Are you getting everything out of your frontline staff?

Four factors to keep in mind when developing your internal branding strategy.

The relevance of employees as a part of the brand identity is becoming clearer. Employees that are going above the job are becoming more crucial to the organization, since for the fashion industry the main driver of the profit is the involvement of the employees and the value proposition it communicates to consumers, according to the State of Fashion, a joint report of the Business of Fashion and McKinsey & Company.

Henkel et al. (2007) states that the brand experience of customers is exceedingly determined by the moment of their interaction with the firm, which is mainly with frontline employees. "Being at the interface of the internal and the external world of the brand, customer-facing employees exert a certain degree of influence on customers' and other stakeholders' perceptions about the brand and/or the organisation, which determines the success of brand positioning." (Punjabi and Wilson, 2007)

This is where internal branding plays an important role. Internal branding ensures that the employees build a positive brand image among various other workers by acting in the best interest of the company, managing the brand identity and the communications to consumers, respectively.

That is where brand citizenship behaviour comes in. This concept includes all brand relevant behavioural performances of internal stakeholders, in this case frontline employees, that strengthens the brand identity. Brand citizenship according to Ravens (2014) has three dimensions, namely brand awareness, brand advocacy and helping behaviour, which includes brand missionary as a type of helping behaviour.

Brand acceptance: "The acceptance and compliance with regulations encompassing all behaviors that depict formal rules and requirements of a manufacturer's brand".

Brand advancement: "All behaviors that have a proactive influence on the management of the organization's brand in order for further strengthening the brand but also encourages the individual to proactively seek the advancement of their skills and knowledge."

Helping behaviour: "A positive behavior, support, and empathy toward internal and external components of the brand. As well as towards other employees, partners, customers, and staff?"

Brand missionary: "The honest loyalty to all aspects of an organization's brand including all behaviors that best represent the organizations brand identity to internal and external stakeholders encompassing extra-initiative, adherence to guidelines and the recommendation of the brand to customers, colleagues, friends, and family." (Ravens, 2014)

Helping behaviour has the strongest and most consistent impact on organizational effectiveness, and will therefore be the focus of this research. Helping behaviour should be incorporated into the strategy for companies to get the best out of their employees.

In 2017 consumers continued to trade away from the mid-price segments towards companies at the premium end of the market. Consumers are becoming more price-sensitive and looking for value for money. This is where internal branding plays an important role. Internal branding ensures that the employees build a positive brand image among various other workers by acting in the best interest of the company, managing the brand identity and the communications to consumers, respectively.

The conducted research argues that helping behaviour consists of four components, namely acceptance, loyalty, extra-initiative and recommendation. Acceptance is expressed by the level to which employees know and agree with the brand values, know and agree with how they are expected to behave to ensure customers have a positive brand image and how well informed employees feel by the headquarters. Loyalty focuses on internal as well as external stakeholders and is present if employees have a positive, friendly and helpful attitude towards customers and co-workers alike and if they consider abandoning the organization to be more difficult than leaving their current brand and if they care about the future of the brand. The third component, extra-initiative, is about striving to develop expertise, taking initiative to participate in training and the willingness to work harder to make the brand successful, for example by taking responsibility outside of the job description. The last component is recommendation, which encompasses all possibilities to recommend the brand to external stakeholders, like recommending the brand to friends and family, wearing the clothing in your time off and posting on social media about the brand. The first two components, namely acceptance and loyalty, are essentially considered to be a state of mind or emotion. Acceptance and loyalty components together with other two components, recommendation and extra-initiative, imply a direct effort or action to be taken.

All these behaviours impact the perceptions consumers have of a brand and thus managing employee behaviour is of utmost importance. As mentioned before, it's internal branding that is responsible for the communication towards employees about brand image and the expectations of their behaviour. Influencing this behaviour with an effective internal branding strategy is therefore relevant for all retail businesses, especially retail businesses within the fashion industry.

When you're able to align your internal brand strategy with the needs of specific employees, an even more effective strategy can be formed. That's why, when developing your internal branding strategy, keep the following factors in mind:

1. Your price segment matters!

An upward trend can be discovered when looking at helping behaviour amongst frontline employees. Mid-market employees show the least helping behaviour, with premium coming in second and affordable luxury exceeding both segments. This corresponds to the upward curve in performance of these segments over the last years.

For businesses in the mid-market segment it's important to improve the information flow towards frontline employees, create a stronger bond between employees and stimulate employees to care about the future of the brand and loyalty. Recommendation and extra-initiative is especially low for this segment and are therefore the components that stand in the way of development of a truly strong brand image. For this reason, focus should be on encouraging employees to take responsibility outside of their job description, strive to develop expertise, take initiative to develop ideas for new services or process improvements, recommend the brand to friends and family and post more on social media.

2. How much time is spend in the workplace?

Part-time employees have a completely different attitude towards the brand than full-time employees do, which is an important factor to keep in mind. Full-time employees display helping behaviour to a significantly greater extent than part-time employees, with an exceptionally large difference in extra-initiative.

Employees with a full-time status already display a high level of acceptance and loyalty. Loyalty could only be slightly improved by creating a stronger bond among employees, even though full-time employees already consider their friends more than part-time employees. Extra-initiative is particularly present in full-time employees, but could mostly be increased by promoting to take more initiative to develop ideas for new services or process improvements. Despite the fact that full-time employees already recommend the brand to friends and family and wear the clothing in their time off, it should constantly be encouraged. The same goes for posting on social media about the brand. Much can be gained in the attitude and behaviour of part-time employees. Especially on the subject of posting on social media, recommending the brand to friends and family and all aspects regarding extra-initiative behaviour. Even though acceptance and loyalty are at a satisfactory level for part-time employees, the lower the education of employees have a positive brand image and the willingness to work harder to make the brand successful, for example by taking responsibility outside of the job description. The last component is recommendation, which encompasses all possibilities to recommend the brand to external stakeholders, like recommending the brand to friends and family, wearing the clothing in your time off and posting on social media about the brand.

Managers display acceptance and loyalty to a particularly high degree. The only remarkable finding is that managers consider co-workers to be their friends far less than non-managers, which would imply a lower level of loyalty towards internal stakeholders. Nevertheless, it should be mentioned that managers are less striving for a more effective strategy can be formed. That's why, when developing your internal branding strategy, keep the following factors in mind:

In general all employees display satisfactory levels of acceptance and loyalty to a particularly high degree. Acceptance and loyalty could be improved by greater awareness of the needs of specific employees will contribute to the development of a more effective internal branding strategy.