EMPLOYEES ARE CUSTOMERS TOO: THE CASE FOR TEACHING INTERNAL AS WELL AS EXTERNAL MARKETING

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ABSTRACT

While external marketing has traditionally been the emphasis of both marketing educators and marketers, internal marketing is the subject of the complete article. The various definitions of internal marketing are presented, an argument is made for marketing educators to begin teaching internal marketing, a sample course outline for teaching internal marketing is presented, some of the issues that arise are discussed, and an appendix is attached listing articles appropriate for teaching internal marketing. The following is a one page abstract of the entire article.

Marketing education and practice has traditionally focused on external rather than internal marketing. While internal marketing is covered to some extent in both relationship and services marketing, this coverage is usually shallow at best. An increased emphasis on internal marketing may allow firms to better achieve their goals and educators to provide marketing students a better understanding of their roles within the firm.

The most common usage of the term internal marketing is to represent marketing programs directed at employees, i.e., treating employees as customers and applying marketing tools theories and concepts to these internal customers.

In business there are frequently gaps between planned and actual results. Such gaps are particularly acute in the now dominant services sector of our economy. The question for both marketers and marketing educators then becomes: "How can we close or narrow the gap(s) between planned and actual results to achieve organizational goals such as profits and/or quality in service?"

One possible solution is through internal marketing. While external marketing education focuses on how and why marketers need to satisfy the external customers needs and wants, internal marketing should focus on how and why marketers need to satisfy the internal customers needs and wants. Traditionally, the internal customer (the employee) has been the domain of Human Resources Management (HRM). Marketers and marketing educators have primarily focused only on the external customer and what actions internal customers must take to satisfy external customers.

So what does marketing have to contribute that HRM does not? First, it seems that marketers should know a great deal about researching employee needs and wants. Second, it seems marketers should be adept at designing communications (internal as well as external) designed to influence buying (internal) behaviors. Third, marketers certainly are aware of ways to facilitate the adoption and/or diffusion of ideas and innovations (to overcome organizational resistance to change). Fourth, marketers should be able to shed some light on meeting the needs and wants of unique employee segments (practicing internal market segmentation). The consumer behavior concepts of brand (company) loyalty, high and low involvement (job involvement), reference group theory, learning theory, and information processing all appear to have some direct application to internal customers.

The traditional focus of practitioners and educators on external marketing may need to be revised to include internal marketing. To facilitate such a refocusing of efforts a course outline is suggested. Team teaching (with HRM) and cross-functional integration of concepts are important to such a course as well as a discussion of "turf".