Chapter 77

From Internal Branding to Cultural Transformation:
A Virtuous Circle

Maria Matiatou
The American College of Greece, Greece

ABSTRACT

The primary objective of this paper is to explore internal branding as a corporate philosophy: assess the relevance of its values, evaluate the tactics implemented, the nature of the internal communications involved, the outcomes thereof and its role as critical bridge over vision, culture and image gaps. It also aims at bringing awareness on failure possibilities and risks involved when internal constituencies do not fulfill their role as brand ambassadors. Following an overview of the internal branding methodology and literature, perceptions of employees on internal brand communication practices are captured and matched to aspirations, missions and values in different companies. Internal communication and branding outcomes are organically attached to the nexus of corporate identity; alignment of values and beliefs promotes brand identification, integrates practices, boosts loyalty and helps the organization speak in one voice. While some companies have managed to exemplify this strategy through honest and consistent efforts, it is unsafe to generalize the assumption across different industries that normally fail to undertake effective internal branding initiatives through their corporate communication department to strengthen their brands. It is therefore worth evaluating methods that can align theory, intentions and practice.

INTRODUCTION

Internal Branding is rooted in the philosophy that we are all stakeholders in creating sustainable futures. A participatory brand culture inside the organization builds a mandate for the effective delivery of the brand to its constituents. This employee engagement is mobilized by the acceptance and wide adoption of a corporate citizenship across every functional level of the company. Employees are no longer considered peripheral stakeholders; as brand ambassadors they are made central to the protection and the

development of the company's image and reputation, delivering a promise that is consistent with the organization's mission and values (Berry, Tom, Carson, &White, 2003).

Effective internal branding requires aspiration, meaningful relationships of trust, and clear communication lines across departments and hierarchy from top to bottom. Alignment of personal and corporate values does not occur behind closed doors, nor can brand faith be instilled on the grounds of ignorance, guessing or improvisation. Where there is a vision-culture gap, there is first and foremost lack of awareness, understanding and organizational identification:

If we want to exceed the trust of our customers, then we first have to build trust with our people. (Howard Schultz, Chairman of Starbucks)

THE CONCEPT

There is no commonly accepted definition for internal branding so far except a descriptive sum of words used to depict the functional approach of the term: it is often perceived as the activities that build the bridge between strategy and execution. While people individually use words such as "living the corporate values", "leveraging the corporate brand strategy", "reinforcing brand requirements internally", staying true to the brand promise is not done consistently and unanimously across organizational levels. The typical format is for senior management to decide on the strategy while the actual brand experience is communicated by the least informed and lowest paid associates.

The Canadian Marketing Association defines internal branding as:

…the set of strategic processes that align and empower employees to deliver the appropriate customer experience in a consistent fashion. These processes include, but are not limited to, internal communications, training support, leadership practices, reward & recognition programs, recruitment practices and sustainability factors. (MacLaverty et al, 2007)

Internal Branding is the glue that holds together what the company *says* about the brand and what employees actually *do*, by applying the external brand to internal vehicles. This greater call to action boosts engagement and drives business outcome (Grossman, 2008).

Much like brand, corporate reputation spreads across business territories and mirrors itself in constituents' brand perceptions. As Fombrun states (2005):

…a company's reputational capital is the excess market value of its shares—the amount by which the company's market value exceeds the liquidation value of its assets.

Internal branding works in three consecutive layers:

- Effective communication of the brand to employees;
- Demonstration of its relevance and worth;
- Link with every job in the organization to ensure successful delivery of the brand essence.

19 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/from-internal-branding-to-cultural-transformation/175294

Related Content

Brand Equity, Brand Satisfaction, and Brand Loyalty: A Study of Select E-Commerce Industry
Anupreet Kaur Mokha (2021). *International Journal of Online Marketing (pp. 34-50).*
www.irma-international.org/article/brand-equity-brand-satisfaction-and-brand-loyalty/282483

The Automated Generation and Further Application of Tree-Structure Outline for Lecture Videos with Synchronized Slides
Xiaoyin Che, Haojin Yangand Christoph Meinel (2014). *International Journal of Technology and Educational Marketing (pp. 34-50).*
www.irma-international.org/article/the-automated-generation-and-further-application-of-tree-structure-outline-for-lecture-videos-with-synchronized-slides/106041

Shopper's Stance Towards Web Shopping: An Analysis of Students Opinion of India
Katta Rama Mohana Raoand Chandra Sekhar Patro (2017). *International Journal of Online Marketing (pp. 42-54).*
www.irma-international.org/article/shoppers-stance-towards-web-shopping/182691

A Multi-Campus Approach of Mobility and Quality Assurance of Higher Education: The Synthesis of an Australian Case
S. M. Riad Shams (2013). *International Journal of Technology and Educational Marketing (pp. 38-48).*
www.irma-international.org/article/a-multi-campus-approach-of-mobility-and-quality-assurance-of-higher-education/94575

Convergence towards Excellence Diversity: Mapping the Field of E-Resources Emerging Dynamics
Paula Ochôaand Leonor Gaspar Pinto (2015). *Marketing and Consumer Behavior: Concepts, Methodologies, Tools, and Applications (pp. 342-379).*
www.irma-international.org/chapter/convergence-towards-excellence-diversity/122958