Exploring the potential impact of culture and language issues on the application of internal marketing

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Abstract

Two decades of literature on internal marketing reveals that our understanding of internal marketing is European (Western), banking and hospitality and tourism focused. Studies to date provide limited guidance on the impact of cultural and language issues on internal marketing.

One hundred and thirty three Taiwanese and Australian participants who are currently or have recently worked in tourism and hospitality completed a bilingual online survey. The results of this exploratory study suggest that Taiwanese people experience more cultural and language issues in the workplace when compared with Australians. Further research is required to extend our understanding of the impact of cultural issues and language on the application of internal marketing in the workplace. Scale development is recommended for cultural and language issues.

Introduction

Service industries have grown rapidly and now dominate many developed economies. Moreover, tourism is one of the largest industries and employers worldwide (Goeldner & Ritchie 2006). The sector worldwide provided over 235 million jobs in 2009 and many of these were foreign workers. For example, of the 1.66 million workers employed in tourism in Canada one quarter were born outside of Canada (Canadian Tourism Human Resource Council, 2010). Anyone who has travelled to a country where they have little or none of the local language can understand how isolating language and cultural differences can be. Even travel to a country with the same language involves learning the subtle vocabulary differences to communicate effectively and efficiently.

Some characteristics of Australia and Taiwan's populations are similar. In the 2009 calendar year 81,018 immigrants from more than 185 countries migrated to Australia (Department of immigration and citizenship, 2010). Nearly 30,000 immigrants came from Asian countries including both North-East Asia and South-East Asia, accounting for 23.4 per cent and 11.7 per cent of migrants respectively. On the other hand, the majority of the population in Taiwan is of the Han Chinese ethnicity, namely the Hoklo people and the Hakka people whose mother tongues are the Taiwanese and Hakka languages respectively. The smallest groups in Taiwan are Taiwanese aborigines who use 69 different languages. Many countries including Australia and Taiwan are multi-cultural. Many recent immigrants are employed in tourism and hospitality. Cultural considerations have to be given to employees given that each of the different groups brings his/her language and cultural background into an organisation.

Literature Review

Since internal marketing was first defined (Berry *et al.*, 1976) there has been a great deal of debate about the construct. The definition of internal marketing that guides this research is

"internal marketing is the process of understanding, creating, communicating and delivering the human resource policies and procedures needed to achieve organisational goals and objectives." A recent review of the literature (Huang et al, 2010) revealed 106 studies that have considered internal marketing in the past two decades. This review suggests that our understanding of internal marketing is European (Western), banking and hospitality and tourism focused.

All of the studies conducted to date for internal marketing have studied internal marketing in one or within a similar cultural context (e.g. Budhwar *et al.*, 2009). The most popular continent for study was Europe (e.g. Bruhn & Georgi, 2000). One study has focussed across cultures (Bell *et al.*, 2004). Another (Wieske *et al.*, 2009) had focussed on America and Germany which is a West/West context. Researchers have focussed largely on Western cultures. None of the studies specifically have explored internal marketing across a West and East context. Limited studies (e.g. Kale, 2007; Budhwar *et al.*, 2009) have on the relationship between culture and language issues and internal marketing. Hence, the research question that directs this research is "*Does the concept of internal marketing work across cultures?*"

Two concepts will be explored, namely cultural issues and language issues. Martin and Davies (2006) have pointed out that language may be consistent with culture and that language can act to transmit and internalise culture. However, the two concepts are not expected to be perfectly correlated. The issue of culture and language and the risks associated with cultural misunderstanding and failures is noteworthy, given the likely difficulties employees face in expressing meaning and thinking (Testa, 2007), and the likely differences of backgrounds between host and foreign cultures (Newman & Nollen, 1996). Adler (1997) has stated that there are three aspects of culture: (1) it is shared by all or almost all members of some social group; (2) older members of the group try to pass on the younger members; and (3) it shapes behaviours or structures of one's perception of the world. Based on Oakes (2001) and Luria et al. (2006) definitions of linguistic ability and literacy, our definition of language issues is "language issues are caused by a low level of language competency expressed through a reduced ability to communicate in various forms".

As noted by Sparrow and Wu (1998) training might be provided to employees but it may not be understood by some employees due to language issues. In instance where training is provided but is not understood by employees we would expect employees' perceptions to remain unchanged. The purpose of this study is twofold. Firstly, this study sought to develop and test measures of cultural and language issues and secondly, this study aimed to further our understanding of the variables that may vary and hence will warrant further study to understand how the concept of internal marketing varies across cultures.

Method

The samples chosen were Australian and Taiwan people who currently or have recently worked in the tourism and hospitality industry. A convenience sample was used in this research. Students enrolled in Tourism and Hospitality and Marketing undergraduate and postgraduate degrees were emailed an invitation to participate in this research project. Qualifying questions were asked to ensure that respondents had current or recent work experience in tourism and hospitality. Harzing et al. (2005) investigated respondents survey choices finding most respondents prefer to answer surveys in their native language. Based on Harzing et al. (2005), two online surveys were developed, one in English and the other in Traditional Chinese to enable participants to answer questions in their preferred language.

The Traditional Chinese survey was back translated to ensure that correct meaning was gained. The online survey was available between April and June 2010. In this pilot study, the sample size achieved was 133, including 100 Taiwanese and 33 Australian/New Zealanders. Participants were divided into two groups according to the language used to fill the questionnaires. T-tests were used to explore group differences.

Reliability analysis indicated that scales were reliable exceeding the threshold of 0.70 (Nunnally, 1978). Firstly, the internal marketing scale (14 items) sourced from (Bearden & Netemeyer, 1999; Peltier & Scovotti, 2004; Punjaisri & Wilson, 2007; Budhwar *et al.*, 2009) was reliable ($\alpha = 0.89$). Prior to the development of the survey cultural and language issues were identified through depth interviews with participants born outside of Australia. The scales for cultural and language issues were also reliable and were ($\alpha = 0.76$) and ($\alpha = 0.77$) respectively. A number of demographic questions were also included in the instrument in order to help classify the responses. The sample was over represented by females and on average employees reported working for 6-7 years in the tourism and hospitality industry and in their current job for 2-5 years. Apart from the demographic questions, all items were presented in the form of five-point Like-type scales anchored by strongly disagree (1) and strongly agree (5).

Pilot Study Results

This study sought to explore which variables vary and hence may warrant further investigation to understand how internal marketing works across cultures. This section will first compare the main constructs in the study and then continue by presenting the results of the t-tests for each item examined in this exploratory study. T-tests were used in the pilot study to understand whether there are group differences. No differences between groups would suggest that further study of this issue is not warranted.

Table 1: Main constructs

Scale	Australia (n=33)	Taiwan (n=100)	Significance
Internal marketing internal communication, training & internal market research	3.4	3.4	p = 0.786
Cultural issues	*2.6*	*3.3*	*p < 0.001*
Language issues	*2.2*	*2.6*	*p = 0.013*

Taiwanese people experience more cultural issues (M=2.60, SD= 0.68) in the workplace when compared with Australians (M=2.28, SD= 0.52), t[60] = -9.639, p < 0.001. Taiwanese people experience more language issues (M=3.33, SD= 0.40) in the workplace when compared with Australians (M=2.61, SD=0.36), t[70] = -2.853, p=0.006.

Table 2: Item level analysis – Internal Marketing

	Australia (n=30)	Taiwan (n=100)	Sig.
My organisation communicates a clear brand image to me.	3.8	3.5	-
My organisation focuses efforts on training employees.	3.2	3.4	-
Employees are encouraged to be involved in standard-setting.	3.4	3.6	-
I have a solid understanding of the ways the organisation evaluates my work performance.	3.5	3.1	p = 0.060
The organisation often uses regular meetings that honour high-	2.9	3.1	p = 0.007

performance employees to send out messages to us.			
I can find explanatory information about my work.	2.1	3.4	-
My organisation regularly collects information on competitors' salaries.	3.2	2.7	-
My organisation develops knowledge and skills in its employees.	3.7	3.1	-
My supervisor clearly states his/her expectations for me.	3.4	3.5	-
My supervisor communicates our organisation's vision well to me.	3.4	3.4	-
My supervisor does a good job of sharing information.	3.2	3.3	-
I receive enough feedback from my supervisor on how well I am doing.	3.3	3.4	p < 0.001
My colleagues are willing to communicate with me.	4.1	4.0	-
Good communication helps our team to perform better.	4.4	3.4	p = 0.004

Differences between groups were noted for four of the fourteen items. Australian employees were more likely to understand how their performance is evaluated and feel that good communication improves team performance when compared to Taiwanese employees.

Table 3: Item level analysis – Cultural and language issues

	Australia (n=30)	Taiwan (n=100)	Sig.
I try to learn about different cultures.	4.0	4.1	-
My supervisor does not tolerate mistakes.	3.1	3.2	-
Favouritism is not an issue in promotion.	2.4	3.8	p < 0.001
My qualifications are valued by my organisation.	3.0	3.2	-
My previous experience is valued by my organisation.	3.5	3.7	-
I feel I have to go out with my supervisor after work.	2.0	2.9	p < 0.001
I socialise with colleagues from work outside of work hours.	2.9	3.6	p = 0.006
Working with colleagues from other cultures causes some problems.	2.3	3.2	p < 0.001
Some colleagues do not like me because I come from a different cultural background.	1.5	2.6	p < 0.001
My supervisor gives me better jobs as we have the same cultural background.	2.0	3.2	p < 0.001
My supervisor cares less about employees who come from other cultural backgrounds.	2.0	2.9	p < 0.001
My supervisor spends more time working closely with employees who are from the same cultural background.	2.1	3.2	p < 0.001
I can not explain things clearly to others.	3.7	2.5	p < 0.001
In my organisation, only one language is used.	3.7	2.1	p < 0.001
I am embarrassed to ask when I do not understand others.	2.2	2.5	-
My language prevents me from socialising with colleagues.	1.3	2.5	p < 0.001
Some conflicts have happened as colleagues have not caught my meanings.	2.0	2.5	-
Language problems have caused misunderstanding between me and supervisor.	1.5	2.6	p < 0.001
Language problems have caused misunderstanding between me and colleagues.	1.8	2.6	p < 0.001
Sometimes I should use another language to explain things to colleagues who come from other countries.	1.8	3.2	p < 0.001

The results at an item level suggest there are more cultural and language issue differences than similarities between the Australian and Taiwanese employees. Employees from both groups indicated that qualifications and previous experience are valued by employers and that they seek to try to learn about different cultures. Taiwanese employees felt a stronger obligation to go out with a supervisor outside of work hours and were more likely to socialise with work colleagues outside of work hours when compared to their Australian counterparts. Taiwanese employees were more likely to report colleague dislike due to differing cultural backgrounds, and that supervisors from the same cultural background were more likely to give better jobs and work more closely with colleagues from the same background.

When compared to Australian employees Taiwanese employees found it harder to explain things to other people, were more likely to feel language prevented them from socialising, experienced more misunderstandings with supervisors and other work colleagues and often had to use their second language to explain things to work colleagues from other countries. Taiwanese employees experience significantly more language issues than their Australian counterparts.

Conclusions, limitations and future research directions

This exploratory study considered whether there may be differences in internal marketing for Australian and Taiwanese employees in the tourism and hospitality industry. Specifically, this exploratory pilot study has revealed many cultural and language differences between Australian and Taiwanese employees that warrant further research to understand how cultural and language issues impact the process of understanding, creating, communicating and delivering the human resource policies and procedures needed to achieve organisational goals and objectives.

The results of this exploratory pilot study indicate that Taiwanese people experience more cultural and language issues in the workplace when compared with Australians. The sample collected in this study is small and is based on a student sample and as such the findings of this study can not be generalised beyond the sample. Further research is required to boost the sample to enable both exploratory and confirmatory factor analysis to be performed to assess the cultural and language issues scales. A minimum of 10 respondents to one scale item is required for exploratory factor analysis suggesting that a minimum of 140 is required in each sample to undertake scale purification analysis. Cronbach's alpha suggests the scales are reliable and work is now required to validate the scales developed in this exploratory study. Given that differences exist between the groups we recommend that multi-group analysis in structural equation modelling would be appropriate to understand how cultural and language issues impact the process of understanding, creating, communicating and delivering the human resource policies and procedures needed to achieve organisational goals and objectives.

This research should be extended to an employee sample within an organisation context to gain further insights into cultural and language issues faced by employees. By studying the issue within an organisation, insights into the process used by the organisation to understand, create, communicate and deliver the human resource policies and procedures needed to achieve organisational goals and objectives can be gained enabling specific internal marketing program improvements to be identified. Specifically a field experiment would assist researchers to understand the impact of internal marketing program change on the reduction of cultural and language issues for employees born outside of the country. Finally, future studies should seek to use an Australian born and Taiwanese-Australian sample.

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