Implementation of internal marketing in hotels – a case study of the Opole market

Abstract. This study assesses the extent to which Opole hotels rely on internal marketing. The assessment is based on results of a case study, analysis of documents, a diagnostic survey and logical analysis and construction. A questionnaire survey conducted in 12 hotels, accounting for about 92% of all hotels in Opole, was used to produce descriptive statistics of hotel characteristics. Most hotels evaluated in this study already use internal marketing. The most common marketing tools include training sessions, communication and information support, and active assistance provided by managers or owners to their employees. The main factors influencing the implementation of internal marketing in Opole hotels involve recruiting suitable staff, organising active training sessions for employees, and creating a friendly work environment. Based on the study findings, we recommend promoting the use of internal marketing among hotel owners and a wider range of tools that benefit employees of contemporary hotels.

Keywords: internal marketing, hotels, Opole

JEL Codes: L83, Q56, Z32

1. Introduction

One of the most important objectives of a contemporary hotel is to maximise income, which affects the amount of profit and the enterprise value (Puciato, 2016). Assuming a sales-oriented approach, hotel owners and managers employ various marketing tools (Grzybek & Kawa, 2016; Kotliński, 2003; Panasiuk, 2005; Puciato & Pośpiech, 2019). However, traditional internal marketing is no longer sufficient. One increasingly popular approach is relationship marketing, which focuses on particular types of guests, fostering customer loyalty, and long-term customer engagement (Puciato & Goranczewski, 2011a). Internal marketing oriented towards the organisation’s staff is also essential. Designing and directing the activity of all employees needs to be consistent with the company’s general marketing strategy (Biesaga-Słomczewska & Iwińska-Knop, 2016; Nawrocka, 2008; Puciato & Wielosik, 2019; Sokhatskaya, 2013; Tokarz-Kocik, 2011; Trębecki, 2013; Wierzbinski, 2012). Implementing the concepts of internal marketing means utilising the potential of teamwork and creating suitable conditions for designing original solutions that provide new experiences to hotel guests. The unique character of a hotel is one of the main factors contributing to increased competitiveness (Marciszewska & Grobelna, 2009). Another important outcome of internal marketing is greater employee engagement, which is currently one of the key symptoms of business growth (Biesaga-Słomczewska & Iwińska-Knop, 2017; Črnjar, Dlačić, & Milfelner, 2020; Hilal, 2020; Rudawska, 2015). Marques et al. (2018) showed that the use of internal marketing contributed to a rise in job satisfaction among hotel employees. Yang (2018) revealed a relationship between the use of internal marketing and organisational effectiveness in the hotel industry. Internal marketing can also contribute to improving competitiveness (Robledo, Aran, & Perez-Aranda, 2015) and brand perception of a hotel (Sarangal, 2018).

The objective of the article is to assess the extent to which hotels in Opole rely on internal marketing. The following research questions and hypotheses were formulated:

Q1. How often is internal marketing applied in hotels in Opole?
   H1. Hotels apply internal marketing.
Q2. Which tools of internal marketing are employed?
   H2. The most popular internal marketing tool used in hotels is employee training.
Q3. What are the prerequisites for the use of internal marketing in hotels?
   H3. The main prerequisites for implementing internal marketing in hotels include the recruitment of suitable employees and training.
“Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products of value with others” (Kotler, 1994). Holloway and Robinson (1997) equate marketing with the managerial function, which is to be understood as organising and leading all company activities oriented towards assessing customer needs and transforming customers’ purchasing power into efficient demand for a specific product, delivered to the customer, or end user, to achieve the expected profit or other goals set by the company or organisation. First and foremost, this definition highlights the internal function of management, and then underlines the role of the human factor, including employees, who are perceived as internal customers (Goranczewski, 2018). The definition is identical to the idea of internal marketing, which aims at motivating all employees and helping them to identify with the company’s activity. Such undertakings should facilitate the formation of a harmonious team and achievement of optimal job results. Employees tasked with providing customer services are of great importance since the quality of service and customer satisfaction depend on them. Therefore, a hotel employee is a key component of the provided service. The way hotel employees approach their tasks, their levels of professionalism, their skills and manners, largely affect the quality of the offered product in the eyes of the customers (Marciszewska & Grobelna, 2009; Nawrocka, 2008; Puciato & Wielosik, 2019; Tokarz-Kocik, 2011). However, employers do not always accept the idea that their employees’ performance is what actually causes their customers’ discontent and dissatisfaction with the provided service. Such undesirable behaviour may not necessarily be due to the lack of skill or experience; it often manifests itself when an employee is mistreated or underappreciated by the employer, which is reflected in their work attitude (Puciato & Goranczewski, 2011b). For this reason, it is crucial to undertake internal marketing activities, such as investing in employee training, orientating all employees towards the customer, encouraging employees to use marketing strategies in their work, providing social programmes that integrate the team, offering employees some degree of freedom and work flexibility (Kozlecka & Osowska, 2010). Internal marketing should precede the hotel’s external marketing. It is important to have a team that is well-prepared and motivated to provide hotel services; otherwise, any attempts at promoting high quality services are unlikely to be efficient. In this context, interactive marketing, which refers to mutual influences between hotel employees and guests, must be mentioned as well. From the hotel guest’s perspective, the quality of services often depends on the quality of the relationship with the service provider.
3. Methodological basis of the study

The author’s assessment is based on results of a case study, analysis of documents, a diagnostic survey and methods of logical analysis and construction. Survey data were used to provide the counts and percentages of key characteristics of the hotel sample. The case study focused on the hotel market in Opole and was based on information obtained from reports published by Statistics Poland and the Polish Ministry of Sport and Tourism. These sources were used to identify all hotels in the city and obtain data about their organisational and functional features. The diagnostic survey was conducted in the form of structured interviews. In addition to collecting basic data about the respondents, the main part of the questionnaire was designed to obtain information about selected aspects of internal marketing in a hotel. The survey questionnaire consisted of 15 closed, semi-open and open-ended questions. During the survey, conducted in 2019, owners or managers of 12 hotels were interviewed, accounting for 92% of all hotels located in Opole. The owner of one hotel declined to participate in the survey.

The key characteristics of the analysed hotels are shown in Table 1.

Table 1. Key characteristics of the surveyed hotels in Opole

<table>
<thead>
<tr>
<th>Organisational and functional feature</th>
<th>Categories</th>
<th>Number of hotels</th>
<th>[%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal and organisational form</td>
<td>Individual ownership</td>
<td>5</td>
<td>41.7</td>
</tr>
<tr>
<td></td>
<td>Company</td>
<td>7</td>
<td>58.3</td>
</tr>
<tr>
<td>Hotel size (Golemski, 1998)</td>
<td>Small (up to 50 rooms)</td>
<td>8</td>
<td>66.7</td>
</tr>
<tr>
<td></td>
<td>Medium (51-200 rooms)</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td></td>
<td>Large (over 200 rooms)</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Location</td>
<td>City centre</td>
<td>9</td>
<td>75.0</td>
</tr>
<tr>
<td></td>
<td>Outskirts</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td>Hotel standard</td>
<td>***</td>
<td>10</td>
<td>83.3</td>
</tr>
<tr>
<td></td>
<td>****</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Hotel type</td>
<td>Business</td>
<td>10</td>
<td>83.3</td>
</tr>
<tr>
<td></td>
<td>Leisure</td>
<td>2</td>
<td>16.7</td>
</tr>
<tr>
<td>Level of integration</td>
<td>Chain hotel</td>
<td>3</td>
<td>25.0</td>
</tr>
<tr>
<td></td>
<td>Independent hotel</td>
<td>9</td>
<td>75.0</td>
</tr>
</tbody>
</table>

Source: own research.
4. Study results

10 respondents reported using internal marketing in their activities, which mainly involved employee training sessions. The second most frequently mentioned internal marketing tool was communication and information support of employees, which was indicated by 6 respondents. Chart 1 shows the popularity of other tools used in 10 hotels.

The respondents indicated the following key circumstances for employing internal marketing in their hotels: recruiting suitable staff (10), organising active

Chart 1. Instruments of internal marketing used in Opole hotels

![Bar chart showing the popularity of internal marketing tools in Opole hotels]

Source: own research.

Chart 2. Most important circumstances for internal marketing in Opole hotels

![Bar chart showing the key circumstances for internal marketing in Opole hotels]

Source: own research.
training sessions for employees (7), creating a friendly work environment (5). Chart 2 shows other factors that the respondents regarded as crucial from the perspective of internal marketing.

5. Discussion and conclusions

The growing competitiveness of the Polish hotel market means that the quality of offered services will play an increasingly important role. Modern quality control is based, among other things, on the process approach to management and the concept of internal customer (Bugdol & Goranczewski 2010; Goranczewski 2018). In order to provide hotel services of high quality, it is necessary to raise awareness of the role of the managerial staff in relation to employees, which is one of the assumptions of internal marketing. In order to ensure hotel guests’ satisfaction employees need to be made aware of the importance of the relationship between their work and customer satisfaction. Only then can internal marketing be the source of competitive advantage by commencing employee reflection about what needs to be changed in the way activities are carried out as to meet with a positive reception of the market environment (Łobos & Puciato 2013).

Numerous benefits of using internal marketing have been discussed in the literature. According to Grzybek and Kawa (2016) companies employing internal marketing have better information flow, public image, organizational culture, and employee loyalty than companies which do not make use of internal marketing. Biesaga-Słomczewska and Iwińska-Knop (2013) indicate that internal marketing makes it easier for employees to identify themselves with the company’s strategy, and initiates internal changes necessary to improve the quality of customer service, employee motivation, and the atmosphere in the workplace. According to Perenc (2005), companies which rely on internal marketing tools can offer a better quality of internal and external customer service, be more flexible, find it easier to build organizational and personal competences, benefit from better internal communication and interpersonal relations, foster an atmosphere of cooperation, and place more emphasis on the role of ethics.

The majority of the surveyed hotels in Opole reported using internal marketing in their activities. Similar results were obtained by Crnjar et al. (2020), Marciszewska & Grobelna (2009), Hilal (2020), Marques et al. (2018), Biesaga-Słomczewska & Iwińska-Knop (2017), Rudawska (2015), Sarangal (2018), Yang (2015) and Puciato & Wielosik (2009). No research has been conducted on potential correlations between the use of internal marketing and organizational and functional features of hotels.
The article has its strengths and weaknesses. The main contribution of this study is the attempt to assess the extent to which internal marketing is used by hotels. There have been few studies aimed at identifying tools of internal marketing. The main limitation of the study is its reliance on data from one city only, which means that its results cannot be generalised beyond the Opole hotel market. Future studies should be conducted in other provincial capitals or regions of Poland.

The following conclusions can be drawn on the basis of the obtained results:
1. The majority of hotels in Opole use internal marketing in activities.
2. The most common internal marketing tools used by hotels in Opole include training sessions, communication and information support, and active assistance provided by managers or owners to their employees.
3. According to the respondents, the circumstances for using internal marketing include recruiting proper persons, organising active training sessions for personnel, and shaping a friendly work environment.

Further empirical studies addressing this issue must focus on expanding their spatial size. Future attempts should include a study sample representative for the entire country. The association between the use of internal marketing and the financial condition and value of a hotel should also be investigated further. The author recommends promoting the use of internal marketing among hotel owners and the application of a wider range of tools that could increase the engagement of employees of contemporary hotels.

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**Zastosowanie marketingu wewnętrznego w hotelach – studium przypadku rynku opolskiego**

**Streszczenie.** Celem artykułu jest ocena stopnia wykorzystania marketingu wewnętrznego 
w opolskich hotelach W artykule zastosowano cztery główne metody badawcze: studium przy-
padku, analizę dokumentów, sondaż diagnostyczny oraz metody analizy i konstrukcji logicznej. 
Badanie sondażowe przeprowadzono w 12 hotelach, stanowiących ok. 92% wszystkich obiektów 
zlokalizowanych w Opolu. W większości badanych hoteli stosowano marketing wewnętrzny. Naj-
popularniejszymi narzędziami marketingowymi były: szkolenia, komunikacja i wsparcie infor-
macyjne oraz aktywne wspieranie pracowników przez menedżerów lub właścicieli. Głównymi 
uwarunkowaniami stosowania marketingu wewnętrznego w opolskich hotelach były: rekrutacja 
właściwych pracowników, organizacja aktywnych szkoleń dla personelu i kształtowanie przyja-
znego środowiska pracy. Rekomendować należy popularyzację koncepcji marketingu wewnętrz-
nego wśród hotelarzy oraz wykorzystanie szerszego zakresu narzędzi skierowanych do pracowni-
ków współczesnych hoteli.

**Słowa kluczowe:** marketing wewnętrzny, hotele, Opole

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