A Study of Internal Marketing Practices of Travel Industry in Southern Region of India

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Abstract: The purpose of the paper is to research on internal marketing practices of travel agency in the southern region of India oriented towards their employees as internal customers of the business. This article also establishes the current level of Internal marketing practices that the management of the travel agency follows in the southern region applies. A survey was conducted 57 employees working in different travel agency were surveyed in the structured questionnaire. The questionnaire is designed by the researcher a five point Likert scale (strongly agree-5 to strongly disagree-1) to identify the internal marketing practices. This paper is to ascertain of long–term relationship between travel management and employees as internal customers. The study we, therefore, used Cronbach's alpha scale as a measure of reliability. Sophisticated statistical tool for 'Exploratory Factor Analysis has been used. The results show that internal marketing practices of six constructs group are extracted from the analysis that together accounted higher percentage of the total variance are identified. This paper majorly contributes to the understanding of what internal marketing practices are considered as important by the internal customers.

Key words: Internal market · Employees · Travel agency · Internal marketing practices · Customer

INTRODUCTION

Today travel industry is expected to become the largest industry economically on an international level. Evolving certain factors in the modern and globalizing world, easier to travel and wealthier lifestyles all cause the travel industry's current expansion, including the segment of adventure travel.

The relationship marketing emphasizes the creation and establishment of long term relationships with different markets of the organization. These markets encompasses supplier markets, customer markets, reference markets, recruitment markets, internal markets and influence markets. Organizations are continuously becoming more aware that their success within a highly competitive market environment depends on the building of long term relationships with each of these markets. These long term relationships are not independent of each other. It constitutes a network of relationships which directly influence the value added components of the organizations' products and services to internal customers. In addition, it further influences the competitive position of the organization within the market environment (Payne, Ballantyne & Christopher, 2005: 855- 871) [1].

The internal marketing concept was first introduced by Berry *et al*. [2]. Internal marketing refers to the use of marketing perspective for managing organization human resources. The main concept of internal marketing is to count employees as internal customers and job as a product, a product that should satisfy the needs and requirements of customers [3].

The main logic in internal marketing is to accept this point that it should be behaved with an employee like internal customers [4]. Kotler and Armstrong [5] viewed internal marketing as the building of customer orientation among employees by training and motivating both customer-contact and support staff to work as a team [6]. The internal marketing concept emerged from services marketing and its main concern was to get everyone who was involved in service encounters-the front line of contact staff, to perform better on the interaction with customers.

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Berry [7] has defined internal marketing as: "viewing employees as internal customers, viewing jobs as internal products and then endeavoring to offer products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization". Snell [8] indicated that internal marketing is practiced within professional services although with varying degrees of sophistication, in order to execute wide ranging projects related to marketing and human resources.

Internal marketing can refurbish the face of a company [9] as has been reported by case studies and anecdotal accounts indicating clear gains in employee understanding of corporate values, employee commitment, service quality, customer satisfaction and loyalty (Opoku *et al* 2009; Sartain 2005; Ahmed and Rafiq 2002; Bergstrom, Blumenthal and Crothers 2002; Hallam 2003. [10].

Grönroos [11] asserted that without active and continuous internal marketing efforts, the interactive marketing impact on customers will deteriorate, service quality will suffer and customers will start to defect with negative effects on profitability as a result. Gummesson [12] suggested that internal marketing is a strategic operation that combines marketing and human resource management in order for first-line service personnel to provide the best service when interacting with customers. According to Fisk *et al*. [13] there are two main issues in internal marketing. Firstly, the idea of the employees as the internal customer. Secondly, the organizational need to satisfy the internal customer's so that they are best prepared to serve the external customers.

Literature Review: Internal marketing is a means of involving staff at all levels in effective marketing programmers by enabling them to understand their role within the marketing process. Internal marketing programs consist of training and staff development, effective internal communications and integration schemes, designed to enhance knowledge and understanding of the overall marketing orientation within the organization. The Internal Marketing concept emerged from services there is a resurgence of interest in the marketing literature about what internal marketing means and what activities it embraces. Internal marketing is a management philosophy whereby employees are managed as customers of the business. Otto [14] stipulates that internal marketing is a component of the efforts of a business to develop an integrated marketing strategy. Without successful internal marketing, it is not possible to ensure business success.

The basic premise of internal marketing initiatives is that building good relationships with employees will have a direct influence on the relationship between employees and the external customers of the business [14]. The focus is on the internal customer, with the intention of improving the marketing relationships, the quality of customer service delivery and the general efficiency of the business [15]. Three situations can be identified within a business that emphasize the need for internal marketing: firstly, the establishment of a service culture of the business as well as a service orientation between employees; secondly, the maintenance of a service orientation between employees; and thirdly, the introduction of new products and services, external marketing campaigns and activities and new technology, systems or service procedures by the business [16].

The underlying objective of internal marketing is to develop a marketing program aimed at the internal market of the business. Such a program must be parallel to the marketing program that the business applies to its external customers [12]. Internal marketing is a component of the service quality initiatives of the business and incorporates the following elements (Hennig- Therau & Hansen 2000: 163; Heil *et al*. 1999: 201; Berndt 2004: 87) [17] Empowering the employees of the business to focus on similar broad business objectives. Creating an awareness of internal and external customers. Establishing a team spirit among employees. Internal marketing is a management philosophy that focuses on the satisfaction of internal customers as a prerequisite for external customer satisfaction [18].

The employees, internal training policy, procedures for planning as well as the management style of the business must support the creation of an internal environment of that nature (Gutek & Welsh 2000: 21–51; Peck, Payne, Christopher & Clark 1999: 324–325) [19]). Gordon [20] supports this argument and identifies three employees-related aspects that must be addressed to satisfy the needs of both internal and external customers, namely: Identifying the relationship marketing skills required by employees that are directly involved in delivering value to customers.

Service orientation has become a key source of competitive advantage and only a 'service attitude' among staff can lead to the delivery of understanding customer service and increased market share [21]. The internal marketing concept emphasizes that teamwork by the employees of the business is a key factor in the development and application of a successful business strategy [22]. According to Adcock [23], internal

marketing can also be viewed as the application of the external marketing strategies of a business to its internal market. It could be regarded as the marketing of the mission of the business to its employees.

Employees Approach Towards Internal Marketing:
An outcome of internal marketing is the establishment of relationships between management and employees and between the various functions of the business. The employees of the business must be willing to support the internal marketing initiatives of the business, since they are expected to approach the external customer base of the business in a professional and efficient manner. The establishment of internal marketing emphasizes that the business must have strong relationships with its employees. This is possible if the business focuses on the following aspects [24]: Developing an understanding of the emotions and intellect of employees. Treating employees as individuals. Developing personalized products and services for employees. Establishing and managing long-term relationships with employees.

The internal marketing concept emphasizes that teamwork amongst the employees of the business is a key factor in the development and retention of a successful business strategy [25].

Internal Marketing Building Blocks: Caruana and Calleya [26] examined internal marketing processes associated with delivering customer's satisfaction focusing particularly on the relationship between the nature and extent of internal marketing and its outcome in terms of the level of organizational commitment on the part of employees. The findings confirm a significant relationship between internal marketing and organizational commitment. The relationship of internal marketing is most significant with the effective dimension of organizational commitment. There is some empirical support for a significant relationship between internal marketing and service quality [27] and between internal marketing and business performance [28].

Internal Marketing Environmental Factor: Researchers, however, have different views regarding the objectives of internal marketing within a relationship marketing environment. The following discussion reflects the various views. Grönroos [16] identifies the following objectives of internal marketing, compiled from a relationship marketing perspective: The creation, maintenance and development of internal relationships between employees, despite their position within the business. Through this process, employees must be motivated to deliver a quality service to both internal and external customers of the business. To ensure that employees are motivated to deliver a customer-centered performance and thus to become internal marketers within the interactive marketing process. To recruit and retain qualified and experienced employees. To ensure that internal services are delivered on a customer care basis or between partners within a networking context. To deliver sufficient internal and external services, through the provision of management and technological support, to empower employees to operate as efficiently and professional 'internal marketers'.

De Brum [29] emphasized that foremost objectives of internal marketing is to assure that all employees are informed about the firm's vision i.e, their management initiatives, goals, outcomes, services, products and served markets.Vasconcelos [30] highlighted internal marketing as a vital mechanism in which one can build a work environment wherein employees can find and enjoy a unique job experiences se well as they are fostered to achieve their full potential.The objective of internal marketing is to create an internal environment in which customer consciousness propagates among personnel. The satisfaction of internal customers is important to the success of a service firm [31]. The key concept in internal marketing is "employees as customers". The logic of this is that by satisfying the needs of internal customers, an organization should be in a better position to deliver the quality desired to satisfy external customers [32].

Drake *et al.* [33] asserted that by engaging in a carefully planned internal marketing plan the corporation can convert employee into company fanatics who will generate financial rewards. Dunmore [34] posited that a strong internal marketing strategy can be critical for achieving and sustaining competitive advantage, as well as being a key driver of change and enhanced performance. The internal market of a business encompasses its employees. This market is continuously being influenced by the ability of employees to work together as a unit to reach and maintain the objectives of the business. The employees of the business can furthermore be viewed as the "internal suppliers" and "customers" of the business [35]. Businesses are continuously putting a greater emphasis on the following two aspects, namely employees as internal customers of the business and the motivation and retention of employees over the long term (Gupta, McDaniel and Herath, 2005:397-398; Van Eeden and Koekemoer, 2000:21) [36].

Implementation of Activities in Internal Marketing: Drake *et al*. [33], suggested that the effective implementation of marketing techniques internally can create significant bottom line results. Hogg [37] has suggested that internal marketing could be the answer for gaining employee commitment, succeeding where traditional internal communications program have failed. Lack of commitment from employees can be harmful; to an organization resulting in poorer performance arising from inferior service offerings and higher costs.Important for a business is to develop a clear understanding of the needs, preferences and opinions of both internal and external customers. To achieve this, both qualitative and quantitative understanding of the needs of internal and external customers of the business are required [38].

The interaction between internal marketing and the empowerment of employees is highlighted by the development of management support, knowledge and technical support, which will empower employees with the relevant skills and knowledge to successfully operate as part-time marketers in the business. The advantages of empowering service employees can be identified as follows [16]. A faster and more direct approach to the needs of customers within the service- delivery process. Mutually supportive employee relationships must be established on a long-term basis, creating an environment characterized by mutual respect, trust and support among employees. By means of internal communication, the following outcomes can be ensured [39].

Internal marketing, which is derived from marketing management in the service industry, emphasizing that organizations should treat, value and respect employees from an internal customer's perspective to attract, develop, motivate and retain qualified employees [40].Gounaris [41] specifies that the implementation of the internal marketing activities of a business must ensure the following outcomes, namely the creation, management and development of internal relationships between the employees of a business, irrespective of their position.he internal marketing strategy of a business must focus on the following key aspects to ensure its successful implementation in the business, namely: continuous research on the skills and training which employees require, measurement, evaluation, acknowledgement and remuneration of the performance deliverance of employees, the empowerment of employees and the establishment, management and development of internal customer- supplier relationships [42].

Employees Motivation in Internal Marketing: The increasing importance of strengthening the relationship with the customer to establish a profitable and ongoing business is obvious. In this context, the concept which attracts attention is "Internal Relationship Marketing". Companies build long-term relationship with their customers which lead to the satisfaction of the parties involved [43] Relationship Marketing stresses on the building and managing of relationships in a social context. It means a change in the focuser from products and firms as units of analysis to the people and organizations [44]. Establishing and maintaining long-term and profitable relationships has traditional roots.

Internal marketing is driven by empowering employees who are innovative and who position themselves above interdepartmental conflict (Lucas and Kline, 2008:277-279; Keleman and Papasolomou-Doukakis, 2004:124-125) [45]. According to Berndt [46] internal marketing can be described from two perspectives. The first perspective pertains to the job that is offered to employees. A job can be regarded as a 'product' that is offered to an employee. The job and its activities need to be sold (or marketed) in order to attract quality staff, thus making it a product offered by the organization. If the product does not satisfy an employee's needs, he or she will find an alternative one. The second perspective refers to the motivation and support of employees when delivering a service. This will stimulate employees become more innovative in their behavior and to resolve problems in a fast and efficient manner when delivering a service. Internal marketing originated from services marketing literature and focuses on applying the traditional principles of marketing to the employees of a business [47].

Research Areas in Internal Marketing: Kale [48] reveals the importance of internal marketing by stating that recruiting and retaining quality employees in a service establishment requires designing job products that attract, develop and motivate the appropriate type of employees. This application approach requires an understanding of the internal customer's aspirations, attitudes and concerns. Consequently, such understanding develops market research, experience and constant communication across all levels within an organization [49].

The modern business is challenged by the reality that it is faced with two markets and customer types, namely those internal and external to the business [50].
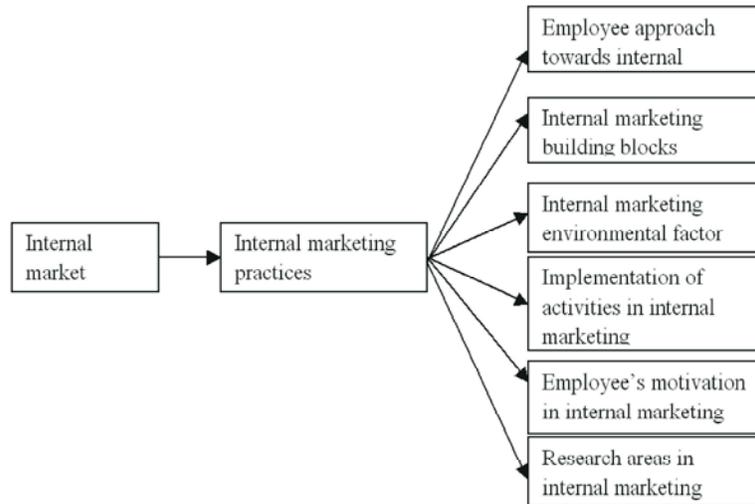
Fig. 1: Research Conceptual Model

To strengthen the establishment of an internal marketing climate, the management of a business must focus on the continuous research of the following aspects [51]: Training and development of employees, continuous communication to employees,empowerment and participation,internal consumer segmentation, performance appraisal systems, acknowledges and rewarding of employees.

Purpose of the Study: The purpose of the study is to investigate the internal marketing practices of travel agencies in the Southern region of India towards their employees. The principles of relationship marketing in internal markets were identified and their application by the travel industry in the southern region of India was determined.

Objectives of the Study:

- To find out the internal marketing practices of the travel agency in the southern region.
- To know whether the travel agencies are establishing long-term relationships with their employees.
- To identify the major factors that determine the internal marketing practices.

Methodology and Data Collection
Population and Sample: The population for this study included all the travel agents registered with the Travel agents Association of India (TAAI) in the southern region of India. [52] TAAI is a professional coordinating body of different segments of the travel and tourism

industry, the Nodal Association of India, non-political, non-commercial and a non-profit making organization, It is recognized as the main representative body of the travel and tourism industry. The symbol of TAAI is an enforcement of reliable and professional service. TAAI is the professional body that represents the interests of travel agents in the country. The target population for this study was 251 [53] travel agencies, 57 of which responded in the completion of questionnaires. The travel agents that participated in the study, therefore, constituted a non-probability sample.

Research Instrument: The empirical research component of the study consisted of the completion of structured questionnaires through personal interviews. The questionnaire consisted of a structured format with closed-ended questions to gather demographic data on the profile of the travel agency and five- point Likert-type statements to test respondent's internal marketing practices of travel agencies.

A statistical approach 'Factor analysis' has been used for the study. Finally, practical implications concerning internal marketing practices have been highlighted.

Data Gathering: Given the nature of the present study, it was required to collect data from the primary and secondary sources. Primary data were collected through the questionnaire. Personal interviews were conducted with the managers and/or owners of travel agencies in the Southern region of India. A timeframe of (July 2014 –September 2014) three months was used to complete the

Table 1: Cronbach's alpha values

Sl. No	Constructs	Cronbach's Alpha coefficient
1	Employees approach towards internal marketing	0.79
2	Internal marketing, building blocks	0.80
3	Internal marketing environmental factor	0.82
4	Implementation of activities in internal marketing	0.74
5	Employees, motivation in internal marketing	0.73
6	Research areas in internal marketing	0.78

interviews. Secondary data were collected from research studies, books, journals, newspapers and ongoing academic papers.

Data Analysis: The statistical software package SPSS, Version 20 was used for the analysis of the data collected.

Reliability: Before applying factor analysis, testing of the reliability of the scale is very much important as it shows the extent to which a scale produced consistent result if measurements are made repeatedly. This is done by determining the association in between scores obtained from different administrations of the scale. If the association is high, the scale yields consistent results, this is reliable. Cronbach's alpha is most widely used method. It may be mentioned that its value varies from 0 to 1 but, satisfactory value is required to be more than 0.6 for the scale to be reliable [54, 55].

If we compare our reliability, value with the standard value alpha of 0.7 advocated by Cronbach [55], a more accurate recommendation [56] or with the standard value of 0.6 as recommended by Bagozzi & Yi's [57]. Cronbach's alpha values were calculated to determine the reliability of the questionnaire as a measuring instrument. The calculation of Cronbach's alpha values was for each internal marketing constructed. Hocking, Stacks & McDermott [58] indicate that Cronbach's alpha values determine the consistency according to which respondents answered the various items on the questionnaire. Cronbach's alpha values that were calculated for the six internal marketing constructs. Since all the Cronbach's alpha values are 0.7 and above in Table 1, the questionnaire can be regarded as a reliable instrument (Ellis & Steyn 2003:51; Hocking *et al* 2003:132. [59]. Researcher finds that the scales used by us are highly reliable for data analysis.

Validity: Validation procedures were done. Researchers satisfied with the content and construct validity

RESULTS AND DISCUSSION

After checking the reliability of the scale and correlation matrix, we tested whether the data, so collected is appropriate for factor analysis or not. The appropriateness of factor analysis is dependent upon the sample size. In this connection, MacCallum, Windaman, Zhang & Hong (1999) have shown that the minimum sample size depends upon other aspects of the design of the study. According to them, as communalities become lower the importance of sample size increase. They have advocated that if all communalities are above 0.5 relatively small samples (less than 100) may be perfectly adequate. In this regard communaliities of characteristics have been shown in Table 2.

To test factor analysis the following steps were taken

- Correlation matrices were computed. It reveals that there is enough correlation to go ahead for factor analysis.
- Kaiser-Meyer-Olkin Measure of Sampling Adequacy (MSA) for individual variance was studied. It found that sufficient correlation for all the variables.
- To test the sampling adequacy, Kaiser-Olkin is computed which is found good enough for sampling.
- The overall significance of correlation matrices tests with a Barlett Test of Sphericity provided support for the validity of the factor analysis of the data set.

After the standards indicate that the data is suitable for factor analysis, principal components analysis was employed for extracting the data, which allows determine the factor underlying the relationship between a number of variables. Loading on factors can be positive or negative. A negative loading indicates that this variable has an inverse relationship with the rest of the factors. The higher the loading the more important is the factor. However Comrey [60] suggested that anything above 0.44 could be considered salient, with increased loading becoming more vital in determining the factor.

Table 2:

Constructs	Cumulative variation in percentage	Communalities in percentage
Employees approach towards internal marketing	66.44	49.60- 95.30
Internal marketing, building blocks	63.61	49.20-86.20
Internal marketing environmental factor	60.64	46.30-75.10
Implementation of activities	74.98	67.00-91.40
Employees, motivation in internal marketing	64.36	51.20-92.70
Research areas in internal marketing	58.46	54.40-65.00

Table 3:

	Rotated Component Matrix[a]	
	Factor Loadings	
Variables	F1	F2
Emotions and intellect of employees	-.798	-.085
Delivery of personalized products and services	.751	.012
Team work among the employees	.656	-.257
Employees as individual	-.025	.976

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Source: Primary data

Table 4:

	Rotated Component Matrix[a]			
	Factor loadings			
Variables	F1	F2	F3	F4
Staff meetings	.803	-.006	-.031	.079
Team building sessions	-.708	-.189	.041	.159
Emotional development	.532	-.227	.475	.215
Understanding of internal customer needs	.476	.411	-.127	-.283
Experiences of employees	-.104	.784	.086	-.005
Personality	-.279	-.688	-.105	-.088
Job enrichment	-.040	-.081	-.785	-.081
Recognition	-.281	.211	.679	-.361
Job satisfaction	-.070	.074	-.020	.922

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 11 iterations.

Source: Primary data

Table 5:

	Rotated Component Matrix[a]			
	Factor loadings			
Variables	F1	F2	F3	F4
Promotion	.696	.093	-.130	.052
Personal values	.671	-.020	.109	-.002
Training	.651	-.274	.054	.051
The ability of employees to work together	.258	-.742	.106	.115
Employee as internal customers	.265	.656	.420	.105
Employees turn over	-.360	.016	.726	.274
Retention of employees over the long term	-.248	.010	-.686	.280
Performance bonuses	-.138	.193	-.100	-.827
Merit offerings	-.046	.416	-.220	.577

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 9 iterations.

Source: Primary data

Table 6:

	Rotated Component Matrixᵃ		
	Factor loadings		
Variables	F1	F2	F3
Formal and informal information sessions	.816	-.129	.108
Internal communication	.798	.130	-.126
Mutual respect	-.198	.853	-.158
Trust	.355	.677	.310
Individual discussion sessions	-.036	.004	.956

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Source:Primary data

Table 7:

	Rotated Component Matrixᵃ		
	Factor loadings		
Variables	F1	F2	F3
Internal climate	.744	-.202	.241
Decision making level	.678	-.029	-.227
Merit system	.675	.316	-.100
Commission	.192	.794	.082
Retaining employees	-.154	.712	-.027
Satisfaction levels and training needs	-.076	.047	.959

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Source: Primary data

Table 8:

	Rotated Component Matrixᵃ	
	Factor loadings	
Variables	F1	F2
Training and development	-.771	.152
Continuous communication	.699	.198
Acknowledges and rewards	.191	-.783
Performance appraisal systems	.255	.692

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Source: Primary data

Rotation is necessary when extraction technique suggests there are two or more factors. The rotation of factors is designed to give an idea of how the factors initially extracted differ from each other and to provide a clear picture of which item load on which factor.

Employee Approach Towards Internal Marketing: We find that two factors extracted together account for 66 % of total variance. The variable delivery of personalized products and services (0.751), emotions and intellect are of employees (0.798) and teamwork among the employees (0.656) on factor 1. This factor 1 can name as "personalized attributes". As for factor 2, it is evident that management of employees as individual (0.976). This factor can be termed as "approach attributes".

Internal Marketing, Building Blocks: In this factor, there are four factors extracted together account for 64% of total variance. The variables staff meetings (0.803) and team building sessions (0.708) on factor 1. This factor 1 can be named as 'team building attributes'. As for factor 2, it is evident that experiences of employees (0.784), personality (0.688) and understanding of internal customer needs (0.411). This factor can be termed as

'need fulfillment attributes'. In factor 3 variables emotional development (0.475), job enrichment (0.785) and recognition (0.679).This factor 3 can be termed as ' human resource attributes'. The highest factor load of (0.922), hence this factor can be interpreted as 'satisfaction attributes'.

Internal Marketing Environmental Factor: From the above table, four factors extracted together account for 61% of total variance. The variables promotion (0.696), personal values (0.671) and training (0.651) on factor 1. This factor 1 can be named as "internal value attributes". As for factor 2, it depicts that employee as internal customers (0.656), the ability of employees to work together (0.742) and merit offerings (0.416). This factor can be termed as "internal customer attributes". In factor 3 variables employees turn over (0.726), retention of employees over the long term (0.686) and employers as internal customers (0.420).This factor 3 termed as 'environmental attributes'. It is evident that from variables the highest load of performance bonuses (0.827) hence this factor can be interpreted as 'performance attributes'.

Implementation of Activities in Internal Marketing: The next important factor, which carries loads of three factors extracted together account for 75% of total variance. The variables formal and informal information sessions (0.816) and internal communication (0.798) on factor 1. This factor 1 can be named as "communication attributes". As for factor 2, it is evident that mutual respect (0.853) and Trust (0.677). This factor can be termed as "equal value attributes". In factor 3 variables individual discussion sessions (0.956),. This factor 3 termed as 'recognition attributes'.

Employees, Motivation in Internal Marketing: Motivation is the next factor, which influences an employee in that three factors extracted together account for 64% of total variance. Variables internal climate (0.744), decision making level (0.678) and merit system (0.675) on factor 1. This factor 1 can be named as "internal climate attributes". As for factor 2, it is evident that commission (0.794) and retaining employees (0.712). This factor can be termed as "retention attributes". In factor 3 variable satisfaction levels and training needs (0.959),. this factor 3 termed as 'motivational attributes'.

Research Areas in Internal Marketing: Research areas are the next factor, that two factors extracted together account for 58% of total variance. The variables training

and development (0.771) and continuous communication (0.699) on factor 1. This factor 1 can be named as "internal development attributes". As for factor 2, it is evident that acknowledges and rewards (0.783) and performance appraisal systems (0.692). This factor can be termed as "research attributes".

CONCLUSION

In the travel industry, human resources are assets that need to be nurtured generously. Organizations provide freedom to their employees to perform by attaching them to the right job, according to their preference and they are constantly encouraged to grow up the ladder through regular trainings. The training should be focused on what the employees are expected to achieve along with the motivation, they should also be equipped with enough tolls help themselves on their way. Customers often base their perceptions of the service on the quality of interaction with the service personnel. Service industry organizations now recognize the importance of quality and attempt to exceed the expectations of customers. For this reason it is essential that the employee is motivated to consistently deliver a high quality service experience to the customer. It can be concluded that internal marketing is a tool that harness the employee power and creates an environment where every member acts as both a client and a customer in order to create responsibly.

Limitations of the Study: This study is limited to the extent that it interviewed only 57 respondents out of the 251 registered within the southern region of India. The variables which were taken now for this research cannot alone make this model a near perfect fit, as seen from the variability explained. Furthermore, since the sample is drawn from a restricted, universe, the findings cannot be generalized to other parts of the India.

Managerial Implications: The management of travel agencies must improve their employees approach towards internal marketing by creating team work among the employees, management of employees as individual and delivery of personalized products and service. This will ensure the creation of an environment within the travel agency. An internal climate can be created to motivate the level of employees. Any grievance has to be expressed for it to be solved. An effective job satisfaction survey helps the employees to convey their problems so that it can be solved at the right time. Furthermore, the factors which

contribute to their satisfaction also need to be expressed so that the management is aware of those factors to be retained for the employees regular contribution towards job performance. Specifically, travel industry must take the necessary steps to improve upon their competence through training programs to employees. Continuous training is needed to ensure consistency in quality service delivery. Employees, in turn, must display a desire first class service to customers to win their confidence.

Scope for Further Research: Limited research has been conducted in the field of internal marketing in India and no study has focused exclusively on internal marketing within an area of the southern region of Indian includes Kerala, Pondicherry, Karnataka andhra Pradesh and Tamilnadu. As the survey conducted was only confined to the southern region of India results may vary if the research is in conducted in other parts of India. And further, if the study is conducted taking all the travel agents of all parts the country the results may vary. But if the survey is conducted whole India result may substantially vary. As the research mainly conducted in the metropolitan city area result may not be the same if the survey is conducted in semi urban area.

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