The Application of Internal Marketing (IM) in a Service Organization

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Abstract

Purpose. *This study explores the implementation of Internal Marketing (IM) in a service company using the Chester Racecourse as a case study methodology. The racecourse is known as one of the best racecourse and hospitality venues in the UK.*

Research Design. *Content and Text Analyses have been employed to discover any refreshed findings on the empirical application of IM by examining the content of communicated texts.These communicated texts originated from in-depth interviews and conversational research with respondents. The respondents were selected by using the concept of "Theoretical Sampling".*

Originality. *This empirical study on the application of IM is justified because although there have been abundant papers on IM, most of the research focuses on the theoretical and conceptual aspects of IM. In addition, there has not been any empirical paper written on the combined use of Content and Text Analyses in IM particularly for guiding further qualitative research*

Findings and Strategic Implications. *To complement earlier theoretical proposition on IM, the findings indicate that there are several empirical aspects such as "costs, people and concept" which hinder successful implementation of IM. This study proposes several strategic HR recommendations to reduce the "implementation gap" in IM such as to conduct continuous staff training on IM knowledge on regular time intervals, to reduce excessive work load and pressure and engaging staff members in continuous personal development sessions. In addition, the findings reveal that IM training should be given priority to solve "people-oriented" issues.*

Keywords: Internal Marketing, Content Analysis, Text Analysis, Implementation Gap, Theoretical Sampling, NVivo Model, Case Study.

1. Introduction

This study explores the application of internal marketing (IM) at Chester Racecourse (Figure 1.1). The racecourse has been managed by the Chester Race Company Ltd, which was established in 1892.

Figure 1.1
Chester Racecourse
Source: Barns (2011)

The company turnover has increased from £4.1 million in 2000 to £13 million in 2007. A sum of £10 million were invested in business after keeping the company's innovation and teams dedication high. This has resulted in a number of significant improvements such as a sum of £2 million was spent on the race day office and the company has also acquired Bangor-on-Dee Racecourse for £2.7 million, expanding the opportunity to present first class racing days and international events.

In 2003, the company invested £4 million in building an Express-Holiday-Inn hotel, which was a great success making its profit jump from £335,000 in 2005 to £530,000 in 2006. Other investments such as the improvement of race-goers' facilities, the extension of the county stand in 2005, the development of the Old Port Stable in 2006, and the Paddock extension have also contributed to make Chester Racecourse, the oldest racecourse in Britain, as one of the best racecourse and hospitality venues in the country (CRC, 2011). Each race day at Chester Racecourse attracts more than 20,000 people. It is also a partner with many North West's prestigious companies in showcasing their brand to race goers and to a national audience of closely 800,000 on mid-week fixtures or more than 1.3 million on Saturdays. In addition, the **Heathcotes Chester Racecourse** event catering is continuously maximising the success of any celebration by providing excellent catering packages besides superb professional services (Figure 1.2).

Figure 1.2
Chester Racecourse Event Catering
Source: Glutton (2011)

The racecourse as an organisation provides high-quality services for customers through the application of Internal Marketing (IM). According to IM (Ahmed and Rafiq, 1995, 2002; Mohammed and Pervaiz, 2000; Burkitt and Zealley, 2006), since all the employees are key performers who critically contribute towards the company`s success, it becomes utmost important that they are well looked after by the company. Hence, it is paramount for the racecourse to constantly exercise IM principles for enhancing employee's motivation and satisfaction.

Accordingly, the main aim of this study is to explore the empirical application of IM within a service oriented company, in particular within the racecourse, whilst the detailed objectives are, firstly, to explore the experience, the perceived responses and the degree of expression from the staff and line managers on the application IM in the workplace, secondly, to survey various aspects of IM within the racecourse as it is perceived by the internal staff, thirdly, to enhance our understanding on the empirical aspects of IM in a service and commercial context for stimulating further qualitative research in the area of IM.

This empirical research on IM is justified for several reasons as follows:

Firstly, the Chester racecourse as any other companies in the service sectors are struggling to retain their employee`s base following relevant literature (Malhotra and Ritzman, 1994; Gustafson, 2002; Toh, Yates and DeKay, 2007; Thaden, 2007; Tromp, van-Rheede and Blomme, 2010; Davidson, Timo and Wang, 2010; Mishra, 2010; Chalkiti and Sigala, 2010), which indicates that managing attrition is one of the pertinent issues in the service sector because a high attrition rate does not only affect the service quality but also leads to unnecessary higher training and development expenditure, thus dropping off the overall performance of the organisation.

Secondly, the area of IM is of under-researched area in marketing, consequently it needs further research following pertinent literature compared with the other areas such as customer behaviour, segmentation, marketing mix and others (Grönroos, 1983, 1994; Varey, 1995a; Lewis and Varey, Ed., 2000; Mohammed and Pervaiz, 2003; Binsardi, 2008; Gounaris, 2008) (Grönroos, 1983, 1994; Varey, 1995a; Lewis and Varey, Ed., 2000; Mohammed and Pervaiz, 2003; Binsardi, 2008; Gounaris, 2008). Accordingly, it requires further empirical research to enhance our understanding on the aspects which hinder the application of IM in a service and commercial context.

Thirdly, a chronological investigation of the past literature in IM reveals that most of the past studies concentrate on the conceptual or theoretical aspects of IM (inter alia, Grönroos, 1983; Berry, 1987; George, 1990; George and Grönroos, 1991; Ahmed and Rafiq, 1995; Varey, 1995b; Cahill, 1996; Ballantyne, 2000, 2004; Ahmed and Rafiq, 2002; Lings 2004; Guonaris, 2008). There has been few or non-existent studies on the empirical aspects of IM (inter alia, Tansuhaj, Randall, McCullough, 1988; Barnes and Morris, 2000; Paraskevas, 2001; Lings and Greenley, 2005; Gounaris, 2008b) which investigate on how the empirical application of IM behaves in real life. Accordingly, since most of the earlier studies were based primarily on conceptual surmise rather than rigorous empirical evidence, an empirical research such as this case study is needed to yield stronger strategic HR (human resource) implications for IM practitioners.

2. Literature Review

Internal Marketing (IM) concept emerged in the literature over the last 30 years as the way of enabling companies to motivate and retain customer-conscious employees (Grönroos, 1981; Berry, 1984a, 1984b; George, 1990; Payne and Christopher, 1995; Lewis and Varey, 2000; Dunmore, 2002). Since unhappy employee makes for unhappy customers, it becomes important that the employees are well taken care of, in an organisation to become successful. IM therefore involves creating, developing and maintaining an organisational service culture that leads to motivating the personnel performing quality service.

Further, according to relevant literature (Grönroos, 1981, 1990a; Berry, 1984b; Piercy and Morgan, 1990; Berry and Parasuraman, 1991; Collins and Payne, 1991; George and Grönroos, 1991; Rafiq and Ahmed, 1993; Greene et al, 1994; Gilmore and Carson, 1995; Brown et al., 1996; Hogg, Carter and Dunne, 1998; Lewis and Varey, 2000; Mohammed and Pervaiz, 2000, 2003; Dunmore, 2002; Pizam, 2005; Pervaiz, 2005; Robert, 2009), there are several conceptual interpretations of IM provided by various scholars since the late 1980s. Accordingly, there are three ways of conducting IM for enhancing employee motivation. Firstly, "Marketing to Employees" means motivating employees for performance improvement and building strong relationships with both internal and external customers. Secondly, "Internal Function Marketing" means marketing the marketing department and its operations, so that it is classified as investment rather than expenditure. Thirdly, "Marketing the Organisation`s Products and Services to Employees" means encouraging employees to make use of its own services. Hence, IM directs and motivates all staff members to understand their job role by adopting customer consciousness and service orientation, whether front-line or back-office service personnel to satiate external customer`s needs. In addition, relevant literature (Grönroos, 1981, 1990a; Gumesson, 1987a; George, 1990; Berry and Parasuraman, 1991; Ahmed and Rafiq, 1995; Joseph, 1996; Ewing and Caruana, 1999; Lings, 2000) emphasise more on the successful implementation of IM which could improve overall service quality.

3. Research Methodology

This study employs both Content analysis (CA) and Text analysis (TA). CA can be defined as a qualitative research tool used to explore critically the presence of certain concepts within interview texts by using thematic coding (Krippendorf, 1980; Carley, 1990). In this study, the conceptual meanings and relationships of the respondents' interview texts were coded by an NVivo software package.

The respondents were the line managers and staff at the Chester Racecourse. They were selected by using the concept of "theoretical sampling". It refers to the process of choosing additional respondents to compare with ones that have already been studied. If additional respondents provide no new information, the research terminates since it achieves "theoretical saturation" following relevant literature (Glaser and Strauss, 1967; Glaser, 1978, 1992; Robrecht, 1995; Strauss and Corbin, 1998; Leonard and McAdam, 2001; Goulding, 2002; Morse and Richards, 2002; Auerbach and Silverstein, 2003; Charmaz, 2006; Draucker, Martsolf, Ross and Rusk, 2007).

Whilst in using Text Analysis, the presence and meanings of the interview texts are quantified to analyse how many times certain important keywords in the IM context (theme frequency) appear in respondents' answers of interview texts. The methodological foundation of Text Analysis is Zipfian law, or Zeta distribution in mathematical statistics (Zipf, 1949; Li, 1992; Kali, 2003; Eftekhari, 2006). The moral of Zipfian law is that when using Text Analysis, there will be dominant "Keyword-In-Contexts" (KIC) or themes which will emerge based on the interview texts. Accordingly, research findings will be therefore dominated by a few most important KIC as the heart of research discovery.

This study employs an NVivo software package to carry out both Content and Text Analyses by coding the interview texts into conceptual categories on a variety of theme then by applying relational analysis inside the thematic or hierarchical codes. Both Content and Text Analyses were employed in this study because of several justifications as follows:

Firstly, it is the most suitable qualitative methods to answer the research questions since it is an inductive approach which explains people perception and behaviour in business and social environment (Miles and Huberman, 1994; Kvale, 1996; Creswell, 1998; Denzin and Lincoln, 1998; Babbie, 2008).

Secondly, since a coding process was applied conceptually to interview texts by using the concept of thematic coding, both Content and Text Analyses can be considered as the most apposite methods (Smith, Ed., 1992; Binsardi, 2010).

Thirdly, although there has been several research papers written on IM since 1967 (inter alia, Tansuhaj, Randall, McCullough, 1988; Quester and Kelly, 1999; Paraskevas, 2001; Lings and Greenley, 2005), there has not been any empirical paper written on the combined use of Content and Text analyses in Internal Marketing (IM) particularly for guiding further qualitative research.

Following the above data analysis, this research presented main research findings in an NVivo dynamic model. Although NVivo software produces both dynamic and static models, however, the dynamic model was employed in this study because it is more accurate since it links directly to the empirical data (Richards, 1999, 2009; Bazeley, 2007; QSR, 2010). This dynamic model uses the notions of parent and child codes in relation to the concept of hierarchical category and subcategory in coding (Richards, 1999; Bryman and Bell, 2003; QSR, 2010; Binsardi, 2010).

Since the model is "live" or connected to the data, it is empirical; not hypothetical or theoretical. The literature on methodology (Downs and Stea, 1973; Buzan, 2000; Farrand, Hussain and Hennessy,

2002; Binsardi, 2010) also indicates that this dynamic modelling is the most efficient media for visually communicating research findings. The superiority of this dynamic modelling over others is that it provides not only detailed and rigorous aspects of research findings, but also a comprehensive overall structure for empirical findings – detailing but also encompassing. The elements inside dynamic modelling are arranged by NVivo according to the relative importance of a hierarchical concept. These are grouped branches. Accordingly, it communicates research findings more efficiently by taking a fundamentally different approach to a merely traditional written explanation of empirical research.

4. Findings and Discussions

The feedback from the line managers as respondents indicates some IM obstacles that affect successful implementation IM (Figure 4.1). Figure 4.1 is basically NVivo findings (dynamic modelling) of the in-depth interview texts (Appendix 1). The findings further indicate that there are some significant IM obstacles empirically such as the problems of environment, mechanism and learning difficulty.

These "environmental" problems stem from the fact that there has not been comprehensive support from the management to implement total IM because of resource limitations (costs). On the other side, the "mechanism" problems arise because of technical and operational fault to implement IM. Whilst the "learning difficulties" occur because of the staff's misunderstanding on the concept of IM itself. These problems appeared to be originated from the lack of training and inadequate knowledge of on IM. This empirical finding is infrequently discussed in the empirical literature except the work of Dunmore (2002). That is, IM activity should be comprehensively supported by the company's management otherwise it will result in "inconsistent" process, costs and procedure within the organisation that directly affects the company's service quality.
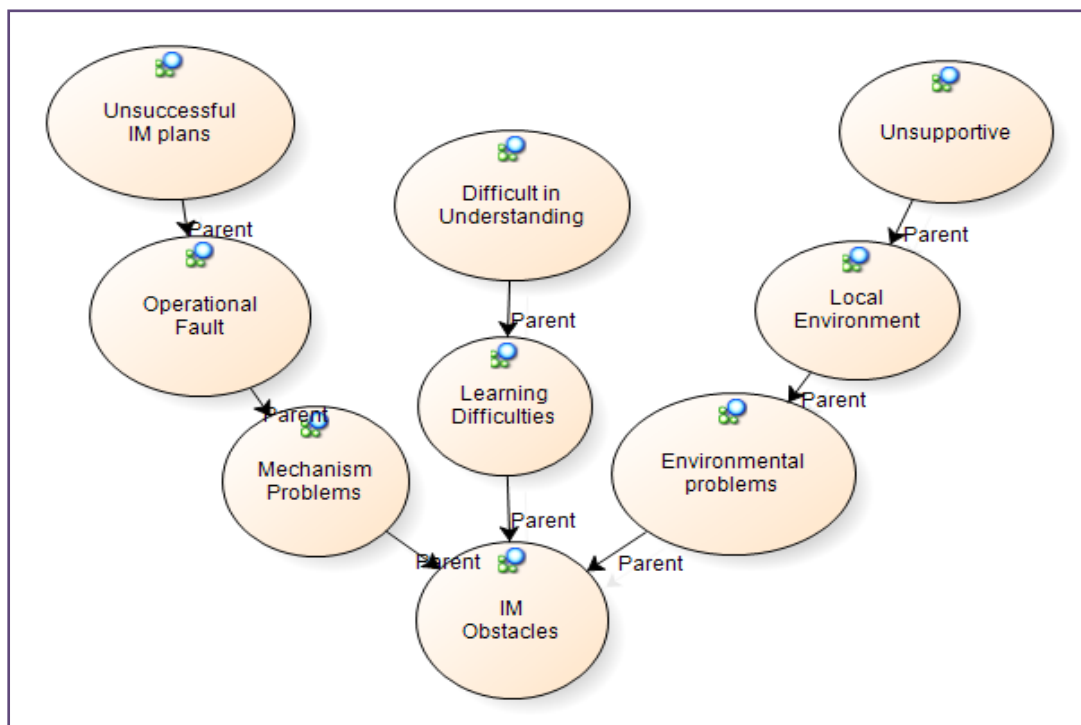
Figure 4.1
NVivo Dynamic Model: IM Obstacles

Figure 4.2 is an NVivo dynamic model showing the advantages of IM as perceived by the respondents. From an HR perspective, these findings emphasise two aspects which mentioned occasionally in the literature such as the lower attrition rate and enhanced productivity owing to the higher staff morale through the managerial encouragement. This productivity enhancement might also be caused an intermediate factor such as staff greater sense of ownership as indicated by Payne (1995). He stated further that IM is helpful in changing the structure of an organisation enabling the creation of autonomous units which display a greater sense of ownership and accountability. In addition, earlier literature such as Buchanan (1985, 1990) revealed that since IM leads to higher retention of the right employees in the workplace, this in turn creates a stable and experienced labour force that delivers highest service quality at lower costs. The relevant theoretical literature seems in line with these empirical findings (Figure 4.2). As a result, IM leads in higher customer retention and increased profitability.

Figure 4.2
NVivo Dynamic Model – IM Advantages
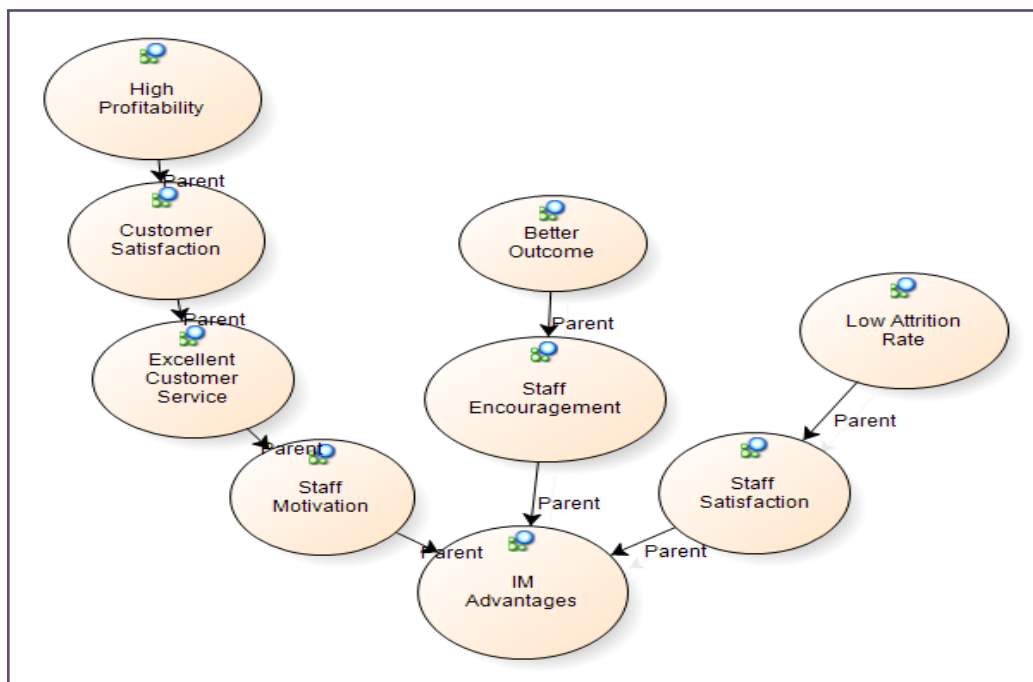
The findings of Text Analysis indicate that there are three types of IM implementation barriers such as "people", "concept" and "utility or cost" (Table 4.1). In terms of "people" barrier, IM fails to be implemented fully in the workplace because of lack of training, insufficient staff resource to cover all customers and excessive workloads.

The majority of people barriers originated in sequence from the lack of training (48%) in the company then excessive workloads (32%) and insufficient staff (20%). On the other side, the "concept" barriers were dominated in priority by the issues of IM application (54%); on how to apply correctly IM inside the company. Whilst the most significant "utility" barriers are the costing issues (48%) followed in

order by the other infrastructure issues. To solve all barriers, for example, IM training should be given priority to solve "people-oriented" issues. Whilst the curriculum on the training should cover more on the issues on how to apply correctly IM in the workplace. Lastly, the costing issues should be given priority to solve the utility issues. Although some findings are in line with relevant literature (Paraskevas, 2001; Lings and Greenley, 2005; Pervaiz, 2005), however, these priorical aspects of the findings have never discussed in IM literature. This aspect of prioritising is invaluable for IM practitioners since relating to the company's balance sheet vis a vis its resource limitation.

Table 4.1
Text Analysis - Implementation Barriers

No. of times the problems were discussed	"PEOPLE" Barriers			"CONCEPT" Barriers		"UTILITY or COST" Barriers		
	Lack of Training	Insufficient Staff	Excessive Workloads	Application Issues	Newly Established	New Infrastructure	Costing Issues	Insufficient Infrastructure
Respondent1	3	1	2	1	2	2	2	1
2	3	1	1	1	-	2	2	-
3	2	-	1	2	1	2	2	-
4	1	1	2	1	2	-	2	1
5	3	2	2	2	1	1	2	2
TOTAL	12	5	8	7	6	7	10	4
%	48%	20%	32%	54%	46%	33%	48%	19%
	100%			100%		100%		

In reality, although there were seven respondents (staff and line managers), however, the in-depth interview outcomes of respondents no. 6 and 7 do not add significantly any new information to the findings. Accordingly, it is decided that "theoretical saturation" was reached at the fifth respondents and no attempts were taken to interview more respondents. Theoretical saturation here is defined earlier as the end of research process in which additional interviews are not required because only repeated conceptual patterns (of in-depth interview texts) were obtained in the new sampling process as the findings are already "saturated" (Glaser and Strauss, 1967; Glaser, 1978, 1992). That is, additional interviews add nothing to what the findings already know about a category, its properties, and its relationship to the concept of hierarchy of category and subcategory in coding.

The findings also reveal that the most significant aspects are the "implementation" barriers of IM within the workplace (Table 4.2). There were many occasions where the line managers as respondents discussed IM barriers in details concerning training issues, staffing problems, costing concern, time elements etc. All of which were held responsible for the poor implementation of IM. These findings were reinforced by scrutinizing the Text analysis of the interview texts performed by NVivo (Table 4.2). The Text analysis was implemented by evaluating Keyword-In-Contexts (KIC). KIC here is defined as a significant and relevant terms that have a relatively high frequency in the interview texts under examination. This conclusion is based on the fact that, in the given overall stretch of the interview texts, certain keywords of letters occur with varying frequencies as to indicate the significance of particular issues in the practical implementation of IM.

Table 4.2
Text Analysis of Interview Texts

| Ranking	Keywords in Contexts "KIC"	Words Length	Words Count	Percentage %
1	Internal	8	119	36.28%
2	Implementation	14	49	14.94%
3	Training	8	48	14.63%
4	People	6	41	12.50%
5	Concept	7	36	10.98%
6	Motivation	10	35	10.67%
	Total		328	100.00%

The Keyword-In-Contexts (KIC) analysis of the repeated expressions indicates that the word "internal" and "implementation" appear consecutively 119 and 49 times (32.07% and 13.20%). These findings indicate the internal problems (within the organisation) affecting effective implementation of IM. This is followed by other significant problems such as "training" (14.63%), "people" (12.50%) and others. Further, the findings also revealed that the IM barriers could be ranked empirically accordingly as indicated by Table 4.2.

Empirically, the "internal and implementation" aspects within the company were considered as the most dominant barriers (1st and 2nd) of the successful implementation of IM in a service-oriented company like the Chester Racecourse, then followed by the barriers of "training" (3rd rank), then the aspects of "people" (4th rank), "concept or IM knowledge" (5th rank), and "motivation" (6th rank).

Therefore, it can be confirmed that the major barriers related to IM leads to the occurrence of "Implementation Gap" which hampers the application of IM in the workplace. This implementation aspects of IM (as a "parent code", Figure 4.3) originates from a "child code", which can be divided hierarchically into three components such as the issues of "people", "concepts" and "costing". Further, the interview texts reveal that there are certain implementation issues facing the successful implementation of IM. For example, the people issues stem from non-periodic trainings, lacking of work relaxation and excess work pressure during the IM implementation period (Figure 4.3).

Similar statements have been expressed by the other respondents that costing issues come from lacking infrastructural investment, lacking of organised meetings and trainings and insufficient budget to fully implement IM. Lastly, the respondents also consider that they are lacking of understanding what IM is as know how because they do not have any IM knowledge (conceptual understanding) as a relatively new subject.

Figure 4.3
NVivo Findings – IM Implementation Gap
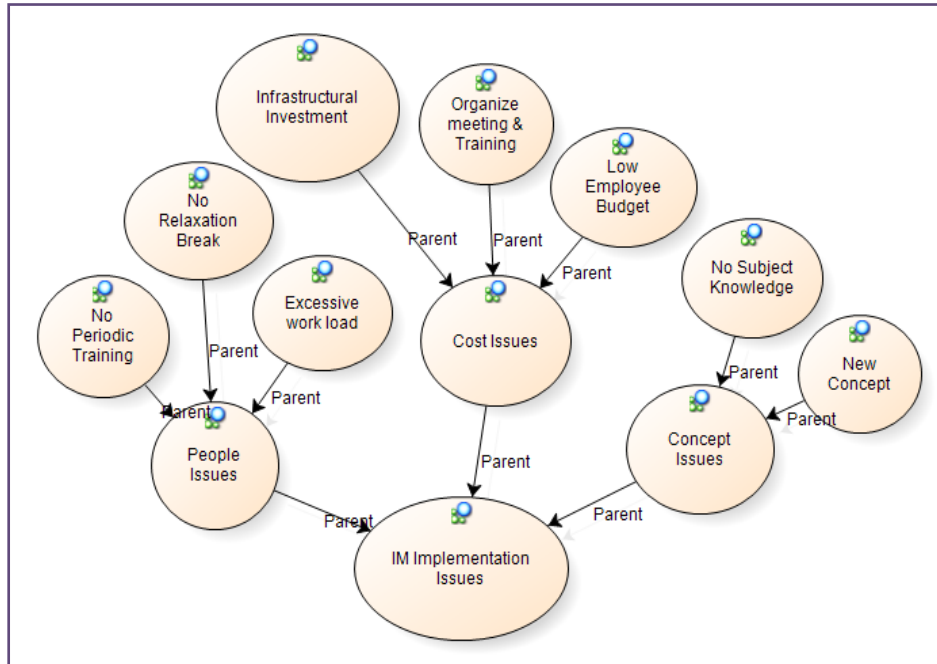
The findings indicate that strategic HR recommendation should be training and development for existing staff. In addition, if any organisations are to survive in the modern world of rapid change, they need to be faster learning than before according to relevant literature (Boxall, 1992; Hales, 1994; Hales and Mecrate-Butcher, 1994; Varey, 1995b; Dust, 1996; Pieters and Young, 2000; Armstrong, 2006). Their ability to do this faster learning rests upon the abilities of the workforce. In addition, providing training for employees assists not only to develop their skills and knowledge, but also to enhance motivational and a building block to organisational success (Ahmed and Rafiq, 2002; Rafiq and Ahmed, 2002; Michael, 2004).

Figure 4.4
NVivo Findings – Importance of IM in Service Organisations
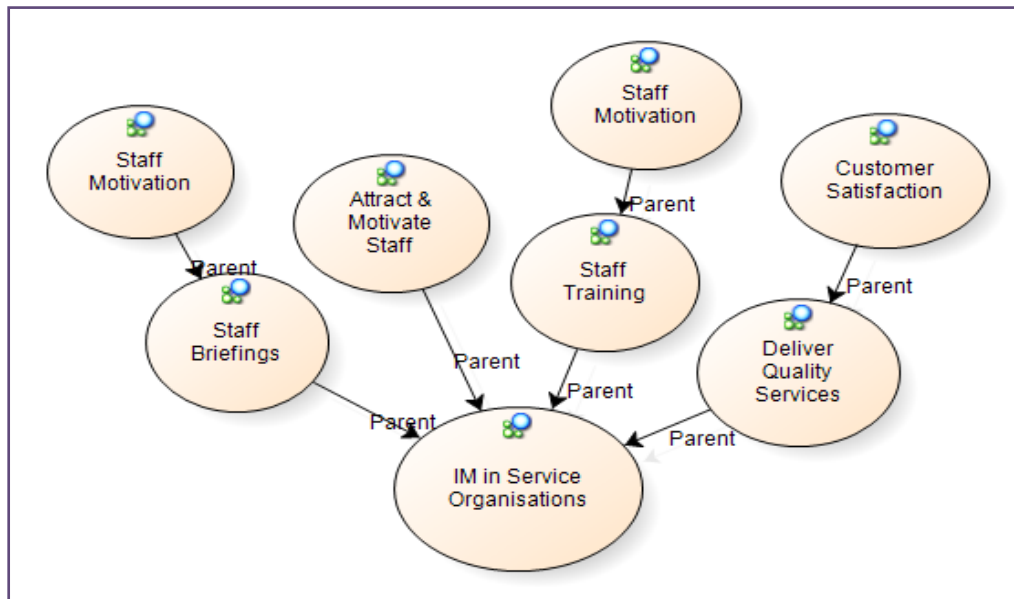
findings (Figure 4.4) also reveal the importance of IM in service organisations such as the racecourse as perceived by the respondents' perception (in-depth interview texts). Respondents expressed that there are several significance internal and external keywords. The internal keywords relate to "the enhancement of staff motivation", whilst the external keyword links to "the improvement of customer satisfaction". These empirical outcomes seem in agreement with relevant theoretical literature (Ballantyne, 1991; Hales, 1994; Rafiq and Ahmed, 2000; Hogg and Carter, 2000).

In a nutshell, it has been empirically confirmed by this study that the fundamental reasons behind the failure of IM at the Chester Racecourse is coming down to the "implementation issues" originated from the aspects of "people barrier, concept barrier and cost barrier". The issues can further classified as the implementation barriers at the Racecourse. Scrutinising in details a thematic coding process and the Text analysis, this study concludes that training and people are the prime barriers for effective implementation of IM. Whereas, the costing issues can be considered as secondary barrier to implement successfully IM in the service-oriented industry.

Figure 4.5
NVivo Findings – IM Solutions
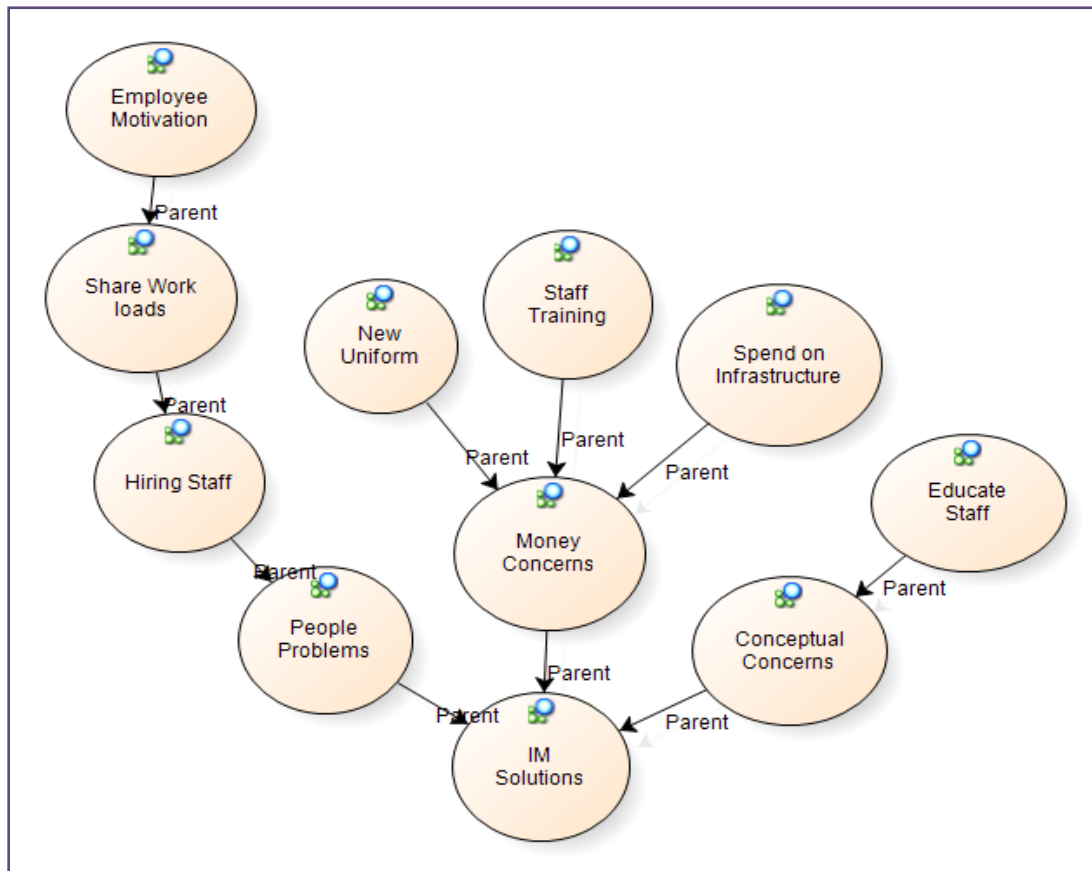
The findings reveal empirically that "implementation gap" can be considered as a significant selective category which has been derived from the emergent code in the qualitative data. Following this coding, the basic principle to solve IM problems at the Racecourse is to solve the problems of people and concept then costing (Figure 4.5 as IM Solution). According to the interview texts, the people problems can be minimised, for example, by hiring additional staff to share work load. In addition, the company needs to invest to provide staff training and enhance employee motivation and retention as well as educate staff about the concept of IM. In service organisations, people represents "front and service personnel" who are not only considered to be the backbone of any business establishments but also treated as the company`s biggest asset which requires some useful investment making in terms of training provision to perform better while running IM (Boxall, 1992).

Further findings on people problem state that there is another major issue that has resulted in the creation of implementation gap such as excessive workloads which takes place during races or other promotional events wherein employees do not get time for relaxation at Chester Racecourse. These outcomes appear in line with the theoretical literature (Pieters and Young, 2000; Holmes, 2001; and Armstrong, 2007) that all job related work pressure always creates stress which hampers individual performance and efficiency and thereby reduces organisational effectiveness. Consequently, work pressure has been named many times by the respondents as the key people issue while conducting interviews, which can be seen in Appendix 1.

5. Conclusion and Suggestions for Future Research

The study examined empirically the application of IM at the Chester Racecourse as a case study by employing both Content and Text analyses. It investigates the employees' perception on IM. The respondents were the staff and line managers at the Chester Racecourse. They were selected by using the concept of "Theoretical Sampling". The respondents were asked in in-depth semi-structured interviews to describe the IM programmes in the company. Specific questions were asked in relation to the length of time IM programme had been running, whether the programme was "informal or formal" and the job title of the person in charge of IM, whether this was full time or part time posts and the size of IM staff, and whom the staff reported to. Additionally respondents were also asked to describe the critical success factors of applying IM in the workplace and to describe modifications to IM programme and constructive feedback to guide the implementation of IM in the workplace.

This research has strongly demonstrated the key areas responsible for the occurrence of implementation gaps to apply successfully IM at Chester Racecourse which is. This ineffective implementation of IM activities may result in employee de-motivation thereby resulting in customer dissatisfaction and diminishing organisational performance because of the low level of quality service being rendered. The implementation gap can be minimised by solving the issues related to people, concept and cost to apply successfully IM at the workplace.

On the basis of information gathered after interviewing company`s employees, there are several strategic recommendations which are helpful in bridging implementation gap in IM as follows. Firstly, to conduct continuous staff training on IM knowledge on regular time intervals, the research findings clearly highlights the fact that there have been some problems within the training systems at the racecourse. Secondly, to organise internally regular IM awareness campaigns based on product knowledge, system usage and other related activities focusing employee motivation and customer satisfaction. This can be done by integrating both the HR department and the marketing department together through IM which aims at employee welfare. Thirdly, in regards to the people issue, besides imparting useful staff trainings and inductions, the company can actually look forward to other productive ways of staff development such as engaging staff members in continuous personal development (CPD) sessions. The second best alternative in this case scenario is the introduction of reward and recognition system. These incentives could be considered the motivating factors which creates a sense of pride, responsibility and employee participation in the implementation of IM. Fourthly, excessive work load and pressure is also a major concern in the present situation. Work pressure can be better handled either by recruiting sufficient staff member with proper duty allocation or by clearly defining their respective job role and requirements. These issues can also be minimised by introducing some kind of relaxation classes, social gatherings or by recreational activities which act like stress buster as it is being accepted and initiated by several other companies already. Fifthly, special emphasis must be given to enhance employee motivation through fully implementation of IM and by taking respective steps to eliminate the root cause of its failure or to overcome any other system flaws. An exemplary approach for such practice is to raise staff general awareness on IM, and also robust team/service orientation approach is beneficial. This would not only increase service efficiency, leading to prompt task completion, but also will result in saving qualitative time which can be used for executing other purposeful job thereby causing less work pressure/stress. Sixthly, to achieve a coherent teamwork between departments, it is imperative that the top management follow a participative approach in delegating authority. This will enable employees to develop a sense of engagement and empowerment without affecting accountability. It is also beneficial to arrange a regular meeting on weekly basis that involves all the line managers and top executive discussing the prime cause of operational IM failure such as costing and employee`s underperformance so that new possibilities for company and employee benefits can be explored.

At present due to the aspects of a case-study methodology, a generalisation of the findings is somewhat hindered. Arguably further research could be undertaken in investigating the application of IM in other type service-oriented companies (by using a diversified or stratified sampling technique) such as restaurants, hotels, leisure centres etc as well as product-oriented companies such as grocery, computers, frozen foods etc in relation to the IM implementation gap so a further generalisation can be produced.

In addition, similar type of research can be conducted in future by using quantitative analysis hence richer comparison could be made accordingly in relation to the development IM theory by triangulate a qualitative analysis with a quantitative analysis such as Logit model to analyse the probability of successful implementation of IM based on several competing explanatory factors.

Further, a study on the implementation gap of IM could also be reinstated by utilising external customers instead of internal staff and line managers as respondents. Lastly, since this study used the "perceived" values of the staff, the reality or the "actual" values of IM may differ. Accordingly, further empirical studies could be focused on the actual values of company's secondary data (balance sheet and income statements in metric forms) to investigate the company's performance before and after IM implementation (ex post – ex ante) to view whether any progression made owing to IM.

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**Appendix 1A – Selected In-Depth Interview Texts
("Training and Motivation" Issues)**

Respondent 1:
" ... There are people issues in terms of staff training, which may not be provided as frequently as we would like. Another cause is, as mentioned in the previous question, about providing adequate or excessive workloads for part-time employees in quiet periods. Lastly, excess work pressure, especially

during race days and busy event periods, does not allow employees to unwind as they need, which is another de-motivating factor ...”

Respondent 2:
“ ... People, money and subject knowledge play a very crucial role in the implementation of internal marketing, the reason being, if the basic assets of the organisation, i.e. its employees, are motivated and committed towards their respective roles and responsibilities, then only they can produce better results. And this directly depends on how much effort and money is invested to train and motivate its employees in conducting staff training and motivation programmes. Furthermore, it cannot be implemented effectively without gaining the proper understanding of the subject matter ...”

Respondent 3:
“ ... Factors affecting the successful implementation of internal marketing practice are: cost, time and manpower. Therefore, a business will always try to get the most out of its employees for the best cost effectiveness. A company must always weigh up the option of internal marketing against predicted output increase. A company must try to educate its people about this new concept of internal marketing exclusively designed for employee motivation and commitment towards its organisation ...”

Respondent 4:
“ ... Predominantly, there are two major concerns relating to people and cost, which are diminishing the implementation growth of internal marketing at Chester Racecourse. The main cause of their occurrence is lack of training provided to service personnel, and the other one is none other than a common work pressure issue, which exists everywhere in all businesses. However, here we always make sure that people get small relaxation breaks in between operations. Secondly, our monetary plan is quite tight, which requires sensible investment in order to get expected returns. Therefore, we only have limited available funding options of providing our racecourse employees with advanced training on better equipment utilisation and on cost effectiveness, especially during a recession ...”

Appendix 1B – Selected In-Depth Interview Texts
(“Training” Issues)

Respondent 1:
“ ... There are people issues in terms of staff training, which may not be provided as frequently as we would like. Therefore, useful periodic training is a must here ...”

Respondent 2:
“ ... Stressful and long shifts without proper staff training and working strategies, especially at the time of busy race days, result in employee dissatisfaction. On the other hand, staff performance under such critical conditions without appraising is also a de-motivating and disappointing subject ...”

Appendix 1C – Selected In-Depth Interview Texts
(“People” Issues)

Respondent 1:
" ... Another cause is, as mentioned in the previous question, about providing adequate or excessive workloads for the part-time employees in quiet periods. Lastly, excess work pressure, especially during race days and busy event periods, does not allow employees to unwind as they need, which is another de-motivating factor ..."

Respondent 4:
" ... Another major concern is the common work pressure issue, which exists everywhere in all businesses. However, here we always try to make sure that people get small relaxation breaks in between the operations, which seems difficult during races ..."

Respondent 5:
" ... Secondly, enormous work pressure especially during race days where staff generally get de-motivated as they don't get enough time for relaxation breaks or coffee breaks ..."

Appendix 1D – Selected In-Depth Interview Texts
("Concept" Issues)

Respondent 1:
" ... The internal marketing concept is relatively new or does not exist at all here, so proper subject knowledge should be given for its effective implementation ..."

Respondent 2:

" ... Furthermore, the lack of subject knowledge also resists the effective implementation of internal marketing done by the management, so the proper subject knowledge is a key to success here ..."

Respondent 5:
" ... Finally, even the internal marketing concept is either never heard of before or it is a spanking new concept to be implemented here, so extensive subject knowledge must be given for its effective implementation ..."

Appendix 1E – Selected In-Depth Interview Texts
("Costing" Issues)

Respondent 1:
" ... There are certain cost issues related to limited monetary budgets of the company, which gives little choice to the company to provide employees with new infrastructure. We do, however, arrange informative staff training sessions when we feel they are required, but all of these require additional cost and have to comply with our budget parameters ..."

Respondent 2:
" ... Long-term future planning also hampers the effective utilisation of cost-related issues, because management has limited long-term budgeted planning on the basis of the market demands which are changing day by day that lead to certain amendments in their budget in fulfilling current market needs such as employees appraisals, product orientation and service induction programmes, etc... "

Respondent 4:

" ... Since our monetary plan is quite tight, which requires sensible investment in order to get expected returns, therefore we only have the limited available options of providing our racecourse employees with advanced training on better equipment utilisation and on cost effectiveness, especially during a recession... "