Internal Marketing and the Internal Customers' Citizenship Behavior in Higher Education

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Abstract

Objective: Service organizations are required to achieve sustainable competitive advantage (SCA) to ensure their competitive capability, whereas these organizations put their efforts into developing organizational culture in which internal and external customers are of equal importance. By implementing such a culture, organizations’ employees, as internal customers, realize their self-importance and, thus, the possibility of Organizational Citizenship Behavior (OCB) by them increases. For service organizations, because of higher level of contacts between external customers and employees (internal customers) OCB plays an important role in creating, achieving, and maintaining sustainable competitive advantage. The present study aims to investigate the effect of internal marketing on universities' internal customer citizenship behavior (ICCB) through their perceived value and satisfaction.

Method: To analyze the hypotheses of this research, 405 employees of Iranian state universities were surveyed through a questionnaire. The collected data were analyzed by Structural Equation Modelling (SEM) and Smart PLS 2 software.

Results: The results demonstrate the effect of internal marketing on internal customers' OCB as well as mediating role of internal customers' perceived value and satisfaction in the relationship between internal marketing and internal customers' OCB.

Keywords: internal marketing; organizational citizenship behavior; internal customers' perceived value; internal customers' satisfaction

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Introduction

Nowadays, organizations are active and perform their routines in an uncertain, dynamic and challenging environment (Petit, 2012). Hence, they have to adapt themselves to variations and changes in this environment and, thus, respond properly (Alshurideh et al. 2015). In this volatile and turbulent environment, the best way to properly approach organizational problems and achieve success is through human capital and human resources management practices (Chun et al. 2013). Based on various related studies, human capital is the most important asset of any organization of strategic importance (Farias, 2010; Kanyurhi & Akonkwa 2016). Managers who appropriately manage their organization's human capital are proved to have better financial and operational performances in the long run. For this purpose, managers should provide an atmosphere in which employees motivate themselves enough to perform tasks beyond what they were assigned to, in the first place (Chiang and Hsieh, 2012). This kind of employee’s positive behavior and willingness to conform to moral principles are recognized under rubric of ‘Organizational Citizenship Behavior (OCB)’ (Kooshki & Zeinabadi, 2016) that the trade-off between supervisors and employees determines the relationship quality among them and OCB level in an organization (Chaudhry & Tekleab, 2013). In terms of universities, employee’s OCB is considered as academic-oriented citizenship behavior, which often involves those behaviors that entail proper teaching and presenting better services to students (Inelmen et al. 2017). Lawrence et al. (2012) proposed that academic-oriented citizenship behavior at public universities required even greater attention of researchers. Inelmen et al. (2017) argued that, nowadays, OCB concept is generally taken for granted in universities, because principles of collective relations have been degraded and, thus, professional principles of relations have been largely neglected. The reason behind this unfortunate issue is that universities put their energy only into preparing their students for more research and study (Lawrence et al. 2012; Bergeron et al. 2014). One of the most important tools to solve this problem is internal marketing results in improved performance of universities’ employees and better services to their external customers (Alshurideh et al. 2015). Internal marketing is a social responsibility approach towards human resources management (Álvarez et al. 2017). Fu (2013) proposed that internal marketing is an organization’s internal policy based on which employees are thought to work as a team and develop their customer-oriented behavior. Alghamdi (2016) argued that internal marketing is a set of policies and programs that directly aids employees in achieving higher satisfaction level. In this relation, employees are treated as internal customers who have the lion’s share in achieving organization’s objectives and goals (Rosca, 2015; De Bruin et al. 2015). Hence, internal marketing and human resources are considered as two inter-related factors, receiving greater attention in theories of organizational behavior and psychology (Yang and Peterson 2010; Rosca, 2015; Hernández-Díaz et al. 2017). Formal and informal internal communications are the central core of internal marketing implementation (Rafiq and Ahmed, 2000) that play a major role in internal customers’ satisfaction (To et al. 2015) and their perceived value (Luo et al. 2012). Researchers propose that internal marketing has considerable effect on internal customers’ satisfaction which, in turn, positively affects their OCB practices (Huang and Rundle, 2014). On the one side, internal marketing leads to employees’ commitment to an organization and, thus, has positive effect on their job satisfaction and citizenship behavior (Wieseke et al. 2009). On the other side, investigations demonstrate that to develop and reinforce employees’ citizenship behavior, they have to be prepared for overcoming job- and organization-related problems and achieving an in-depth understanding of organizational routines (Chiang & Hsieh, 2012). Therefore, through using internal marketing principles and developing higher value for employees, managers can achieve interesting results such as OCB reinforcement (Alshurideh et al. 2015; Kanyurhi & Akonkwa, 2016). Investigations proved that internal marketing could be operational and effective in not only private organizations, but also in public organizations, among which universities constitute a part of them (Schuller & Chalupsky, 2011). However, only few studies have been conducted on this issue in universities. Universities are required to create various principles of knowledge that is crucial to the social, economic, and cultural development. In other word, the effective universities can have considerable effect on productivity, efficiency, and life
quality of people. Therefore, in this respect, researchers should pay greater attention to universities and their various aspects (Malik et al. 2010). Current study is to investigate the effect of internal marketing on university internal customers’ citizenship behavior through their satisfaction and perceived value.

Literature Review
Citizenship behavior
Organization citizenship behavior is a kind of pro-social behavior, which benefits all organizations and organizations with higher tendency for altruistic and humanitarian activities have shown higher sense of responsibility for higher efficiency and improved performance of organization (Grant & Mayer, 2009; Arthaud-Day et al. 2012). Inelmen et al. (2017) considered citizenship behavior as the most important off-duty conduct of every workforce due to its deep impact on organizational processes and operations. The existence of higher levels of citizenship behavior leads to firmer loyalty of employees and deepening of cognitive levels to achieve effective outcomes, those employees who are highly capable to act beyond the already-defined boundaries should carry out organizational processes (Wat & Shaffer, 2005; Biswas & Mazumder, 2017). In addition, based on the findings of Chiang and Hsieh (2012), perceived support and value-creating abilities of organizations are among the important dimensions of employee’s citizenship behavior. Employees show higher tendency to conform to rules and principles when they feel valued and well-cared-for by the organization and effective leadership, proper social atmosphere, and manager’s insight are the prerequisites of employee’s citizenship behavior in organizations (Jain et al. 2011). Arthaud-Day et al. (2012) presented four criteria to evaluate employees’ citizenship behavior, which are derived from their observable behaviors at work and respective factors. These criteria include (1) conducting tasks beyond the already-predicted programs; (2) making attempts to develop all aspects and dimensions of the organization; (3) defending the organization when other employees are criticizing it; (4) feeling proud of the organization. Numerous studies have been carried out on employee’s citizenship behavior (Rajiani, 2013). Xie et al. (2017) studied the relationship between job satisfaction and citizenship behavior among the Chinese employees. They found that organization’s use of psychological mechanisms developed and reinforced the above-mentioned relationship. In addition, Inelmen et al. (2017) investigated the influential factors in citizenship behavior among university centers which, based on the theory of social exchange, included the traditions common in universities and organizational social relations; these factors affected citizenship behavior. Researchers investigated the effect of perceived support of organization’s employees on their citizenship behavior and proved the existence of such a relation. Moreover, studies investigated the relationship among organizational identity, participation in works/tasks, and citizenship behavior for employees. They found that job involvement is one of the most important factors in job satisfaction and citizenship behavior development.

Internal Marketing
The concept of internal marketing was first used in 1970s in order to increase the quality of offered services to employees that is concerned with the idea that employees are considered as internal customers who should be sufficiently informed, taught well, provided with reasonable and ordered bonus, and motivated so that they could properly elevate the needs and expectations of external customers. In other words, internal marketing is an attempt to motivate internal customers so as to offer better services to external customers (Joung et al. 2015; Kanyurhi & Akonkwa, 2016). The main presupposition of internal marketing is that employees are the most important tools in every organization (Papasolomou, 2006). Internal marketing is composed of human resources management strategies for integrating employees and overcoming their stiff resistance to organizational changes (Rafiq & Ahmed, 2000). In addition, internal marketing has been defined from the cultural standpoint. Accordingly, internal marketing is a cultural framework and a tool by which organization’s objectives can be realized through employees and target market (Rafiq & Ahmed, 2003; Huang & Rundle, 2014).
Further to that, internal marketing is considered as a set of policies and human resources management procedures in which employees are assumed as an internal market for whom special programs for awareness, learning, developing, and motivating purposes should be provided so that offering better services is ensured (Asiedu et al. 2014). Hence, using internal marketing principles not only encourages employees to accomplish their tasks more willingly and voluntarily, but also legitimizes the organization’s objectives even more (Yildiz & Kara, 2017). According to Hernandez et al. (2017), internal marketing can be realized on two levels: strategic and technical levels. The strategic and technical levels are associated with increasing awareness and employee’s activities, respectively. The main rule of internal marketing is that employees should be the central focus of any organization because they are the ones constantly communicating and interacting with customers and, thus, playing an active role in creating a positive image of the organization. Although various attempts have been made to measure the degree of adherence to internal marketing principles in organizations, only a few numbers of them are focused on service organizations (Yildiz & Kara, 2017). Researchers proposed four future visions for internal marketing based on short-term and long-term objectives of an organization as well as its tendency and perspectives. Another researcher investigated components of internal marketing which are as follows: internal communications and relations, learning, and studying internal markets (Huang & Rundle, 2014). From the viewpoint of Alshurideh et al. (2015), internal marketing is composed of employee’s motivation, interactions and communications, empowerment and development, and teaching citizenship behavior of employees.

**Job Satisfaction**

Job satisfaction implies a feeling of appreciation by employees with respect to their general job status and position within the organization (Joung et al. 2015) or a positive feeling towards job experience by an employee (Suzuki et al. 2006); in other words, such a feeling is a direct result of their reaction to the work conditions in the organization. Organizations need active, responsible and highly capable employees to properly complete organization’s assigned tasks and activities (Pantouvakis, 2012). Hence, the importance of organizational job is parallel to that of employee satisfaction. Job satisfaction in the service sector is of higher importance than that in the manufacturing sector, because the former plays an active role in determining the organization’s failure or success and satisfying customers (Joung et al. 2015). Researchers’ findings indicate that creating a suitable condition and atmosphere for employees and being responsive towards them can increase their job satisfaction (Lavy and Littman, 2017). Joung et al. (2015) found that there is a positive relationship between internal marketing and job satisfaction.

**Perceived value**

Many organizational tasks and activities are rooted in perceived values (Heinonen et al. 2013 that is defined as employees’ evaluation of the expenditure and profit earned from an organization activity or a decision (Yang and Peterson, 2004). Perceived value increases motivation towards and adoption of every phenomenon. Perceived value is a factor obtained only after perceived quality; in other words, perceived quality is considered as a presupposed variable for perceived value (Zins, 2001). Chen and Chen (2010) defined symbolic and functional dimensions for perceived value. Functional value represents a general value assessment made by employees that consists of morphological and quality properties, while symbolic value is a general display of experiential perceived values of social, emotional, and identification aspects of employees in an organization (Yu et al. 2014).

**Conceptual model**

Managers’ commitment to implementing internal marketing has a positive effect on the attitudes and beliefs of employees (Paul and Sahadev, 2016); in addition, implementing internal marketing policies add more motivation to employees and positively affect their perceived value. Investigations demonstrate that internal marketing increases internal customers’ satisfaction, reduces organizational displacement, and, thus, improves the servicing processes by employees in accordance with the
organization’s objectives. Service organizations, because of their nature that requires higher interaction between their employees and customers, should utilize internal marketing for improving the internal customers’ perceived values and managing relationships with other employees (To et al. 2015). Consequently, internal marketing is among the factors that appears to have considerable effects on job satisfaction and perceived value. When managers view their employees as mature, motivated and competitive, then they will naturally support them even more. Such an understanding and perspective surely increases their job satisfaction and improves perceived value of organization (Casimir et al. 2014; Inelmen et al. 2017). Moreover, other researchers proposed that implementing internal marketing practices, paying attention to employees as internal customers, has positive effects on their citizenship behavior. Other factors, such as higher job performance and job satisfaction, affect citizenship behavior (Rajiani, 2013). Considering the above, this study depicts a conceptual model which uses findings of Fu (2013) to investigate internal marketing. The model proposed is also used in the current study to investigate employee’s citizenship behavior that includes positive word-of-mouth marketing, critiques and suggestions, flexibility, and collaboration with university’s activities. The current study utilizes the study results of Wong and Dioko (2013) and Yang and Peterson (2004). The proposed conceptual model is shown in Fig. 1 in the following.

The following hypotheses are presented based on the above model:

- Hypothesis 1: internal marketing has positive and direct effect on perceived value.
- Hypothesis 2: internal marketing has positive and direct effect on job satisfaction.
- Hypothesis 3: perceived value has positive and direct effect on citizenship behavior.
- Hypothesis 4: employee’s job satisfaction has positive and direct effect on citizenship behavior.
- Hypothesis 5: perceived value has positive and direct effect on employees’ satisfaction.
- Hypothesis 6: perceived value plays a mediating role between internal marketing and employee’s citizenship behavior.
- Hypothesis 7: employee’s job satisfaction plays a mediating role between internal marketing and employee’s citizenship behavior.

**Method**

**Sample and data collection**

We surveyed 405 employees of ten universities (Tehran, Tarbiat Modares, Shiraz, Ferdowsi of Mashhad, Shahid Beheshti, Tabriz, Isfahan, Guilan, Bahonar of Kerman, and Mazandaran universities) through the questionnaire to examine our hypotheses. These universities are selected with respect to their rankings by the Islamic World Science Citation Center (ISC). In addition, two
methods were adopted to collect the questionnaires: face-to-face and virtual (internet-based) methods; 56% of the statistical samples in this study were completed electronically (table 1). Our questionnaire includes 9 questions for internal marketing (Fu, 2013), 3 questions related to internal customer perceived value (Yang and Peterson, 2004), 3 questions related to internal customer satisfaction (Wong and Dioko, 2013), and 15 questions related to OCBs including; 5 questions related to positive word-of-mouth marketing, 4 questions related to Suggestions for service improvements, 3 questions related to flexibility, and 3 questions related to participation in university activities (Bove et al. 2009). Note that this questionnaire is designed based on five-point Likert (1=very disagree, 5=very agree). In this respect, to ensure the respondents’ awareness of the proposed objectives, subject matter, and validity of our study, 40 questionnaires were distributed for pretest, of which 36 were collected completely. In this process, questions were simplified for better understanding and higher clarity, and, then, 450 questionnaires were distributed, of which 405 questionnaires were collected completely. We used Partial Least Squares (PLS) for testing the measurement model (relationships between indicators (manifest variables) and their corresponding constructs (latent variables)) and the structural model (relationships between constructs). PLS is ideal to our study because it is appropriate for assessing causal relationships (Henseler et al. 2009), it can deal with very complicated models with many constructs, indicators and relationship between and it’s useful when the study has a small sample size and non-normal data distribution (Diamantopoulos et al. 2012). We used Structural Equation Modeling (SEM) with Partial Least Square approach using Smart PLS 2 to examine the hypotheses of our research in follow, we will discuss the results obtained from data analysis.

<table>
<thead>
<tr>
<th>Table 1. Statistical population and number of samples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>38</td>
</tr>
<tr>
<td>33</td>
</tr>
<tr>
<td>53</td>
</tr>
<tr>
<td>36</td>
</tr>
<tr>
<td>50</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

**Results**

Typically, two stages are needed to analyze and interpret a PLS mode: (1) reliability assessment and measurement model validity and (2) structural model assessment. Measurement Model includes indicators and the relationships between indicators. Structural Modeling also includes all constructs presented in the conceptual model of research, and the correlations between constructs (Kline, 2010). Therefore, we will present Measurement and Structural Model after examining demographic results.

**Measurement Model**

The measurement model is assessed for constructs with reflective measures by assessing reliability of each item, discriminant validity and internal consistency. Loading of the measures with the construct that items are supposed to measure is used to evaluate reliability of each item. The reliability of index and validity were employed to evaluate the fit of measurement model. The reliability of index for internal reliability includes three measures of Cronbach’s alpha, composite reliability and factor loadings. The next step was evaluating Convergent and discriminant validity. Convergent validity shows the level of correlation in constructs with its indicators. Discriminant validity indicates the extent to which a given construct is different from other latent constructs.
Table 2. Factor loadings of the model’s measure

<table>
<thead>
<tr>
<th>Construct</th>
<th>Code</th>
<th>Factor loading (≥0.4)</th>
<th>Construct</th>
<th>Code</th>
<th>Factor loading (≥0.4)</th>
<th>Construct</th>
<th>Code</th>
<th>Factor loading (≥0.4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Marketing</td>
<td>Im1</td>
<td>0.76</td>
<td>Perceived</td>
<td>pv2</td>
<td>0.94</td>
<td>Suggestions for service improvements</td>
<td>Sis1</td>
<td>0.89</td>
</tr>
<tr>
<td></td>
<td>Im1</td>
<td>0.70</td>
<td>Value</td>
<td>pv3</td>
<td>0.91</td>
<td></td>
<td>Sis2</td>
<td>0.89</td>
</tr>
<tr>
<td></td>
<td>Im2</td>
<td>0.80</td>
<td>Employee</td>
<td>Cs1</td>
<td>0.91</td>
<td></td>
<td>Sis3</td>
<td>0.89</td>
</tr>
<tr>
<td></td>
<td>Im3</td>
<td>0.68</td>
<td>satisfaction</td>
<td>Cs2</td>
<td>0.82</td>
<td></td>
<td>Sis4</td>
<td>0.86</td>
</tr>
<tr>
<td></td>
<td>Im4</td>
<td>0.78</td>
<td></td>
<td>Cs3</td>
<td>0.91</td>
<td>Flexibility</td>
<td>Flx1</td>
<td>0.94</td>
</tr>
<tr>
<td></td>
<td>Im5</td>
<td>0.60</td>
<td>Positive</td>
<td>Wmm1</td>
<td>0.72</td>
<td></td>
<td>Flx2</td>
<td>0.95</td>
</tr>
<tr>
<td></td>
<td>Im6</td>
<td>0.58</td>
<td>word-of-</td>
<td>Wmm2</td>
<td>0.86</td>
<td></td>
<td>Flx3</td>
<td>0.95</td>
</tr>
<tr>
<td></td>
<td>Im7</td>
<td>0.56</td>
<td>mouth</td>
<td>Wmm3</td>
<td>0.84</td>
<td>Participation in university activities</td>
<td>Pua1</td>
<td>0.93</td>
</tr>
<tr>
<td></td>
<td>Im8</td>
<td>0.57</td>
<td></td>
<td>Wmm4</td>
<td>0.77</td>
<td></td>
<td>Pua2</td>
<td>0.94</td>
</tr>
<tr>
<td>pv1</td>
<td></td>
<td>0.94</td>
<td></td>
<td>Wmm5</td>
<td>0.72</td>
<td></td>
<td>Pua3</td>
<td>0.92</td>
</tr>
</tbody>
</table>

Factor Loadings are calculated thorough determining the amount of correlation between a constructs’ indicators with that structure, and the appropriate values for factor loadings are equal to 0/4 or greater than 0/4 (Hulland, 1999). This shows that the variance between constructs and its indicators is greater than the measurement error variance of that structure. Factor loadings are shown in table 2. This table explains that all measures have appropriate factor loading.

As shown in table 3, the values of Cronbach’s alpha and CR for all latent variables are greater than 0/7 that reflects the appropriate reliability of the model. Also, the values of AVE for latent variables are greater than 0/5. Therefore, convergent reliability of measurement models is appropriate.

Table 3. Reports on Cronbach’s Alpha, composite reliability, and convergent validity

<table>
<thead>
<tr>
<th>First-order Construct</th>
<th>Second-order Construct</th>
<th>codes</th>
<th>Alpha (≥0.7)</th>
<th>CR (≥0.7)</th>
<th>AVE (≥0.5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal marketing</td>
<td>IM</td>
<td>0.90</td>
<td>0.92</td>
<td>0.66</td>
<td></td>
</tr>
<tr>
<td>Perceived value</td>
<td>PV</td>
<td>0.79</td>
<td>0.88</td>
<td>0.88</td>
<td></td>
</tr>
<tr>
<td>Internal customer satisfaction</td>
<td>CS</td>
<td>0.88</td>
<td>0.89</td>
<td>0.71</td>
<td></td>
</tr>
<tr>
<td>OCBs</td>
<td>COCB</td>
<td>0.92</td>
<td>0.93</td>
<td>0.67</td>
<td></td>
</tr>
<tr>
<td>Positive word-of-mouth marketing</td>
<td>WMM</td>
<td>0.90</td>
<td>0.85</td>
<td>0.77</td>
<td></td>
</tr>
<tr>
<td>Suggestions for service improvements</td>
<td>SIS</td>
<td>0.87</td>
<td>0.90</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>Flexibility</td>
<td>FLX</td>
<td>0.86</td>
<td>0.90</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>Participation in university activities</td>
<td>PUA</td>
<td>0.79</td>
<td>0.88</td>
<td>0.76</td>
<td></td>
</tr>
</tbody>
</table>

Table 4. Correlations between observed variables and AVE values (Fornell-Larcker criterion)

<table>
<thead>
<tr>
<th>COCB</th>
<th>CS</th>
<th>FLX</th>
<th>IM</th>
<th>PUA</th>
<th>PV</th>
<th>SIS</th>
<th>WMM</th>
</tr>
</thead>
<tbody>
<tr>
<td>COCB</td>
<td>0.82</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CS</td>
<td>0.68</td>
<td>0.84</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FLX</td>
<td>0.65</td>
<td>0.68</td>
<td>0.83</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>IM</td>
<td>0.64</td>
<td>0.71</td>
<td>0.77</td>
<td>0.81</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>PUA</td>
<td>0.46</td>
<td>0.46</td>
<td>0.41</td>
<td>0.45</td>
<td>0.87</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>PV</td>
<td>0.24</td>
<td>0.13</td>
<td>0.11</td>
<td>0.13</td>
<td>0.36</td>
<td>0.93</td>
<td>-</td>
</tr>
<tr>
<td>SIS</td>
<td>0.58</td>
<td>0.55</td>
<td>0.49</td>
<td>0.54</td>
<td>0.78</td>
<td>0.44</td>
<td>0.86</td>
</tr>
<tr>
<td>WMM</td>
<td>0.27</td>
<td>0.32</td>
<td>0.30</td>
<td>0.30</td>
<td>0.53</td>
<td>0.42</td>
<td>0.46</td>
</tr>
</tbody>
</table>

According to the obtained results of correlations and square root of AVE placed on the diameter of Table 4, divergent validity can be obtained on the construct level based on Fornell-Larcker criterion.
Structural Model
After evaluating validity and reliability of measurement model, structural model was evaluated in two separate steps thorough relationships between latent variables. In the first step, model was evaluated without the moderating impact of institutional factors. In the second step, this variable was considered as both independent variable and moderator in relationship between resources and competitive advantage and relationship between resources and performance in the model. The path coefficients were calculated separately in each step. This study employs three criteria: The Coefficient of Significance (T-values), The Coefficient of Determination (R²) and The Coefficient of Predictability (Q²).

Table 5. Values of R² (R Squares) and Q² (Stone-Geisser Criterion)

<table>
<thead>
<tr>
<th>PV</th>
<th>CS</th>
<th>COCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>R2</td>
<td>0.86</td>
<td>0.82</td>
</tr>
<tr>
<td>Q2</td>
<td>0.65</td>
<td>0.57</td>
</tr>
</tbody>
</table>

Results obtained from structural model analysis in table 8 show the criterion of R² (R Squares) for all endogenous variables of the research model. Results of this criterion show that based on Chin (1998), fitness of structural model generally was good and strong. Further, to examine the predictability of model, the criterion of Q² (Stone-Geisser criterion) is employed. Therefore, based on Henseler et al. (2009) and considering the results of this criterion in table 5, it can be concluded that model has strong predictability.

No global criterion is known as the best criterion in PLS, therefore no one allows us to evaluate the model in overall. Goodness of fit (GoF) is proposed by Tenenhaus et al. (2005) as a global index for validating the PLS model and can represent as an operational solution for this gap is GoF. The average R2 and Geometric mean of the average communality is GoF. Weight average of different communalities is used to compute average communality. Since computed GoF is 0.62, thus, based on studies conducted by Wetzels et al. (2009), overall fit of the model is confirmed as “strong”.

Hypotheses Test
After examining fit of the measurement and structural models and having appropriate fitness for models, research hypotheses are tested. Therefore, table 6 represents the results from the coefficients of significance for per hypothesis, standardized coefficients of related paths to per hypothesis and conclusions of hypothesis examination.

Table 6. Main hypotheses testing with moderator variable

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Independent variable</th>
<th>impact</th>
<th>Dependent variable</th>
<th>Estimate</th>
<th>T-value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Internal marketing</td>
<td>→</td>
<td>Perceived value</td>
<td>0.88</td>
<td>2.49</td>
<td>*</td>
</tr>
<tr>
<td>H2</td>
<td>Internal marketing</td>
<td>→</td>
<td>Employee satisfaction</td>
<td>0.71</td>
<td>2.29</td>
<td>*</td>
</tr>
<tr>
<td>H3</td>
<td>Perceived value</td>
<td>→</td>
<td>Employee’s citizenship behavior</td>
<td>0.63</td>
<td>18.40</td>
<td>***</td>
</tr>
<tr>
<td>H4</td>
<td>Employee satisfaction</td>
<td>→</td>
<td>Employee’s citizenship behavior</td>
<td>0.27</td>
<td>8.11</td>
<td>***</td>
</tr>
<tr>
<td>H5</td>
<td>Perceived value</td>
<td>→</td>
<td>Employee satisfaction</td>
<td>0.34</td>
<td>9.38</td>
<td>***</td>
</tr>
<tr>
<td>H6</td>
<td>Perceived value plays a mediating role between internal marketing and employee’s citizenship behavior.</td>
<td>0.41</td>
<td>4.27</td>
<td>***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H7</td>
<td>Employee’s job satisfaction plays a mediating role between internal marketing and employee’s citizenship behavior.</td>
<td>0.28</td>
<td>3.42</td>
<td>***</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(ns = no significant, *p < .05, **p < .01, ***p < .001)

With regard to the third main hypothesis, note that Sobel Test was used to study the significant effect of the mediator variable in the relationship between the two proposed variables in this research. In
Sobel test, Z-Value is calculated through the following formula; in case the achieved value goes higher than 1.96, then the significance and meaningful effect of the mediator variable can be confirmed with the confidence level of 95%. Results of hypotheses testing and coefficient of significance, with respect to Table 6, show that all the hypotheses of this study are confirmed and depicted in the final model below.

![Figure 2. The operational model](image)

**Discussion and Conclusion**

With respect to the first hypothesis that investigates the relationship between internal marketing and perceived value, results of the research demonstrate that there is a positive effect of internal marketing on internal customer perceived value. The organized attempts and endeavors of managers can aid employees in overcoming organizational and trans-organizational obstacles to their motivation by internal marketing practices. These measures are conducive to a proper understanding of organizational values for employees, leading to greater sense of responsibility. According to findings of Ahmed et al. (2003), top managers’ activities and actions profoundly affect internal marketing’s outcome, because any factor that is operable inside the organization is controllable and manageable and can increase utility and effectiveness of the employees. Researchers, such as Rafiq and Ahmed (2000), Pantouvakis (2012), and Hernandez et al. (2017), found that implementation of the internal marketing in an organization can aid employees in improving the organizational perceived value and employee’s identification with the organization. Luo et al. (2012) found that managers and their perspectives towards employees and their practical actions have a significant role in creating perceived values of employees. In the second hypothesis, the relationship between internal marketing and employee satisfaction has been investigated. According to the respective findings, internal marketing has a positive effect on internal customers satisfaction. Internal marketing as the most important tool for an increase in employee satisfaction can have favorable effect on their work life. Based on internal marketing principles, an organization should elevate financial and social expectations of employees so that, in turn, they can carry out their tasks properly with greater sense of responsibility. This two-sided relationship can have proper outcome if both sides (managers and employees) fulfill their responsibilities and tasks, which ultimately leads to higher employees’ satisfaction and organizational outcomes. Researchers, such as Chang and Chang (2009) as well as Matanda and Ndubisi (2013), concluded that internal marketing, which has positive effect on employee satisfaction, can hasten the realization of organizational objectives. Snell and White (2009) proposed that internal marketing affects employee satisfaction. Other researchers, such as Donavan...
et al. (2004), Joung et al. (2015), Kanyurhi and Akonkwa (2016), Alghamdi (2016), and Hernandez et al. (2017), came to a similar conclusion.

In the third hypothesis, the relationship between internal customer perceived value and internal customer citizenship behavior has been studied, demonstrating the positive effect of internal customer perceived value and internal customer citizenship behavior. Investigations show that employee’s perceived value and identity of the organization affects citizenship behavior of employee. Shuck and Wollard (2010) and Riketta (2005), found that perceived value is actually employees’ recognition and awareness of their very membership as a social group to which they are bound emotionally and are, in turn, recognized in the society. Some other researchers, such as Chiang and Hesieh (2012) and Chun et al. (2013), came to a similar conclusion.

In the fourth hypothesis, the relationship between employee satisfaction and citizen behavior has been tested. Employees’ citizenship behavior may lay the ground for them to behave beyond what is normally expected to facilitate the servicing process to customers. Although employees do not receive any objective benefit (e.g. financial benefit) from the organization because of their behavior and performance, satisfaction with their job can certainly induce a kind of citizenship behavior expression. Joung et al. (2015) proposed that, to achieve customer’s satisfaction, any organization must firstly assure that its employees feel pleasant and appreciated so that better servicing and higher performance can be exhibited. According to Rafiq and Ahmed (2003), OCB aims to achieve the same objective. The obtained result is in agreement with those of Nguni et al. (2006), Chiang and Hesieh (2012), Rajiani (2013) and Xie et al. (2017).

In hypothesis 5, the relationship between internal customer perceived value and internal customer satisfaction has been investigated, and results show that the higher value the internal customers perceive, the higher satisfied they are. Investigations show that experiencing identification with the organization and perceived value by employees can have high positive effect on their job satisfaction. Researchers, such as Chen and Chen (2010) as well as Patterson and Spreng (1997), found that perceived value of organization members could affect their attitude towards and satisfaction of the organizations they are working in. Eisenberger et al. (1997) as well as Gallarza and Saura (2006) shared a similar conclusion.

In hypotheses 6 and 7, the mediating role of perceived value and job satisfaction in the relationship between internal marketing and citizenship behavior has been tested. Results demonstrate that employees’ citizenship behavior is a prerequisite for achieving organizational objectives, which cannot be fulfilled solely through a bonus strategy; accordingly, it appears that internal marketing is an important tool for realizing the afore-mentioned objective (Rajiani, 2013). Based on the findings of Researchers, internal marketing can improve existing atmosphere in organizations and elevate structural, logical, cognitive dimensions of social capitals of an organization; by affecting perceived value and employee’s job satisfaction, these factors can have positive effect on the citizenship behavior. Studies of Asiedu et al. (2014) and Alshurideh et al. (2015) proved the existence of a positive relationship between the variables.

Considering the obtained results of the present research, the positive relationship between internal marketing and citizenship behavior, and the mediating role of perceived value and employee satisfaction, the following suggestions are made.

- Based on hypotheses 1 and 3, findings of this study showed that internal marketing had positive effect on perceived value and employees’ job satisfaction. Internal marketing is an important tool for improving the atmosphere in an organization and social relationships among employees, increasing perceived organizational value, and developing job satisfaction level. Hence, managers are highly advised to identify the deeper needs and demands of various employees. By creating a database through employee’s received data, they should attempt to manage human resources and determine organizational strategies in accordance to internal marketing principles. The following strategies and procedures can provide managers with better results through internal marketing principles and their role in the relationship between perceived value and employee’s
job satisfaction: (1) Creating communication channels for faster and unmediated communication between employees and top managers, (2) considering personnel’s welfare and providing them with suitable services, (3) presenting bonuses in accordance to the taste of employees, (4) holding suitable educational and training classes, (5) proper recruiting and their proper positioning and deployment according to their skills and abilities, and (6) implementing standard motivational systems in organizations for greater motivation.

- Based on hypotheses 3 and 4, the existence of the relationship between perceived values/job satisfaction and employee’s citizenship behavior is confirmed in this study. According to the results, it is recommended to (1) increase the participation rate of employees in the organization and its activities and consider their opinions and suggestions for managerial programs; (2) designing and implementing suitable tools for evaluating employee’s perception of the organization as well as programs and instructions for upgrading the value level and empowering the identification bond between employees and the organization; (3) paying greater attention to organizational learning processes so that employees can gain an in-depth understanding of the organization’s culture to make a bond between inter-organizational behavior and the dominant culture; (4) for managers to find various proper ways to increase job satisfaction among employees, implement proper workforce segmentation, and create group networks to assist employees with their tasks and share work expertise/experience quickly; in doing so and by increasing job satisfaction level and elevating perceived value, organizational citizenship behavior of employees can positively grow and improve.

- Based on hypothesis 5, investigations show the capability of perceived value in playing an active role in job satisfaction. Those employees with proper familiarity with the nature and fundamental value of the organization and an understanding of the organization’s objectives and goals are shown to have higher job satisfaction. Managers can effectively control and observe employees’ sentiments and feelings towards their job by having a deeper understanding of employees and developing the friendly bond and interaction between employees and the organization. Therefore, the findings of the present study showed that considering employees’ perspectives and views towards an organization and improving them could create favorable, interactive feeling among employees and lead to satisfaction with their job in the organization.

- Based on hypotheses 6 and 7, it has been proposed that perceived value and employee satisfaction plays a mediating role in the relationship between internal marketing and employees’ citizenship behavior. Hence, it is recommended that organizations direct their focus to internal marketing activities to positively affect job satisfaction and perceived value so that OCB of employees can improve and develop even further. Managers’ tendency towards internal marketing implies the extent to which organizations are committed to creating values in the relations among employees, supervisors, and managers through effective management of organizational inter-relations; in doing so, organizational performances of universities can be developed and improved in the fields of education, research, technology, international collaborations, human resources management, IT, culture, and other respective educational issues. In addition, managers are advised to establish a deeper understanding of the existence of the relationship among various organizational variables and elements so that they can realize the variability of each organizational dimension and prepare to respond accordingly. Therefore, they should realize this point by now that if employees are considered internal customers and feel appreciated and their perceived value of the organization is improved, then employees’ citizenship behavior can be developed positively; hence, customer satisfaction can also be achieved and increased.

This study makes some suggestions for future researches to consider and investigate the mediator variables such as organizational justice, job commitment, loyalty to organizations, organizational support, etc. in the relationship between internal marketing and employee’s citizenship behavior. In addition, it is recommended to investigate this issue in organizations of different natures, such as private, entrepreneurial, knowledge-enterprise, and multinational organizations, to generalize the
results and broaden the scope. Future researchers are recommended to consider the role of the dominant cultural framework in an organization and, also, analyze the role of organizational learning strategies in internal marketing effects and OCB. This study is subject to certain limitations. First, this object of our study is limited to the main state universities in Iran and fails to be generalizable to other universities. Questionnaires based on self-reporting are widely criticized as erroneous. In the end, this study has been carried out within a limited period of time.

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References


