

# INTERNAL MARKETING AND EMPLOYEES COMMITMENT TOWARDS ORGANIZATION: CASE STUDY OF DEWAN BANDARAYA KUCHING UTARA (DBKU)

### ANDY BIN NEN

2002315749

Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) Marketing

FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI OF TECHNOLOGY MARA SARAWAK
KOTA SAMARAHAN BRANCH

**MARCH 2005** 

# **ACKNOWLEDGEMENT**

I wish to express my sincere appreciation and gratitude to my lecturer, Mr. Jati Kasuma Ali and Mr. Huzaimi Hussain the advisor of MKT 660 (Project Paper) for their support and valuable advises for the success of this project, without their support this project paper might not be completed on time.

Special thank goes to the following persons who have one or another have given valuable support that make this project paper success.

- My supervisor, Miss Norhayati Bidin and colleagues of Dewan Bandaraya Kuching Utara (DBKU) for their support and advises.
- ii. My respondents who have spared their time and efforts to answer the questionnaire.
- iii. My friend and colleges for providing the added information regarding to my project paper.
- iv. My parent and family for supporting financial sources, moral support and encouragement.

Thanks a lot.

# **TABLE OF CONTENTS**

CON	<u>ITENT</u>	PAGE
TITL	E PAGE	i
DECLARATION OF ORIGINAL WORK		ii
LETTER OF SUBMISSION		iii
ACKNOWLEDGEMENT		iv
TABLE OF CONTENTS		V
LIST OF TABLES		ix
LIST OF FIGURES		xi
ABSTRACT		xii
CHAPTER 1: INTRODUCTION		1
1.1	Background of the Company	2
1.2	Statement of the Problem	8
1.3	Objectives	9
1.4	Significance of the Research	9
1.5	Research Questions	11
1.6	Limitation of the Research	12
1.7	Definition of Terms	12
CHAPTER 2: LITERATURE REVIEW		15
2.1	Internal Marketing	15
2.2	Customer Loyalty and Employees	17
2.3	Commitment	19
CHAPTER 3: METHODOLOGY		22
3.1	Design of the Study	22
3.2	Research Framework	22

## **ABSTRACT**

The purposes of this research is to determine the internal marketing and employee's commitment of Dewan Bandaraya Kuching Utara (DBKU) and also to analyze the possible factors that can improve the employee's commitment to Dewan Bandaraya Kuching Utara (DBKU) through good internal marketing so the employees and organization can go together to achieving the vision of the organization.

The result in section B and C show that majority of the respondents which are 100 respondents said that the level of satisfaction towards DBKU are agreed and satisfy. The respondent's level of the commitment also give a majority result said agreed beside only statement for better offer for other job are not agreed. The result also show that the internal marketing in DBKU can be improving by improving the motivation and satisfaction to the employees, improving the internal marketing system in DBKU, practice effectively the internal marketing and also work efficiently with the employees about internal marketing.

### **CHAPTER 1: INTRODUCTION**

The internal marketing concept holds that the organization's personnel are the first market of a company. The main objective of the internal marketing function is to obtain motivated and customer conscious personnel at every level (George, 1990; George and Gronross, 1989; Gronross, 1981).

Gronross (1981) distinguishes between the implementation of internal marketing at the strategic and tactical level. At the strategic level it should create an internal environment that bolsters customer consciousness and sales mindedness among employees. The key facilitators are here seen to be supporting management methods, personnel policy, internal training and planning procedures.

Rafiq and Ahmed (2000) have examined internal marketing from the perspective of internal marketing conceptual development which consists of employee's motivation and satisfaction, customer orientation and strategy implementation and change management components. This examination enables readers to see the correspondence between the internal marketing context and the traditional marketing concept.

Internal marketing also can be defined as the promoting of the firm and its products or product lines to the firm's employees. Hence, for this strategy to be successful top level management must fully embrace it. Thus, the idea of internal marketing must originate at the top and communicated down to the