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Murillo, Enrique

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Internal branding in retail organizations: a study in a chain of pharmacies

Branding interno en organizaciones de comercio minorista: un estudio en una cadena de farmacias

Enrique Murillo

Universidad Panamericana (México)

<http://orcid.org/0000-0002-1082-4295>

emurillo@up.edu.mx

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ABSTRACT

The objective of this article is to introduce the concept of internal branding to the organizational literature published in Mexico, distinguishing it from related concepts such as internal marketing and employer branding. The method consisted of estimation of a structural equations model using Partial Least Squares, with a sample of 310 surveys of employees from a large chain of pharmacies. The results show a positive relationship between employees' brand values fit and their job satisfaction, intention to stay and brand-aligned behavior. The principal finding is that internal branding exceeds the exclusive scope of marketing and positively influences traditional human resource objectives, such as employee satisfaction and intention to stay.

Keywords: internal branding; brand promise; service brands; brand values; job satisfaction; retailers.

Jel Code: M370 M540



RESUMEN

El objetivo del artículo es introducir el concepto de *branding* interno en la literatura organizacional publicada en México, distinguiéndolo de conceptos relacionados como el *marketing* interno y el *branding* del empleador. El método consistió en la estimación de un modelo de ecuaciones estructurales usando Mínimos Cuadrados Parciales con una muestra de 310 encuestas de empleados de una cadena grande de farmacias. Los resultados muestran una relación positiva entre el ajuste con los valores de marca de los empleados y su satisfacción laboral, intención de permanencia y conducta alineada con la marca. El hallazgo principal es que el *branding* interno rebasa el ámbito exclusivo del *marketing* e incide también en objetivos tradicionales de recursos humanos, como la satisfacción e intención de permanencia de los colaboradores.

Palabras clave: *branding* interno; promesa de marca; marcas de servicio; valores de marca; satisfacción laboral; comercio minorista.

Código Jel: M370 M540.

INTRODUCTION

In the environment of intense competition that current organizations face nowadays, a strong brand is a proven source of competitive advantage (Barney, 2014; Becerra *et al.*, 2016). Therefore, companies are interested in having an influence on the meaning that their brands have on consumers by applying the brand's strategic management. For product brands, for which consumers can evaluate the article's tangible features, traditional advertising, other promotional initiatives, and the tangible quality of the product have proven to be effective tools to build a brand (Keller & Swaminathan, 2019). The situation is different for service brands because what they promise is benefits and intangible experiences (Krystallis & Chrysochou, 2014; Wirtz & Lovelock, 2016). While advertising still plays a key role in the construction of the client's brand expectations, brand perceptions during the provision of a service are largely based on the behavior of those employees who come into contact with customers (Pinar *et al.*, 2016; Xiong & King, 2019; Iglesias *et al.*, 2019).

This explains why companies with a strong service culture make an effort to guarantee that their employees have training, resources, and personal attitudes that will allow them to fulfill the brand promise that the company makes to its consumers by means of external advertisement (Grönroos, 2015; Pinar *et al.*, 2016). This effort is difficult, given the heterogeneity that defines the service encounters in which employee-client interactions co-create value but not always in a predictable way (Baker *et al.*, 2014; Nguyen *et al.*, 2014).

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The care invested by outstanding service companies to train their employees to fulfill their brand's promise is nothing new; historically, brands like Ritz-Carlton Hotels (Dekker, 2014) and Singapore Airlines (Wirtz & Zeithaml, 2018) have proven that. What is in fact new, is the scientific research of those organizational processes. Such research is part of the internal branding research trend, which is also known as internal brand management (Burmenn & Zeplin, 2005). These research studies have identified a set of practices that companies apply to guarantee the fact that their employees have the knowledge and attitudes that will enable them to behave as "brand ambassadors" (Murillo, 2016; Schmidt & Baumgarth, 2018).

Among these practices, the recruiting and training focused on the brand stand out (Punjaisri & Wilson, 2011; Hurrell & Scholarios, 2014; King & So, 2015.) They aim to improve the recognition, identification, and commitment with the brand by the employees (Burmenn *et al.*, 2009; Punjaisri & Wilson, 2011) as well as the display of behaviors that are aligned with the promise of the brand (Löhdorf & Diamantopoulos, 2014; Xiong & King, 2019). In addition, the brand leadership of managers and supervisors has proven to be effective in

propelling or encouraging the conduct that is aligned with the brand (Burmann *et al.*, 2009; Boukis & Christodoulides, 2018; Murillo & King, 2019).

Many of these research studies have been carried out in the hospitality industry, which is characterized by an acute awareness of the importance of the client's experience (Kandampully *et al.*, 2018). However, something retail organizations make an effort to create a differentiated service experience that will enable them to avoid the problem of commoditization (Pine & Gilmore, 2017). There are still only a few research studies on internal branding in retail companies (Porricelli *et al.*, 2014; Itam & Singh, 2017). In addition, internal branding has rarely been addressed by scientific magazines in Mexico, except for Murillo (2019). Therefore, a double contribution was sought with this article.

Taking into consideration all of the aforementioned aspects, the goal of this research is to examine – through an internal branding theoretical frame – what the impact of the adjustments of the values of the brand is for the employees in terms of their job satisfaction, their intention to stay at their job, and the alignment of their behavior to the brand in the context of a Mexican retail company.

THEORETICAL FRAMEWORK

Internal Branding and Related Concepts

Internal branding was originally suggested by De Chernatony (1999), although Burman and Zeplin (2005) were the first ones to propose a holistic model of internal brand management that they later on validated in an empirical manner (Burmann *et al.*, 2009). Subsequently, there has been sustained growth with studies mainly focused on the hospitality industry (Punjaisri & Wilson, 2011; Buil *et al.*, 2016; Terglav *et al.*, 2016; Chiang *et al.*, 2018; Xiong & King, 2019), but also including some research work on airlines (Erkmen & Hancer, 2015; Vatankhah & Darvishi, 2018), financial services (Du Preez & Bendixen, 2015; Tuominen *et al.*, 2016; Altaf *et al.*, 2017), franchises (Nyadzayo *et al.*, 2015), business-to-business (Aneesur-Rehman *et al.*, 2018), and nonprofit organizations (Chad, 2016; Liu *et al.*, 2017).

There has definitely been sustained growth in the amount of internal branding research during the last fifteen years. This can be proved by looking up the keywords “internal branding” or “internal brand management” in the EBSCO Business Source Complete database. During the 2005-2007 period, 10 articles were published, but from 2016 to 2018, 45 articles were published. It is also worth mentioning that every summary was reviewed, and those articles that – even though they mentioned internal branding – were focused on internal marketing

or employer's branding were excluded, since there is certain confusion with those concepts in the existing literature (Saleem & Iglesias, 2016).

In spite of the increase in the number of publications, internal branding is still a recent research trend. An indication of that is, up to 2018, only one special issue dedicated to internal branding had been published in a marketing research magazine – the *Journal of Brand Management* (Piehler *et al.*, 2018). Up to this date, researchers haven't been able to reach a generally accepted definition. In addition, as aforementioned, there has been a confusion of the concepts in the existing literature involving internal branding, employer's branding, or employer's brand and internal marketing or *endomarketing*, as it is usually called in Brazil (de Farias, 2010). In their critical review of the “fragmented” literature on internal branding, Saleem and Iglesias (2016) mention that some people use that concept as a synonym of the employer's branding (Aurand *et al.*, 2005), or of internal marketing (Backhaus & Tikoo, 2004), even though all three trends are differentiated by the constructs and hypothesis that have been researched by each. In Mexico, internal marketing and employer's branding have been studied for quite some time (Figueroa & Serralde, 2003; Blasco *et al.*, 2014), but internal branding has not. With the objective of illustrating this point, Table 1 shows definitions of all three concepts that have been widely quoted, and the typical benefits that have been reported in the research works. As a part of the extensive literature on brand management, this work focuses on the internal branding trend and it is consistent with the definition proposed by Punjaisri and Wilson (2011).

Table 1
Concepts related to internal branding (in Spanish)

Concepto	Definición	Beneficios reportados
Branding Interno o Gestión Interna de Marca	[El <i>branding</i> interno] “describe las actividades emprendidas por una organización para garantizar que los empleados promulguen y cumplan la promesa de marca, la cual refleja los valores de marca profesados que determinan las expectativas de los clientes” (Punjaisri & Wilson, 2011, pág. 1523).	• Conducta ciudadana con la marca y compromiso con la marca (Burmamann & Zeplin, 2005; Piehler, 2018) • Identificación con la marca, lealtad hacia la marca, compromiso con la marca, y conducta alineada con la marca (Punjaisri & Wilson, 2011) • Motivación a favor de la marca y conducta alineada con la marca (Xiong & King, 2015)
Endomarketing	“El <i>marketing</i> interno es atraer, desarrollar, motivar y retener empleados calificados a través de productos de puestos de trabajo [<i>job-products</i>] que satisfagan sus necesidades. El <i>marketing</i> interno es la filosofía de tratar a los empleados como clientes internos y es la estrategia de conformar los productos de puestos de trabajo para que se ajusten a las necesidades humanas” (Berry & Parasuraman, 1992, pág. 25).	• Satisfacción laboral y facultamiento del empleado (Grönroos, 2015) • Identificación organizacional del empleado y percepción de calidad de los clientes (Boukis <i>et al.</i>, 2015) • Conductas orientadas a los clientes (Park & Tran, 2018)

Branding del empleador o marca del empleador	“El branding del empleador representa los esfuerzos de una empresa para promover, tanto dentro como fuera de la empresa, una visión clara de lo que la hace diferente y deseable como empleadora” (Backhaus & Tikoo, 2004, pág. 501).	• Satisfacción laboral e identificación con la compañía del empleado (Lievens & Slaughter, 2016) • Compromiso afectivo del empleado hacia la marca del empleador (Fernandez-Lores, <i>et al.</i>, 2016)
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Source: Own elaboration.

Development of the hypothesis

The proliferation and growing sophistication of services has caused clients' experiences to become of greater importance for companies with time. As a matter of fact, intense competition in the service sector has forced brands to create differentiated experiences that can be delivered in a consistent manner to clients. Therefore, it is important to have employees who know the service brand inside out, and to have them identify with it and be committed to it in order to be in a situation in which they can offer the differentiated experience offered by the brand (Pinar *et al.*, 2016; Girard *et al.*, 2016; Kandampully *et al.*, 2018).

Internal branding research works have been mainly focused on the hotel industry, in which the creation of a differentiated brand experience demands a careful selection and training process focused on the hospitality brand (King & So, 2015). On the other hand, the internal branding research works in retail companies are scarce (Porricelli *et al.*, 2014; Itam & Singh, 2017), even when this industry is also seeking to create a differentiated client experience to encourage loyalty (Guerrero-Martínez, 2012), and avoid commoditization (Pine & Gilmore, 2017).

It is also necessary to mention that the range of business comprised in the retail industry is very wide, and it ranges from large department stores where clients are served by a highly trained salesperson, personalizing the service for each customer, all the way to self-service establishments where clients personally look for the product that they need and in which they interact only with a cashier on their way out (Guerrero, 2012). For this research, an intermediate format between these two ends was chosen. Specifically, self-service drugstores that offer medications – as a traditional small drugstore – but that also offer a wide range of self-care and personal hygiene products, cosmetics, baby products, convenience articles, natural products, candy and snacks, and soda, just to mention a few (Castellano & González, 2010).

In Mexico, the main chains of self-service drugstores have grown to the point that they hold hundreds of stores, thus achieving the professionalization and systematization of their internal management process for human resources and marketing. These companies seek to create a feeling of satisfaction and loyalty in their clients by providing conscientious service

from their contact employees (Castellano & González, 2010), and this requires a training process that includes elements of internal branding. In fact, the usual means of internal branding are induction and training programs, whose goal is to transfer knowledge about the corporate brand to the employees, including the brand's values (Punjaisri & Wilson, 2011).

A reiterated finding in the internal branding research is that the affinity that employees feel toward the values of the brand has a positive impact on the attitudes and favorable conduct toward the brand (Xiong & King, 2015; Chiang *et al.*, 2018). This affinity has been operationalized with the construct of adjustment to the brand values. Defined as the level in which employees perceive the coherence between their personal values and the brand values (Yaniv & Farkas, 2005), the adjustment to the brand values has been empirically linked to organizational identification, the clients' orientation, and brand building behavior (Löhrndorf & Diamantopoulos, 2014). It has also been proven that human resources management that is focused on the brand has a positive impact on the adjustment with the brand values as well as the commitment to the brand and the citizenship behavior to the brand (Chiang *et al.*, 2018). Lastly, a positive relationship among the adjustment with the brand values, the motivation to the brand and the behavior aligned to the brand has been observed (Xiong & King, 2015). Based on these previous studies, the following hypothesis is formulated:

H1 The adjustment with the brand values has a positive impact on the behavior aligned to the brand

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It is noteworthy that the literature on organizational behavior has researched the affinity perceived by employees regarding their values and the values of an organization for decades. Particularly, Schneider (1987) proposed the Attraction-Selection-Attrition cycle (ASA) that proposes employees will feel attracted toward organizations that they perceive as similar. This similarity perception has been widely studied through the person-organization adjustment concept. The closeness between the values of the employees and those of the organization is an attribute that has been repeatedly examined in empirical tests of the ASA framework (Cable & Judge, 1997). To such end, measurement tools such as the Profile of Organizational Culture (O'Reilly III *et al.*, 1991) have been used. However, it's worth clarifying that this aspect of the research works has always been focused on the affinity with the values of the organization that do not necessarily match the values of the service brands offered by the company to the different market segments that it serves.

On the other hand, the most recent activities of internal branding (Du Preez *et al.*, 2017) have established a direct relationship between the internal branding practices and the dependent variables that are traditionally dealt with in the organizational behavioral literature, such as job satisfaction and the intention to stay employed (Littlewood Zimmerman, 2006). This

suggests that internal branding might have beneficial effects that transcend the strict domain of the constructs examined by marketing, such as the conducts aligned with the brand.

In a particular way, using a sample of 156 employees of a financial services company in South Africa, Du Preez and Bendixen (2015) found a positive relationship between the internal branding practices and the job satisfaction, and an indirect relationship between internal branding and the intention to stay at the job, mediated by the commitment to the brand. Porricelli et al. (2014) found a positive relationship between the internal branding practices and the job satisfaction by analyzing a sample of 241 employees of a supermarket chain in the United States. Using the same sample of Porricelli et al. (2014) with a different model, Du Preez et al. (2017) reported a positive relationship between internal branding and job satisfaction as well as between satisfaction and the intention to stay at their job. They also found an indirect effect between internal branding and the intention to stay at their job, mediated by job satisfaction, but the direct effect between internal branding and the intention to stay was not significant. Lastly, a study of five retail chains in India with a sample of 844 surveys found a positive indirect relationship between internal branding practices and job satisfaction mediated by the engagement of the collaborators, although the direct relationship between internal branding and satisfaction was not significant (Itam & Singh, 2017).

None of the aforementioned studies examined the relationship between the adjustment with the brand values of the employee and their job satisfaction and intention to stay. Taking into consideration how important said relationships would be and considering that the adjustment with the values of the brand of the employees is one of the priority variables on which internal branding organizational programs try to have an impact, the following hypotheses are posed:

H2 The adjustment with the values of the brand has a positive impact on job satisfaction

H3 The adjustment with the values of the brand has a positive influence on the intention to stay

H4 Job satisfaction has a positive influence on the intention to stay

METHODS

This research was conducted on a large chain of drugstores from the central part of the republic, with the authorization of the human resources manager and the direct support of the organizational development manager. This chain has 350+ sales points and 800 collaborators.

In alignment with most of the previous internal branding research works, this was a transversal cut study, since the data was collected at a single moment in time; with a quantitative approach of the correlational-causal type, since the degree of association among

the constructs was sought to be established with the goal of proving the posed hypothesis (Hernández-Sampieri & Mendoza, 2018).

The constructs used in the present study have frequently appeared in internal branding research and, therefore, to measure them there were, in every case, scales that had been previously published and validated. Particularly, the adjustment with the values of the brand was measured with the scale of three questions proposed by Xiong and King (2015). The behavior aligned with the brand was measured with the scale of three questions of behavior consistent with the brand of King and So (2015). Job satisfaction was measured with seven questions taken from the scale of Du Preez et al. (2017). The intention to stay was measured with three questions adapted from the Du Preez et al. scale (2017). Every question was evaluated with a seven-point Likert scale, ranging from “Strongly Disagree” to “Strongly Agree”.

The scales were translated into Spanish following a team approach (Harkness, 2003). Two professional translators, along with the bilingual author of this article, took part in the task. In addition, another academic from the marketing area – not linked to this research project but who is also bilingual – performed the translation of the questions. The translated questions were examined by the organizational development manager before the survey was launched in order to assure that they were clear for the collaborators who would be answering it. In the Appendix, the final wording of the used scales is included.

Taking into consideration the geographic dispersion of the sales points of the chain, the survey was uploaded to a professional platform of online surveys (Qualtrics). This made it easier to have a simultaneous answer from every collaborator, and to have it correctly displayed both on computer screens and mobile phones. To encourage the participation as well as decrease the effects of social desirability, the directions clarified that the survey was anonymous. The invitation to complete the survey was included in the weekly electronic newsletter of the drugstore chain that reaches a total of 351 sales points. The number of people working at each sales point is at least one, and several employees could work at the same point. There is a computer that they share and with which they receive internal communication. The survey was active for two workweeks, from Monday, October 29, 2018 to Saturday, November 10, 2018. The number of surveys that were completed was monitored daily, and three reminders were sent to the sales points. In the end, a total of 310 complete surveys were obtained, representing a participation rate of 39%, which surpasses the usual participation in climate surveys performed by the organizational development department.

Despite having an adequate sample size, the kurtosis and asymmetry analysis of the data showed a violation of the supposition of multivariable normality, demanded by the technique of the estimation of structural equations based on covariance (CB-SEM). Because of this, it

was advised to use Partial Least Squares (PLS), since this technique does not assume any data distribution (Hair *et al.*, 2017). Furthermore, this research is centered on the exploration of relationships among constructs that have not been previously established in the literature. Therefore, the statistical power is a priority in order to avoid a premature rejection of the constructs that are eligible to be related to other constructs. This also backs the PLS choice, since it has a greater – or equal – statistical power to the CB-SEM (Reinartz *et al.*, 2009). That is why PLS was adopted as an estimation technique.

Before the PLS runs were performed and taking into consideration that the data collection was carried out using only one instrument, a unique factor Harman test was performed with the objective of examining the possibility of common variance bias. To this effect, an exploratory factorial analysis of all the questions was performed in SPSS, restricted to a unique factor, with the method of extraction of main axis factorization and solution with no rotation. The result was that the unique factor extracted explained 39.7% of the covariance of the questions. Therefore, a unique factor that would explain more than 50% of the covariance – which would have shown the presence of common variance – was not detected.

The model of structural equations that derives from the four posed hypotheses was estimated with PLS using the SmartPLS 3.2.7 software (Ringle *et al.*, 2015). Following the suggestions of Hair *et al.* (2017), the quality of the measuring model or external model was evaluated in the first place, and this implies examining the reliability, convergent validity, and discriminating validity of the indicators used to measure each construct of the model.

Table 2
Factorial charge of the indicators, Cronbach's Alpha, and Compound reliability

	Factorial charge of the indicators	Cronbach's Alpha	Compound reliability
BRFIT		0.760	0.862
FIT1	0.827		
FIT2	0.782		
FIT3	0.855		
JOBSAT		0.867	0.900
SAT1	0.768		
SAT3	0.798		
SAT4	0.817		
SAT5	0.692		
SAT6	0.854		
SAT7	0.713		
INTSTAY		0.748	0.848
ITS1	0.85		
ITS2	0.843		
ITS3	0.721		
BRALIG		0.772	0.868
BRAL1	0.817		
BRAL2	0.845		
BRAL3	0.822		

Source: Own elaboration with SmartPLS results

Table 2 shows the factorial charge of the indicators, the Cronbach's Alpha indexes, and the compound reliability of all four scales. Factorial charges are adequate for an exploratory study, since they are above the 0.7 cut criterium recommended (Henseler, Ringle, & Sinkovics, 2009), except for the SAT5 question, which has a marginally adequate charge of 0.692, and SAT2, that was discarded since it had a 0.63 charge. In addition, the indexes of the Cronbach's Alpha internal consistency and of the compound reliability all have values above the 0.7 recommended cut criterion (Henseler *et al.*, 2009).

Table 3 shows the average variance extracted (AVE), its square root (in bold letters in the main diagonal), and the correlations between the constructs below the diagonal. For a construct with reflective measurement, such as the ones in this model, the AVE quotient shows the capacity of the construct to explain the average variance of its indicators; the usual criterion is that it must be the majority of the variance, so a 0.50 cut criterion is used (Hair *et al.*, 2017). As shown in Table 3, all of the AVE values are loosely above 0.50, and this indicates that there is an adequate convergent validity (Bagozzi & Yi, 1988). Moreover, according to the Fornell-Larcker criterion, each one of the elements in the main diagonal is greater than the elements in the corresponding line and column, which shows that there is an adequate discriminating validity at a construct level (Henseler *et al.*, 2009).

Table 3
Average variance extracted and correlations among constructs

Construct	AVE	BRALIGN	BRFIT	INTSTAY	JOBSAT
BRALIGN	0.686	0.828			
BRFIT	0.675	0.751	0.822		
INTSTAY	0.651	0.343	0.474	0.807	
JOBSAT	0.602	0.571	0.584	0.574	0.776

Source: Own elaboration with SmartPLS results

Lastly, Table 4 shows the crossed charges of the indicators, which provide a supplementary verification of the discriminating validity, this time at an indicator level (Henseler *et al.*, 2009). The charge of each indicator must be greater than all its crossed charges and it can be proven that it was really the case. To summarize, the measuring model or external model shows an adequate reliability of the indicators, internal consistency reliability, and the convergent and discriminating validity. Once this has been proven, the estimation results of the structural model or the internal model can be examined (Hair *et al.*, 2017).

Table 4
Crossed charges of the indicators

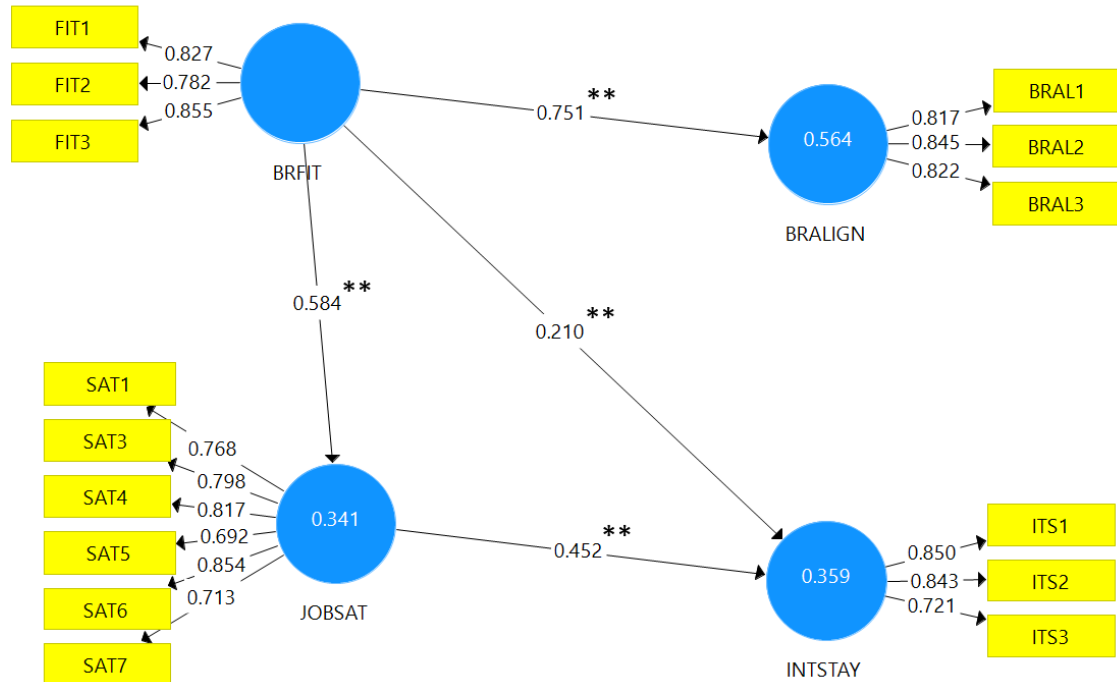
Indicator	BRALIGN	BRFIT	INTSTAY	JOBSAT
BRAL1	0.817	0.583	0.348	0.498
BRAL2	0.845	0.571	0.216	0.463
BRAL3	0.822	0.695	0.286	0.458
FIT1	0.667	0.827	0.390	0.539
FIT2	0.553	0.782	0.294	0.428
FIT3	0.622	0.855	0.469	0.464
ITS1	0.417	0.551	0.85	0.576
ITS2	0.149	0.260	0.843	0.419
ITS3	0.180	0.231	0.721	0.327
SAT1	0.468	0.482	0.598	0.768
SAT3	0.358	0.411	0.388	0.798
SAT4	0.418	0.438	0.462	0.817
SAT5	0.457	0.420	0.273	0.692
SAT6	0.508	0.506	0.432	0.854
SAT7	0.437	0.443	0.448	0.713

Source: Own elaboration with SmartPLS results

The diagram of estimation of the structural model is shown in Figure 1. All of the trajectory quotients have positive signs as it was posed in the hypotheses, and they are significant to the 1% level (represented in the figure with a double asterisk.) The R^2 of the endogenous variables oscillate from 0.341 for JOBSAT and 0.564 for BRALIGN. According to Chin (1998), the R^2 values of 0.67, 0.33, and 0.19 can be characterized as substantial, moderated, and weak, respectively.

In addition to the direct effects represented by the trajectory quotients, the total impact on the intention to stay has to be explicitly stated. Table 5 shows the total effects calculated by the SmartPLS software over the three dependent variables of the model – behavior aligned to the brand, job satisfaction, and intention to stay. The table reveals that, in the case of the first two, said effect simply matches the trajectory quotient that has been shown in Figure 1. However, for the intention to stay, the total effect of adjustment with the brand values is 0.474, including the direct effect, 0.210, plus the indirect effect mediated by job satisfaction, getting to 0.264. This means that an increase of a standard deviation in the BRALIGN independent variable is translated in a total increase of 0.474 standard deviations in the INTSTAY endogenous variable.

Figure 1
Estimation of the structural model



Source: Own elaboration with SmartPLS results

Table 5
Total effects on the dependent variables

Construct	BRALIGN	BRFIT	INTSTAY	JOBSAT
BRALIGN				
BRFIT	0.751		0.474	0.584
INTSTAY				
JOBSAT			0.452	

Source: Own elaboration with SmartPLS results

Statistical *t* for trajectory quotients were calculated by means of a *bootstrapping* procedure since the PLS studies do not assume the normality of the variables (Hair *et al.*, 2017). The procedure was run in SmartPLS using the recommended conservative parameters of 5,000 samples without a sign change (Ringle *et al.*, 2015). Statistical estimated *t* are shown in Table 6 along with their corresponding *p* values; all of the trajectory quotients are significant to the 1% level.

Table 6
Results of the *bootstrapping* procedure and supported hypotheses

Inside of the model	Coefficiente Original (O)	Standar Deviation (STDEV)	t ((O/STDEV))	p Value	supported hypotheses
BRFIT → BRALIGN	0.7507	0.0381	19.7038	0	H1 ✓
BRFIT → JOBSAT	0.5837	0.0456	12.7905	0	H2 ✓
BRFIT → INTSTAY	0.2099	0.0629	3.3356	0.0009	H3 ✓
JOBSAT → INTSTAY	0.4517	0.0554	8.1539	0	H4 ✓

Source: Own elaboration with SmartPLS results

To summarize, the results show that the structural model provides a strong support to the four hypotheses posed by this research work. Therefore, it can be concluded that, in this retail organization, internal branding has a positive impact on the employees' brand behavior, and it also has a positive impact on variables of the human resources area, such as job satisfaction and the intention to stay. This positive experience suggests that the companies in retail should make sure that they have internal branding processes, since they contribute to a better experience for the employees and clients. Moreover, as the internal branding process is left implicit in many organizations, it is adequate to make it explicit and formal, naming persons in charge of it, providing resources, and establishing goals in order to get all of the benefits that brand differentiation can offer the organization.

DISCUSSION AND IMPLICATIONS

This research work is a contribution to the internal branding literature given that it is one of the first studies to be applied to the retail industry (Porricelli *et al.*, 2014; Du Preez *et al.*, 2017; Itam & Singh, 2017). It is also the first study carried out in a retail Mexican organization, using a theoretical framework and constructs arising from the internal branding literature.

The results that were obtained show that the adjustment of the employees with the brand values not only contributes to the improvement of the client's experience by means of a greater display of behavior aligned with the brand, but it also has a direct impact on the job satisfaction and intention to stay, and these variables transcend the strict area of marketing, on which the greatest part of the previous studies of internal branding has been focused.

Traditionally, the motivation and engagement of the collaborators tends to be considered the responsibility of the human resources department or the organizational development department. What this internal branding research – as well as others – suggests is that the marketing department also has elements to offer to achieve the greater satisfaction of the employees, particularly by means of internal branding practices. This is a unique contribution that an insightful marketing director should actively seek, since the corporate brand and their impact, both inside and outside of the organization, are part of their domain.

Many retail organizations try to create a differentiated client experience (Pine & Gilmore, 2017) that visibly reflects the values of the brand that have been carefully chosen and put into practice. The research studies have shown that the employees who authentically share said values are needed in order to more efficiently represent the behavior that forms the client's experience desired by the organization (Hurrell & Scholarios, 2014; Xiong & King, 2015). Therefore, when the employees provide their service, the experience becomes more authentic and satisfactory because it comes from their personal values, which are genuinely aligned to the values of the service brand.

This consideration advises the human resources manager to take recruitment seriously based on values (Cable & Judge, 1997). The recruiting and selection that aim to get high levels in the adjustments with the brand values in new hires, will be translated further on in a service performance that will be aligned to the brand promise, and that will leave both clients and employees satisfied. And in a certain way, the rendering of the service takes less effort because it is spontaneously brought up by the values of the collaborators. The sort of behavior – that is fun and never forced – shown by the pit crew of Southwest Airlines offers a clear example, as you can easily see in the segments that have been shared by their passengers on YouTube (visit <https://www.youtube.com/watch?v=68pSH1sWzOU> for an example.)

This study represents a first approximation of internal branding in the context of retail trade in Mexico. Given the scarcity of research in this industry, there is an important research opportunity for the future. First of all, the effect of the whole internal branding system – which traditionally includes brand-oriented recruiting, brand training, and brand-oriented leadership for managers and supervisors – can be measured. These three practices have proven to be efficient propellers for the adjustment with the values of the brand, encouragement in favor of the brand, the understanding of the brand, and finally the behavior aligned with the brand (King & So, 2015; Boukis & Christodoulides, 2018; Murillo & King, 2019). Future studies could also aim to get a more objective measurement of the behavior aligned with the mark, or brand performance, instead of the self-report of the collaborator. This could be done by means of the evaluation of the supervisor or direct boss, or through the feedback obtained from the clients or a mystery shopper. These actions would decrease

the common variance bias potential, which could be present if all the variables in the study were measured using self-reported scales.

It is also adequate to point out the limitations of this research to improve the design of future research. In addition to using self-reported scales, it is noteworthy that controls, such as age, gender, and seniority in the company, were not included in the survey, which was mainly to reinforce the trust of the participants regarding the anonymity promise that they were given with the goal of having them complete the survey. Given that many of them work at points of sale where only one or two employees operate, it was deemed that the promise of anonymity was necessary to obtain fully candid responses.

This research illustrates the impact that a systematic approach of internal branding in a retail organization can have. Having collaborators whose personal values are related to the brand values helps create a differentiated client experience that matches the brand values. Such an approach, based on the conviction of their role as brand ambassadors and not as employees, helps not only to have a competitive advantage but also to increase the collaborators' job satisfaction.

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Appendix: Measuring scales used in the research

Adjustment with the brand values (BRFIT)

- FIT1 My personal values are similar to the ones that are represented by my drugstore's brand
- FIT2 The reason why I prefer the brand of my drugstore over other brands is for what it represents, its values
- FIT3 What the brand of my drugstore represents is important to me

Behavior aligned with the brand (BRALIG)

- BRAL1 I behave in a coherent way to what [BRAND] promises its clients
- BRAL2 I consider the impact over the [BRAND] brand before I express myself or before I act in any situation
- BRAL3 I'm always interested in learning about the [MARCA] brand and what it means to me in the role I play

Intent to stay (INTSTAY)

- ITS1 I believe I will still be working for [BRAND] in five years
- ITS2 I will likely be looking for a new job in a year (inverse coding)
- ITS3 I am currently looking for a new job (inverse coding)

Job satisfaction (JOBSAT)

- SAT1 I am satisfied with the security offered by my job
- SAT2 I am satisfied with the physical conditions of my job, such as ventilation, lighting, physical position, etc.
- SAT3 I am satisfied with the benefits offered by my job
- SAT4 I am satisfied with the salary offered by my job
- SAT5 I am satisfied with the career opportunities offered by my job
- SAT6 I am satisfied with the kind of work I do
- SAT7 I am satisfied with the recognition I get when I do a good job