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**THE RELATIONSHIP BETWEEN INTERNAL MARKETING AND CUSTOMER
SATISFACTION IN PRIVATE MEN'S SWIMMING POOL OF TEHRAN**

**ABDOREZA AMIRTASH^{*1}, MAHDI SEYYED ALI², MOHAMMAD JAVAD
AFSHARIAN³, MOHADESH SHAHRAKI⁴**

1,2,4: Department of physical education and sport science, Central Tehran Branch,
Islamic Azad University, Tehran, Iran

3: Department of Physical Education and Sport Sciences, Science and Research Branch,
Islamic Azad University, Tehran, Iran

ABSTRACT

The purpose of the present research was to examine the relationship between internal marketing and customer satisfaction in private men's swimming pool of Tehran. The population of this correlational research consisted of all the employees and customers of men's swimming pool with at least six months membership. 150 employees and 350 customers were selected as the sample using Morgan's table. The Internal Marketing Questionnaire of Money and Foreman ($\alpha = 0.94$) and the Customer Satisfaction Questionnaire of GoharRustami ($\alpha = 0.91$) were used for data collection. The data were analyzed using Kolmogorov-Smirnov test, Pearson correlation coefficient, Friedman test, and multivariate regression. The results of Pearson correlation showed that there was no significant relationship between internal marketing and customer satisfaction in the sample swimming pool ($r = 0.079$; $p = 0.004$). The results of Friedman test indicated that satisfaction with health (4.57) and mental satisfaction (4.38) were the most important components of customer satisfaction. Moreover, the results of regression analysis showed that 6% of changes in satisfaction can be explained by the components of internal marketing ($R^2 = 0.062$; $p < 0.01$), and that information sharing is the most important predictor of customer satisfaction ($\beta = 0.43$; $p < 0.000$). The implication is that development of information sharing is an important factor in internal marketing. It is also important to pay

special attention to internal marketing in order to improve customer satisfaction in swimming pool.

Keywords: Internal Marketing, Satisfaction, Swimming Pool

INTRODUCTION

In today's increasingly changing world, most companies are seeking to find innovative ways to enhance their competitive advantage in order to maintain customers and their loyalty. Intelligent and prospective companies focus primarily on the way of behavior and relationship to their employees, and first of all attempt to satisfy them. Employees are the most significant asset of a company and lack of efficient ones create several problems for companies in the current increasingly competitive world. This is more pronounced in service organizations. Studies indicate that satisfied employees results in satisfied customers and eventually their loyalty [1]. Marketing is now a means to communicate with people for non-profit organizations, including swimming pool [2]. Given the critical role of mobility and physical activity for health, it is imperative to examine the factors that affect regular participation in physical activities. This allows for identifying opportunities in sports as well as people's preferences and needs using marketing techniques [3]. The concept of internal marketing has gained increasing attention over the last few decades.

Internal marketing means promoting the firm and its policies to employees as if they were (internal) customers. Internal marketing is a key source of competitive advantage. Internal marketing is a strategy for developing relationships between employees across inter-organisational boundaries challenging any internal activities that need to be changed with the intention of enhancing the quality of external marketing relationships[4]. Ahmed and Rafiq[5] describe internal marketing to be a somewhat problematic area. They argue that there is no single unified definition of internal marketing, which leads to the inclusion of many different activities within this area. They define internal marketing as a planned effort, conducted in a market-like approach, with an aim of motivating employees but also striving towards both implementing and integrating long-term strategies towards customer orientation.

Similarly, swimming pool have to implement customer orientation strategies and focus on appropriate marketing techniques in order to survive and succeed. Successful organizations dedicate all their energy to understanding and satisfying customers' needs and desires. When

customers are satisfied with services, they become a source of profit and create value for the club [6].

Rahmati [7] studied the effect of internal marketing on customer loyalty of Iran Insurance company - Kermanshah province. Also, marketing strategy variable and customer satisfaction as mediate variables have been studied. The research, based on its aim is a practical work and in terms of the used method are a descriptive and a correlation kind work. Data's analysis and hypothesis test are used by structural equation modeling and especially the path analysis technique is used by Lisrel software. The results of this study showed that internal marketing through the marketing mix and customer satisfaction has influenced the customer loyalty. Also, the results showed that employees and organizations must consider the process of overall marketing strategies with regard to competitive conditions. Shah [8] This paper proposes a comprehensive model of internal marketing's effect on employee satisfaction, productivity, product quality, customer satisfaction and firm performance for manufactured goods. Managers in corporations can use this model as a whole or in part in order to increase their firm's performance. A firm needs to have proper internal marketing strategies in place in order to increase

employee satisfaction, employee retention and attract new employees. This will ultimately lead to higher firm performance in terms of higher revenue growth and higher profitability over the long run. The bottom line is that if a firm has proper internal marketing strategies in place, it will trigger a chain reaction which will ultimately lead to higher firm performance. Omar Salem [9] The main objective of this paper was to examine the relationship between internal marketing orientation and employee job satisfaction. Correlation and regression analysis were used to examine the relationship between internal marketing orientation and employee job satisfaction. The result indicated that internal marketing orientation positively correlated with employee job satisfaction. The regression result revealed that only 40.9 % of the variance in job satisfaction has been significantly explained by the three dimensions of internal market orientation. Likewise, the result showed that the most influence dimension of internal marketing orientation on employee job satisfaction was internal response. Chen and Lin [10] examined the relationship between internal marketing and employee loyalty in a qualitative research and showed that a strong relationship exists between these variables. Martinez et al. [11] studied the

role of internal marketing in intercollegiate athletics and showed that that effective implementation of an internal marketing orientation can foster the development of affective commitment to the organization. They also showed that internal marketing mediates the relationship of job function and affective commitment.

Investigating customer satisfaction in a health Swimming pool context, Bodet[12] showed that the quality of human factors, such as staff behaviour, and non-tangible factors, such as image, are determinant in the formation of the participant's satisfaction. Gounaris et al. [13] reported that the foundation of internal marketing is employee satisfaction, which ultimately leads to customer satisfaction.

Ramezani[14] examined the factors that affect customer satisfaction in men's swimming pool across Tehran. The results showed that there was a significant correlation between economic and social status of customers and their satisfaction. There was also a significant relationship between customers' needs and desires, the use of modern equipment, and customer satisfaction.

Further research on internal marketing in sports industry can provide insights for managers about the needs and preferences of participants in swimming pool, allowing them to plan for increasing customer

satisfaction and attracting new clients. Swimming pool must consider customer orientation in all their management decisions. Thus, the purpose of this research was to examine the effect of internal marketing on customer satisfaction in men's swimming pool of Tehran.

MATERIALS AND METHODS

This research was descriptive-correlation, carried out as a field study.

Population and Sample

The population of this research consisted of all men's swimming pool across Tehran as well as their employees and customers with at least six months membership (40 swimming pool, 300 employees, and 3500 customers). 150 employees and 350 customers from 40 swimming pool were selected as the sample based on Morgan's table.

Instruments

Internal marketing was assessed using the questionnaire developed by Money and Foreman. This instrument consists of 21 items in 7 dimensions—i.e. job security, employee training, rewards, information sharing, empowerment, reduced economic gap, and internal marketing strategies. Moreover, customer satisfaction was assessed using the questionnaire developed by Gohar Rustami[15] which consists of 27 items and seven dimensions—i.e. social satisfaction, mental satisfaction,

satisfaction with health, satisfaction with equipment, satisfaction with employees, satisfaction with programs, and other factors. These scales were rated on a 5-point Likert scale.

The face and content validity of the questionnaires was verified by 10 professors of physical education and sports science with degrees in sport management and sports marketing. Cronbach's alpha was used to assess the reliability of the instruments. A small sample of the population ($N = 30$) was randomly selected and the questionnaires were distributed among them as a pilot study. A Cronbach's alpha of 0.95 and 0.89 was obtained for the Internal Marketing Questionnaire and the Customer Satisfaction Questionnaire respectively.

Data Analysis

Descriptive statistics (i.e. mean, standard deviation, and frequency distribution tables) were used to classify and describe the data. Kolmogorov-Smirnov test was applied to examine the normal distribution of the data. Moreover, Pearson correlation coefficient, Friedman test, and multivariate regression analysis were used for hypothesis testing.

RESULTS AND DISCUSSION

Descriptive data showed that of 150 employees, 90 were single and 60 were married. The data also showed that almost

76.1 percent of the employees were less than 40 years of age. Frequency distributions indicate that 4.8 percent of the employees had high school education, 11.7 percent had high school diploma, 35.8% had associate degree, 39.4 percent had bachelor's degree, and 7.3 percent had master's degree or higher. 54.5 percent of the employees had less than 5 years of experience. Moreover, 35.8 percent were low-income and 19.4 percent were middle-income employees.

The demographics data of the customers showed that 150 were single and 200 were married. Also 62.7 percent of the customers were less than 40 years of age. Also the data indicated that 6.6 percent of the customers had high school education, 20.9 percent had high school diploma, 26.6 percent had associate degree, 35.8 percent had bachelor's degree, and 10.1 percent had master's degree or higher. Demographics data showed that 23.6 percent of the customers had been a member for less than one year, 27.5 percent for 1-2 years, 17.6 percent for 2-3 years, and 31.3 percent for more than 3 years. Moreover, 19.4 percent of the customers were low-income and 15.5 percent were middle-income.

The results of Pearson correlation test showed that there is no significant relationship between internal marketing and customer satisfaction in

men'sswimming poolacross Tehran (r = 0.079; p = 0.004) (Table 1).

Table 1: The relationship between internal marketing and customer satisfaction in men'sswimming poolacross Tehran

Variables	Satisfaction		
	Correlation	Sig.	R ²
Internal Marketing	0.079	0.004	0.62

The results of Friedman test (Table 2) indicated that there are significant differences between the mean ranks of satisfaction components. Satisfaction with health had the highest rank (4.57), followed by mental satisfaction (4.38), satisfaction with employees (4.19), social satisfaction (3.91), other factors (3.76), satisfaction with programs (3.66), and satisfaction with equipment (3.52).

Table 2. Ranking of satisfaction components

Componen ts	Mea n	Ran k	N	χ ²	d f	Sig.
Social	3.91	4	350	220.990	6	0.000
Mental	4.38	2				
Health	4.57	1				
Equipmen t	3.52	7				
Employees	4.19	3				
Programs	3.66	6				
Other factors	3.76	5				

Multivariate regression analysis was used to determine the predictive power of the dimensions of internal marketing. The results showed a relatively weak correlation between the components of satisfaction and internal marketing (R = 0.25). Moreover, the value of adjusted coefficient of determination ($\bar{R}^2 = 0.06$) showed that the seven

dimensions of internal marketing predict 4 percent of changes in customer satisfaction (Table 3).

Table 3: The results of multivariate regression analysis

Multiple Correlation Coefficient	R ²	\bar{R}^2	Standard Error
0.25	0.06	0.04	0.520

Table 4. The results of ANOVA

Model	Sum of Square s	df	Mean Square s	F	Sig.
Regression n	5.531	7	0.790	2.927	0.006
Residual	88.293	327	0270		
Total	93.824	344	-		

The results in Table 5 show that only the effect of information sharing on satisfaction is significant. But job security, employee training, empowerment, reduced economic gap, and internal marketing strategies had no significant effect on satisfaction at the 0.05 significance level. The regression coefficient of information sharing was 0.19, indicating that one standard deviation change in information sharing leads to 0.19 change in customer satisfaction.

Table 5. Regression coefficients of the effect of internal marketing on satisfaction

Variable s	B	SE	Be ta	T	Sig .	Correlatio n	
						Zer o-Or der	Par tial
Constant	3.513	0.219		16.029	0.000		
Job Security	-0.091	0.165	-0.04	-0.553	0.581	0.01	-0.03
Employe e Training	0.132	0.195	0.05	0.680	0.479	0.06	0.04
Rewards	-0.138	0.112	-0.09	-1.239	0.216	-0.01	-0.07

Information Sharing	0.388	0.110	0.223	3.543	0.000	0.200	0.19
Empowerment	-0.241	0.164	-0.10	-1.471	0.142	-0.01	-0.08
Economic Gap	-0.029	0.124	-0.02	-0.231	0.818	0.04	-0.01
IM Strategies	0.102	0.097	0.06	1.054	0.293	0.10	0.06

The regression model can thus be reduced to the following:

$$\text{Satisfaction} = 0.19(\text{Information Sharing})$$

CONCLUSION

The present findings showed that there is no significant relationship between internal marketing and customer satisfaction. This is somehow consistent with the results of Theodorakis et al. [16], but inconsistent with the results of Gorgani[17], Bouranta et al. [18], Liao [19], and Tortosa[20]. Theodorakis et al. [16] investigated the satisfaction of customers of health clubs in Portugal. The results showed that female customers were less satisfied than male customers in the facilities/services dimension, while more educated individuals were less satisfied both in the facilities/services and social/intellectual dimensions. However, previous studies have mostly reported a positive relationship between internal marketing and satisfaction. Bouranta et al. [18] investigated the impact of internal marketing on bank performance. They argued that that internal marketing and customer orientation are important in

modern banking institutions, as it is the frontline employees of the bank who interact with a majority of customers and generally handle a wide range of banking transactions. Tortosa et al. [20] showed that employee orientation or internal market orientation, through informal generation of information, influences the satisfaction of contact personnel, the quality of service perceived by the customer, and customer satisfaction. Thus, the literature primarily supports the relationship between internal marketing and customer satisfaction. The inconsistency of present findings and past research can be attributed to the fact that there is no common understanding of internal marketing in men'sswimming poolacross Tehran. It is also possible that internal marketing has not been successfully implemented to overcome resistance to change, motivate the employees, and increase coordination and unity among them to strive for achieving organizational goals and satisfying customers. Further, differences in population and instruments may have led to contradictory results.

The present findings also showed that there is a significant difference between the ranks of satisfaction components. Satisfaction with health and mental satisfaction had were the most important

components. This is consistent with the results of Liu [21], Lin [22], Rangraz[23], and Behlakeh[3]. Liu [21] studied service quality, customer satisfaction, and customer loyalty in commercial swim swimming pool Taiwan. The results indicated significant differences of customer satisfaction in relation to customers' ages, monthly income, education degree, and membership. Valois et al. [24] and Niraj et al. [25] listed various factors that affect customer satisfaction, such as the appearance of employees, spiritual well-being, business environment, and balance between service quality and costs.

Satisfaction with physical and mental health were the most important components of customer satisfaction. Having a healthy body and mind is a deep-seated desire for human beings. An active lifestyle and health are intertwined. Engaging in recreational sports contributes greatly to health of individuals and societies. This has led to the development of various physical fitness, preventive and rehabilitation programs, and physical therapy programs. But mental health is also essential to human survival and growth. Identity and personality can be shaped and affected by sport.

The results of multivariate regression analysis showed that there is a rather weak

correlation between the components of internal marketing and customer satisfaction ($R = 0.25$). The regression model with 7 independent variables (i.e. employee training, rewards, information sharing, empowerment, reduced economic gap, and internal marketing strategies) and 1 dependent variable could explain changes in satisfaction, although its predictive power was insignificant. Information sharing was the only variable that had a significant effect on satisfaction at the 0.05 level. This is to some extent consistent with the results of Ballantyne[4], Hosseini and Rahmani[26] and Bansal et al. [27]. Hosseini and Rahmani[26] examined the effect of internal marketing on organizational performance in travel agencies of Tehran using structural equation modeling. They showed that internal marketing is positively associated with performance.

Perreault, Cannon, and McCarthy define marketing as the performance of activities that seek to accomplish an organization's objective by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client[28]. Accordingly, marketing is founded on the principle that customer satisfaction is a function of employees' satisfaction, and organizations need to pay attention to both

internal and external marketing [15]. The goal of marketing activities is to attract, retain, and promote customer loyalty. Based on the present findings, information sharing a major outcome of internal marketing and can have a significant effect on customer satisfaction. Ballantyne[4]believes that information sharing is one of the main mechanisms through which internal marketing affects the quality of services. Thus, sports clubs must facilitate the free flow of information in order to foster information sharing, which in turn facilitates decision making, provides an appropriate feedback mechanism, and enhances capabilities. When employees of a sports club are tuned to the activities of the club, they will realize the significance of their role, which is one of the main goals of internal marketing.

Swimming pool need to be more conscious of the principles and advantages of internal marketing. Club managers must communicate their vision to the employees, while simultaneously investing in employee development and training and rewarding them based on their performance. Internal marketing provides a mechanism for increasing customer and employee satisfaction through information sharing, job richness, job security, rewards, and empowerment.

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