5 shows strong relationship between the two variables.

**Table1. Summary of Correlation Coefficients**

	Communication	Training	Recruitment	Leadership	Commitment
Communication	1				
Training	.721**	1			
Recruitment	.551**	.676**	1		
Leadership	.649**	.647**	.533**	1	
Commitment	.554**	.587**	.497**	.631**	1
**, Correlation is significant at the 0.01 level (2-tailed).					

Source: Survey Data, 2017

The result of Pearson correlation coefficient indicates that positive relationship exists between the internal branding attributes and brand commitment. As shown in table 17, the magnitude of relationship ranges from 0.497 to 0.631, between communication and commitment was 0.554, between training and commitment was 0.587, between recruitment and commitment was 0.497 and between leadership and commitment was 0.631. Hence the highest magnitude of relationship is exists between leadership and commitment with coefficient value of 0.631 and the statistical significance (p-value) is higher than the minimum cut of 0.05 which shows that the degree of association is highly significant.

The correlation among the four dimensions of internal branding also indicated that there has been statistically significant correlation among them. The highest correlation has been observed between communication and training, 0.721. Next to communication, training has been found to be statistically and positively correlated with recruitment, 0.676. In the third place, communication is found to be statistically and positively correlated with leadership, 0.649. According to the order of their correlation strength, it was found that the correlation between training and leadership was 0.647 between communication

and recruitment, 0.551 and the least correlation was found between recruitment and leadership which is 0.533.

**3.2. Regression Analysis: Relationship between Internal Branding Attributes and Brand Commitment**

After examining the correlation between internal branding attributes and overall brand commitment, multiple regression analysis was conducted using employee brand commitment as the dependent variable. The result of the regression allows assessing the relationship between a dependent variable (employee brand commitment) and independent variables. The results are shown in table 18.

**Table2. Relationship between Internal Branding and Commitment**

Model	R	R Square	Adjusted R Square	F-value	Sig.
1	.682 <sup>a</sup>	.466	.460	77.783	.000

a. Predictors: (Constant), Leadership, Recruitment, communication, Training

b. Dependent Variable: Commitment

Source: Survey Data, 2017

The regression result shows that the practice of internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership account for 0.460 i.e.46 % of brand commitment. The F statistics shows the overall significance of the model. Since the F value is found to be 77.783, the internal branding dimensions (the model) significantly predict brand commitment at high degree of significance (0.000).

The regression result demonstrates that the internal branding attributes have a strong relationship with brand commitment. The interpretation of this finding is that the aligned internal branding

attributes is significant to the assessment of the brand commitment. The result shows that these internal branding attributes are positively related to brand commitment and when the university has good experience on these attributes they tend to be more committed to the brand. Therefore, brand commitment of employees of University of Gondar is the function of the assessment of internal branding i.e. internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership. Thus, university of Gondar should focuses on improving these internal branding attributes to heighten its employee brand commitment.

**Table3. Multiple Regression Result**

Model		Standardized Coefficients	T	Sig.
		Beta		
1	(Constant)		9.942	.000
	Communication	.114	1.907	.057
	Training	.190	2.888	.004
	Recruitment	.103	1.929	.055
	Leadership	.380	6.966	.000

a. Dependent Variable: Commitment

Source: Survey Data, 2017

The regression result shows that brand oriented leadership has significant relationship with brand commitment with 0.00 level of significance. Next to this, brand oriented training has significance relationship with brand commitment with significance level of 0.004. While the remaining two attributes of internal branding, brand oriented recruitment and communication relationship with brand commitment is not significant. In short brand oriented training and brand oriented leadership have a positive effect on employee brand commitment.

The Beta values show the magnitude of relationship between variables, higher values being an indication of strong relationship. In the current study, brand oriented leadership has got the highest Beta coefficient of 0.380. The implication of this result is that the brand oriented leadership practice is the most significant of all the internal branding attributes of university of Gondar. This means that from internal branding attributes, brand oriented leadership strongly influence the employee's level of commitment for their organization.

Training is found to be the second most significant internal branding attribute with Beta value of 0.190

implying that this attribute is significantly related with commitment and strongly influences the employee’s commitment level.

Internal communication is found to be the third highly significant and influential internal branding dimension with Beta value of 0.114. This result indicates that the communication provided by the university has strong influence on employee brand commitment.

The least and the last influential factor for employees brand commitment is Brand oriented recruitment with having Beta value of 0.103

This multiple regression result is parallel with the finding of Burmann, Zeplin and Riley (2009) and the finding shows that leadership is an important ingredient and the most significance attribute in internal branding and that the implementation of brand related leadership along with internal communication and training programs should be seen as a long term process that leads to employee commitment and on-brand behavior.

This multiple regression result was supported by the following structural equation modeling.

#### 4.2. Structural Equation Modeling

Structural Equation Modeling (SEM) is a second-generation multivariate data analysis method that is often used in marketing research because it can test theoretically supported linear and additive causal models (Haenlein& Kaplan, 2004). With SEM, marketers can visually examine the relationships that exist among variables of interest in order to prioritize resources to better serve their customers. The fact that unobservable, hard-to-measure latent variables can be used in SEM makes it ideal for tackling business research problems (Wong, 2013).

Structural equation modeling (SEM) is a statistical methodology that takes a confirmatory (i.e., hypothesis-testing) approach to the analysis of a structural theory bearing on some phenomenon. Typically, this theory represents “causal” processes that generate observations on multiple variables (Bentler& Bonett, 1980).

The term structural equation modeling conveys two important aspects of the procedure: (a) that the causal processes under study are represented by a series of structural (i.e., regression) equations, and (b) that these structural relations can be modeled pictorially to enable a clearer conceptualization of the theory under study. The hypothesized model can then be tested statistically in a simultaneous analysis of the entire system of variables to determine the extent to which it is consistent with the data. If goodness-of-fit is adequate, the model argues for the plausibility of postulated relations among variables; if it is inadequate, the tenability of such relations is rejected (Byrne, 2010). Highly desirable characteristics, SEM has become a popular methodology for non-experimental research, where methods for testing theories are not well developed and ethical considerations make experimental design unfeasible (Bentler & Bonett, 1980). The researcher used structural equation modeling in the following way.

**Table4. Model Fit of Structural Equation**

Fit Measures	Recommend Value	Value from the Model	Conclusion
Chi-square	≤3.00	0.00	Fit
Goodness-of-Fit (GFI)	≥0.90	1.00	Fit
Adjusted Goodness-	≥0.80	.105	Not Fit

of-Fit (AGFI)			
Norm Fit Index (NFI)	$\geq 0.90$	1.00	Fit
Comparative Fit Index (CFI)	$\geq 0.90$	1.00	Fit
Root Mean Square Residuals (RMR)	$\leq 0.08$	.000	Fit

Source: Survey Data, 2017

The above table indicates model fit for structural model and the result was, Chi-square was 0.000, which is fitted with the recommended value  $\leq 3.0$ , Goodness-of-Fit (GFI) obtained was 01.00 which is above the recommended value of 0.90 and above. The obtained Adjusted Goodness-of-Fit Index (AGFI) result was 0.105 which is below the recommended value of 0.90 and above. Both for norm Fit Index (NFI) and Comparative Fit Index (CFI) were 1.00 which is above the acceptable value of 0.90 and above. Based on the information the researcher concluded that the proposed research model fits the data soundly.

**Table5. Regression Weights**

	Estimate (B)	S.E.	C.R(T).	P	Label
Commitment <--- Communication	.103	.054	1.918	.055	
Commitment <--- Training	.156	.054	2.904	.004	
Commitment <--- Recruitment	.082	.043	1.940	.052	
Commitment <--- Leadership	.278	.040	7.005	***	

Source: Survey Data, 2017

Based on the above regression weight table the researcher determined the hypothesis test as it proposed all independent variables has appositive effect on brand commitment.

The result of the proposed hypothesis determined by their beta value (the magnitude of relationship between variables. Hence, the magnitude of relationship between brands oriented leadership and commitment is the most significance among all four variables with having beta value of 0.278 and t value 7.005.

A result of this attribute is parallel with the finding of Daniel (2001), indicated that brand oriented leadership has a slightly higher predicting power; leadership can play a greater role regarding the affective commitment of customer contact employee. In addition, Vallaster and de Chernatony

(2006) note that leaders can influence internal brand building through initiating and facilitating behavioral changes consistent with the desired brand (Burmam & Zeplin, 2005). A study conducted by Morhart, Herzo and Tomczak(2009) also shown that leaders with transformational leadership characteristics have a positive impact on an increase in the brand-building behaviors of employees.

Training is found to be the second significance attribute comparing with the remaining two variables with beta value of 0.156 and t-value of 2.904.

This attribute of internal branding result is in line with the finding of (Kaewsurin, 2012) which assessed that brand-centered training and development activities were found to have a full

mediating effect on internal brand communications activities.

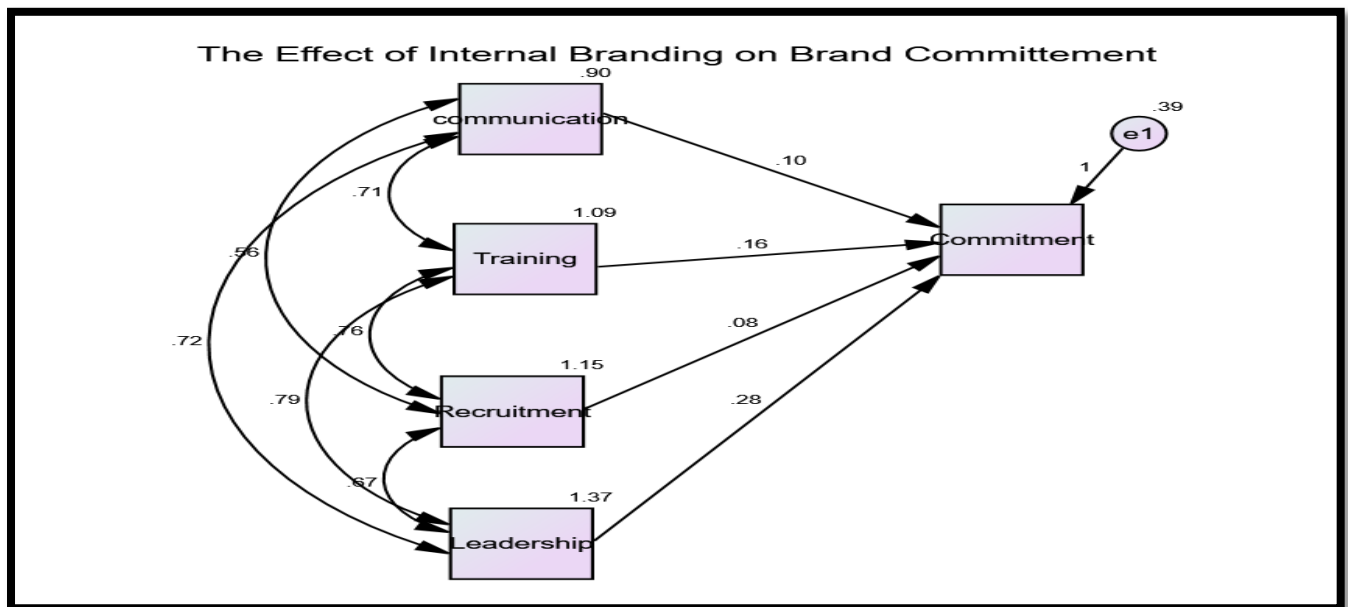
Communication found to be the third significance attribute of internal branding on brand commitment of employees with having beta 0.103 and t value 1.918.

This result is in line with the findings of Punjaisri, Wilson and Evanschitzky (2009). Their findings

indicate that internal communication has a stronger impact on commitment and on-brand behavior of customer contact employees, than training programs but, the finding of this study shows that training has a strong effect on brand commitment comparing with internal communication.

The last significance attribute of internal branding was brand oriented recruitment with beta value of 0.083 and t value of 1.940.

Figure2. Structural Equation Modeling



Source: Survey Data, 2017

## 5. SUMMARY OF FINDING, CONCLUSIONS AND RECOMMENDATION

### Summary of the Finding

The study was designed to examine the effect of internal branding using four dimensions; internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership on employee brand commitment in case of university of Gondar.

The relationship between the independent variables mentioned above and the dependent variable employee brand commitment was correlated and second the most important internal branding dimension which has more impact on employee commitment was regressed.

With regard to internal branding practice of University of Gondar , the findings of the study related to demographic characters; the sex composition, 113 (31.2%) were female, and 249 (68.8%) were male. The majority of Employee are between the Age of 31&50 (58.3%) next to this,

employees between age 18&30 is (40.6 %) and (1.1%) of employees are above 51 years old. The majority of the respondents found under the productive age. Regarding the educational level of employees, most of the respondents were First Degree (BA, BSC) holder 164 (45.3%), the second highest Employee groups are those Employee who have a Second Degree (MA, MSC) 162 (44.8%), respondents having College Diploma are the third group which accounts 25 (6.9%) and 11 (3.0%) of respondents have certificate, preparatory and high school education level.

The study showed that 39.8% of the respondents have been working in the university for over 1-5 years, 40.9 % have been working for 6-10 years, 12.7 % accounts for them who are in the university for last 11-15 years and 6.6% of the respondents have more than 16 years of experience in the university.

The second category of study analysis was factor analysis conducted to validate the underlying structure of the internal branding practices and brand commitment. The most important factor was brand oriented leadership and the second important factor was brand commitment. In detail from brand oriented leadership four items and from brand commitment 2 items extracted with having the Eigen value greater than one. Further, hypotheses were proposed at the beginning to be proved if the four components of internal branding as the independent variables are correlated positively with that of employee brand commitment, the result proves that all four hypotheses have a positive relationship with employee brand commitment but the two, recruitment & communication, were not significant.

The final statistical test was the application of multiple regressions that was used to identify the

most influential among the independent variables. Hence, result has shown that brand oriented leadership has got the highest Beta coefficient of 0.380 the most significant of all the internal branding attributes of university of Gondar. The next variable that affects brand commitment is training (0.190), followed by communication (0.114).

### Conclusion

The study was designed to investigate the effects of internal branding by relying on four dimensions. Those are internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership and their effect on employee brand commitment in case of university of Gondar. At the beginning of the study the researcher proposed that all internal branding dimensions to have positive effect on employee brand commitment and the researcher has proved that hypotheses formulated have positive relationship with the employee brand commitment.

The finding of the study has shown that brand oriented leadership has got the highest Beta coefficient of 0.380. Leaders can influence internal brand building through initiating and facilitating behavioral changes consistent with the desired brand. And, leaders with transformational leadership characteristics have a positive impact on an increase in brand-building behaviors as shown in previous studies.

The result of this study also shows that the brand oriented leadership practice is the most significant among the internal branding attributes of university of Gondar.

The second significant variable that affects brand commitment is brand oriented training with the beta value of (0.190). Training can improve skills

of employees' to carry out their daily tasks; enhance brand related skills, which increase employees' ability to deliver the brand promise appropriately. And also brand-oriented training has a great contribution to improve the employees understanding about brand values and to align employees with the value. As result, brand oriented training is the second effective attribute of internal branding to enhance the university employees' brand commitment.

Communication is also the third significant attribute of internal branding with the beta value of (0.114).Scholars mentioned out that if brand values have been communicated and understand by the employees effectively, they can be committed to the brand and they can serve the organization all their entire life. The current study result also shows that communication has a positive effect on employees' brand.

The last significant attribute is brand oriented recruitment with the beta value of 0.103. To reduce the possibility of recruiting less suitable employees', usage of brand-oriented evaluation systems is vital when assessing new recruitment. Nonetheless, its significant level on affecting brand commitment is lowest under this study.

To sum up, the university can increase the commitment level of employees' mainly through working on brand oriented leadership activities. In addition, internal communication, brand oriented training and brand oriented recruitment also have a positive effect on brand commitment.

### **Recommendation**

Based on the analysis and conclusions made, the following recommendations are forwarded with the intention that enhances the brand commitment of

the employees' of university of Gondar, if it is applied to the real world scenario.

- As leadership plays a great role for employee commitment (0.380), the university leaders, in all different level should first be committed, & be role model for others as committed management can create committed employee to the organization. It is because employee will adopt how managers act and employee's willingness to adopt on-behavior is depends on manager's behavior.
- In addition, employees should be motivated and committed to display on-brand behavior if management implements a system of formal and informal control systems where high employee empowerment is emphasized. As a result university of Gondar should give special attention on doing brand oriented leadership activities of internal branding to enhance the brand commitment of the employees. Since brand oriented leadership attribute is the most significant of all attributes of internal branding.
- University of Gondar should ensure the understanding of brand identity through socialization of employees on orientation, social and educational programs. Because committed employees reflect and deliver desired brand values, training support the employees' to master their skills and basic knowledge required for their daily jobs, which improves their ability to meet changing job requirements. By considering this basic function of brand oriented training university of Gondar should give special emphasize on providing continues training for its employees' at all level. And it should



not only be on short term basis, rather it have to be on a continues basis. So, the university should give attention on providing brand oriented training for its employees' to improve their work knowledge that may leads them to be committed, since training is the second significance attribute of internal branding next to brand oriented leadership.

- When the university provide training , the training program should contain technical details about the daily work, how to treat customers of the institution and how to be customer-focused in delivering brand promise which help the employees to be committed
- University of Gondar should motivate the employees brand behavior in order to match with their desired image by communicating their brand ideologies to their employees (through brand-centered training and development and internal brand communications), to ensure that employees understand how to deliver the brand promise to external customers and how to coordinate themselves internally. In addition, helps to secure employees commitment and encourage behavioral change to support the brand. As a result the university must consider their employees as an audience to communicate the brand values.
- To enhance communication with the employee, the management of the university should use strategies applied by different institutions such as; individual discussion sessions, internal newsletters, as well as formal and informal information sessions to create a stand for improved communication.

In addition the management should distinguish alternative methods of communication tools that are consistent with employees' needs and level of sophistication to disseminate useful and up-to-date information that will help them to be committed.

- The finding of this study shows that brand oriented recruiting has lower significant value on employee commitment but considering its benefit in reducing cost of training, the human resource department of the university should recruit an employee whose personal value match with the institution value, intern reduce the cost of training to be incurred for training, to reduce the possibility of recruiting less suitable employees, create evaluation systems when assessing new recruitment and training program should not be limited to orient the employee but the university, at all level, should arrange it to make the employees committed, throughout their work.
- Therefore, one can infer that these variable have to get due attention when the university implement the practice of internal branding based on their level of effect on enhancing brand commitment of employees.

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