Mediation Role of Internal Customer's Satisfaction in the Indirect Link between Internal Marketing, External Customer's Satisfaction and Organizational Long Run Effectiveness: Role of Trust and Motivation

Doman GNOUFOUGOU[1]

Abstract

Organizations have attempted to provide concepts and approaches of internal and external marketing, quality of services and better internal and external customer satisfaction. Thus, one of the main characteristics of services is the direct interactions of the staff (internal customer) with external customers. Therefore this study aims to determine the indirect effect of implementation of internal marketing on external customer's satisfaction and organizational long run effectiveness through internal customer's satisfaction and aims to evaluate the internal marketing variables as a framework for implementing marketing strategies that enhance indirectly organizational long run effectiveness. It is used a survey methodology to collect data through a combination of structured questionnaires followed by interviews and it is employed three methods to examine the proposed model, as well as to test the hypotheses analysis. The descriptive statistic was conducted using SPSS 23; the Structural Equation Modeling was conducted using AMOS.20 and the moderated multiple regression analysis or Bootstrap test was conducted using PROCESS for SPSS.23. The findings indicate that internal marketing has an indirect impact on external customer's satisfaction and organizational long run effectiveness and through internal customer's satisfaction. In other words, internal customer's satisfaction that mediated the link between internal marketing, external customer's satisfaction and organizational long run effectiveness was associated positively with moderator variables (customer's trust and motivation). A discussion of the findings, an implication and conclusion are provided in this article.

Keywords: internal marketing, internal customer's satisfaction, external customer's satisfaction, organizational long run effectiveness, trust, motivation.

1. Introduction

The internal marketing's concept dates back to the 1980s, has been focused on appropriate internal relations between people at all levels in organizations. Then, when attempts were to enhance the quality in service sectors through study and control the delivery and service mechanisms used by employees, the basic idea of internal marketing was based on the fact that effective service delivery requires motivated staff (internal customers) who know customers' needs (Gronroos, 1981).

In past years, organizations have attempted to provide concepts and approaches of external marketing, quality of services and better external customer satisfaction. One of the main characteristics of services is the direct interactions of internal customers with external customers, and customer-orientation behaviors' role in dealing with external customers. So, for a superior service quality and external customer satisfaction, the staff (internal customers) is committed to the goals and prospects of the company and customer-orientation behaviors. Further researches were conducted based on this fact expanding the concept of internal marketing studied and indicated a significant relation between internal customers ' satisfaction and external customer's satisfaction (Piercy, 1999; Rafiq and Ahmed, 1993).

---

[1] Faculté des Sciences Economiques et de Gestion de l'Université de Kara BP 43 Kara - T O G O, donclas76@gmail.com

Today, internal marketing is considered as a way for improving the potential of work force. Relevant studies in this scope show that internal marketing activities have improved the long run organizational performance and increased the organizational compatibility by motivating the internal customers (Ahmed and Rafiq, 2004).Generally speaking, implementing internal marketing in service organizations enable these organizations to capture environmental opportunities leading them to customer satisfaction as well.. Therefore it can be claimed that internal customer's motivation and loyalty guaranteed an excellent sustainable performance of the organization and achieving organizational goals should begin by focusing on staffs who deal with customers. Therefore, the main question to be addressed in this study is: How internal marketing does affect indirectly external customer's satisfaction and organizational long run effectiveness through the mediating of internal customer's satisfaction and the moderating of trust and motivation?.

1.1 Objectives of study

To answer this question, this study aims to determine the indirect effect of application of internal marketing on external customer's satisfaction and organizational long run effectiveness through internal customer's satisfaction and aims to evaluate the internal marketing variables as a framework for implementing marketing strategies that enhance organizational long run effectiveness. Specifically this main objectives aims:

- To determine the direct influence of internal marketing on internal customer's satisfaction,
- To examine the direct influence of internal customer's satisfaction on external customer's satisfaction,
- To examine the direct link between of internal customer's satisfaction and organizational long run effectiveness,
- To explore the indirect link between internal marketing and external customer's satisfaction through the mediating role of internal customer's satisfaction,
- To explore the indirect link between internal marketing and organizational long run effectiveness through the mediating role of internal customer's satisfaction,
- To measure the moderator effect of customer's trust in the relationship between the internal marketing and internal customer's satisfaction,
- To measure the moderator effect of customer's motivation in the relationship between the internal customer's satisfaction on external customer's satisfaction and organizational long run effectiveness.

1.2. Contribution of the Study

This study makes the following contributions:

- For organization, this study is hoped to give any suggestion for organization, about strategic reward, internal communication, training and development, senior leadership, member oriented behavior, member satisfaction, and individual competence influence to organizational performance. Thus, this study is become in developing a consideration strategy in the future. It also is hoped to give literature contribution for other organization who wants to increase the performance with the implementation of internal marketing and organizational competences.
- For other managerial practitioner, as suggestion to developing strategy on managing their internal customer, this study is hoped to give literature contribution for enhanced understanding implementation of internal marketing and organizational competences.

2. Literature Review

In this section the concepts such as internal marketing, internal customer's satisfaction, external customer's satisfaction and organizational long run effectiveness, trust and motivation are developed, their relationship followed by hypotheses and conceptual model research are therefore discussed.

2.1 Definition of concepts

2.1.1 Internal marketing (IM)

Today's internal marketing as a strategy for the implementation of the program is known. It is   a new discipline in holistic marketing with the principle that satisfied customers come from satisfied employees (Kotler, 2009).

In addition, it is known that implementation of internal marketing will be difficult if the internal customers are not satisfied. Organizations that implemented the component of internal marketing (Sharing Information, internal customer's Empowerment and Reduced Status Distinctions) improved its internal customers competitiveness and enhances their competencies:

Sharing Information: In order to create a communication and information allotment organizations should be using different methods, flow of information in the balance. Importance of this flow of information in easily in the field of decision-making and creating a suitable feedback mechanism.

Internal Customer's Empowerment: Empowerment presents two aspects in which include freedom of action and control in one hand and the expectations and responsibility on the other side.

Reduced Status Distinctions: Limitedness internal customers between classes, they can simply to express their ideas and creativity, honesty, self-confidence and job satisfaction will increase. Two methods of reducing the difference: Reducing the difference between salaries and wages within the organization and creating a symbol of an organization in line with communications proof organizational development of the culture trust and honesty and justice is an organization. (Bansal et al, 2001)

In the addition, organizations that implemented the component of internal marketing (Sharing Information, Employees Empowerment Reduced Status Distinctions), develop, manage and motivate their workforce to produce outstanding business results have an extraordinary competitive advantage that others cannot copy (Nalbantian et al., 2004).

2.1.2 Internal Customers satisfaction (ICS)

Ersen, (1997) defines internal customer as a person that works in an organization. According to Schoorman, et al (1988), internal customer's satisfaction is defined as employee satisfaction with the service received from internal service providers. Although internal customer's satisfaction has been approached from different perspectives, the fundamental belief is that organizations attempting to deliver service quality to their external customers must begin by serving the needs of their internal customers (Schoorman, F. David, and Schneider, Benjamin, 1988). Internal customer is the worker in an organization responsible to produce products. Every worker receives materials or services from other worker in the process of making their own products.

2.1.3 External Customers satisfaction

Internal customer's satisfaction has dominated much of the recent service literature. Some of literature suggested that to deliver high levels of external customer satisfaction, organizations must identify, measure, and manage the internal elements that produce it (Zemke, 1989; Heskett, 1990; Zeithaml, 1990, Berry; 1991). It is imperative that, in order to satisfy external customers, internal customers be delighted first. Just as customer service leads to customer satisfaction, internal customer service leads to employee satisfaction. In an organization, every person is considered to be a supplier and customer to one another. It is imperative that, in order to satisfy external customers, internal customers be delighted first.

2.1.4 Organizational long run effectiveness

Organizational long run effectiveness is the derived by appropriate sustainable marketing strategy implementation and is the criteria to measure organizational performance. According to Richard et al. (2009) organizational long run effectiveness encompasses three specific areas of firm outcomes: Sustainable Financial performance (profits, return on assets, return on investment, etc.); Product market Sustainable effectiveness (sales, market share, etc.); and Sustainable Shareholder return (total shareholder return, economic value added, etc.).

2.1.5 Trust

Trust is sure to find the observation of integrity, ability, predictable commanders of the region and the forces under the command of them. Trust manager is expected that internal customers (employees) of their head, which is equivalent to promise someone else will, and knows that it can be used by men to trust. (Smith,2005)

2.1.6 Motivation

Motivating internal customers is a challenging task, since their behaviors are driven by varying needs and desires, and expectations and perceptions of equity and fairness can vary. Motivation can be either intrinsic or extrinsic.

Intrinsic motivation comes from inside individuals, and is based on their interest and involvement in the work. Motivation is driven based on the goal of achieving something other than the work itself (Herzberg, Mausner & Snyderman, 1959).

2.2 Relationship and hypotheses of research variables

2.2.1 Direct effect of variables

- **Effect of Internal Marketing (IM) on Internal customer's satisfaction (ICS)**

Internal marketing's goal is not just to attract, retain and reward employees, but also to compensate more those who are more effective and efficient by providing economic incentive plans that encourage the long-term perspective (Berry, et.al., 1976), which in turn raises internal customer's satisfaction (Heskett, et.al., 2002). Internal marketing has been linked to job satisfaction (Ahmad, et.al., 2003; Hwang & Chi, 2005; Mukherjee & Malhotra, 2006; Shiu & Yu, 2010), work motivation (Bell, et.al., 2004), service quality (Bell & Mengue, 2002; Bell, et.al., 2004), cooperative behavior, organizational citizenship behavior and customer service (Riketta, 2005), internal customer's satisfaction (Homburg & Stock, 2005; Koys, 2001; Wangenheim, et.al., 2007) and loyalty (Ahmed & Rafiq, 2002; Bergstrom, et.al., 2002; Hallam, 2003; Sartain, 2005). Based on the above literature, the following hypothesis is proposed:

Hypothesis 1. There is a significant direct and negative relationship between internal marketing and internal customer's satisfaction .

Therefore, the framework of this study depicted in Figure 1, is :

Figure 1: Direct link between IM and Internal Customer's satisfaction
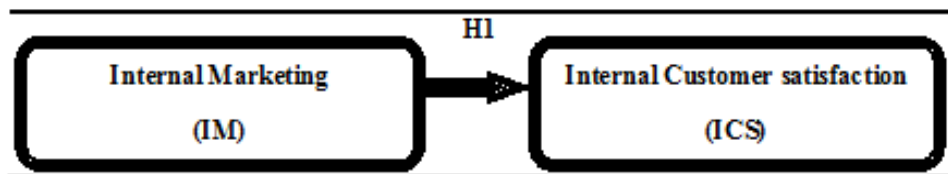
Source: By the author

- **Effect of Internal Customer's Satisfaction on External Customer's Satisfaction and Organizational Long run Effectiveness(OLE)**

The relationship between internal customer's satisfaction and external customer's satisfaction is the one relationship that does not seem to yield conflicting results. Studies suggest that internal customer's satisfaction and external customer's satisfaction are positively correlated (Spinelli and Canavos, 2000; Matzler and Renzl, 2007; Tornow and Wiley, 1991; Wiley, 1991 Wu, 2007). As suggested by the service-profit chain, the relationship between internal customer's satisfaction and organizational long run effectiveness should be positive and the higher the customer's satisfaction, the more favorable the performance measures should be. However, while some studies suggest that this positive relationship exists (Bernhardt et al., 2000; Nelson et al., 1992), others argue that customer service quality perceptions and satisfaction are sometimes, but not always, reflected in profits (Schneider, 1991). Bernhardt et al. (2000) suggest that a positive and significant relationship exists between changes in customer's satisfaction and changes in organizational effectiveness. However, in the short run, this positive and significant relationship may be obscured by many factors but it may be significantly positive in the long run.

Based on the above literature, the following hypotheses are proposed:

Hypothesis2. There is a significant positive and direct relationship between internal customer's satisfaction and external customer's satisfaction.

Hypothesis3. There is a significant positive and direct relationship between internal customer's satisfaction and organizational long run effectiveness.

Therefore, the framework of this study depicted in Figure 2, is

Figure 2: Direct link between Internal Customer's Satisfaction , External Customer's Satisfaction and Organizational Long run Effectiveness (OLE)

```
                                    H2   ┌─────────────────────┐
                                         │  External Customer  │
┌──────────────────────┐                 │  satisfaction(ECS)  │
│  Internal Customer    │                └─────────────────────┘
│  satisfaction (ICS)   │
└──────────────────────┘                 ┌─────────────────────┐
                                         │ Organizational Long run │
                                    H3   │  Effectiveness(OLE)  │
                                         └─────────────────────┘
```
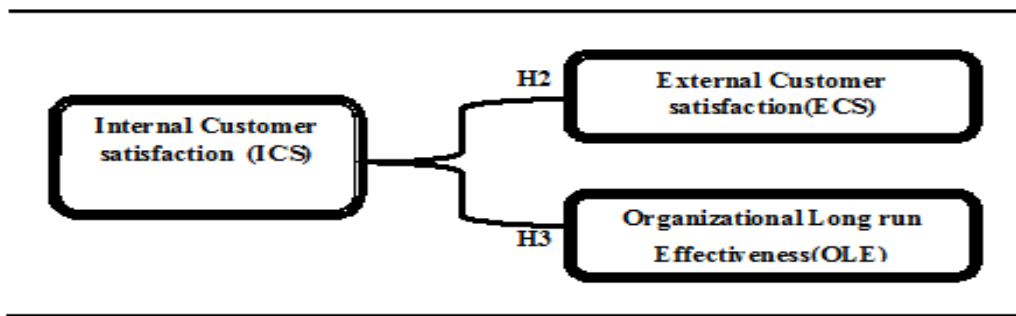
Source: By the author

2.2.2 Indirect and mediating effect of variable

- **Indirect effect of internal marketing on external customer's satisfaction and organizational effectiveness through internal customer's satisfaction**
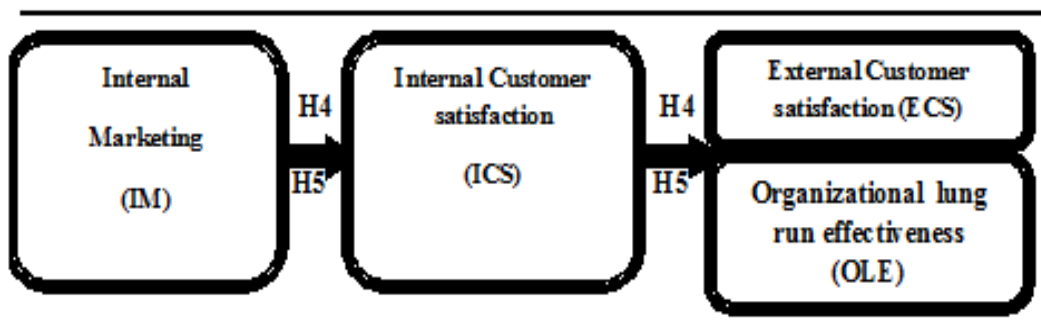
A few researches have studied the relation between internal marketing and organizational long run effectiveness, especially in service sector. According to existing literature, Tornow and Wiley, 1999 suggested that the relationship between internal marketing and organizational effectiveness and between internal marketing and external customer's satisfaction may not be positive. In their study, external customer's satisfaction and organizational effectiveness are the derived by appropriate marketing strategy implementation. According to existing literature, Ahmed and Rafiq (2005), found an insignificant effect of internal marketing on external customer's satisfaction and organizational effectiveness. This insignificant direct relationship may be explained by the fact that the relationship between theses variables might be indirect. This indirect relation is modified by a medium variable such as internal customer's satisfaction. As suggested by the service-profit chain, if internal customers feel that the company takes good care of them, they are, in return, likely to take time to provide better service to meet and/or exceed external customer's expectations. This is likely to lead to higher satisfaction among those external customers, which in return will lead to repeat business, positive word-of mouth behavior and, therefore, higher sales and better financial performance and organizational effectiveness (Koys, 2003). As suggested by the preceding discussion, the relationship between internal marketing and external customer's satisfaction , the relationship between Internal marketing and organizational long run effectiveness are likely to be indirect and this indirect relationship is likely to be mediated by a medium variable such as internal customer's satisfaction. Based on the above literature, the following hypothesis is proposed:

Hypothesis 4. The indirect and negative relationship between internal marketing and external customer's satisfaction is mediated by the medium variable such as internal customer's satisfaction.

Hypothesis 5. The indirect relationship and negative between internal marketing and organizational long run effectiveness is mediated by the medium variable such as internal customer's satisfaction.

Therefore, the framework of this study depicted in Figure 3, is

- **Figure 3: Indirect effect of internal marketing on external customer's satisfaction and organizational effectiveness through internal customer's satisfaction**

```
┌──────────────┐        ┌──────────────────┐        ┌─────────────────────┐
│   Internal    │   H4   │ Internal Customer │   H4   │  External Customer  │
│              │        │   satisfaction    │        │  satisfaction (ECS) │
│  Marketing    │        │                  │        ├─────────────────────┤
│              │   H5   │      (ICS)        │   H5   │  Organizational lung │
│    (IM)       │        │                  │        │  run effectiveness   │
│              │        │                  │        │       (OLE)          │
└──────────────┘        └──────────────────┘        └─────────────────────┘
```

Source: By the author

2.2.2 Moderating effects of variables

- **The Moderating role of Trust and Motivation**

  The Moderating variables (Trust, Motivation and Loyally) affect the relationship between main variables (Internal marketing, ICS; ECS and OLE). It systematically change the size, intensity, direction or shape the effect of the independent variable on the dependent variable (Sharma et al., 1981; Namazi & Namazi, 2016). In other words, the relationship observed between the main variables will be different according to the different levels of the three variables called moderating variables. This study assumes that variables such as trust, motivation and loyalty seem to moderate respectably the effect of Internal marketing (IM) on Internal Customer's Satisfaction (ICS); effect of Internal Customer's Satisfaction (ICS) on External Customer's Satisfaction (ECS) and effect of External Customer's Satisfaction (ECS) on Organizational lung run Effectiveness (OLE). Based on the above literature, the following hypotheses are proposed:

  Hypothesis 6: Trust moderates the relationship between internal marketing and internal customer's satisfaction

  Hypothesis 7: Motivation moderates the relationship between internal customer's satisfaction and external customer's satisfaction

  Hypothesis 8: Motivation moderates the relationship between internal customer's satisfaction and organizational lung run effectiveness.
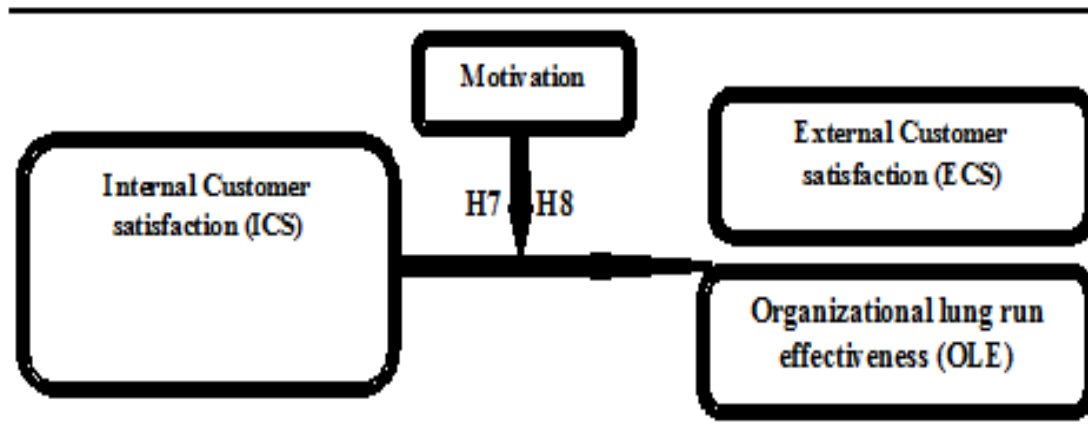
  Therefore, the framework of this study depicted in Figure 4 a and Fig 4b are :

Figure 4 a: Moderating role of internal customer's trust
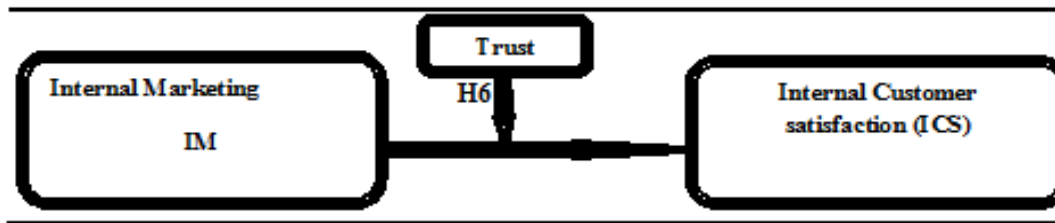
Source: By the author

**Figure 4 b: Moderating role of internal customer's motivation**

Source: By the author

2.3 Research Conceptual model

As mentioned above in the research purpose, this research is an attempt to examine Internal Marketing (IM) in relation to External customer's satisfaction (ECS) and Organizational lung run effectiveness (OLE) through Internal Customer's Satisfaction (ICS). By focusing on variables drawn from this literature, two attitudinal variables (TRUST and MOTIVATION) are retained as moderator variables in this framework. Based on the assumption, this study proposes the following conceptual model (Figure 5).

Figure 5: Conceptual framework
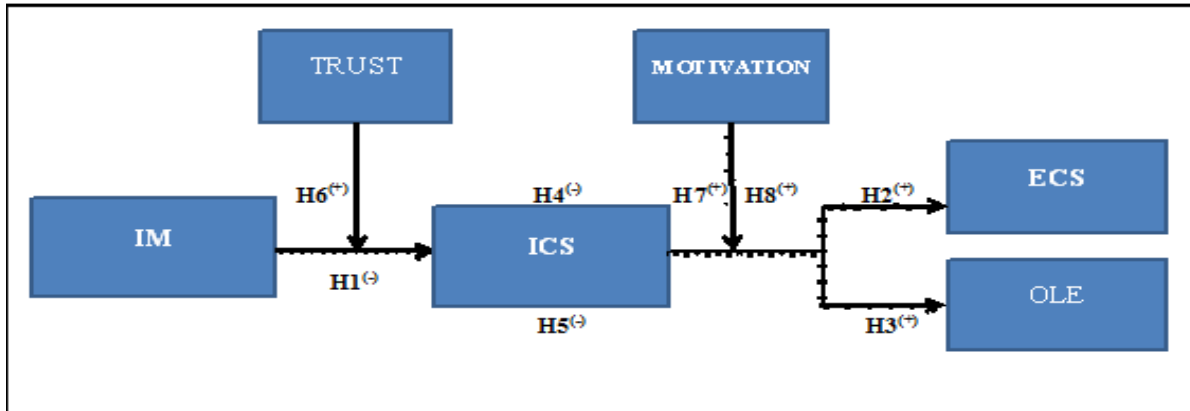
Source: By the author

3. Research Methodology

The present methodology provides detailed discussion about data collection procedure, instruments used to assess the study variables, sample size and the further statistical analysis that were used to test the research hypotheses.

3.1 Data collection procedure

In order to collect the required data for the study, a self-administered survey was used to collect data on internal and external customer of Togolese services sector. The questionnaires included items were assigned to latent variables and to demographics variables. In this study, Likert's five-point scale format ranging from "Strongly disagree" to "Strongly agree" has been used as scale and numerical code for questions to assess the six constructs (Internal marketing, internal customer's satisfaction, external customer's satisfaction, and organizational lung run effectiveness, Trust and Motivation) in the collection of data (table 1).

Table 1: Scale and Numerical code for questions

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Numerical code	1	2	3	4	5

.

3.2 Research instruments variables

The instrument used to assess the study has six constructs: one independent variable (Internal marketing), one mediator variable (Internal customer's satisfaction) and two moderator variables (trust, motivation and loyalty) and two dependent variables (External customer's satisfaction and Organizational lung run effectiveness).

Table 2: Instruments of measure

Construits	Code	Nature
Internal Marketing	IM	Independent variable
Internal Customers Satisfaction	ICS	Mediator variable
Trust	TRUST	Moderator variables
Motivation	MOTIVATON	
External Customers Satisfaction	ECS	Dependent variables
Organizational Lung run Effectiveness	OLE	

3.3 Instrument Reliability and Validation

According to Churchill (1979) "Cronbach alpha absolutely should be the first measure one calculates to access the quality of the instrument". Therefore this study computed Cronbach's alpha analysis to determine the internal consistency for each scales used to access each variable in this study. This Cronbach's alpha coefficient was used to evaluate the reliability of the questionnaire that was shown in table 3.

Table 3: Research Measures and constructs reliability

Construct	IM	ICS	E CS	OLE	TRUST	MOTIVATION
Cronbach's Alpha	0.874	0.932	0.930	0.915	0.81	0.84

The alpha values for all constructs are greater than the guideline of **0.70**, so it can be concluded that the scales can be applied for analyses with acceptable reliability. After the reliability, the scale validity was checked through the Confirmatory Factor Analyses (CFA). Confirmatory factor analysis is a form of factor analysis used in social research facing large amounts of data to attest the consistence of the measurement tools (Yan-Wallentin et al., 2010).

Table 4. Results of the Confirmatory Factor

Fit Index	X^2 / df	GFI	TLI	CFI	RMSEA	P value
Result	2.533	0.96	0.98	0.96	0.07	0.000
Accepted range	<5	>0.9	>0.9	>0.9	<0.08	<0.01

The result of confirmatory factor analysis computed to assess the degree of model fit, and the adequacy of the factor loading are confirmed the factorial validity of measurement model of VandWalle (1997).

3.4 Sample size

The research population contains of internal and external customers of Togolese service sector . The research methodology conducted here was a descriptive technique in nature. It described the procedures for determining sample size for categorical data using Alain Bouchard as cited by SABITI Fred (2004: 46), Cochran's (1977) and Naresh Malhotra et al. (2007 : p. 283) formulas. It used purposive sampling method which is a convenience sampling method and a non-probability sample, to satisfy certain criteria and to select its respondents. Based on a margin of error of 5% $(D = p - \pi = \pm 0.05)$ at a 95% confidence level (CL) , the z value associate with the CL is Z = 1.96 . As we do not know the proportion p, it is quite common to assume and take 0.27 as a value (P= 27%). Then, the sample size for categorical data is presented as follow:

Table 5: Determining sample size for categorical data

Determining sample size	Evaluation
Population size N = 500 **Initial sample size (n)** **Final adequate sample size (n)**	 $n_o = [\pi (1-\pi.)^2 (z)^2] \div (D)^2$ $n_o = [0.27 (1-0.73) (1.96)^2] \div (\pm 0.05)^2$ n= 302.5856 $n_o = 303$ nf= no + no *15% nf= 303 + 303*15% = 348

Source: Developed for this research

Donald (1967), Hagbert (1968), Johnson (1959), and Miller and Smith (1983) recommend that the researcher take a random sample of 10-20% of non-respondents to use in non-respondent follow-up analyses. If non respondents are treated as a potentially different population, it does not appear that this recommendation is valid or adequate. Rather, to compensate for non-response or for persons that the researcher is unable to contact, we commonly add 10-20% to the sample size to increase and determine an adequate sample size of non-respondents for the non-respondent follow-up response analyses. So that, we take a random sample of **15%** of 303 and the adequate sample size is **348 with** a response rate of 69.6%.

3.5. Respondents profile

The Table 6 below shows respondents profile for the study. It provides detail of control variables such as social demographic characteristics of gender, age, education and group stage.

Table 6: Respondents Demographic Profile of the Sample

Category	Items	Frequencies	%
Gender	Female	112	32.20%
	Male	236	67.80%
	Total	**348**	**100%**
Age	Less than 30	194	55.8%
	Between 31-40	136	39.10%
	Between 50-60	18	5%
	Total	**348**	**100%**
Education	Less than high school diploma	157	45%
	High school diploma	96	27.40%
	Bachelor degree	62	17.70%
	Postgraduate	33	9.50%
	Total	**348**	**100%**

Source: Developed for this research

The sample consisted of 32.2% of females and 67.8% of males and according to the finding, 55.8% of the respondents were less than 30 years old, 39.1% were between 31 and 40 years old, and the rest were between 50 and 60 years old. In terms of education, 45.4% of the respondents reported having less than high school diploma, 27% held high school diploma, 17,7% had bachelor degree, and 9.5% held master degree or above.

3.6 Statistical analysis methods

In order to analyze data, this research used four statically analyses to verify the correlation between variables and to test all eight hypotheses: The descriptive statistic is conducted using SPSS 23; the Structural Equation Modeling (SEM) was conducted using AMOS.20 and the moderated Multiple Regression analysis (Bootstrap) was conducted using PROCESS for SPSS.23.

4. Data analysis and results

The present data analysis and hypothesis testing .is organized in two mains sections. The first section emphasizes on the descriptive statistics (Mean, standard deviations and correlations) of the study variables; the second provides description of each variable, followed by details results about the hypothesis testing.

4.1 Descriptive statistic and correlation matrix

The descriptive statistics summaries in Table 7 provides details, highly accurate picture of the main variables. It presents the mean, standard deviation, inter-correlation and the Cronbach Alpha of the study main variables.

Table 7: Inter-correlation between variables, Cronbach Alpha

Descriptive statistics, Inter-Correlation between Variables, Cronbach Alpha								
Variable	Mean	SD	IM	ICS	ECS	OLE	TRUST	MOTIVATION
IM	3.44	0.64	1(0.874)					
ICS	3.54	0.84	-0.725**	1(0.932)				
ECS	3.67	0.77	-0.325	0.787**	1(0.930)			
OLE	2.46	0.76	0.121	-0.635**	0.689**	1(0.915)		
TRUST	3.69	0.89	0.756**	0.776**	-0.221	-0.512	1(0.81)	
MOTIVATION	4.18	0.88	-0.125	0.730*	0.723**	-0.325**	-0.474	1(0.84)

*Note: **Correlation is significant at the 0.01 level.* *Correlation is significant at the 0.05 level (2-tailed).*

Source: Developed by author

Table 7 shows the results of the mean, standard deviations and correlations for study variables. An inspection of this table revealed that the mean of IM frequency is estimated at 3.44 and the standard deviation at 0.64. Thus, it is quite clear from the table that all the dimensions yield a positive and significant correlation: IM was negatively correlated to ICS ($r = -0.725**$, $p < 0.01$) . According the results TRUST was significantly related to IM ($r = 0.756**$, $p < 0.01$). and positively correlated to ICS ($r = 0.776**$, $p < 0.01$). MOTIVATION was positively correlated to ICS ($r = 0.730*$, $p < 0.05$) A strong significant relationship was found between MOTIVATION and ECS ($r = 0.723**$, $p < 0.01$). The findings also indicated that MOTIVATION was positively correlated to OLE ($r = 0.325**$, $p < 0.01$). An inspection of the table 7 also revealed that the entire measurement instruments used have yielded and reconfirmed a value of cronbach's alpha higher than the conventional cut-off of 0.7 (Lance, Butts, & Michels, 2006; Zikmund, 1997), suggesting that satisfactory level of reliability have been achieved. Next section presents in details the result of the hypothesis testing.

4.2 Results of hypotheses testing

To test the research hypothesis, different analysis such as structural equation modeling, moderation regression analysis and the multilevel regression analyses and Bootstrap analysis were conducted.

4.2.1 Hypotheses related to direct effect

Table 8: Test of direct effect

Path	Hypotheses	Coefficient γ	T- value	p	Results
IM ➔ ICS	H1	- 0.64**	4.5	<0.01	H1 supported
ICS ➔ ECS	H2	0.70**	2.8	<0.01	H2 supported
ICS ➔ ECS	H3	0.57*	3.3	<0.05	H3 supported

Note: *p< .05; **p<.001

As expected in the first hypothesis, internal marketing (IM) was found to influence ICS (H1: γ =0.64, p<0.05), in second hypothesis ICS has a positive influence on ECS (H2: γ = 0.70, p<0.05). Finally the third hypothesis predicted that ICS has a positive impact on OLE (H3: γ =0.57, p<0.05). Generally all of research hypotheses (H1, H2 and H3) were confirmed statistically.

4.2.2 Hypotheses related to indirect and mediating variable

The result of this table below shows that, the minimum discrepancy is once again acceptable: **χ2 =** 29.55 the CMIN/DF = 2.19 and under 5. The TLI is 0.98; GFI is 0.98; IFI, 0.99; the CFI is 0.99; all above the cut-off 0.9, RMSEA = 0.061 and the PCLOSE = 0.262 , indicating an acceptable and a better model fit.

Therefore, the mediating test is significant and estimated to 0,004 with a confidence interval of [0,001 ; 0,005] and 0,002 with [0,001 ; 0,003] between IM and OLE. All these two values not included zero and the coefficient (-.0318**; p<.001) and are significant.

Tableau 9: Mediating and indirect effect of IM on OLE

Path	Estimate	S.E.	EST/SE	Indirect effect	Confidence interval	Results
IM ➔ ICS ➔ECS	-0.326**	.080	4.06	0,004	[0,001 ; 0,005]	H4 supported
IM ➔ ICS➔ OLE	– 0.43**	0.061	7.05	0.002	[0,001 ; 0,003]	H5 supported
Model fit indices						
N	χ2	CMIN/DF	GFI	TLI	CFI	RMSEA	PCLOSE
348	29.55	2.19.	0.98	0.98	0.99	0.061	0.262
N= sample size; χ 2 = Chi-Square ; GFI = goodness of fit index; TLI = Tucker-Lewis index; CFI = comparative fit index; RMSEA = root-mean-square error of approximation						

Note: *p< .05; **p<.001

All the results indicate that, the indirect effect of internal marketing on external customer's satisfaction and organizational long run effectiveness is mediated by the medium variable such as internal customer's satisfaction. Therefore, hypothesis H4 and H5 are supported.

4.2.3 Hypotheses related to moderating variables

Moderator regression analyses using PROCESS for SPSS was conducted to access moderator effect in this study (Hayes, 2013, 2016). As stated earlier, TRUST and MOTIVATION were retained as moderator variables and the empirical test of their effects was retained for hypothesis (H6, H7 and H8) analyses in this research. Their effects on the main variables are discussed as follow:

- **H6: Trust moderates the relationship between Internal Marketing and Internal Customer's Satisfaction**

An examination of the nature of the interaction effects of Trust on the relationship between Internal marketing (IM) and Internal Customer's Satisfaction(ICS), indicated that the model proposed was significant with a strong R^2 ($R^2 = 0.25$; p<.001). The results suggested that the effect of Trust on ICS was significant (t (311) = 7.11; p< .001), as well as the effect of IM on ICS (t (311) = 3.53; p< .05).

Table 10: Moderator Analyses of IM And TRUST For ICS

The interaction effect was also significant (Table 10) implying that TRUST moderate the relationship between IM and ICS.

Model Summary						
R	R-sq	MSE	F	df1	df2	P
.4958	.2458	10.3250	32.6774	3.0000	311.0000	.0000**
Model						
	Coeff	Se	t	p	LLCI	ULCI
Constant	19.7315	.1933	102.0707	.0000	19.3512	20.1119
TRUST	.3116**	.0479	7.1060	.0000	.2254	.3979
IM	.1692*	.0479	3.5292	.0003	.0749	.2692
Int_1	-.0318**	.0115	-2.7757	.0000	-.0544	-.0093

Note: Int_1(Interaction): IMx TRUST ; * p<.05; ** p<.001

The interaction coefficient is negative (-.0318**; p<.001), which indicate that the relationship between IM and ICS is stronger at lower level of TRUST than higher level of Trust; and which is supported the hypothesis 6. Therefore, the curb of each level of TRUST is illustrated in figure 6 below:

Figure 6: Moderator analysis of IM and TRUST for ICS with simple slopes
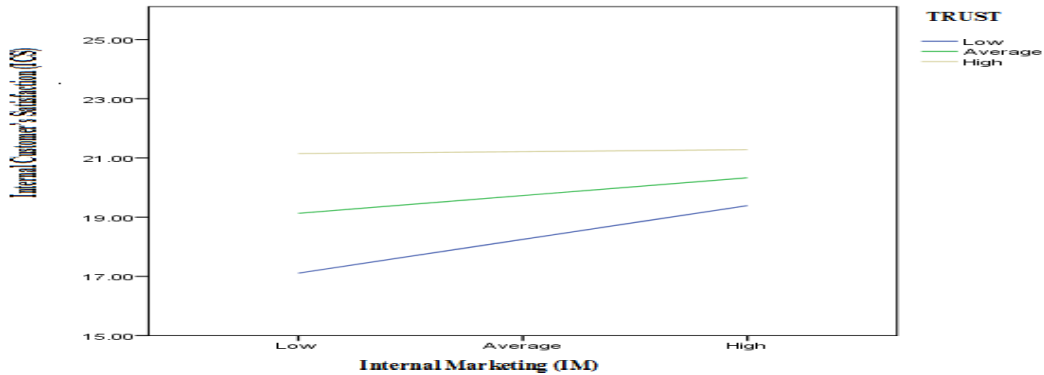
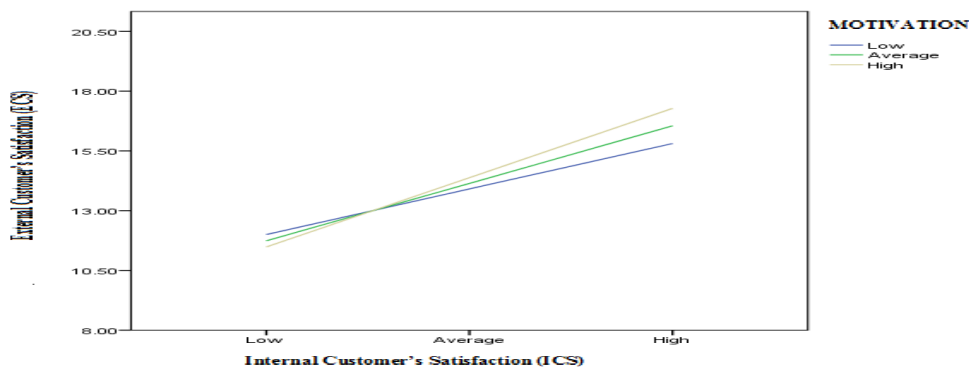- **H 7: Motivation moderates the relationship between ICS and ECS**

Table 11. : Moderator Analyses of ICS and MOTIVATION For ECS

Model Summary						
R	R-sq	MSE	F	df1	df2	P
.6762	.4572	7.4980	64.3520	3.0000	311.0000	.0000**

Model						
	Coeff	Se	t	P	LLCI	ULCI
Constant	14.1424	.1622	87.2087	.0000	13.8233	14.4615
MOTIVATION	.0495**	.0337	1.4692	.0000.	-.0168	.1159
ICS	.4412*	.0330	13.3619	.0000	.3762	.5061
Int_1	.0193**	.0074	2.5890	.0001	.0046	.0339

Note: Int_1(Interaction): ICS () x MOTIV (Motivation) ; * p<.05; ** p<.001

An examination of the nature of the interaction effects of MOTIVATION on the relationship between Internal Customer's Satisfaction (ICS) and External Customer's Satisfaction (ECS), indicated that ICS had a significant positive effect on External Customer's Satisfaction (ECS). The interaction had a significant positive effect on ICS (t (311) = 2.59, p<.05), indicating that MOTIVATION moderates the relationship between ICS and ECS. The interaction coefficient is positive (.0193** . p<.001) indicating that the relationship between ICS and ECS is stronger at higher levels of MOTIVATION than lower levels of MOTIVATION. Thus, the hypothesis H7 was supported by the empirical test. As shown in the Figure 7 below, the slope of the high MOTIVATION curb is positive compare to low and average curb.

Figure 7. Moderator analysis of ICS and MOTIVATION for ECS with simple slopes

- **H 8: Motivation moderates the relationship between ICS and OLE**

An examination of the nature of the interaction effects of **MOTIVATION** on the relationship between Internal Customer's Satisfaction (ICS) and Organizational Lung run effectiveness (OLE) indicated that ICS had a significant positive effect on OLE (Table 12).

Table 12. Moderator Analysis of ICS And MOTIVATION For OLE

Model Summary						
R	R-sq	MSE	F	df1	df2	P
.3198	.1023	76.8961	8.4736	3.0000	306.0000	.0000**
Model						
	Coeff	Se	t	p	LLCI	ULCI
Constant	5.5640	.5197	10.7060	.0000	4.5414	6.5867
MOTIVATION	-.3404**	.0839	-4.0575	.0001	-.5055	-.1753
ICS	-.4605**	.1803	-2.5535	.0111	-.8153	-.1056
Int_1	.1093**	.0247	4.4185	.0000	-.0606	.1580

Note: Int_1(Interaction): ICS x MOTIVATION   * p<.05; ** p<.001

Table 5.8 indicated that the MOTIVATION had a significant negative effect on OLE (t (306) = -4.06, p<.001), which implied that customer with a higher level of MOTIVATION will tend to be less motivated than customer with lower level of MOTIVATION. However, the interaction effect on OLE had a significant positive effect on ICS (t (306) = 4.42, p<.001) leading to conclude that the MOTIVATION moderates the relationship between ICS and OLE. The interaction coefficient is positive (0.1093**; p<.001) indicating that the relationship between the ICS and OLE is stronger at higher levels of MOTIVATION than at lower levels. Thus, hypothesis 8 was supported. As shown in the Figure 8 below, the slope of the high MOTIVATION curb is positive compare to low and average curb..

**Figure 8: Moderator analysis of MOTIVATION in the relation between ICS and OLE**
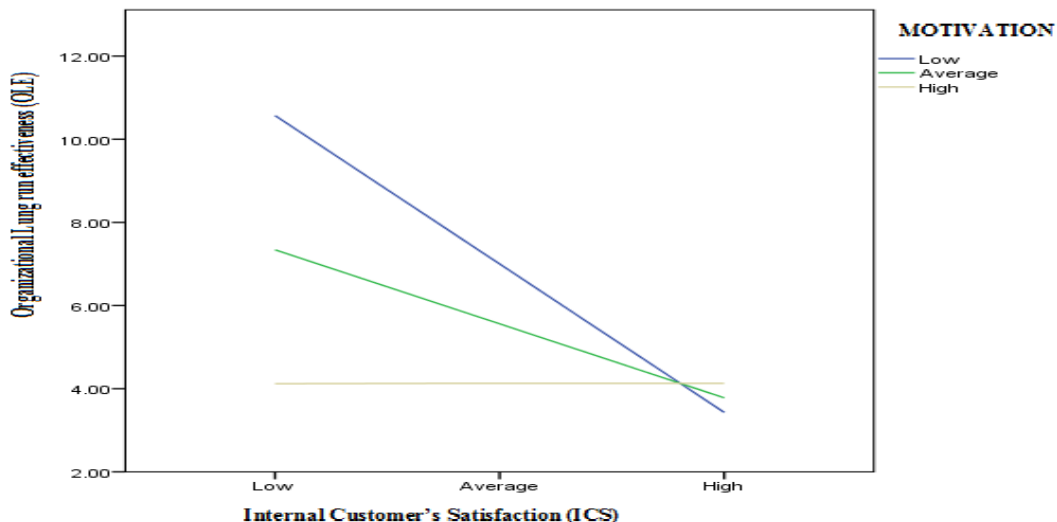
5. Discussion and Conclusions

5.1 Discussion

The purpose of this study was to determine the indirect effect of application of internal marketing (IM) on external customer's satisfaction (ECS) and organizational long run effectiveness (OLE) through internal customer's satisfaction (ICS) .It aims to evaluate the Internal marketing (IM) as a framework for implementing marketing strategies that enhance a external customer's satisfaction (ECS) and an organizational long run effectiveness (OLE). Based on this purpose, internal customer's satisfaction (ICS) that mediated the link between IM, ECS and OLE was associated positively with two moderator variables such as TRUST, MOTIVATION. All the eight hypotheses are confirmed . Therefore the final conceptual framework is presented in figure below :

Figure 2: Final Conceptual framework
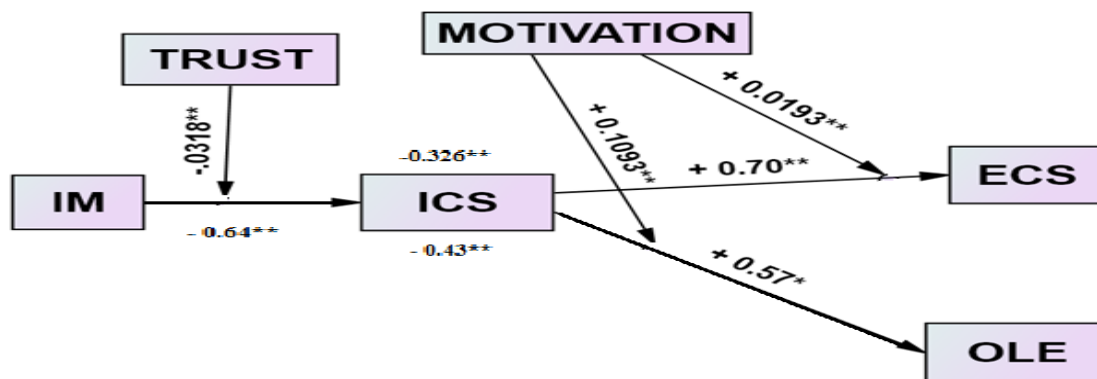
Finally, the results of all hypotheses are summarized in table below

Tableau 13 : Summary of Hypotheses Testing

Hypotheses related to direct effects		Results
H1:	There is a significant direct and negative relationship between Internal Marketing and Internal customer's satisfaction	**Supported**
H2:	There is a significant positive and direct relationship between Internal customer's satisfaction and External customer satisfaction	**Supported**
H3:	There is a significant positive and direct relationship between Internal customer's satisfaction and Organizational Long run Effectiveness	**Supported**
Hypotheses related to indirect and mediating effects		**Results**
H4:	The indirect and negative relationship between internal marketing and external customer's satisfaction is mediated by the medium variable such as internal customer's satisfaction.	**Supported**
H5	The indirect and negative relationship between internal marketing and organizational long run effectiveness is mediated by the medium variable such as internal customer's satisfaction.	**Supported**
Hypothèses related to moderation effects		**Results**
H6:	Trust moderates the relationship between internal marketing and internal customer's satisfaction	**Supported**
H7:	Motivation moderates the relationship between internal customer's satisfaction and external customer's satisfaction	**Supported**
H8:	Motivation moderates the relationship between internal customer's satisfaction and organizational lung run effectiveness	**Supported**

5.2 Research implications

The study provides theoretical and managerial contributions.

Theoretical implications

Firstly, this study contributes to examine the indirect effect of internal marketing on external customer's satisfaction and organizational lung run effectiveness through internal customer's satisfaction which are associated positively with moderator variables (trust and motivation). As suggested by the findings, this study clearly indicates that internal customer's satisfaction is one of the significant determinants that predicted indirectly the influence external customer's satisfaction and organizational lung run effectiveness.

More precisely, if a company takes care of its employees by implementation the internal marketing, its internal customers are highly motivated to provide good service to external customers. Thus, by using even though it is hard to observe direct and indirect impact of internal customer's satisfaction on external customer's satisfaction and organizational lung run effectiveness, service companies cannot survive without satisfied employees because satisfied employees are the ones who provide satisfactory service experience to customers.

Implications for practice

As managerial implications, this research helps managers and decisions makers to understand that how important an internal marketing implementation is to boost up any ECS and OLE. This research also provides them the insight to make better their marketing and promotional tools to capture their customers. In this way Internal customer's satisfaction plays a primary role in helping companies achieve financial goals because if a company takes care of its employees, the employees will take care of the customers (Loveman, 1998). Satisfied employees are likely to be more motivated and work harder to provide a satisfactory service to customers than dissatisfied ones (Paradise-Tornow, 1991). As suggested by the service-profit chain, if employees feel their company takes good care of them, they are, in return, likely to take time to provide better service and/or exceed customer's expectations. This is likely to lead to higher satisfaction among those customers, which in return will lead to higher profits (Koys, 2003). Therefore, companies need to make sure that their employees are happy and satisfied with what they do.

5.2 Limitations and Suggestions for Future Research

Despite, several contributions and insights, there are some limitations to this study. The first limitation of this study came from the sample composition. First of all, the sample size (n = 348) for this present research is small, so the findings of present study not able to generalized. Thus, future research sample have to be larger and research should conducted in different sector to get more valid results. Second, data used in this study was collected from different categories of services sector. The difference in organizational cultures, expectation and requirement from managers would probably affect the finding. The final limitation of this study came from data collection and research design. The approach followed in the context of this study to analyze the data was more quantitative than a combination with a qualitative approach. It would be more interesting to pair it with a qualitative approach for not only a better understanding of some relevant concepts in the study, but also better control of variables that could interfere with the results Future studies should utilize multi-dimensional constructs to capture the true essence of both employee and customer satisfaction. Furthermore, a company's lung run performance may be influenced by several factors including satisfaction. However, this study did not examine other factors that may influence lung run effectiveness of a company. Although in present research, except the mediator and moderator variables included, there is a gap that variable control are not included. Thus, future study can include these control variables to make the research carry out new findings.

5.3 Conclusion

This study was conducted to investigate the conceptual and empirical indirect link between IM , ECS OLE through mediating variable such as ICS. This study adds to our standing of indirect link between IM and OLE and provides further evidence of the role that ICS and ECS play in ensuring high levels of OLE. This mediating variable was associated positively with moderator variables (customer's trust and motivation).Based on the data of all the eight hypotheses analysis, it can be said that, confirmed a positive and meaningful relation between internal marketing, ECS and organizational effectiveness through ICS. This indirect link between IM, ECS and OLE through ICS, is associated positively with moderator variables such as trust and motivation.

References

Ahmed, P, & Rafiq, M. (1995)."The role of internal marketing in the implementation of marketing strategy". Journal of Marketing Practice: Applied Marketing Science. Vol.12, pp.76-80.

Anderson, E. F. (2004, october). Customer satisfaction and shareholder value. Journal of Marketing, 68, 172-85.

Baron, R. M. (1986)."The moderator-mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations". Journal of Personality and Social Psychology, Vol 25,No.8, PP.1173-1182.

Cooper, J. & Cronin, J. (2000)."Internal marketing: competitive strategy for the long-term care industry. Journal of Business Research, pp177-181.

D. Azedo, H. Alves, Internal Marketing Practices in health care and their influence on nurse motivation public versus nonpublicmanagement models, Home Health Care Management & Practice 26:2 (2014) 92–100.

Foreman, S.K. & Money, A.H. (1996)."Internal marketing: concept, measurement and application." Journal of Marketing Management .Vol .11, No7, p.755.

Greene, W.E., Walls, G.D.et Schrest, LJ. (1994), 'Internal marketing: the key to external marketing success,' Journal of Service Marketing, 8,4, 5–13.

Grönroos,C.(2001),'Marketing as promise management: regaining customer management for marketing,' The Journal of Business and Industrial Marketing, 4(5/6), 351-359.

Laflamme, S., Zhou, R. M. (2014). Méthodes statistiques en sciences humaines : avec illustrations tirées du logiciel SPSS. France : Éditions Prise de parole.

Lings, I.N. and Brooks, R.F. (1998), 'Implementing and measuring the effectiveness of internal marketing,' Journal of Marketing Management, 14(4/5), 325-351.

M. Huang, M. Y. Chen, Internal marketing, customer orientation, and organizational commitment: Moderating effects of work status, Psychological Reports 113:1 (2013) 180–198.

Piercy, N. Morgan,G (1999). "Customer satisfaction and the internal market", Journal of Marketing Practice: Applied Marketing Science, Vol. 1 No. 1, pp. 22-44.

Podsakoff (1992), 'Internal Marketing: Myth versus Reality,' Paper work, Cranfield School of Management, 1-15.

Roussel, P., Durrieu, F., Campoy, E., & El Akremi, A. (2002). Méthodes d'équations structurelles : recherche et applications en gestion. Paris, France: Economica coll. Gestion.

Varey, R. (1995), 'Internal marketing: a review and some interdisciplinary research challenges,' International Journal of Service Industry Management, 6(1), 40-63.

Zhao, X., Lynch, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and Truths about Mediation Analysis. Journal of Consumer Research, 37 (2): 197-206.