



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE EFFECTS OF INTERNAL BRANDING ON EMPLOYEE
BRAND COMMITMENT IN THE CASE OF NATIONAL
ALCOHOL AND LIQUOR FACTORY**

**BY
DANIEL DEMOZ (GENERAL MBA.)**

**SMU
DECEMBER, 2019
ADDISABEBA**



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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF
GRADUATES STUDIES FOR PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR MASTER'S DEGREE IN BUSINESS
ADMINISTRATION**

**SMU
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**BY
DANIEL DEMOZ**

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate Studies

Signature

Advisor

Signature

External Examiner

Signature

Internal Examiner

Signature

APPENDICES

Appendix 1. Research Questionnaire Designed to collect the significant primary data.



ST. MARY'S UNIVERSITY COLLEGE SCHOOL OF GRADUATE STUDIES

Research Questionnaire for National Alcohol and Liquor Factory Employees

Designed to collect the significant primary data

for

**THE EFFECTS OF INTERNAL BRANDING ON EMPLOYEE BRAND
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LIQUOR FACTORY**

BY

DANIEL DEMOZ (GENERAL MBA.)

AUGUST, 2019

ADDISABEBA, ETHIOPIA

PART I

Demographic Information

The statements written under this section will be asked to fill your demographic information which is relevant for this study, please kindly indicate your response by putting a thick mark “√” in the space provided.

1. Gender Female Male
2. Age 18-30 31 -50 above 51
3. Marital status Married Single Divorced Widowed
4. Educational level Certificate and Below Diploma holder BA/SC
MA/SC and above
5. For how long have you been working at NALF _____?

PART II

Survey on the Practice of Internal Branding and its Effect on Brand Commitment of Employee

Internal branding helps to align and empower employees to deliver the appropriate customer experience in a consistent manner. The given below are four dimensions of internal branding (i.e. internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership and their effects on employee brand commitment. Based on this information, to what extent do you agree or disagree with the following statements on the given scores from ‘1’ to ‘5’? Please kindly indicate your response by encircling the numbers provided in the space.

□□□□ □□□□□□□□ □□□ □□ □□□□□ □□□□ □□□□□□□□

1=StronglyDisagree (□□□□□□□□/ (SD) , 2=Disagree (□□□□□□/ (D) ,
 3=Neutral (□□□□□□□/ (N) , 4=Agree /□□□□□□/ (A) and 5 =Strongly
 Agree/□□□ □□□□□□/ (SA) .

R.no.	Construct and Items	SCALE				
		SD	D	N	A	SA
		1	2	3	4	5
I	Internal Communication /□□□□ □□□□ □□□/					
1.	NALF delivered formal brand related material to me and my colleagues (brochures, booklets, e-mail etc.) □.□.□.□ □□□□ □□□□ □□□ □□□ □□□□□□ □□□ □□□ □□□□□□ □□□□□□ □□□□□□□□ □□□□□□□/	1	2	3	4	5
2.	NALF informs me what the organization brand stands for. □.□.□.□ □□□□ □□□ □□□ □□□□□□ □□□□□□□/	1	2	3	4	5
3.	NALF . informs me about my role in the organization □.□.□.□ □□□□□□ □□□ □□□□ □□ □□□□□□□/	1	2	3	4	5
4.	NALF's brand is reflected in my work □□.□.□.□ □□□□ □□□□ □□□ □□□□□□□□/	1	2	3	4	5
5.	NALF . orients brand values to each group of employees. □.□.□.□ □□ □□□□ □□□ □□□□□□□ □□□□□□ □□□□□/	1	2	3	4	5
6.	NALF . communicates brand values to me via two-way communications □.□.□.□ □□ □□□□ □□□ □□□□□□ □□□□ □□□ □□□ □□□/	1	2	3	4	5
7.	NALF encourages the sharing of information between departments/core processing units which enhances brand commitment □.□.□.□ □□□ □□□□ □□□ □□ □□ □□ □□□□ □□□□ □□□□ □□□□□ □□□□□□□/	1	2	3	4	5
8.	Top Managements often disposed to share information about the organization to lower level employees /□□□□ □□□□□□□□ □□□□ □□□□□□ □□□□ □□□□□□ □□□□□□/	1	2	3	4	5
II	Brand Oriented Training /□□□□ □□□ □□□□/					
9.	I have acquired training/instructions about how should I carryout my assigned duties /□□□□ □□□□ □□□□ □□□□□□ □□□□ □□□□□□/	1	2	3	4	5
10	I have acquired training/instructions about how should I treat Factory's customers □□□□□□ □□□□ □□□□□□□□ □□□□□□ □□□□□□ □□□□ □□□□□□/	1	2	3	4	5
11	I have acquired training/instructions about how to Deliver customer focused service /□□□□ □□□ □□□ □□□□□□ □□□□ □□□□ □□□□□□ □□□□ □□□□□□/	1	2	3	4	5
12	NALF supports me in attending training activities which are related to brand values	1	2	3	4	5

	□.□.□.□/□□□□ □□ □□ □□□□□□ □□□□□□ □□ □□□□□□/								
13	NALF provides me with trainings that are related to brand □.□.□.□ □□□□ □□ □□□□□□ □□□□ □□□□□□ □□□□□/	1	2	3	4	5			
14	I get a knowledge/information from my boss/coordinators/supervisor/ about how to act in meeting with customers □□□□/ □□□□□□□□/ □□□□□□ □□□□ □□□□ □□□□□ □□□□ □□□□ □□□□□/	1	2	3	4	5			
15	Reports, memos, videos, presentations and formal meetings are used to communicated and disseminate brand value and other relevant information across departments/divisions and individuals within the Factory. /□□ □□□□ □□ □□□□□□ □□ □□□□□□ □□□□ □□ □□□□□ □.□.□.□ □□□□□□□□□□□□□□□□□ □□□□□□□□□□□□□□ □□□□□□/	1	2	3	4	5			
16	NALF offers training and other interpersonal and technical skills that enable me to be committed □.□.□.□/□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□ □□□□□□/	1	2	3	4	5			
III	Brand Oriented Recruitment /□□□□ □□ □□□□/								
17	NALF identify the matching between the new recruitment personal value and the organizational value □.□.□.□/ □□ □□ □□ □□□□ □□□□ □□ □□□□ □□ □□ □□□□□ □□□□/	1	2	3	4	5			
18	NALF provided initial training for new employees together with follow-up and informal activities which further strengthen the fitness between employees and the brand /□□□□□ □□□□□ □□□□ □□□□□ □.□.□.□ □□□□ □□□□□ □□□□□ □□□ □□□□/	1	2	3	4	5			
19	NALF have brand-oriented evaluation systems to recruit new employees □.□.□.□/ □□ □□□□□ □□□□ □□□ □□ □□ □□□□ □□ □□□□□/	1	2	3	4	5			
IV	Brand Oriented Leadership /□□□□ □□ □□□□□/								
20	My boss /coordinators/supervisor/ regularly with me and my colleagues in the daily work /□□□□□□□/□□□□/□□□□□□□□□□□□□□□□□□□□□□□□□□□□ □□□□□□□ □□/	1	2	3	4	5			
21	My boss /manager/supervisor/ act as a role model in my daily work /□□□ □□□□/ □□□□/ □□□□□ □□ □□ □□ □□ □□□ □□/	1	2	3	4	5			

Thank you for your patience!!

□□□□□□ □□□□ □□□ □□□□□□□□□□

Appendix 2. Frequency Distributions of Demography.

(Gender, Age, Marital status, Educational level, Work Experience)

2.1 Frequency Table of Gender/Sex

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Female	50	29.4	29.4	29.4
Valid Male	120	70.6	70.6	100.0
Total	170	100.0	100.0	

2.2 Frequency Table of Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-30	49	28.8	28.8	28.8
Valid 31-50	97	57.1	57.1	85.9
Valid above 50	24	14.1	14.1	100.0
Total	170	100.0	100.0	

2.3 Frequency Table of Educational level

	Frequency	Percent	Valid Percent	Cumulative Percent

	Cert. &below	22	12.9	12.9	12.9
	Diploma	48	28.2	28.2	41.2
Valid	BA/BS	87	51.2	51.2	92.4
	MS & above	13	7.6	7.6	100.0
	Total	170	100.0	100.0	

2.4 Frequency Table of work experience

	Frequency	Percent	Valid Percent	Cumulative Percent
	1-5years	82	48.2	48.2
	6-10years	45	26.5	74.7
Valid	11-15years	11	6.5	81.2
	16years&above	32	18.8	100.0
	Total	170	100.0	100.0

2.5 Frequency Table of Marital status

	Frequency	Percent	Valid Percent	Cumulative Percent
	Married	105	61.8	61.8
	Single	51	30.0	91.8
Valid	Divorced	8	4.7	96.5
	3Widowed	6	3.5	100.0
	Total	170	100.0	100.0

2.6 Demographic Statistics

	Gender	Age	Marital status	Educational level	work experience
Valid N	170	170	170	170	170
Missing	0	0	0	0	0

Appendix 3. Reliability Statistics (Cronbach's Alpha)

3.1 Reliability test of internal communication

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.849	.854	8

3.2 Reliability test of Brand Oriented Training.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.872	.873	8

3.3 Reliability test of Brand Oriented Recruitment.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.731	.725	3

3.4 Reliability test of Brand Oriented Leadership.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.859	.861	8

3.5 Reliability test of Brand Commitment.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.759	.783	8

3.6 Reliability test of all Constructs

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.916	.934	35

3.7 Reliability Case Processing Summary

		N	%
Cases	Valid	170	100.0
	Excluded ^a	0	.0
	Total	170	100.0

a. List wise deletion based on all variables in the procedure.

Appendix 4. Skewness and Kurtosis Descriptive Statistics

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Communication	170	-1.868	.186	1.700	.370
Training	170	-1.036	.186	1.581	.370
Recruitment	170	1.370	.186	1.759	.370
Leadership	170	-1.025	.186	1.424	.370
Commitment	170	-1.595	.186	1.319	.370
Valid N (list wise)	170				

Appendix 5. Correlation of Internal Branding attributes with Employee Brand Commitment

5.1 Correlation Descriptive Statistics

	Mean	Std. Deviation	N
Communication	3.7978	.72595	170
Training	3.6368	.79282	170
Recruitment	3.3686	1.33631	170
Leadership	3.8743	.70639	170
Commitment	3.7456	.63635	170

5.2 Correlation of Internal Branding Variables with Employee Brand Commitment

		Spearman's rho				
		Correlations				
		Communication	Training	Recruitment	Leadership	commitment
Communication	Corre. Coefficient	1.000	.657**	.411**	.628**	.453**
	Sig. (2-tailed)	.	.000	.000	.000	.000
	N	170	170	170	170	170
Training	Corre. Coefficient	.657**	1.000	.467**	.587**	.396**
	Sig. (2-tailed)	.000	.	.000	.000	.000
	N	170	170	170	170	170
Recruitment	Corre. Coefficient	.411**	.467**	1.000	.474**	.377**
	Sig. (2-tailed)	.000	.000	.	.000	.000
	N	170	170	170	170	170
Leadership	Corre. Coefficient	.628**	.587**	.474**	1.000	.504**
	Sig. (2-tailed)	.000	.000	.000	.	.000
	N	170	170	170	170	170
commitment	Corre. Coefficient	.453**	.396**	.377**	.504**	1.000
	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	170	170	170	170	170

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

Appendix 6. Regression Statistics Result

6.1 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.615 ^a	.378	.363	.50772

- a. Predictors: (Constant), Leadership, Recruitment, Training, communication
- b. Dependent Variable: commitment

6.2 Multiple Regression result Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.484	.236		6.294	.000
	Communication	.223	.083	.254	2.694	.008
	Training	.073	.072	.091	1.007	.085
	Recruitment	.063	.032	.132	1.980	.049
	Leadership	.379	.077	.420	4.948	.000

- a. Dependent Variable: commitment

Appendix 7. NALF Photos

Mexico Branch.



Mekanissa Branch. (New Head Office).



Mekanissa Branch (Plant).



Sebeta Branch (Plant Project).



NALF Products.



Declaration

I, Daniel Demoz, declare that this work entitled “**The Effects of Internal Branding on Employee Brand Commitment in the Case of National Alcohol and liquor Factory.**”, is outcome of my own effort and study and that all sources of materials used for the study have been duly acknowledged. I have produced it independently except for the guidance and suggestion of the Research Advisor.

This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of Masters of Business Administration.

By: - Daniel Demoz

Signature _____

Date _____

St. Mary's University, Addis Ababa, Dec. 2019

Statement of Certification

This is to certify that **Mr. Daniel Demoz** has completed his thesis work entitled “**The Effects of Internal Branding on Employee Brand Commitment in the Case of National Alcohol and liquor Factory**”.

As a principal advisor of Daniel Demoz, this paper is appropriate to be submitted as a partial fulfillment for the requirement of the award of the Master of Business Administration at **St. Mary's University**.

Thesis Advisor Signature and Date

Gashaw Tibebe (PhD)

Acknowledgement

From the very beginning, I would like to forward my thankful gratitude my Almighty God and his Mother St. virgin Marry for their help in our holistic life and to accomplish this research with persistence and diligence.

And I would like to express my sincere gratitude to my advisor **Dr. Gashaw Tibebe** for his friendly approach, comments, suggestions and scholarly advice. His criticism and suggestion made this work a reality. Besides, doing research work requires the support of many people whose contribution cannot be ignored nor left without appreciation.

In general, I would like to extend my deepest appreciation and gratitude to respondents of the research questionnaire and all other people who in one way or another contributed to the completion of this research work. Especially Ato. Girum Mesfin, Ato Birhanu and other employees of NALF. deserves a special thank for they didn't deny me any help I requested of them through the duration of the program.

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Abbreviations

AMA- American Marketing Association

BC- Brand Commitment

CEO- Chief Executive Officer

CIBF- Consolidated Internal Branding Framework

CMA- Canadian Marketing Association

EBBE- Employee Based Brand Equity

ENA- Extra Neutral Alcohol

HR- Human Resource

HRM- Human Resource Management

IB- Internal Branding

IBM- Internal Brand Management

ICC- Internal Corporate Communication

IM- Internal Marketing

NALF- National Alcohol and Liquor Factory

OC- Organizational Commitment

TTP- Team Training Program

ABSTRACT

This master's thesis entitled with "the Effects of Internal Branding on Employee Brand Commitment in the Case of National Alcohol and Liquor Factory" with the purpose of investigating the effects of internal branding on brand commitment of employees of the Factory. In order to achieve the purpose of the study, four hypotheses have been formulated that related the dimensions of internal branding with brand commitment. A standard questionnaire that previously used by scholars on five Likert scale basis was used to collect data from 183 sampled employees of the company, and 92.9% of the questionnaire, which is 170 were returned. In addition to the primary data, a secondary source of data was collected from different booklets and articles of the Factory. To analyze the collected data, both descriptive (frequency distribution) and inferential (correlation and regression) statistics were utilized using SPSS version 20. Correlation and regression analysis were employed to check the relationship between the dependent variable; brand commitment and independent variables; brand oriented internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership. The findings of the study indicated that brand oriented leadership and brand internal communication are found to be the most important factors on influencing brand commitment of employees of National alcohol and Liquor Factory. As a result, the Company is recommended to give more emphasis on these two dimensions in order to improve brand commitment of its employees.

Key Words: - *Internal Branding, Brand Commitment, communication, Training, Recruitment and Leadership.*

CHAPTER ONE

1. INTRODUCTION

In this chapter, background of the study, Background of the Organization, statement of the problem, objective of the study, hypothesis, significance of the study, limitation of the study, scope of the study and operational definition are included.

1.1 Background of the Study

Brands are omnipresent; they penetrate almost every aspect of our life: economic, social, cultural, sporting, even religion. Due to its tendency to pervade everywhere they have come under growing criticism. In post-modern societies where individuals want to give name to their consumption, brands can and should be analyzed through various perspectives: macroeconomics; microeconomics, sociology, anthropology, history, semiotics, philosophy and so on (Kapferer, 2004). Though the concept of brand and branding has been debated recently as a major topic of study in marketing discipline (Moore, Karl and Reid, Susan, 2008) but they are almost as old as civilization. Old civilization of Mesopotamia and Greek used marks and names to identify or indicate their offerings - predominantly of wines, ointments, pots or metals (Sarkar and Singh, 2005). The word brand is derived from Old Norse word brandr, which means "to burn" (an identifying mark burned on livestock with a heated iron) as brands were and still are the means by which owners of livestock mark their animals to identify them. Brands are a direct consequence of the strategy of market segmentation and product differentiation. In general Branding means more than just giving name and signaling to the outside world that such a product or service has been stamped with the mark and imprint of an organization.

Brand management have nothing new for most organization but it includes what employees believing in the organization. Scholars indicated that brand is synonymous with intangible asset to organization, which strong brand could leverage consumption behavior, premium price and customer loyalty as well as gained reputable image and competitive advantage (Keller, 1993). A brand is a characteristic name and/or symbol (such as logo, trademark, or package design) intended to recognize the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors (Aaker, 1991).

Implementing and sustaining internal brand initiatives requires the application of a wide variety of techniques. A key to implementation is encouraging appropriate employee behaviors. Therefore human resources play a vital role in ensuring effective implementation (Sharon Goom, Nina Maclaverty, Patricia Mcquillan and Hugh Oddie., 2008). Internal branding currently has been considered as an enabler of an organization's success in delivering the brand promise to meet the customer's wants and needs which is set by different communication tools (Drake S. , Gulman M. And Roberts S., 2005).

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Punjaisri and Wilson (2011) define internal branding “is an action undertaken by an organization to achieve the brand promise reflecting the promoted brand values that set customers’ expectations is enacted and delivered by employees.” has grown as a concept that can help organizations to make their employees act in accordance with their brand.

According to Kimpakorn and Tocquer (2009) employees’ brand commitment represent, “the degree to which employees identify and are involved with their service brand, are willing to exert additional efforts to achieve the goals of the brand and are interested in remaining with the service organization.” It is also defined as “the extent of psychological attachment of employees to the brand”, which influences their willingness to exert extra effort towards accomplishment of the brand. Thomson, De Chernatony, Arganbright and Khan (1999) argued that when employees are fully aware of and understand the brand values they become more committed to the brand and to practice on-brand behavior. Because of this, different scholars have studied some dimensions of internal branding. The so called variables, such as internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership.

Even few studies have been done in Ethiopia context regarding internal branding, (Tagay, 2013) the mediation role of employees brand commitment in the relationship between employees’ brand awareness and brand citizenship behavior, but it’s not satisfactory that’s why the need of conducting this study and also under this study other basic variables was investigated. Therefore, the researcher assessed the practice of internal branding (internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership) and their effect on employee brand commitment in the case of NALF.

1.2 Background of the Organization

National Alcohol and Liquor Factory NALF is a state owned business enterprise, which has been operating for more than a century which is a pioneer in Ethiopia’s liquor industry. The factory is involved in the production and distribution of Extra Neutral Alcohol (ENA) and various alcoholic liquors of high quality both for domestic and export markets. The factory

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comprises four branch factories, three of them operational and two of them service giving/ which was once established and owned by individuals in different periods. It acquired its current name after being nationalized by the Derg regime in 1976. The Head office is located in Addis Ababa, Ethiopia, near Mexico square along the left side of the road (artery motor way stretched) passing through to “Merkato” next to Addis Ababa Industrial Technology College (tegibare add). Recently the factory is on progress to relocate its head office at Mekanissa, new office building.

- ❖ Sebeta branch: - established in 1906
- ❖ Maichew square branch: - Head Office established in 1914,
[H/Off. soon will moved to Mekanissa]

- ❖ Mekanissa branch: - established in 1957

- ❖ Akaki branch: - established in 1938 /not operational for the time being/

National Alcohol & Liquor Factory occupies a pioneering status signaling a major breakthrough in the onset of beverage industrialization in Ethiopia over the last century. The factory improved its manufacturing technologies and production capacity through time and achieved producing 3.2 million liters of Pure Alcohol & 7.3 million liters of alcohol liquors annually during 2015 using its old machineries. But now, at this time the factory realized that there is shortage of liquor products supply to the local market in most cases. Hence, the Board of Management & the factory's management decided to conduct market & feasibility studies. The study clearly indicated the growth of demand for liquor products & feasibility of the project. The feasibility study also showed the existence of growing demand of liquor products abroad. The Factory then, started to implement Rehabilitation & Expansion of its old & downsized plant Machineries. The Expansion in addition with the Rehabilitation increased the production capacity of the Factory to more than fourfold of the previous capacity. Currently, the new plant at Mekanissa has 18,000 liters ENA per day production capacity. In addition, the factory has erected a new distillery at Sebeta also with production capacity of 12,000 liters per day; which will enhance the factory's overall production capacity to rise to 30,000 liters per day. Recently, the enterprise's annual revenue exceeds/beats USD 23 million /665 million birr/. When Sebeta enters into line the revenue will again exceeds to more than USD 45 million /1.2 billion birr/. The company's profit is also expected to rise to USD 14 million /390 million birr/ from its current level of USD 8 million /229 million birr/. It is also contributing great achievement to the national economy by

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paying USD 7million /197million birr/ as excise tax. With the launching of the new plant we expect to pay USD 13million /364 million birr/ excise tax per annum. The factory is implementing various systems and certified by ISO 9001:2015, ISO 14001:2015 and on progress to be accredited by ISO/IEC 17025: 2005 Laboratory Management System.

1.3 Statement of The Problem

As noted by (Kothar , 2004) a research problem, in general, refers to some difficulty which a researcher experiences in the context of either a theoretical or practical situation and wants to obtain a solution for the same”.

A major cause for an internal branding program to fail is, if organizations never tell their employees how to live the brand, meaning that the employees do not represent the brand in compliance with what the brand says and what the brand promises. The consequence is that they do not communicate the brand to the customers, and thus decrease the satisfaction level of employee (Khan, 2009). Many researchers argue that if the employees are committed to the brand they perform better and they will perceive/observe success and failure of the brand as their own if they identify themselves with the brand and manage to live the brand (Gotsi & Wilson 2001, Shiu & Yu, 2010 & Wilson, 2001). It is a challenging to make the employees live the brand, due to the fact that people can behave unpredictable and talk spontaneously. Therefore it is important to work with internal communication to reduce that unpredictable behavior is not aligned with the values of the organization (Gotsi & Wilson, 2001).

In the future internal branding will be very significant and all-encompassing to achieve the organizations goal. (Sharon et,*al.*, 2008). Because of this many researchers tried to look internal branding in different perspectives i.e.(Al Olayan , 2011) investigated how employees play a big role in communicating the brand meaning and brand values to customers. Based on the employee-customer interaction, customers develop attitudes about the brand and thus decide to choose the company and remain loyal. Organizations today therefore seek to train employees to interact with customers, but often never specify how they want employees to deliver the brand promise. The study sought to discover how employees deliver the brand's values to customers. The findings of the study showed that employees believed they had significant influence on customers when it came to communicating the brand values to customers.

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(Kimpakorn & Tocquer , 2009) Assessed the growing importance given to employees are crucial to the making of the brand of the organization 'come alive'. The study explores the relationship between the employer brand dimensions and employees' commitment to support the brand. Punjaisri, Evanschitzky and Wilson, (2009) looked at understanding the internal branding process from the employees' perspective. They try to empirically assess the relationship between internal branding and employees' delivery of the brand promise, as well as the relationships among their brand identification, brand commitment and brand loyalty. The findings showed that internal branding had a positive impact on attitudinal and behavioral aspects of employees in their delivery of the brand promise. Aurand, Gorchels and Bishop (2005) explored the degree to which managers perceive that activities typically associated with HR functions are utilized in internal branding initiatives, and the impact that these HR activities have on employees' personal attitude toward the brand and their incorporation of the brand message into their work activities. And also only few studies have been done on the practice of internal branding practice in the context of Ethiopia (Tagay, 2013)the mediation role of employees brand commitment in the relationship between employees' brand awareness and brand citizenship behavior and the finding showed that employees brand commitment has stronger mediation role between employees brand awareness and their brand citizenship behavior.

Even though most of the scholars focused their study on external customers' level of brand commitment for a certain brand but it's not only enough winning the heart of external customers but also motivating the internal customers, the employee, as well because they are valuable asset of the organization (King & Grace, 2006). As a result, employees are critical contributor of the brand and can be seen as brand builders, since their contribution is important to the organization and brand formation (De Chernatony , 2001). However, branding literature focused on the brands in the eyes of consumer, few studies have attempted to explore the brands in the eyes of employees (Jayesh, 2011).Under this study other basic variables of internal branding was investigated, i.e. internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership. Therefore, the research investigated in the practice of internal branding and its effect on employee's brand commitment in case of NALF.

1.4 General Objective

The general objective of the study is to investigate the effect of internal branding practices on employee brand commitment in case of NALF.

1.4.1 Specific Objectives

The specific objectives are:

1. To determine the effects of internal communication on brand commitment of employees.
2. To assess the effect of brand oriented training on brand commitment of employees.
3. To determine the effect of brand oriented leadership on brand commitment of employees.
4. To analyze the effect of brand oriented recruitment on brand commitment of employees.

1.5 Hypothesis

Based on the literature review linked with internal branding the researcher has formulated the following hypothesis.

H1. Internal communication has a positive effect on brand commitment of employees.

H2. Brand oriented training has a positive effect on brand commitment of employees.

H3. Brand oriented recruitment has positive effect on brand commitment of employees.

H4. Brand oriented leadership has positive effect on brand commitment of employees.

1.6 Significance of the Study

Any kind of research has main concern that something to add to the accumulated body of knowledge of mankind but it is also used to solve particular problem to the society. This study has a good deal of lesson because it is conducted in case of NALF internal branding practice and its effect on employees' brand commitment. It will contribute to policy makers; the findings of the study will help policy makers in enhancing brand commitment of the employee of the factory.

For example, the information from this research could enable policy makers to make a well-versed decision about the process in which factories can actively manage their internal branding to improve employees brand commitment. Hence the study will help NALF and other industries to clearly understand the role of internal branding and its effect on having brand committed employees for the organization's success and strive for its implementation. In this

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study the researcher investigated the effect of internal branding on brand commitment of employees of the factory. therefore, open the way for academicians who are interested to make further investigation on the topic and will use as review literature for future studies.

1.7 Scope of the Study

The scope of this study was limited to internal branding and its effects of various aspects of internal branding on brand commitment of employees which is from the standing point view of employees of NALF particularly the marketing and production departments. The findings of the research will be more fruitful if it would be conducted widely by including all factories specially alcohol industries of the country. But, due to time and money constraints it would be too tedious and not manageable to the researcher to include all the alcohol factories of the country because of diversified nature. Thus, the study delimits to focus only in NALF.

1.8 Limitations of the Study

The study has comprehensively investigated the effect of internal branding on employee brand commitment in NALF; it would be deep if the researcher included all the variables that affect brand commitment of employees, but because of time and resources constraint, it is difficult to investigate in detail the entire elements hat affecting the internal branding.

The sampling techniques limit the generalization of the findings, and anticipate a limitation of the research is more related with the experience of respondents in relation with internal branding practice. Finally, the basic limitation that the researcher faced is lack of review of related literature on the practice of internal branding and its effect on brand commitment of employees.

1.9 Operational Definitions

Branding: - the process of building a positive collection of perceptions about business, product, organization, or person in consumers' mind as a result of all associations, interactions, and experiences with a branded business, product, organization, or person. (Business Dictionary)

Marketing: -is the activity, set of institutions and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large. (www.investopedia.com › terms › marketing)

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Internal Branding: - is the set of strategic processes that align and empower employees to deliver the appropriate customer experience in a consistent fashion. (www.brand-trust.de › glossary › internal-branding)

Brand commitment: - is a comprehensive and flexible tool that very simply measures the psychological links between customers / users and brand, product or service to the degree or the extent of attachment to a certain organization. (www.factum-group.com › solutions › brand-commitment)

Employees: -A person who is hired to provide services to a company on a regular basis in exchange for compensation or an individual who is working in the organization on permanent base. (dictionary.law.com › Default)

1.10 Organization of the Study

This master thesis was organized in to five chapters and subtitles under each chapter. Chapter One deals about the introductory part, background of the study, back ground of the organization, statement of the problems, objective of the study, hypothesis, significance of the study, scope of the study, limitation of the study and definition of key terms. Chapter Two presents the review of the related literature which includes review of related readings, related literature, related studies and conceptual frame work. Chapter Three deals with methodology, that includes research design, determination of sample size, sampling design, techniques, the subject, the research instruments, data gathering procedures and data analyzing method. Chapter four deals with results, analysis, and interpretation of the gathered data and chapter five were provides summary of findings, conclusion and possible recommendation about the overall study.

CHAPTER TWO

2 LITRATURE REVIEW

The previous chapter covered the relevant background to the research area of this thesis; it identified internal branding as a remedy to create commitment in frontline employees in order for them to display on-brand behavior. This chapter provides a deeper theoretical framework of internal branding and commitment which will give an indication of what gaps exists in previous research. The content

of this chapter will also provide a foundation for the conceptual framework which in turn will be the basis for the hypotheses.

2.1 Theoretical Review of the study.

There have been some studies investigating the feasible relations between employees' knowledge of their company's brand, and their level of commitment to deliver the promises of the brand value they are working for. But due to its new nature the relationship between internal branding and employees' brand commitment, this study was tried to support the few and latest researches on the relationship among internal branding and brand commitment. Here this study tried to show the effect of internal branding on employees' brand commitment through the application of the four internal branding dimensions (internal communication, Brand oriented Training, Brand Oriented Recruitment, Brand Oriented Leadership.) on employee's brand commitment to provide the promises of brand value.

Internal branding has been stated to be a facilitator of brand commitment (de Chernatony & Segal-Horn 2001; Punjaisri & Wilson 2007; Punjaisri et al. 2009a) and furthermore, employee brand commitment is stated to be a prerequisite to employees' on-brand behavior (Thomson et al. 1999; Burmann & Zeplin 2005; Kimpakorn & Tocquer 2009).

A number of organizational aspects need to be taken into consideration and should be integrated into the process, namely: communications and marketing (Punjaisri & Wilson 2007; Punjaisri et al. 2008, Punjaisri et al. 2009a, Punjaisri et al. 2009b)

King (2010) also states that if on-brand behavior and commitment of CCEs are to be upheld, managers need to acknowledge the contribution of the employees on a regular basis, meaning that employees that are recognized and get credit for their contribution will become more committed.

2.1.1 Internal communication to create employee brand commitment

In order to make employees committed to the brand, the information process from managers to employees have to evolve from giving information on just the technical details of the job (i.e. how to carry out the tasks) to more brand related information (King & Grace 2008; King 2010). This is when employees can become committed to the brand, help the organization to continual success and build a strong brand (King & Grace 2008).

Burmann & Zeplin (2005) argued to be the use of a brand value statement as a good foundation for the internal communication of brand values. They further argue that this statement must be short and precise in order for employees to remember it. de Chernatony et al. (2006) state that communicating the brand values to staff by simply just telling them about them, it is not enough for creating

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understanding and commitment. Instead they argue that interactive processes, like brand workshops, are more likely to increase knowledge of values, brand commitment and on-brand behavior.

2.1.2 Brand oriented training to create employee brand commitment

Using training programs as a tool for internal branding is also considered the most effective by employees (King & Grace 2008). Such training programs can consist of how to carry out their specific roles (i.e. how to carry out the work), how to treat customers (de Chernatony & Cottam 2006) and how to be customer focused. Punjaisri (et al. 2009b) also suggest that training programs can enhance general skills to carry out the daily work as well as brand-specific skills in order to improve employees' ability to deliver the brand promise. In addition, training also increases brand identification and commitment. However, the findings of Henkel et al. (2007) suggests that employees must be trained also to express behaviors that can project the brand, otherwise the behavior will be generic.

2.1.3 Brand oriented recruitment to create employee brand commitment

Burmann & Zeplin (2005) argue for the importance of recruiting the right employees as recruits with a high congruency between personal values and brand values are more likely to be committed to the brand. This is also recognized by Punjaisri et al. (2009) although they also note that the task of finding the right employees in this aspect is not easy. Thus, there is a high risk of hiring less suitable employees, therefore Punjaisri stress the importance of using training programs early after the recruitment to make employees committed.

2.1.4 Brand oriented leadership to create employee brand commitment

King (2010) argues that management should be held accountable for the delivery of the brand promise by customer contact employees and that measuring systems should be implemented regarding how well employees reflect the brand values and/or practice on-brand behavior.

According to Morhart et al. (2009), to increase commitment of customer contact employees, managers should implement a leadership role that puts less emphasis on rewards based on behavior of employees and instead focus on acting as role models and coaching employees in their delivery of brand values. In contrast to Morhart et al. (2009) and Aurand et al. (2005) argue that management by reward systems is a good tool to motivate employees to present on-brand behavior.

Another leadership aspect argued is the empowerment of employees (Burmann & Zeplin (2005) argue that, transformational leadership will be more likely to increase employee commitment based on identification.

2.2 Empirical Review of the Study

Internal branding is still a young research field in its literature (Burmam & Konig, 2011). Even though some studies have been done in relation to internal branding and different basic variables was assessed. Based on those the available internal branding literatures the researcher developed empirical review of the study. Al Olayan (2011) explored the employee's contribution in communicating the brand meaning and brand values to customers of the organization. Based on the employee-customer interaction, customers develop attitudes about the brand and thus decide to choose the company and remain loyal. The study suggests that the institution today's working environment they have to train employees especially how to interact with customers, but most of the organization never specify how they want employees to deliver the brand promise. The study sought to uncover how employees deliver the brand's values to customers. The findings of the study showed that employees believed in the brand had significant influence on customers when it came to communicating the brand values to customers.

Punjaisri, Evanschitzky and Wilson (2009) also tried to empirically assess the relationship between internal branding and employees' delivery of the brand promise, as well as the relationships among their brand identification, brand commitment and brand loyalty. Their finding showed that internal branding had a positive impact on attitudinal and behavioral aspects of employees of the organization delivery of the brand promise. These authors tried to see internal branding from the perspective of employees.

Hadizadeh Moghadam, Jamali Kapak, and Rezaei (2012) assessed the impacts of internal branding on brand commitment. The results of the research indicate that brand citizenship behavior has significant impact on brand commitment. According to Burmann and Zeplin (2005) brand commitment is the main stimulant to achieve brand citizenship behavior. In their findings, they conclude that brand citizenship behavior is possible based on the strong commitment of employees to the brand. They argue that internal brand management creates brand commitment which creates brand citizenship behavior.

Aurand, Gorchels and Bishop (2005) under their research explored the role of managers in combining with human resource to improve internal branding practice and they showed human resource activities have an impact on employee attitude towards the brand and incorporation of the brand message into their work activities.

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(Tagay, 2013) Also examined mediation role of employees' brand commitment in the relationship between employees' brand awareness and brand citizenship behavior and their study showed that employees brand commitment has stronger mediation role between employees brand awareness and their brand citizenship behavior.

Burmann and Zeplin, and Riley (2009) mentioned that under their study brand commitment and brand citizenship behavior are vital tools for internal branding management and they showed that brand commitment has a strong impact on brand citizenship behavior. This relationship between brand commitment and brand citizenship behavior has been supported by the finding of Burmann and Koenig (2011) and King and Grease (2012). The finding of Harry *et al.* (2012) also showed that brand commitment has a major role in brand citizenship behavior.

A research conducted on internal brand management in shared-service call centers by Burmann and Konig (2011) indicates that communicating brand messages via the communication media, training activities and the study also shows that leaders have great role in encourage employees to feel that they are part of the brand. In addition, the finding displays that brand-oriented communication activities were found to be more important than empowerment and promotional prospects (Burmann & Konig, 2011).

Furthermore, Gapp and Merrilees (2006) conducted a research in health care service the impact of internal branding activities on employee behavior for the organization. The study shows that employees view the organization as a quality work environment and this are the result of internal branding activities through delivering brand values to employee and organized communication network in the organization. However, the study suggests that an organization's brand must be specifically communicated to each group of employees in a simple and convincing way, which is easy for the employees to understand and believe in (Gapp & Merrilees, 2006).

King and Grace (2008) define how internal branding impacts on employees' level of brand commitment towards the organization. The study shows that if the employees have a positive relationship with the organization, then they have high level of commitment to the organization. In addition, Vallaster and De Chernatony (2006) use the term 'brand adequate behavior' to refer to the brand related behavior of an employee if it is an effect of internal branding.

Punjaisri and Wilson (2011) argue that internal branding activities will lead to employees' brand identification, commitment and loyalty which will create brand performance.

2.3 Branding

Before half a century, the basic concern of marketing activities in any business was only the physical manifestations of the brands with differentiating elements like design, color, shape, etc. Anciently a brand is defined as a name, symbol, design or any other feature designed to differentiate the products or service of one producer from the another (American Marketing Association, 1995). David Aaker's studies (1991) showed that brand is the primary source of competitive advantage for any business. Keller (2008) focuses his works on the strategic brand management with the customer based brand equity. Kapferer (2004) forwarded directions about the development and maintenance of competitive brand identity.

Branding by itself a big concept and its literature is found to be mostly focused on the external branding (De Chernatony, 2001). A brand is a physical manifestation of a promise set to customers. It is "a bundle of functional and emotional attributes that offer a unique brand experience to the consumers" (De Chernatony, 2001). According to Bergstrom, Blumenthal and Crothers (2002) branding is about having higher level of emotional meaning to a product or service delivered by a certain organization and as a result it can increase value to customers and different stakeholders. Forming a brand for organization starts with properly communicating the brand to the employees, convincing them of its quality and value, and successfully linking all parts of the organization to deliver the brand essence. These practices are the core of internal branding. Actually branding is not only an opportunity to shape customers' perceptions with respect to the organization but also an opportunity to shape employee perceptions as well. As the customer contact an employee's vital role in a services company's brand performance and brand communication becomes evident, implications for service firms arise. Since it is no longer enough for customer contact employees just to be nice and helpful in the service encounter, more specific brand-oriented behavior of employees is needed to create a more consistent and distinguished brand communication in the service industry (Henkel *et al.* , 2007).

2.4 Internal Branding

Internal brand management (IBM) is a subset of internal marketing which focuses on the development, reinforcement, and maintenance of the brand. This concept was emerged in 1970

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by Berry et al. In 1976 proposed that employees are internal customers of the organization, they have to be satisfied to deliver appropriate service.

Drake, Gulman, & Roberts (2005) indicated that internal branding have a great role in influencing employees to deliver the brand promise to meet users brand expectation and which is created through the practice of internal marketing. The success practice of internal branding engenders a shared brand understanding among employees which should create committed workforce who deliver on the brand promise. Previously, internal branding was considered as the task of marketing and which was primarily about communicating.

Burmann and Zeplin (2005) argue that internal brand management consists of three levels.

The first level is human resource management (HRM) which is emphasized on brand identity and personal identity to recruitment, hiring and promotion of the employees.

To ensure the understanding of brand identity organizational, socialization of employees on orientation, education, and social and educational programs are vital concerns. The next leverage is internal communication which strengthen the brand among employees through the creation of awareness. The final leverage is the brand leadership which is encouraged at all organizational levels and refers to the employees who live with the brand. Burmann and Zeplin (2005) claim that playing with these leverages, internal brand management created brand communication as a result of which brand citizenship behavior was created.

Internal branding encourages speaking with one voice (Mahnert & Torres, 2007). They determined three core principles of internal branding constructs. The first is committed employees reflect and deliver desired brand values. The second was effective communication can realized promise both internally and externally and the last was internal branding practice needs to focused at all level of institution to align the behavior and attitude of management and staff. In order to achieve intellectual and emotional commitment of employees to the brand is one of the earlier meaning of internal branding, further more creating influential brands and competitive advantage through employees in the organization is also recognized as internal branding (Punjaisri & Wilson, 2007)

To deliver the pledged customer expectation, the employee should have basic knowledge and skill about the brand value, trust and act in consistence with the brand values. (Punjaisri & Wilson, 2011). As a result, it's a basic concern to inform and make employees understand the

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brand values and then show direction to them to act in accordance with them (Burmam & Zeplin, 2005).

According to Canadian Marketing Association(CMA) (2007) internal branding is the set of strategic processes that align and empower employees to deliver the appropriate customer experience in a consistence fashion. These include internal communications, training support, leadership practices, reward & recognition programs, recruitment practices and sustainability factors.

In addition Burmann & König (2011) defined “internal branding is the processes of synchronization of a company’s structures, policies and processes, resource allocation, culture and leadership philosophy, as well as employee behavior and communication activities that together influence an employee’s conduct in relation to the brand promise and brand performance”. The following are the phased approach of internal branding which was suggested by (Tosti & Stotz, 2001)

- Familiarize the Senior Management of the organization to thoroughly understand, support, and actively demonstrate brand commitment to the internal branding process.
- Guarantee Mid-management involvement to lead the internal branding initiatives on a day-to-day activity.
- Enroll the employees to voluntarily engage in the internal branding process, through internal brand launches and workshops.
- Conduct Tactical Sessions to nurture /develop a cross-functional approach for identifying and eliminating destructive brand practices.
- Conduct Brand Company for developing brand plans for each of the employees which identify what practices they need to increase and which ones to eliminate.
- Support, assess and review the internal branding process at regular intervals to ensure progress and initiate course corrections.

According to Anand (2014) one of the basic dimensions of internal branding is internal communication which provides the ability to establish an integrated strategy to strengthen the brand at every announcement touch-point, and to create advocates who champion the brand. Effective internal communication is one of the most powerful weapons to help cultural change, build internal alignment with the brand, and create enthusiasm or passion for its delivery. As a result, in order to make employees committed to the brand the information process from

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managers to lower employees should be clear and technical detail, i.e. how to carry out the tasks) to more brand related information (Anand 2014).

Leadership is also another basic element to achieve internal branding practice through recognition of employees and makes more committed employees and the employee can stay long within the organization. As a result, effective implementation of internal branding can encourage employee brand commitment (Burmam and Zeplin, 2005)

2.5 Dimensions of Internal Branding

2.5.1 Internal Communication

Internal communication refers to the flow of information from managers to lower level employees and vice-versa. the information should have technical detail about the tasks and especially more related with brand information. If the employees understand brand and its values, simply they can be committed and deliver promised customers expectation. (Anand, 2014).

As mentioned by (Hallam, 2003) internal branding initiatives required supports from communication strategy taking account of both external and internal communication practices. In relation to this (Zucker, 2002) point out that internal Communications should be the main point of focus when implementing internal branding program, which helps to secure people's commitment and encourage behavioral change to support the brand (George & Grönroos, 1991). Terry (2003) has recently identified that there is a trend that merits marketing knowledge to successfully engage employees with the brand in terms of internal branding activities. He argues that because marketers know the brand and understand people's motivation, needs, desires, their previous experience and weaknesses, so they can communicate the brand to an internal audience and shape people's perceptions.

Organizations should have motivated the workforce brand behavior in order to match with their desired image by communicating their brand ideologies to their employees (through brand-centered training and development and internal brand communications), to ensure that employees understand how to deliver the brand promise to external customers and how to coordinate themselves internally. As a result organizations must consider their employees as an audience to communicate the brand values (Ind , 2007). Messaging system in the organization has a great impact in contributing to employee brand and customer experience (Mitchell, 2002). another

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author mentioned out that if brand values have been communicated and understood by the employees effectively, they can be committed to the brand and they can serve the organization all their entire life (De Chernatony, 2001).

An organization should use the communication media to influence its brand targeting not only to the external user, customers but also the internal customers, employees as well (Miles & Mangold, 2004). Moreover, Miles and Mangold (2004) suggested that internal public relations efforts can also be improved when organizations included their employees with their advertising, since they are crucial for the success of the organization. Promotional messages can increase employee's level of understanding about the product image and it can increase their emotional attachment to the brand. Hence, marketing professionals better to add some values in internal communication arena and that help the organizations to improve their performance. Burmann and Zeplin (2005) indicated that brand value statement as a good foundation for the internal communication of brand values and they suggest that statement should be short and precise that may help the employees to remind it simply.

2.5.2 Brand-Oriented Training

Training is "a planned and systematic effort to modify or develop knowledge/skill/attitudes through learning experience to achieve effective performance in an activity or range of activities" (Pinnington & Edwards, 2005).

De Chernatony *et al.* (2006) showed that human resource plays basic role in the internal branding process through recruiting and training of employees that fits with the organization brand values. Therefore, HR should be aware and effectively understand the brand values in order to forward to their employees (Aurand *et al.* 2005) and Punjaisri *et al.* (2009) suggest about the role of training programs and they argued that training can improve skills of employees to carry out their daily tasks and in addition training can enhance brand related skills which can increase employees' ability to deliver the brand promise appropriately. As a result, training can enhance brand identification and commitment (Punjaisri *et al.* 2009) and findings of Henkel *et al.* (2007) suggests that employees should be trained to express behaviors that can project the brand, (Miles and Mangold, 2005) Stressed that training and development are a key in relation to the information employees received. Training support the employees to master their skills and basic knowledge required for their daily jobs, while development is geared toward mounting employees' level of skills and knowledge, with the goal of improving their ability to meet

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changing job requirements. So training and development activities that focus on developing the organization's brand image as it relates to customer orientation that may share various messages about the customer service behavior that the organization expects employees to exhibit/show (Miles & Mangold , 2005). Therefore, brand-oriented training is having a great contribution to improve the employees understanding about brand values and to align employees with the value (Ind, 2014). As a result, Training programmers are seen as the most effective tool for internal branding and the Programs should provide technical details about the daily work, how to treat customers of the organization and how to be customer-focused in delivering brand promise which may help the employees to be committed.

The finding of Punjaisri and Wilson (2011), examined that training activities help the employees realize the brand values and support to know how to deliver the brand. Furthermore, in order to improve the employees' level of understand towards the brand value, brand oriented training and development should be the first task (Wilson *et al.*, 2007).

2.5.3 Brand-Oriented Recruitment

Burmann and Zeplin (2005) noted that recruiting employees who are a perfectly match with the values of the organization is a very time consuming and difficult task. However most of studies showed that the employees whose personal values are highly match with the company's brand goal are committed to the brand. In addition to this recruiting employee whose personal value match with the organization value reduce the cost of training that the organization incurred for training. To reduce the possibility of recruiting less suitable employees, usage of brand-oriented evaluation systems is vital when assessing new recruitment. Initial training of new employees together with follow-up and informal activities like mentorship and social events further strengthen the fit between employees and the brand should be provided (Anand, 2014). This is also recognized by (Punjaisr & Wilson , 2009) the task of finding the right employees whose personal value match with the organization is not easy task. The study of Punjaisri & Wilson (2007) showed that after the recruiting the employees, training program should be arranged to make the employees committed. In addition to this Burmann & Zeplin (2005) forward that HR should apply brand oriented evaluation systems when recruiting new employees to reduce the risk of recruiting less suitable employees.

2.5.4 Brand-Oriented Leadership

Effective role-model managers have the characteristics of improving and creating brand commitment of the employees. As a result, manager's behavior and communication not only having impact on employees but also on customer relations as well. Working side-by side with the employees has a great impact on employee's willingness and commitment to achieve on brand behavior (Anand, 2014).

The studies on internal branding note that the leadership characteristics of leaders are likely to influence internal branding. Burmann and Zeplin (2005) stated that the two brand relevant levels of leadership. The first is macro level which refers to the role of the CEO (chief executive officer) and executive board in the process of brand building, while the micro level emphasized on the personal leadership of executives within the organization. Vallaster and De Chernatony (2009) noted that leader of the organization should exert their effort on internal branding in defining, communicating and driving corporate brand identity which improve the link between employees' behavior and the desired brand identity. Furthermore, the finding of Vallaster and De Chernatony (2006) indicated that leaders should have the ability of influencing internal brand implementation through initiating and encouraging behavioral changes in relation with the desired brand.

Burmann *et al.* (2009) argue that leadership play a crucial role and it's an ingredient of internal branding and the implementation of brand related leadership along with internal communication and training programs should be a continues process because that helps to have committed employee. In relation to these, Henkel *et al.* (2007) suggested that top management should be role model for the lower level employees by working side by side with them on a regular base and they indicated that committed management can create committed employee to the organization. Lings *et al.* (2008) argued that implicit communication such as how managers act has a greater impact than explicit communication such as training and direction, on employee's willingness to adopt on-behavior.

The findings of Punjaisri & Wilson (2007) also indicate that managers who implement the reward system have a strong impact in motivating employees to practice on brand behavior. This finding is supported by the study of Mahnert and Torres (2007) if reward systems are implemented they must be designed so that no internal competition arises between employees as this and they showed that non-monetary rewards such as brand seminars at attractive locations or

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internal award ceremonies is the most effective tool for further encouragement employees to the brand. Another leadership aspect of internal branding is the empowerment and promotion of employees (Burmam & Zeplin 2005 & Henkel *et al.*, 2007). Burmam & Zeplin (2005) argue that such kinds of leadership practice are sensitive to increase the employee's level of commitment. Henkel *et al.* (2007) suggest that employees should be motivated and committed to display on-brand behavior if management implement a system of formal and informal control systems where high employee empowerment is emphasized.

Having an integrated internal branding process helps management to influence positively their employees' identification with, commitment, and loyalty to the brand which helps to strengthen the internal relationships (Herington, Scott, & Johnson, 2005). With the positive attitudes, employees may exert valuable their efforts to deliver on the brand promise in order to satisfy customers and to develop a long-term relationship with customer as well.

2.6 The Difference between Internal Marketing and Internal Branding

Internal marketing defined as the application of marketing tools within the organization to encourage customer focused values. It bridges marketing with HR (Human Resources) to attract, motivate, and retain employees, with the aim having committed employees and to achieve marketing and organizational goals. It's an umbrella concept encompassing all activities, events, internal public relations.

Whereas internal branding "the process of aligning day-to-day activities, business processes, job designs, and recognition and rewards with the brand identity to drive business results." It is focused on brand strategy that helps employees understand and integrated with brand value in their respective roles to deliver the brand promise effectively.

- The concepts of Internal Marketing & Internal Branding are Overlap
- Both approaches recognize employees are the brand. As a result, both are focused on engaging employees.
- Both are recognized as organizational and marketing strategy which helps to strengthen the competitive advantage.
- Both involve leadership

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http://qualityservicemarketing.blogs.com/quality_service_marketing/2006/01/internal_market.html retrieved at 01/29/2017 .

Table 1. Summary on the Difference between internal branding and internal marketing

Internal branding	Internal marketing
Resource-based management	Customer-based management
Communicates brand values to employees, in order for them to understand those values which lead to appropriate actions and behavior.	Communicates the customer brand promise and the attitudes and behavior expected from employees to deliver on this promise by ensuring that they understand their role in delivering a customer experience.
Reinforces a common value-based culture, typically attached to some form of corporate mission and vision.	Trains and effectively motivates customer-contact employees in order to provide customer satisfaction.
The companies with consistent, distinctive and deeply held values tended to outperform those companies with a less clear and articulated ethos.	Focuses staff attention on the internal activities which need to be changed in order to enhance marketplace performance.
Inside-out approach	Outside-in approach

Source: (Mosley , 2007)

2.7 Human Factor of Internal Branding

King and Grace (2010) defined the Human Factor (H Factor) of internal branding as “the extent to which employees perceive that the organization treats them like a human being”. The authors assert that the benefits of having Employee Based Brand Equity (EBBE) vis., brand citizenship, employee satisfaction, retention and positive word of mouth can be achieved through openness (extent to which an employee is sympathetic to organizational dialogue), the H factor and role clarity (level of clarity an employee has of their role as a result of having brand knowledge, brand commitment, information generation and knowledge dissemination).

2.8 Commitment and Commitment Dimensions

Allen and Meyer (1992) developed an early model that has received considerable attention. The three-component model they advocated was based on their observation that existing definitions of commitment at that time reflected at least three distinct themes: an affective emotional attachment towards an organization (Affective Commitment) : the recognition of costs associated with leaving an organization (Continuance Commitment); and a moral obligation to remain with an organization (Normative Commitment). One important point is that not all forms of employee commitment are positively associated with superior performance. For example, an employee who has low affective and normative commitment, but who has high continuance commitment is unlikely to yield performance benefits. The main reason such an employee remains with an organization is for the negative reason that the costs associated with leaving are too great. In more recent years, this typology has been further explored and refined to consider the extent to which the social environment created by the organization makes employees feel incorporated, and gives them a sense of identity. According to O'Malley (2000) contends that a review of the commitment literature produces five general factors which relate to the development of employee commitment:

2.8.1 Afflictive Commitment

An organization's interests and values are compatible with those of the employee, and the employee feels accepted by the social environment of the organization.

2.8.2 Associative Commitment

Organizational membership increases employees' self-esteem and status. The employee feels privileged to be associated with the organization.

2.8.3 Moral Commitment

Employees perceive the organization to be on their side and the organization evokes a sense of mutual obligation in which both the organization and the employee feel a sense of responsibility to each other. This type of commitment is also frequently referred to in the literature as Normative Commitment.

2.8.4 Affective commitment

Employees derive satisfaction from their work and their colleagues, and their work environment is supportive of that satisfaction. (Meyer & Allen , 1991) Suggest that this is the most important

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form of commitment as it has the most potential benefits for organizations. Employees who have high affective commitment are those who will go beyond the call of duty for the good of the organization. In recent literature this form of commitment has also been referred to as 'engagement' and is the form of commitment that is most usually measured by organizations.

2.8.5 Structural commitment

Employees believe they are involved in a fair economic exchange in which they benefit from the relationship in material ways. There are enticements to enter and remain in the organization and there are barriers to leaving. This type of commitment is also frequently referred to in the literature as Continuance Commitment.

2.9 Employee Brand Commitment

According to Kimpakorn and Tocquer (2009) employees brand commitment is defined as, "the degree to which employees identify and are involved with their service brand, are willing to exert additional efforts to achieve the goals of the brand and are interested in remaining with the service organization." It is also defined as the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand.

Burmann and Zeplin (2005), for example, use the term 'brand commitment' in order to refer to employees' behavior as an outcome of internal branding. The term '**brand commitment**' can be defined as "the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand goals". They also state that: "the brand commitment construct as the authors understand it is synonymous with organizational commitment, which is generally defined as a psychological bond between the employee and the organization"

In order to create loyal and committed employees it is vital for organizations to apply various types of internal branding techniques, since the internal branding is an approach that measures the positive influence of organizations' brand on employees' thoughts, feelings and attitudes, which can lead them to respond in a particular way with the aim of reinforce brand building process. Since the 1970s, brand commitment concept has gain substantial attention in marketing and human resource management literatures.

2.10 The Effects of Internal Branding on Employee Brand Commitment.

Commitment to the organization reflects employees' involvement and interference with the organization's goals and their interest to continue their works in the organization. Organizational commitment can be defined as one's sense of belongingness to the organization and the sense of responsibility towards the organization's goals. It also means, providing the social system with one's energy and allegiance/loyalty (Ng & Feldman, 2011). Brand commitment(BC) has been defined as the mental and emotional connection with the brand. In fact, brand commitment is the strong desire of employees to protect that brand. Making a commitment to a brand, one knows the brand as his/her personality and nature and goes through all the effort to protect the brand (Punjaisri, Wilson, & Evanschitzky, 2009). Burmann and Zeplin (2005) define brand commitment as the mental attachment of employees to the brand, the tendency of employees for the brand, and strive to achieve the goals and strategies of the brand. The creation of the concept of brand commitment is an important element in strengthening and success of internal brand (Ahn *et al.*, 2016).

Punjaisri *et al.* (2009) noted that IB will affect an employee's attitude and behavior, and that an employee's brand recognition will affect his or her BC, thereby affecting brand loyalty. Punjaisri *et al.* (2009) also noted that in IB, internal communication and training should be used to educate employees on the BC and how to pass it on, and suggested that such an approach will significantly impact employee attitudes and behavior. If brand ideology is successfully instilled in the employees, it will influence their attitudes and behavior (Miles & Mangold, 2005). Employees can obtain relevant brand information through formal or informal corporate channels; such information includes knowledge of commitments to the outside world (customer expectations), how to provide brand-appropriate services, the features of the products and services associated with the brand, differences from competitors' products and services, brand objectives, and the impact of employee performance on brand. The purpose of equipping employees with this information is to improve their attitudes and their ability to convey brand commitment.

Table 2. Some scholar's point of view factors that affect internal branding

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Focus	Term	Point of view	Reference
External Stakeholders	Brand	A brand is a bundle of functional and emotional values which promise a particular experience to the customer.	De Chernatony & Horn, 2003
	Brand Vision	The brand's core purpose 'its reason for being	Collins and Porras, 1996
	Brand Positioning	A brand's positioning defines what the brand is, who it is for and what it offers	Rositer and Percy, 1996
	Brand Performance	The extent of which a brand contributes to the business success of an Organization	Rositer and Percy, 1996
	Brand Values	Guiding Principles which define how the brand differentiates itself to maintain a	Rositer and Percy, 1996
	Brand Personality	A set of human characteristics associated with a brand	Aaker, 1997
	Brand Promise	The functional & emotional benefits that a brand offers to its customers	Aaker, 1997
	Brand Equity	The value of a brand as a resultant of customers' cognitive and affective responses to the brand as well as financial	Baumgarth & Schmidt, 2010
	Brand Image	The external stake-holders (customer's) current & changing perceptions of brand differentiation	McAlexander et al., 2002; Muniz and O'Guinn ,2001;
Internal & External Stakeholders	Brand Identification	A sense of belonging with the brand	Punjaisri, Evanschitzky, & Wilson, 2009
	Brand Loyalty	Engaging in a relationship with brand and willingness to remain with the brand	
	Brand Reputation	A collective representation of a brand's past actions and results that describes the brand's ability to deliver value to multiple stakeholders (both internal & external).	Fombrun and van Riel, 1997

Focus	Term	Point of View	Reference
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Internal Stakeholder	Brand Commitment	Emotional Engagement of employees with a brand	Thomson et al, 1999
		The extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand goals	Burmann and Zeplin, 2005
	Internal Brand Equity	The value of a brand as a resultant of brand supportive behaviour of employees.	Baumgarth & Schmidt, 2010
	Internal Brand Involvement	The extent of willingness to know about the brand and act upon the same as a result of personal relevance of the brand.	Celci & Olson, 1988
	Employee Brand Performance	The extent to which employees deliver the brand promise	Punjaisri, Evanschitzky, 2009
	Internal Corporate Communication	A process between an organization's strategic managers and its internal stakeholders, designed to promote commitment to the organization, a sense of belonging to it, awareness of its Changing environment and understanding of its evolving aims.	Welch and Jackson, 2007
	Brand Identity	The visual & symbolic aspects of a brand that act as differentiators. How managers and employees make a brand unique.	Vallaster & de Chernatony, 2006)

Source: (Raghu, 2009)

2.11 Effective Tools to Enable Internal Brand Practice

The following are the effective tools to implement effective internal branding practice as cited by (Raghu, 2009).

2.11.1 Coordination of HR & Marketing

Punjaisri & Wilson (2007) cited by Raghu (2009) emphasize that in addition to Internal corporate communications function, involvement of the collective expertise of HRM and marketing functions is necessary for ensuring that employees can enact brand values to fulfill the brand promise. Training (to improve brand understanding), recruitment (of employees who align with the brand values) and reward mechanisms & recognition schemes (that influence on-brand behavior) are enumerated as internal branding tools under the purview of HRM.

The role of HR in internal branding is also emphasized by Aurand *et al.* (2005) purporting that employees have a more positive attitude toward the brand and are more likely to incorporate this image into their work activities when there is some degree of HR involvement in the internal branding process. Going on to establish a three-pronged approach harnessing the efforts of communications, marketing and HR, the authors establish that the successful promotion of the internal branding doctrine may be as dependent on HR initiatives as on those developed in the marketing department. Hence, when HR efforts are focused on embedding the brand message in systems, practices and efforts for recruitment, training and motivation, firms can better use internal communications, give employees a deeper understanding of the brand and the role that employees play in enhancing the brand promise, and reduce brand positioning confusion resulting from misaligned messages.

Hijab et al (2010) in their study of the telecommunication sector in Pakistan also support the concept that an effective implementation of internal branding process within the organizations is heavily dependent upon human resource initiatives taken within the telecom organizations.

Ulrich, D. (1998) suggests that HR can help deliver organizational excellence in the following four ways:

- ❖ First, HR should become a partner with senior and line managers in strategy execution.
- ❖ Second, it should become an expert in the way work is organized and executed, delivering administrative efficiency while quality is maintained.
- ❖ Third, it should become a champion for employees, representing their concerns to senior management and at the same time working to increase employee contribution.
- ❖ And finally, HR should become an agent of continuous transformation, shaping processes and a culture that together improve an organization's capacity for change.

2.11.2 Leveraging on Leadership

Establishing that leadership influences the alignment of individual behavior along corporate brand identity and brings about behavioral brand-adequate changes in the organization, Vallaster & de Chernatony (2006) posit that successful leaders are those who adopt a holistic understanding of the corporate brand, considering it as the total sum of organizational signs that are transferred to its audiences: through the core values for which the organization stands, the behavior of employees, all symbolic representations regarding graphic designs, and finally, via all corporate communication for internal and external stakeholders. Successful leaders therefore act as integrators between the elements of corporate identity structures in order to develop a powerful brand image. They also act as mediators between the employees and the branding needs of an organization and facilitate employee brand commitment by acting as a role model communicating in a manner supporting the desired brand identity. Leaders also act as *reviewers* who design “permeable” corporate branding structures which allow for regular check-ups between internal and external brand building.

2.11.3 Nurturing a Brand Community

Devasagayam et al (2010) present intra-organizational brand communities as a viable strategic tool for internal branding. While external brand communities comprising of customers / consumers with similar brand experiences have been traditionally nurtured by organizations, it would be beneficial to apply the principles of consumer psychology to the internal market comprising of employees who could benefit from sharing brand related practices, success stories, failures and co create strategies/corrective actions and even act as facilitators and brand ambassadors for external brand communities.

2.11.4 Four Core Themes for Internal Branding

Through their study of the retail banking industry in UK, Pasolomou & Vrontis (2006) propose four elements to enhance the effectiveness of internal branding. Recognizing the central role of employees in building and differentiating their corporate brand, the first element is about viewing employees as internal customers and hence reinforcing practices that enable internal customer satisfaction, motivation and retention. In order to enable the internal customer element, the authors propose training and development programmers’ as the second element to create knowledge and understanding among staff of how their attitudes and behavior towards customers

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form an integral part of the overall service offering and hence shape employee behaviors to develop a strong service mentality that will pervade the entire organization. The third element *internal standards* urge organizations to set high standards of on-brand performance and equip employees in order to enable them to meet and exceed these standards of performance. The fourth and final element *rewards* emphasizes on the need to establish rewards systems rewards system which instill confidence and elicits that extra energy that individuals voluntarily invest towards the success of the organization's brand.

2.11.5 Consolidated IB Framework

Mahnert & Torres (2007) propose a consolidated internal branding framework (CIBF) to plan, execute and evaluate an internal branding program comprising seven tools for the success of Internal Branding (IB) viz., Organization culture & cross functional coordination, Information on internal/external environment, management support, communication, strategy for the IB program, recruitment, motivation & rewards and education. These elements can help achieve internal consistency with the external brand and encourage brand commitment and the possibility of brand championship among employees.

The authors recommend the following steps to facilitate an Internal Branding program:

- Create a flutter organization with high levels of interaction
- Ensure that the culture reflects the values of the brand
- Conduct regular, ongoing 360° research internally and externally
- Ensure that any activity has a suitable, achievable target
- Ensure appropriate measurement metrics for each target
- Make brand values and brand direction a mantra for every employee
- Create a multi-departmental, heterogeneous internal brand team
- Inspire leadership to support and enact the internal brand
- Communicate constantly, consistently, and economically in every direction
- Tailor communication to information needs
- Ensure alignment between corporation and brand direction
- Ascertain that budget and timing are realistic while reflecting internal branding needs
- Involve employees in design and implementation
- Recruit, train and reward employees with a view to brand values
- Offer ongoing brand training and education for management and staff

2.11.6 Linking Internal Communication with human resource

Sharma & Kamalanabhan (2012), in their study of public sector organizations in India, draw a linkage between internal branding and internal corporate communication (ICC) to state that improvement in the quality of its ICC practices leads to better internal branding outcomes. The study also conceptualizes a model that indicates that ICC results in the achievement of internal brand identification, commitment and loyalty. In addition, the authors state that it is important to integrate the human resources (HR) and ICC functions in order to disseminate corporate brand information effectively. Hence, brand communication training which is typically associated with HR is perceived as an important dimension of ICC which helps can be utilized to influence employee's attitude towards the corporate brand. White & Stafford (2010) further support the concept of ICC through their study to emphasize on the directions of dimension of internal communication, as well as the channel dimension. While technology based channels like e-mail is efficient for information exchange, the preference for communication among all groups of employees is face-to face, interpersonal, dialogic interactions. Meetings, despite being acknowledged as time-consuming, are valued as a channel for feedback and providing face time with top managers.

2.11.7 Top & Middle Managerial Control of Internal Branding

Henkel *et al* (2007) emphasize on the relevance and managerial control of behavioral branding and state that Managers should spend more time explaining and discussing targets of behavioral branding, and they should create an organizational environment that enables employees to find their own individual ways of articulating a brand to customers.

In order to promote the complex employee behaviors that may generate a highly distinguishing brand performance, structures, processes, and incentives are needed to enable brand-oriented employee behavior. In addition to top management commitment, it is recommended to bridge the gap between top management and front line personnel, senior managers also need to join their employees regularly and act as role models striving to improve the team feeling across functional borders.

2.12 Thematic Classifications a brand

In order to do the systematic analysis of brand definitions, I have used a framework suggested by de Chernatony and Riley (1998), they classified definitions of brand in to 12 themes, as stated below.

2.12.1 Brand as a logo

American Marketing Association (AMA) defines (1960) brand as “A name, term, design, symbol, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from competitors.” In other words, brands are a means to differentiate from the competitors (or future competitors). The definition of brand as logo has Product and manufacturer orientation (e.g. Crainer, 1995, Arnold 1992).

2.12.2 Brand as a legal instrument

Brand is a legal statement of ownership (Crainer, 1985), also a mark to designate the ownership (Broadbent and cooper, 1987). Oxford dictionary (2009) has defined brand as “a particular sort or class of goods, as indicated by the trade mark on them”. Now the question arises, what is the extent and basis of legal protection? How valuable are they? Evidently, Legislation offers protection up to some extent (Isaac, 2000). however, look-alike own labels (Kapferer, 1995) are evidence of the limited scope of the legislation (c.f. de Chernatony and Riley (1998). The value of Trade mark depends upon the ability to protect them from infringement (Simonson and Itamar, 1994).

2.12.3 Brand as a company

Corporate Identity is vital as favorable corporate identity gives competitive advantage to organizations (Van Reil and Balmer, 1997). By “borrowing” the equity accrued by the corporate name, product lines become extension of corporate identity, as Tata exemplifies with the product portfolio of Tata motors all the products carry the name Tata with it e.g. Tata nano. Scholars have also argued “a company is known by its brands” (Varadarajan et al., 2006).

2.12.4 Brand as shorthand

Brands are a short and simple way of expressing or referring to something (offering). According to Brown (1992) “a brand name is nothing more or less than sum of all the mental connections people have around it”. Brand names provide memory shortcuts (Jacoby et al., 1977; Keller, 2003). Consumers under time constraint are more likely to buy brands with names they recognize (Chevan, 1992). However, brands are more than mental association; strong brands also have intense or powerful emotional association (Kapferer, 2004).

2.12.5 Brand as a risk reducer

Consumers perceive risk when they buy a product or services (Bauer, 1960). An understanding of dimensions of perceived risk enables marketers to present their brands to instill consumer

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confidence (Assael, 1995). This theme is related to the concept of brand as a contract between the organization and consumers (Staveley, 1987; Kapferer, 1992). Again in order to understand this we have to know the dimensions of risk? According to Kapferer (2004) perceived risk could be economic (linked to price); functional (linked to performance); psychological (linked to our self-concept); social (linked to our social image) and experiential.

2.12.6 Brand as an Identity system

Kapferer (1992) has emphasized brand as an identity structure with six integrated facets or aspects of culture, personality, self-projection, physique, reflection, and relationship. Where physical facet represents product features, symbols & attributes; personality represents character & attitude; relationship represents beliefs & association; culture represents a set of values; reflection represents customer's view of the brand and self-Image represents internal mirror of customer as user of brand. Kapferer's contribution is to stress the importance of the brand as more than the sum of parts.

2.12.7 Brand as an image in consumer's mind

People don't react to reality but perceived reality (Boulding, 1956). Though Boulding, doesn't explore reality in-depth his focus is on differing interpretations of the same stimulus. Further, Martineau (1959) has described brand as image in consumer's mind of functional and psychological attributes. Another way to define it that "brand is a consumers' idea of a product "(Pitcher, 1985).

2.12.8 Brand as value system

Values are a subject of notable interest, as shown by reference to "core brand values" in the academic literature (e.g. Cook, 1995; Meenaghan, 1995) and the trade (e.g. Thrift, 1997; Beckett, 1996; Southgate, 1996). Consumers' decisions are influenced by personal and cultural values (Franzen and Moriarty,2008).Clark (1987) remarks consumers find value in the brand, in its heritage, in their personal experience with it and how it reflects what the individual stands for. Sheth et al. (1991) define brands as value systems. According to them brand choice decisions is influenced by five consumption values.

- a) Functional values, the utility level of the product (or service) compared to its alternatives;
- b) Social value, can be described as the willingness to please others, and social acceptance;
- c) Emotional values are expressed as choices made based upon feelings and aesthetics;

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d) Epistemic values can be used to describe the early adopters in the sense that it relates to novelty or knowledge-searching behavior (a person switching the regular cell phone to try new smart phone).

e) Conditional value refers to a set of circumstances depending on the situation (e.g., Christmas, a wedding, etc.). Socio-economical and physical aspects are included in this value. Under this perspective, individual brands are representation of unique clusters of values.

The above discussion suggests that the value system includes mainly five consumption values.

2.12.9 Brand as a personality

Differentiation based on functional capabilities are easy to emulate or rival (Lambin, 1993), another way to differentiate is through focusing on psychological values, using creative communication and packaging. Considerable amount of research has defined brand as symbolic personality that user value beyond functional utility (Alt and Griggs, 1988; Blackston, 1992; Arnold, 1992; Goodyear, 1993). Whereas selecting among competing brands, consumers assess the fit between the personalities (perceived) of the brands and the personality they wish to project (Zinkhan et al.,1996). Personality and values are inter-related (Gutman,1982), with personality being a sub-set of value constellations. Brand personality is primarily the result of the firm's communication, whereas image is the way consumers perceive the brands personality (Plummer, 1985). According to the American Marketing Association (AMA): "Brand personality is the psychological nature of a particular brand as intended by its sellers, though persons in the marketplace may see the brand otherwise (called brand image).

2.12.10 Brand as relationship

Personality is a prerequisite for a relationship between consumers and brands (Duboff, 1986; Woodward, 1991). A brand relationship is a logical extension of brand personality (Blackston, 1992) and if a brand can be personified consumers would not just perceive them, but would also have relationship with them (Kapferer, 1992; Blackston, 1993). Brand is the expression of relationship between consumer and product. A successful brand can be characterized as having strong relationship between customer and the company (mckenna, 1991). According to de Chernatony and Macdonal, (1992), intangibles components have 80% impact on consumer relationship but only 20% of the cost. This indicates the importance of brand as relationship.

2.12.11 Brand as adding value

Brand has also been conceptualized as a bundle of tangible and intangible features which increase the attractiveness of a product or service beyond its functional value (Farquhar, 1989; Park and Srinivasan, 1994). Levitt (1962); de Chernatony and McDonald (1992); Wolfe (1993) and Doyle (1994) defines brand as added value. Added value can be defined as nonfunctional benefits over and beyond products functional characteristics (Jones, 1986; King, 1973). Benefits can be functional, economic, social, psychological (New Man, 1957). King (1984) observed, products are made in factories and through the adding value process, consumers buy brands.

2.12.12 Brand as an evolving entity

According to Good year (1996) brand evolves from “unbranded commodities”, to references where name is used for identification, similar to AMA definition. Brands then develop in to a “personality”, offering emotional appeals besides product benefits. At each stage, the emphasis of the brand gradually shifts from firms to consumers. At the fourth stage, the consumer “owns “the brand, which acquires “icon” connotation. A further progression is “brand as a company”, focusing on a distinct set of corporate “brand values” that permeate organizations. Strength of this definition is that it tries to answer the question how a product becomes a brand.

In now day's market, basic success factor for any businesses is not enough, only having financial capital but human capital as well. Knowledge of the employee about the organization is seen as a vital factor for success in business operations (shiu & You , 2010). De Chernatony (2001) presented that employees are the nerve in the process of brand building and their behavior can reinforce a brand's advertised values. As a result, it's crucial to look inside the organization to give emphasis on how the employee's values and behavior can associated with a brand's desired values.

2.13 Conceptual Framework of the Study

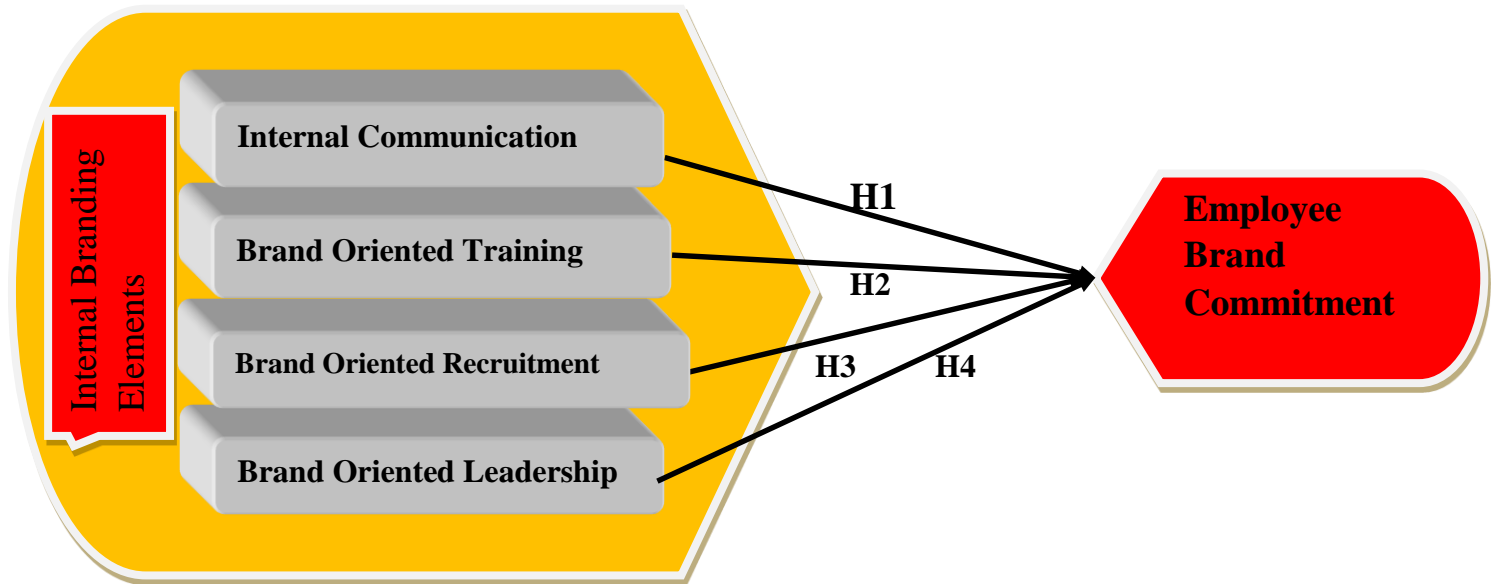


Figure 1. Conceptual Framework of the Study

Source: Adopted from Burmann and Zeplin (2005)

CHAPTER THREE

3 RESEARCH METHODOLOGY

Description of the study, research approach, research design, population and sampling techniques source of data, data collection instrument and method of data analysis are part of this chapter.

3.1 Description of the Study Area

The study area of the researcher was the effect of internal Branding on Brand commitment of Employee in National Alcohol and Liquor Factory, located in Addis Ababa, a capital city of Ethiopia. situated at elevation: 2,355 m (7,726ft), above sea level. Area: 527sq.km. chartered: - 1886, its head office is located at the heart of Mexico square along the artery motor way stretched to Merkato behind Addis Ababa Technology College. Its former name "Tegbared".

3.2 Research Approach

The researcher used a quantitative research approach because quantitative research is used when a large amount of numeric data is collected, and the results are assumed to be measurable and presentable in form of numbers and statistics. The aim is to make generalizations based on the processed results of the investigation. Quantitative research emphasizes quantification when gathering and analyzing data (Bryman & Bell , 2011).Therefore it enables to make generalizations about the practice of internal branding and employee's level of brand commitment for the organization and help the researcher to collect large amount of numerical data

3.3 Research Design despite

The study is Exploratory Factor Analysis according to Pett and Lackey, 2003; Thompson 2004) it has the objectives: - Reduction of number of factors (variables), Assessment of multi-collinearity among factors which are correlated, Uni-dimensionality of constructs evaluation and detection, Evaluation of construct validity in a survey, Examination of factors (variables) relationship or structure, Development of theoretical constructs, Prove proposed theories

Survey study was employed for this study. This is mainly used as a method of data collection; questionnaire. Within descriptive studies, the most common method to answer the research question is a survey. Surveys attempt to answer the question "What exists?" (Sekaran , 2000). A survey is a study in which a single population in the real life context is selected and scores

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obtained from this population are analyzed in a quantitative (statistical) manner and survey strategy is favorable when the research purpose is to describe the occurrence of an event or if the purpose is to describe the consequences of a certain input (Yin , 2003).

3.4 Population, Sampling Technique and Sample Size

3.4.1 Population of the Study

All items in any field of inquiry constitute a universe or population. The researcher has investigated the practice of internal branding and its effect on employees' brand commitment on the case of NALF. As result the statistical population of the research was consisting of employees working in NALF both blue-collars and administrative staffs.

3.4.2 Sampling Technique and sample Size

In conducting a study, it is not possible and sometimes expensive to gather data by considering entire population. Therefore, smaller masses of a unit sample are chosen to represent the relevant attributes of the whole of the units (Guiltinan and Madden, 1997). Likewise, for the purpose of this study almost half of the employees of NALF was considered as a sample frame. Therefore, according to the nature of the population the researcher was stratified the representative population both blue-collars and administrative staffs in to four divisions by branches. Because in stratified sampling the population of N unites is sub divided in to k sub population, called strata. The sub population should be non-overlapping so that they comprise the whole population such that $N_1 + N_2 + \dots + N_k = N$. Where N_i represent the unit in the i^{th} a sample is drawn each stratum independently the sample size within i^{th} stratum being n ($i=1, 2, \dots, k$) such that $n_1 + n_2 + \dots + n_k = n$. the procedure of taking samples in this way is called stratified sampling. If the sample is taken randomly from each stratum the procedure is known as a stratified random sampling. While stratifying heterogeneous population should be sub divided in to strata each of which is homogeneous within itself, so that a relatively smaller sample will be representative and one of the method of having suitable sample size from each stratum is known as proportional allocation. In proportional allocation the size of the samples from different strata are proportional to the size of strata (Creswell, 1994). Therefore, the researcher used stratified random sampling because of the nature of the research.

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Table 3. Size of sample Population

No.	Depart Ment	staff	Local sales	Exp- Ort	Sales research	Fermen Tation	Boiler	Waste Treatment	Liquor prepar Ation	Oper ator	laborer	total
1	Marketing	2	90	2	3	-	-	-	-	-	-	97
2	Production	-	-	-	-	12	5	5	3	13	41	86
	Total	2	90	2	3	12	5	5	3	13	41	183

Source: HRM raw data, 2019

NALF currently has 400 permanent employees, by considering this total population the researcher was determined the sample size as follow. Yamane (1967) provides a simplified formula to calculate sample sizes. A 95% confidence level and $P = 0.05$ are assumed. $n = \frac{N}{1 + N(e)^2}$ Where n is the sample size; N is the population size, and e level of precision (sampling error) and degree of variability. So based on this, the sample size of employees was determined:

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{400}{1 + 400(0.05)^2}$$

$$n = \frac{400}{1 + 1}$$

$$n = \frac{400}{2}$$

$n = 200$

Generally, almost 200 sample sizes were taken from the total population and the researcher calculated the proportion of each stratum using the following formula which is developed by Creswell (1994). Proportional Stratified sample size determination, $n_1 = \frac{N_1}{N} * n$ Where n_1 is proportional sample size of stratum, N_1 is total population of strata, N is total population of the study and n is total sample size of the study.

3.5 Sources of Data

The study used both primary and secondary data sources in order to gather relevant information for the study. Primary data Sources was the employees of NALF. Data were collected from employee through standardized questionnaire and the study was cross-sectional (a small group that includes

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example the different type of people in a large group.), where respondents were contacted once to collect primary evidences.

Secondary sources of data were journals, articles, published/unpublished materials and from the website of NALF.

3.6 Data Collection Instrument

The researcher used a standardized questionnaire which contains close ended items with five point Likert scale basis to obtain first-hand information through direct solicitation of responses from the employees (Yin, 2003). Standardized questionnaires are chosen as it offers respondents greater anonymity or privacy, thereby encouraging the respondent to more readily disclose feelings and attitudes. Thus standardized questionnaire were taken from different scholar's research instruments, i.e. Burman and Zeplin, 2005; Allen and Meyer, 1990; King and Grace, 2008; De chrenatory *et al.*, 2006 and Punjaisri and Wilson, 2011.

The secondary data was collected from existing literature reviews written in relation to this study and from the reports of NALF.

3.7 Method of Data Analysis

The data which was collected from the source was analyzed after categorizing, summarizing and editing. Every study shall have a general framework for how the data is analyzed. The analyses will be based on the frame work developed from theory. This frame work was used to test the respondent's answer and check if they are agreeing with theory or are presenting something new or doing something differently than theory explains it. Once the usable responses through the questionnaires are collected, the data were screened and coded into SPSS (20.0) software. The data-processing were carried out by using the SPSS after checking each data from respondent and they were coded, and cleaned carefully to ensure the accuracy and validity of the research. Then descriptive statistic (frequency distribution) was utilized to summarize data related to demographic characteristics of the respondents and responses of attitudinal questions. From the inferential statistics, correlation was used to check the validity of the study and multiple regressions were used to test the hypotheses and finally the multiple regression result.

3.8 Research Variables

Variables are things that we can measure, control or manipulate them in a research. They differ in many aspects, most notably in the role they are given in research and in the type of measurements that can be applied to them. Independent variables are those that are manipulated whereas dependent variables are only measured or registered.

In this research, employee brand commitment was taken as dependent variable and internal branding dimensions: - Internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership was considered as independent variable. All the independent variables have positive effect on the dependent variable.

3.9 Test of Measurement Quality

There are two important concepts one should keep in mind while writing a report: validity and reliability. Validity is the ability of a chosen instrument to measure what it is supposed to measure. Reliability is the extent to which research results would be consistent if the same techniques were used repeatedly. Therefore, the validity and reliability of the research was checked.

3.9.1 Reliability Test

Reliability is the degree to which the measure of a construct is consistent or dependable. There are many ways of estimating reliability, of which internal consistency reliability is one. Internal consistency reliability is a measure of consistency between different items of the same construct. If a multiple-item construct measure is administered to respondents, the extent to which respondents rate those items in a similar manner is a reflection of internal consistency. This reliability measure can be estimated more commonly in terms of Cronbach's alpha (Anol, 2012). Hence, the Cronbach's alpha coefficient was used to check the scale reliability of the instruments.

3.9.2 Validity Test

Validity can be assessed using theoretical or empirical approaches. Theoretical assessment of validity focuses on how well the idea of a theoretical construct is translated into or represented in an operational measure (Anol, 2012). In this regard the validity of the current study was addressed through the review of literature and adapting instruments used in previous researches.

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Empirical assessment of validity examines how well a given measure relates to one or more external criterion, based on empirical observations. It examines whether a given measure behaves the way it should, given the theory of that construct. This assessment is based on quantitative analysis of observed data using statistical techniques such as correlation analysis (Anol, 2012). Thus, the validity of the instrument in this regard was tested using correlation analysis, the Pearson correlation coefficient between employee brand commitment and the four dimensions of internal branding.

3.10 Factor Analysis

Factor analysis allows the researcher to condense a large set of variables or scale items down to a smaller, more manageable number of dimensions or factors. It does this by summarizing the underlying patterns of correlation and looking for 'clumps' or groups of closely related items. This technique is often used when developing scales and measures, to identify the underlying structure.

The two main approaches to factor analysis that described in the literature are, exploratory and confirmatory. Exploratory factor analysis is often used in the early stages of research to gather information about (explore) the interrelationships among a set of variables. Confirmatory factor analysis, on the other hand, is a more complex and sophisticated set of techniques used later in the research process to test (confirm) specific hypotheses or theories concerning the structure underlying a set of variables. Under this research only confirmatory factor analysis was used for reduction of items and to select research instruments those explains more the whole research instruments by using their eigenvalue having one and greater than one.

Under this confirmatory factor analysis, the research instruments were passed through some tests like multi-collinearity, KMO and Bartlett test (sampling adequacy) and summary of kurtosis and skewness also presented finally.

3.11 Ethical Consideration

The aim of this research was investigating the practice of internal branding and its effect on employee brand commitment in case of NALF. When the researcher collects the data from the respondents, he asked them their consent or agreement and assures the confidentiality. Since the research is purely academic purpose, there is no any risk bearing to the respondent.

CHAPTER FOUR

4. DATA PRESENTATION AND ANALYSISE

This chapter presents the analysis and discussion of the findings to the study, and all the collected data has been analyzed and interpreted. It consists the measurements of reliability and validity, Factor analysis, Descriptive statistics of the Demographic information, descriptive statistics of the variables, Correlation analysis and Regression Analysis. The primary focus of this study was to examine the effect of internal branding on the employee brand commitment based on the data obtained from employees of National Alcohol and Liquor Factory through different instruments for data collection; such as questionnaire, interview, and review of secondary data by the researcher. The target population of this study was employees of NALF mainly working in two departments, Marketing (97 employees.) and production (86 employees.). Questionnaires had been collected at the mid of August 2019. Among the distributed 183 questionnaires; 170 were returned from employees of NALF. That is a total of 170 questionnaires were found to be complete and used for the data analysis which means at 92.9 % response rate.

Table 4. Response Rate of Questionnaires administered

Questionnaires	Number	Percentage
Returned	170	92.9%
Unreturned	13	7.1%
Total	183	100%

Source: Survey Data, 2019

4.1 Characteristics of Respondents

Table 5. Summary of Demographic Information of Respondents

Demographic Characteristics of Respondents		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Gender	Female	50	29.4	29.4	29.4
	Male	120	70.6	70.6	100.0
	Total	170	100.0	100.0	
Age	18-30	49	28.8	28.8	28.8
	31-50	97	57.1	57.1	85.9
	Above 51	24	14.1	14.1	100.0
	Total	170	100.0	100.0	
Marital Status	Married	105	61.8	61.8	61.8
	Single	51	30.0	30.0	91.8
	Divorced	8	4.7	4.7	96.5
	Widowed	6	3.5	3.5	100.0
	Total	170	100.0	100.0	
Education level	Certificate and below	22	12.9	12.9	12.9
	Diploma	48	28.2	28.2	41.2
	BA/BSC	87	51.2	51.2	92.4
	MA/MSc & above	13	7.6	7.6	100.0
	Total	170	100.0	100.0	
Work experience in years	1-5	82	48.2	48.2	48.2
	6-10	45	26.5	26.5	74.7
	11-15	11	6.5	6.5	81.2
	16&Above	32	18.8	18.8	100.0
	Total	170	100.0	100.0	

Source: Survey Data, 2019

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The Demographic Information presented in the previous table, which is, here below supported by bars and graphs.

4.1.1 Sex Composition of Respondents

Table 5. Shows sex compositions of respondents, 50 (29.4%) were female and 120 (70.6%) were male. Hence, the majority of the respondents were male.

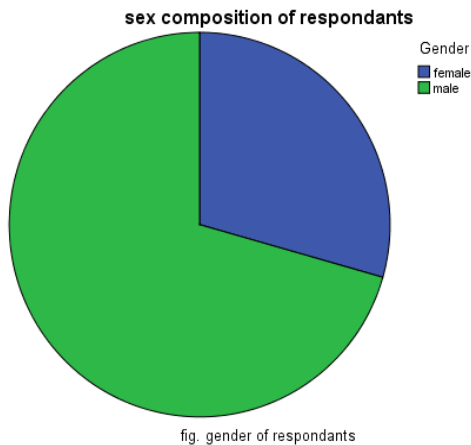


Figure 2. Gender of respondents

Source: Survey Data, 2019

4.1.2 Age Category of Respondents

Table 5, Illustrates that respondent's age proportion in three age category. The majority of Employees were between the Age of 31& 50 (57.1%) next to this age category it is between 18&30 (28.8%) and (14.1%) of employees are above 51 years old. As a result, majority of the respondents existed under the age of between 31 &50 which account 57.1%.

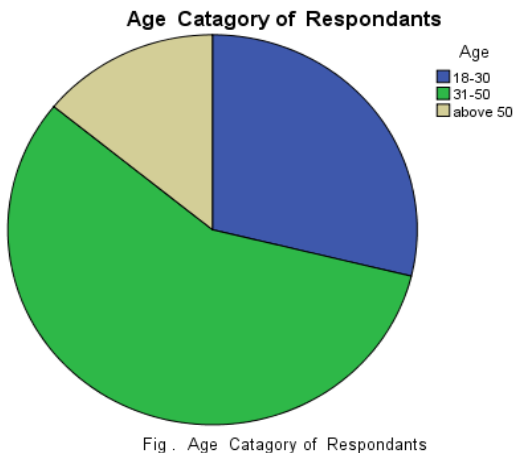


Figure 3. Age category of respondents

Source: Survey Data, 2019

4.1.3 Marital Status of Respondents

Regarding the marital status of respondents, 105(61.8%) were married, 51(30.0%) were single, 8(4.7%) and 6 (3.5%) were divorced and widowed respectively. Hence majority of the respondents were married.

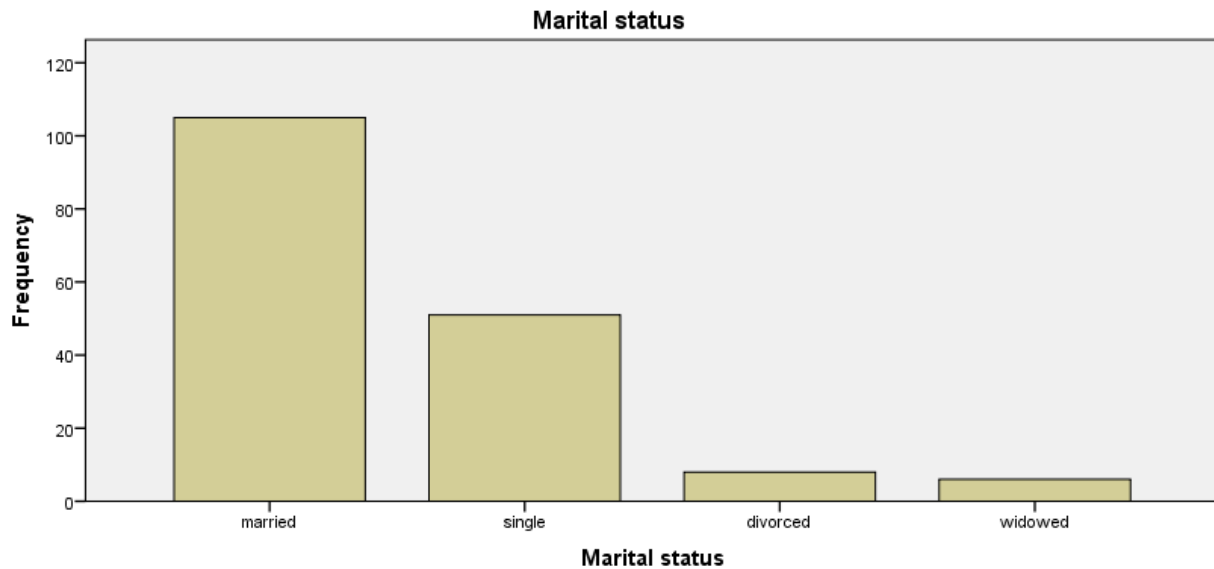


Figure 4. shows Marital status of respondents
Source: Survey Data, 2019

4.1.4 Educational Level of Respondents

Concerning the respondents of educational level, which are grouped in to five categories. Most of the respondents were First Degree (BA, BSC) holders; 87 (51.2%), the second highest Employee group is those who have Collage Diploma; 48 (28.2%), respondents with certificate and below education level are the third group which accounts 22 (12.9%) and 13 (7.6%) of respondents have MS/MSC. thus majority of respondents were first degree holders.

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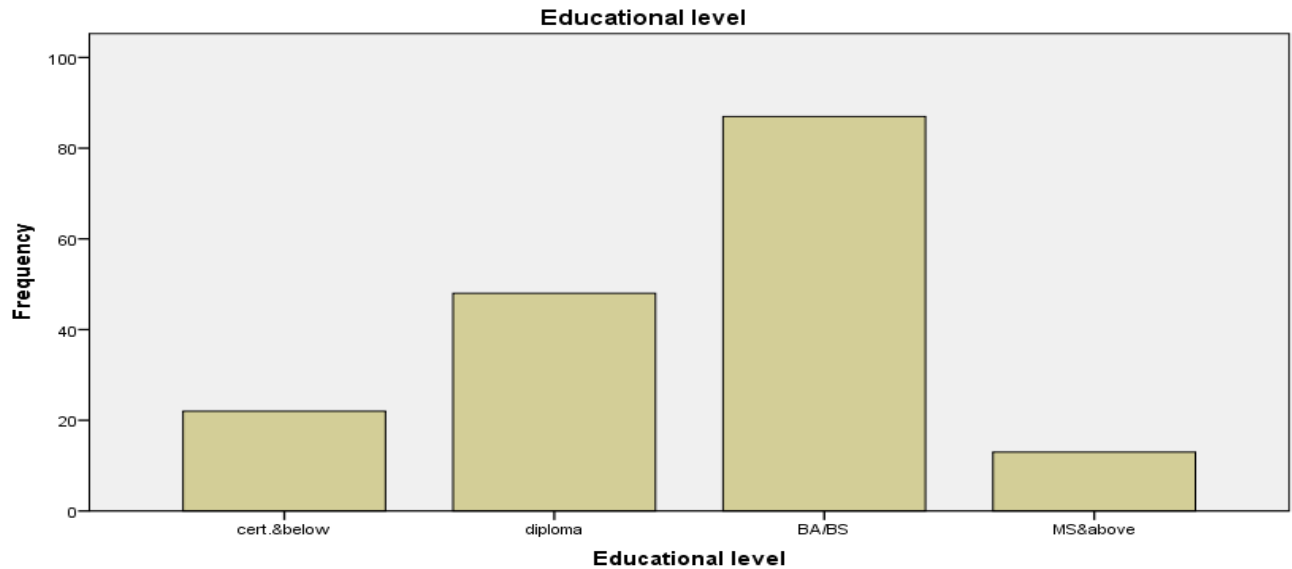


Figure 5. shows Educational Level of respondents
Source: Survey Data, 2019

4.1.5 Work Experience of Respondents

Based on the frequency table 5, which include work experience of respondents, The Number of years that the respondents had been working at their current organization was categorized into four categories where 48.2% of the respondents represented time 1-5 years, 26.5% represented 6-10 years, 18.8% represented above 16 years and 6.5% represented 11-15years. Therefore, majority of the respondents have 1-5years stay work experience with in NALF.

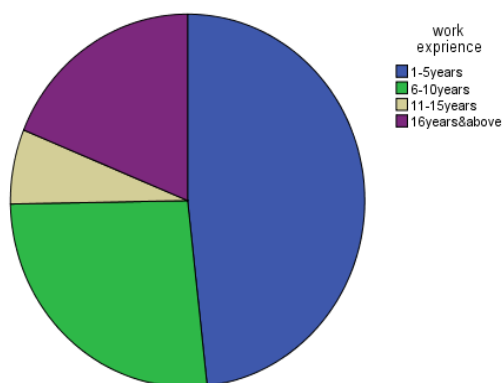


Fig. Work Experience of Respondents

Figure 6. Work Experience of Respondents
Source: Survey Data, 2019

4.2 Reliability and Validity

In survey based research it is important to validate that, the scales used for reliability and validity. Even if the measurement variables and scale questioners are adopted from previous scholars highly validated instruments, it's necessary to check their applicability in Ethiopian context. The present study validated the measurements using Internal Consistency.

Cronbach's alpha is a coefficient (a number between 0 and 1) that is used to rate the internal consistency (homogeneity) or the correlation of the items in a test. A good test is the one that assesses or evaluates different aspects of the trait being studied and Cronbach's alpha will generally increase as the inter correlations among test items increase, and is thus known as an internal consistency estimate of reliability of test scores (Zikmund *et al.*, 2010).

George and Mallery (2003) provide the following rules of thumb: $\geq .9$ Excellent, $\geq .8$ Good, $\geq .7$ Acceptable, $\geq .6$ Questionable, $\geq .5$ Poor, and $< .5$ Unacceptable. To test the reliability of the items of each concept, the Cronbach's alpha coefficient was calculated for each variable. The reliability for each concept was internal communication 0.849, brand oriented training 0.872, brand oriented recruitment; .731, brand oriented leadership 0.859, brand commitment; 0.759 and all constructs together gives .916 Cronbach's Alpha result. Here the researcher was looking for a score of over 0.7 for high internal consistency. In this case, $\alpha = 0.92$, which shows the questionnaire reliable and internal reliability is highly acceptable, as state by Zikmund et al. (2010) a coefficient alpha value between 0.7_0.9 is regarded as very good reliability. Therefore, the whole variables and instruments are highly reliable. The results of the reliability test are presented in the tables below.

Table 6. Reliability Test

Constructs	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Internal Communication	.849	.854	8
Brand Oriented Training	.872	.873	8
Brand Oriented Recruitment	.731	.725	3
Brand Oriented Leadership	.859	.861	8
Brand Commitment	.759	.783	8
All Constructs together	.916	.934	35

Source: Survey Data of 2019

4.3 Factor Analysis

The broad purpose of factor analysis is to summarize data so that relationships and patterns can be easily interpreted and understood. It is normally used to regroup variables into a limited set of clusters based on shared variance. Hence, it helps to isolate constructs and concepts. (An Gie Yong and Sean Pearce University of Ottawa 2013).

Factor analysis operates on the notion that measurable and observable variables can be reduced to fewer latent variables that share a common variance and are unobservable, which is known as reducing dimensionality (Bartholomew, Knott, & Moustaki, 2011). These unobservable factors are not directly measured but are essentially hypothetical constructs that are used to represent variables (Cattell, 1973).

The two main factor analysis techniques are Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA). CFA attempts to confirm hypotheses and uses path analysis diagrams to represent variables and factors, whereas EFA tries to uncover or expose complex patterns by exploring the dataset and testing predictions (Child, 2006)

EFA is used when a researcher wants to discover the number of factors influencing variables and to analyze which variables 'go together' (DeCoster, 1998). A basic hypothesis of EFA is that there are m common 'latent' factors to be discovered in the dataset, and the goal is to find the smallest number of common factors that will account for the correlations (McDonald, 1985). Another way to look at factor analysis is to call the dependent variables 'surface attributes' and the underlying structures (factors) 'internal attributes' (Tucker & MacCallum, 1997). Common factors are those that affect more than one of the surface attributes and specific factors are those which only affect a particular variable (Tucker & MacCallum, 1997).

EFA generally works better with larger sample sizes. However, Guadagnoli and Velicer (1988) proposed that if the dataset has several high factor loading scores ($> .80$), then a smaller small size ($n > 150$) should be sufficient.

4.3.1 Why Use Factor Analysis?

Large datasets that consist of several variables can be reduced by observing 'groups' of variables (factors) that is, factor analysis assembles common variables into descriptive categories. Factor analysis is useful for studies that involve a few or hundreds of variables, items from questionnaires, or a battery of tests which can be reduced to a smaller set, to get at an underlying concept, and to facilitate interpretations (Rummel, 1970). Rummel reasoned out that, It is easier

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to focus on some key factors rather than having to consider too many variables that may be trivial, and so factor analysis is useful for placing variables into meaningful categories. Rummel mentioned also; Many other uses of factor analysis include data transformation, hypothesis-testing, mapping, and scaling.

In summary, factor analytic model (EFA or CFA) focuses solely on how, and the extent to which, the observed variables are linked to their underlying latent factors. More specifically, it is concerned with the extent to which the observed variables are generated by the underlying latent constructs and thus strength of the regression paths from the factors to the observed variables (the factor loadings) are of primary interest (Bentler, 2005).

4.4 Multi-collinearity Test

This refers to the relationship among the independent variables. Multi-collinearity exists when the independent variables are highly correlated ($r=.9$ and above). Singularity occurs when one independent variable is actually a combination of other independent variables (e.g. when both subscale scores and the total score of a scale are included). Multiple regressions don't like multi-collinearity or singularity and these certainly don't contribute to a good regression model (Garson, 2012). The researcher uses the correlation matrix to check the pattern of relationships. First, the significance value was checked and majority of variables are significance with less than 0.05. And then the correlation coefficients scanned and there is no variable its correlation coefficients is greater than 0.9. Therefore, in current study there is no Multi collinearity problem. As a result, no need of eliminating the constructs. See table below.

Table 7. Multi-collinearity Result

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.484	.236		6.294	.000		
Communication	.223	.083	.254	2.694	.008	.422	2.367
Training	-.073	.072	.091	1.007	.315	.463	2.159
Recruitment	.063	.032	.132	1.980	.049	.845	1.184
Leadership	.379	.077	.420	4.948	.000	.522	1.917

a. Dependent Variable: commitment
Source: Survey Data, 2019

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AS stated by (Garson, 2012) the rule of thumb, that is $VIF \geq 4.0$ when multi collinearity is a problem. The result of current study is below four. As a result, there is no multi collinearity problem, so it allows the researcher for further stage.

To sum up, all questions in these data were correlate fairly and none of the correlation coefficients are particularly large. Therefore, there is no need of eliminating any questions at this stage.

4.5 KMO and Bartlett's Test

To measure sample adequacy, the present study used Kaiser-Meyer-Olkin (KMO), this index comprises the “magnitudes of the observed correlation coefficients with the magnitude of the partial correlation coefficients” (Malhotra & Birks, 2006). Bartlett’s test of sphericity (Bartlett 1954), and the Kaiser- Meyer-Olkin (KMO) measure of sampling adequacy, Bartlett’s test of sphericity should be significant ($p < .05$) for the factor analysis to be considered appropriate. The KMO index ranges from 0 to 1, with 0 .6 suggested as the minimum value for a good factor analysis (Tabachnick & Fidell 2013).

Table 8. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.880
Bartlett's Test of Sphericity (Linearity)	Approx. Chi-Square	3315.914
	Df	595
	Sig.	.000

Source: survey Data,2019.

Therefore, the KMO value of this data is .880 and Bartlett’s test is significant (i.e., a significance value .000). This means that the variables are correlated highly enough to provide a reasonable basis for factor analysis

4.6 Total Variance Explained

Table 9. Total Variance Explained.

component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.484	32.812	32.812	11.484	32.812	32.812
2	2.883	8.238	41.050	2.883	8.238	41.050
3	2.005	5.730	46.780	2.005	5.730	46.780
4	1.708	4.880	51.660	1.708	4.880	51.660
5	1.646	4.704	56.364	1.646	4.704	56.364
6	1.171	3.345	59.709	1.171	3.345	59.709
7	1.091	3.116	62.825	1.091	3.116	62.825
8	1.005	2.872	65.697	1.005	2.872	65.697
9	.932	2.664	68.361			
10	.920	2.627	70.988			
11	.875	2.501	73.489			
12	.825	2.358	75.847			
13	.796	2.274	78.121			
14	.694	1.983	80.103			
15	.637	1.819	81.923			
16	.627	1.793	83.715			
17	.585	1.672	85.388			
18	.470	1.342	86.730			
19	.442	1.264	87.994			
20	.407	1.163	89.157			
21	.388	1.109	90.265			
22	.366	1.045	91.310			
23	.341	.974	92.284			
24	.338	.966	93.250			
25	.318	.908	94.158			
26	.301	.859	95.017			
27	.282	.805	95.822			
28	.270	.772	96.594			
29	.246	.704	97.298			
30	.215	.613	97.911			
31	.188	.538	98.448			
32	.164	.468	98.916			
33	.138	.395	99.311			

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34	.128	.366	99.677			
35	.113	.323	100.000			

Extraction Method: Principal Component Analysis.

Source: Survey Data, 2019.

To determine how many components (factors) to 'extract', it's necessary to consider a few pieces of information provided in the output. Based on eigenvalue, the researcher considered only the components that have an eigenvalue of one and greater than one, to determine how many components meet you can have a look in the above Variance Explained table and the values provided in the first set of columns, labeled Initial Eigenvalues.

As result total of eight (8) factors were extracted, four from brand oriented leadership and four from internal communication. (instruments are: My boss /coordinators/supervisor/ regularly work side by side with me and my colleagues in the daily work, Bosses /managers/supervisors/ encouraged me to make my own decisions regarding the daily work, My colleagues would help me when needed, even if it is not their responsibility, My boss /manager/supervisor/tells my colleagues and me what each of us should do to achieve company's goals), (NALF. informs me what the organization brand stands for, NALF. informs me about my role in the organization, NALF's brand is reflected in my work, NALF encourages the sharing of information between departments/core processing units which enhances brand commitment.). These eight components explain a total of 32.812 per cent of the variance. See the summary table below.

Table 10. Summary of Total variance explained

Component	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.484	32.812	32.812	5.566	15.904	15.904
2	2.883	8.238	41.050	3.826	10.932	26.836
3	2.005	5.730	46.780	3.532	10.092	36.928
4	1.708	4.880	51.660	2.582	7.377	44.306
5	1.646	4.704	56.364	2.208	6.309	50.615
6	1.171	3.345	59.709	1.810	5.172	55.786
7	1.091	3.116	62.825	1.790	5.116	60.902
8	1.005	2.872	65.697	1.678	4.795	65.697

Extraction Method: Principal Component Analysis.

Source: Survey Data, 2019.

The researcher has made analysis for each variables based on their score value of mean and St. deviation, though eight of the extracted items were identified in the above table.

4.7 Skewness and Kurtosis (Normality)

Calculating the value of skewness and kurtosis is a common rule-of-thumb to examine normality of the data, and it is performed by running descriptive statistics in the statistical package for social sciences (SPSS). Tong (2006) stated skewness and kurtosis should be within the absolute value of 2 (+2 to -2 range) to conclude the data are normally distributed. Accordingly, normality analysis for four constructs was conducted with statistical package for social sciences (SPSS) 20 and the result declared the value of skewness and kurtosis of all constructs were within +2 to -2 ranges (see Table below). The value indicated that all the variables were normally distributed.

Table 11. Summary of Skewness and Kurtosis.

Constructs	N	Skewness	Kurtosis
Communication	170	-1.868	1.700
Training	170	-1.036	1.581
Recruitment	170	1.370	1.759
Leadership	170	-1.025	1.424
Commitment	170	-1.595	1.319

Source; Survey Data, 2019

4.8 Descriptive Analysis

The descriptive statistics of mean scores and standard deviation of internal branding variables are discussed in the below consequent tables in each category.

The main reason of using descriptive statics was to demonstrate the average responses of respondents for each question that was included under each dimensions of the predictor variable and to reach the grand mean of each dimension. Finally, the interpretation is made using the grand mean of each independent dimension for the aim of achieving partial research objectives of the study. The interpretation was made based on the following measurement scale intervals or range. Mean scores 4.51-5.00 excellent or very good, 3.51-4.50 good, 2.51-3.50 average or moderate, 1.51-2.50 fair and 1.00-1.50 is poor (Btawee, 1987). Based on this range the research variables descriptive analysis was conducted as follow.

4.8.1 Internal Communication Instruments of descriptive analysis

Table 12. Internal communication Instruments

No	Variables and Items	Mean	Std. Deviation
1	NALF. delivered formal brand related material to me and my colleagues (like brochures, booklets, e-mail etc.)	3.64	1.118
2	NALF. informs me what the organization brand stands for	4.23	0.814
3	NALF. informs me about my role in the organization	4.21	0.889
4	NALF's brand is reflected in my work	3.94	0.995
5	NALF orients brand values to each group of employees.	3.49	1.089
6	NALF communicates brand values to me via two-way communication	3.31	1.157
7	NALF encourages the sharing of information between departments/core processing units which enhances brand commitment	3.90	1.185
8	Top Managements often seem disposed to share information about the organization to lower level employees	3.67	1.191
I	Internal Communication Grand	3.7978	0.72595

Source: Survey Data, 2019

Table 12, shows the mean rating and the standard deviation of respondents' evaluation of internal communication attributes. A respondent overall mean rating was **3.7978** and the standard deviations were varying from **0.814 to 1.191**. Respondents mean rate were good which shows that NALF have a Good level of internal communication. The most influential attribute of internal communication is that, "NALF informs me what the organization brand stands for." with rating point of **4.23** and the lowest attribute rated by the respondent is "NALF communicates brand values to me via two-way communication" with rated point of **3.31**.

4.8.2 Brand Oriented Training Instruments Descriptive Analysis

Table 13. Brand Oriented Training Instruments

No	Variables and Items	Mean	Std. Deviation
1	I have acquired training/instructions about how should I carry out my assigned duties	3.99	1.066
2	I have acquired training/instructions about how should I treat Factory's customers	3.84	1.060
3	I have acquired training/instructions about how to Deliver customer focused service	3.81	1.066
4	NALF supports me in attending training activities which are related to brand values	3.37	1.171
5	NALF provides me with trainings that are related to brand	3.20	1.149
6	I get a knowledge/information from boss /coordinators/supervisor/ about how to act in meeting with customers	3.77	1.049
7	Reports, memos, videos, presentations and formal meetings are used to communicated and disseminate brand value and other relevant information across departments/ divisions and individuals within the factory	3.38	1.083
8	NALF offers training and other interpersonal and technical skills that enable me to be committed	3.71	1.080
II	Brand Oriented Training Grand	3.6368	0.79282

Source: Survey Data, 2019

Table 13, Shows the mean rating and the standard deviation of respondents' evaluation of training attributes of the factory was 3.6368 and the standard deviation were varying from 1.049 to 1.171. According to Btawee mean score, the respondents rating training provided by the Factory is good. Even though, the respondents get training related to their professional service, they need more in advance that improves their level of commitment to the highest degree, towards the brand.

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4.8.3 Brand Oriented Recruitment Instruments Descriptive Analysis

Table 14. Brand Oriented Recruitment Instruments

No	Variables and Items	Mean	Std. Deviation
1	NALF identify the matching between the new recruitment personal value and the organizational value	3.94	0.995
2	NALF provided initial training for new employees together with follow-up and informal activities which further strengthen the fit between employees and the brand	3.49	1.089
3	NALF have brand-oriented evaluation systems to recruit new employees	3.31	1.157
III	Brand Oriented Recruitment Grand	3.3686	1.33631

Source: Survey Data, 2019

As illustrated in the above table 14, respondents have ranked each attributes of brand oriented recruitment and also the researcher calculated grand mean of the attributes. The evaluation of respondents towards brand oriented recruitment shows a mean of 3.686 and standard deviation 0.995 to 1.157 As respondents' evaluation shows, the level of brand oriented recruitment is also moderate.

4.8.4 Brand Oriented Leadership Instruments Descriptive Analysis

Table 15. Brand Oriented Leadership Instruments

No	Variables and Items	Mean	Std. Deviation
1	My boss /coordinators/supervisor/ regularly work side by side with me and my colleagues in the daily work	4.07	1.004
2	My boss /manager/supervisor/ act as a role model in my daily work	3.77	1.073
3	Reward is provided when I act as per the rules and regulations and NALF wants	3.22	1.185
4	Bosses /managers/supervisors/ encouraged me to make my own decisions regarding the daily work	3.79	1.142
5	I have high degree of own initiative, when taking care of customers	3.39	0.751
6	My feeling, opinions and thoughts are valued and appreciated	3.44	0.967
7	My colleagues would help me when needed, even if it is not their responsibility	4.19	0.929
8	My boss /manager/supervisor/tells my colleagues and me what each of us should do to achieve company's goals	4.13	0.840
IV	Brand Oriented Leadership Grand	3.8743	0.70639

Source: Survey Data, 2019

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Table 15, indicated that the mean rating and the standard deviation of respondent's evaluation of brand oriented leadership attributes. A respondent overall mean rating was 3.8743 and the standard deviations were varying from 0.751 to 1.185, hence the level of Brand Oriented Leadership was Good. Comparing with the remaining three internal branding attributes, majority of the respondents rated brand oriented leadership as a highest score.

4.8.5 Brand Commitment Instruments Descriptive Analysis

Table 16. Brand Commitment Instruments

No	Variables and Items	Mean	Std. Deviation
1	I am emotionally attached to NALF	4.14	0.883
2	I am psychologically attached to NALF	4.05	0.972
3	I would be very happy to spent the rest of my career with NALF	3.98	1.114
4	I really feel my company problem as my own	4.39	0.755
5	I have strong sense of Belongingness to NALF	4.36	0.819
6	It would be very hard for me to leave the NALF right now	3.35	1.174
7	The major reasons I continue to work in this factory is that leaving would require considerable personal sacrifice	2.82	1.208
8	The major reasons I continue to work in this Factory is overall benefits that I have here is may not match with another organization	2.88	1.288
V	Brand Commitment	3.7456	.63635

Source: Survey Data, 2019

As shown in the above table 16, employees have also rated brand commitment and its items, a mean of 3.7456 and standard deviation 0.755 & 1.288. The result shows that the respondent's level of commitment is Good but still the company is expected to do more specially on Recruitment to improve the level of employees' commitment more than the current situation to achieve the goals of the Factory.

4.9 Correlation Analysis

4.9.1 Correlation of Internal Branding Attributes with Employee Brand Commitment

Correlation analysis helps to gain insight into the direction and strength of correlation between variables. Correlation coefficients take values between -1 and 1 ranging from being negatively correlated (-1) to uncorrelated (0) to positively correlated (+1). The sign of the correlation coefficient defines the direction of the relationship. The absolute value indicates the strength of the correlation. Correlation analysis was undertaken before conducting the regression analysis. As per the guide line suggested by Field (2005), the strength of relationship 0.1-0.29 shows weak relationship; 0.3-0.49 is moderate; >0.5 shows strong relationship between the two variables.

Table 17. Summary of Correlation Coefficients

	Communication	Training	Recruitment	Leadership	Commitment
Communication	1				
Training	.657**	1			
Recruitment	.411**	.467**	1		
Leadership	.628**	.587**	.474**	1	
Commitment	.453**	.396**	.377**	.504**	1

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

Source: Survey Data, 2019

The result of Pearson correlation coefficient indicates that positive relationship exists between the internal branding attributes and brand commitment. As shown in table, the magnitude of relationship ranges from 0.377 to 0.657, between communication and commitment was 0.453, between training and commitment was 0.396, between recruitment and commitment was 0.377 and between leadership and commitment was 0.504. Hence the highest magnitude of relationship exists between leadership and commitment with coefficient value of 0.504 and the statistical significance (p-value) is higher than the minimum cut of 0.05 which shows that the degree of association is highly significant.

The correlation among the four dimensions of internal branding also indicated that there has been statistically significant correlation among them. The highest correlation has been observed between communication and training, 0.657. Next to communication and training,

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communication has been found to be statistically and positively correlated with leadership, 0.628. In the third place, training is found to be statistically and positively correlated with leadership, 0.587. According to the order of their correlation strength, it was found that the correlation between recruitment and leadership was, 0.474 between training and recruitment, 0.467 and the least correlation was found between communication and recruitment which is 0.411.

4.10 Regression Analysis

4.10.1 Relationship between Internal Branding Attributes and Brand Commitment

After examining the correlation between internal branding attributes and overall brand commitment, multiple regression analysis was conducted using employee brand commitment as the dependent variable. The result of the regression allows assessing the relationship between a dependent variable (employee brand commitment) and independent variables. The results are shown in table below.

Table 18. Relationship between Internal Branding and Commitement.

Model	R	R-Square	Adjusted R- Square	F-Value	Sig.
1	.615 ^a	.378	.363	25.118	.000 ^b

a. Predictors: (Constant), Leadership, Recruitment, communication, Training

b. Dependent Variable: Commitment

Source: Survey Data, 2019

The regression result shows that the practice of internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership account for 0.363 i.e. 36.3 % of brand commitment. The **F** statistics shows the overall significance of the model. Since the F value is found to be 25.118, the internal branding dimensions (the model) significantly predict brand commitment at high degree of significance (0.000).

The regression result demonstrates that the internal branding attributes have not strong relationship with brand commitment. The interpretation of this finding is that the aligned internal branding attributes is significant to the assessment of the brand commitment. But The result shows that these internal branding attributes are positively related to brand commitment and

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when the company has good experience on these attributes they tend to be more committed to the brand. Therefore, brand commitment of employees of NALF is the function of the assessment of internal branding i.e. internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership. Thus, NALF should focus on improving these internal branding attributes to heighten its employee brand commitment.

Table 19. Multiple Regression Result

Model		Standardized Coefficients	T	Sig.
		Beta		
1	(Constant)		6.294	.000
	Communication	.254	2.694	.008
	Training	.091	1.007	.085
	Recruitment	.132	1.980	.049
	Leadership	.420	4.948	.000

- a. Dependent Variable: Commitment
Source: Survey Data, 2019

The regression result shows that brand oriented leadership has significant relationship with brand commitment with 0.000 level of significance. Next to this internal communication has significance relationship with brand commitment with significance level of 0.008. While the remaining two attributes of internal branding; brand oriented recruitment and brand oriented training have a relationship with brand commitment which is not significant. In short, brand oriented Leadership and brand internal communication have a positive effect on employee brand commitment.

The Beta values show the magnitude of relationship between variables, higher values being an indication of strong relationship. In the current study, brand oriented leadership has got the highest Beta coefficient of 0.420. The implication of this result is that the brand oriented leadership practice is the most significant of all the internal branding attributes of NALF. This means that from internal branding attributes, brand oriented leadership strongly influence the employee's level of commitment for their organization.

Internal Communication is found to be the second most significant internal branding attribute with Beta value of 0.254 implying that this attribute is significantly related with commitment and strongly influences the employee's commitment level. Brand oriented recruitment is found to be

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the third highly significant and influential internal branding dimension with Beta value of 0.132. This result indicates that the recruitment provided by the company has strong influence on employee brand commitment. Finally, the least and the last influential factor for employees' brand commitment is Brand Oriented Training with having Beta value of 0.091

This multiple regression result is parallel with the finding of Burmann et al. (2009) and the finding shows that Leadership is an important ingredient and the most significance attribute in internal branding and that the implementation of brand related leadership along with internal communication and Recruitment programs should be seen as a long term process that leads to employee commitment and on-brand behavior.

In general, on the bases of Btawee (1987). mean score range of the descriptive statistics tables of mean score and standard deviation of internal branding variables, the researcher's interpretation made using the average response of respondents for each questions provided was in a good level of scores, except one dimension, Brand Oriented Recruitment, which was in moderate level of mean score(positive). In addition to this the researcher determine the hypothesis test as it proposed, all the independent variables have appositve effect on brand commitment. That is the correlation among the four dimensions of the internal brandings based on the guide line suggested by Field (2005) with brand commitment and each other has been indicated that statistically significant correlation or positive relationship among them. Starting with highest magnitude of relationship, between leadership and commitment (0.579), communication and commitment (0.499), training and commitment (0.381), recruitment and commitment (0.321).

Moreover, the regression result shows that Brand Oriented Leadership has most strongly influence the employee's level of commitment with Beta value 0.420 in 0.000 level of significance. next to this communication which has Beta value 0.254. to sum-up all the internal branding variable have appositve effect on employees' brand commitment.

CHAPTER FIVE

5 SUMMARY OF FINDING, CONCLUSIONS AND RECOMMENDATION

This chapter is composed of the summary of the findings, conclusions, recommendations and limitation & direction for future research.

5.1 Summary of the Finding

The study was designed to examine the effect of internal branding using four dimensions; internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership on employee brand commitment in case of NALF.

The relationship between the independent variables mentioned above and the dependent variable, employee brand commitment was correlated and second, the most important internal branding dimension which has more impact on employee commitment was **not** regressed.

With regard to internal branding practice of NALF, the findings of the study related to demographic characters; the sex composition, 50 (29.4%) were female, and 120 (70.6%) were male. The majority of Employee were between the Age of 31&50 (57.2%) next to this, Employees between age 18&30 is (28.8 %) and (14.1%) of employees were above 51 years old. The majority of the respondents found under the productive age. Regarding the educational level of employees, most of the respondents were First Degree (BA, BSC) holder 87 (51.2%), the second highest Employee groups were those Employee who have a collage diploma 48 (28.2%), respondents having certificate & below are the third group which accounts 22 (12.9%) and 13 (7.6%) of respondents have MA/MSc, thus the majority of respondents were first Degree holders.

The study showed that 48.2% of the respondents have been working in the company for 1-5 years, 26.5 % have been working for 6-10 years, 6.5 % accounts for them who are in the factory for last 11-15 years and 18.8% of the respondents have 16 and above years of experience in the Factory.

The second category of study analysis was factor analysis conducted to validate the underlying structure of the internal branding practices and brand commitment. The most important factor was brand oriented leadership and the second important factor was internal communication. In

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detail from brand oriented leadership four items and from internal communication four items totally eight items extracted with having the Eigen value greater than one. Further, hypotheses were proposed at the beginning to be proved if the four components of internal branding as the independent variables are correlated positively with that of employee brand commitment, the result proves that all four hypotheses have a positive relationship with employee brand commitment but the two, training & Recruitment, were not as much as significant.

The final statistical test was the application of multiple regressions that was used to identify the most influential among the independent variables. Hence, result has shown that brand oriented leadership has got the highest Beta coefficient of 0.420 the most significant of all the internal branding attributes of NALF. The next variable that affects brand commitment is communication (0.254), followed by recruitment (0.132).

5.2 Conclusion

The study was designed to investigate the effects of internal branding by relying on four dimensions. Those are internal communication, brand oriented training, brand oriented recruitment and brand oriented leadership and their effect on employee brand commitment in case of NALF. At the beginning of the study the researcher proposed that all internal branding dimensions to have positive effect on employee brand commitment and the researcher has proved that hypotheses formulated has Positive relationship with the employee brand commitment.

The finding of the study has shown that brand oriented leadership has got the highest Beta coefficient of 0.420. which implies that Leaders can influence in internal brand building through initiating and facilitating behavioral changes consistent with the desired brand. And, leaders with transformational leadership characteristics have a positive impact on an increase in brand-building behaviors as shown in previous studies.

The result of this study also shows that the brand oriented leader ship practice is the most significant among the internal branding attributes of NALF.

The second significant variable that affects brand commitment is internal communication with the beta value of (0.254). communication can inform employees to carry out their daily tasks; enhance brand related skills, which increase employees' knowledge to deliver the brand promise

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appropriately. And also internal communication has a great contribution in know how the employees understanding about brand values and to align employees with the value because of this internal communication is the second effective attribute of internal branding to enhance the Factory employees' brand commitment.

Recruitment is also the third significant attribute of internal branding with the beta value of (0.132). Scholars mentioned out that if brand values have been supported by skilled employees and familiarized effectively, they can be committed to the brand and can serve the Factory in delivering quality products. The current study result also shows that Recruitment has a positive effect on employees' brand.

The last significant attribute is brand oriented Training with the beta value of 0.091. To reduce the possibility of Training employees, usage of brand-oriented Training systems is not vital. moreover, its significant level on affecting brand commitment is the lowest dimension under this study.

To sum up, the factory can increase the commitment level of employees' mainly through working on brand oriented leadership activities. In addition, internal communication and brand oriented Recruitment which also have a positive effect on brand commitment.

5.3 Recommendation

Based on the analysis and conclusions made, the following recommendations are forwarded with the intention that enhances the brand commitment of the employees' of NALF, if it is applied to the real world scenario.

- As leadership plays a great role for employee commitment (0.420), the company leaders, in all different level should first be committed, & be a role model for others as committed management can create committed employee to the organization. It is because employee will adopt how managers act and employee's willingness to adopt on-behavior is depending on manager's behavior.
- In addition, employees should be motivated and committed to display on-brand behavior if management implements a system of formal and informal control systems where high employee empowerment is emphasized. As a result, NALF should give special attention on doing brand oriented leadership activities of internal branding to enhance the brand

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commitment of employees. Since brand oriented leadership attribute is the most significant or influential of all attributes of internal branding.

- NALF should ensure the understanding of brand identity through socialization of employees on orientation, social and educational programs. Because committed employees reflect and deliver desired brand values. Communication also support the employees to be well informed and the basic knowledge required for their daily jobs, which improves their know how to meet dynamic job requirements. By considering this basic function of internal communication, NALF should give special emphasize on providing internal communication for its employees' at all level. And it should not only in formal basis but also in informal basis. So the factory should give attention on providing internal communication for its employees' to improve their work awareness that may leads them to be committed, since communication is the second significance attribute of internal branding next to brand oriented leadership.
- When the company have full flow of information via two ways which contain all rounded details about the daily work, how to treat customers of the company and how to be customer-focused in delivering brand promise which help the employees to be committed.
- NALF should motivate the employees brand behavior in order to match to its desired image by Recruiting employees having best fitness to it, to ensure that the factory needs that how to deliver the brand promise to external customers and how to coordinate themselves internally. In addition, helps to secure employees' commitment and encourage behavioral change to support the brand. As a result, the factory must consider its employees as actively react to the brand values.
- To enhance Recruitment with the employee, the management of the factory should use strategies applied by same level industries such as; negotiation based salary, employee benefits, work place facilities to get skilled and willing employees. In addition, the management should distinguish alternative methods of Recruiting tools of employees that are consistent with factory needs and level of delivering brand values that will help them to be professional.
- The finding of this study shows that brand oriented training has lowest significant value on employee commitment but considering its benefit in reducing cost of training, the

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human resource department of the company should recruit an employee whose personal value match with the company value.

- Therefore, one can conclude that these three significant variable have to get due attention when the company implement the practice of internal branding based on their level of effect on enhancing brand commitment of employees of NALF.

5.4 Limitations

This study concentrated only on four dimensions of internal branding which is brand oriented training, Internal communication, brand oriented recruitment and brand oriented leadership and their effect on employee brand commitment. So, it may have an impact to generalize fully the finding.

In addition, the study was conducted on a single company NALF; it also may have an impact to generalize the internal branding practice of other alcohol and liquor factories and its effect on employee brand commitment.

5.5 Directions for Future Research

Therefore, the researcher has tried to investigate most of the dimensions, in future research it is recommended to conduct a study on the other factories by considering these and other remaining variables of internal branding like identification, loyalty, retention policy like (fairness of salary, work load issue, incentives, rewards) and many more dimensions. This study is conducted practice of internal branding and its effect on employees of one company but other public service giving institution; private institution also better to be future research area.

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