Internal Brand Management and Its Effects on Employees' Attitude in an Indonesian Airline Company

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ABSTRACT

Research Aims – This study investigates the impact of Internal Brand Management (IBM) towards brand commitment, employee job satisfaction, and intention to stay in an airline company in Indonesia.

Design/methodology/approach – This study is a quantitative study and the hypotheses are tested from 131 questionnaires from the employees of an airline company and are analysed using Structural Equation Modelling (SEM).

Research Result – The result shows that IBM affects positively brand commitment and employee job satisfaction. Job satisfaction impacts positively brand commitment, while both job satisfaction and brand commitment give a positive effect on the intention to stay.

Research limitations – The information and research on IBM are limited especially the implementation of IBM in Indonesia. The literature on IBM is also dominated from a marketing point of view rather than human resource management and strategic management point of view.

Originality/Value – This study is conducted in an airline company in Indonesia while the previous researches were conducted in financial institutions in South Africa and Saudi Arabia. Even though IBM comes originally from the marketing concept, but it has a significant impact on determining the attitude and behaviour of employees at work.

Keywords: Airline, Brand Commitment, Human Resource, Internal Brand Management, Intention To Stay, Job Satisfaction.

INTRODUCTION

The economic growth and the population of a country are the potential sources of the airline industry development because the development is in line with Gross Domestic Product (GDP) per capita. GDP per capita reflects income per capita of a country and it will affect directly to the airline industry development. According to data in 2016, the GDP per capita of Indonesia places the 5th rank among ASEAN countries amounted to US$ 3,604. Singapore places the 1st rank with GDP per capita US$ 52,960 in 2016. Indonesia's GDP per capita in 2016 rise compared to the previous year.

Table 1: GDP per Capita and Estimation of ASEAN Countries

Country	GPD per Capita per Year (US$)					
	2015	2016	2017*	2018**	2019**	2020**
Singapore	53,6	52,9	51,4	52,4	53,5	54,7
Brunei Darussalam	30,9	26,4	28,7	28,8	30,1	31,7
Malaysia	9,5	9,3	9,6	10,3	11,2	12,1
Thailand	5,7	5,8	6,2	6,6	7,0	7,4
Indonesia	3,3	3,6	3,8	4,1	4,4	4,8
Philippines	2,8	2,9	3,1	3,4	3,7	4,1
Vietnam	2,0	2,1	2,3	2,4	2,6	2,7

Lao P.D.R.	1,7	1,9	2,0	2,1	2,3	2,5
Myanmar	1,1	1,2	1,3	1,5	1,6	1,8
Cambodia	1,1	1,2	1,3	1,4	1,5	1,6

*Not Final
** Estimation

Following data, the Indonesian airline industry still has an opportunity to grow and develop because the demand for airline services strongly correlates with economic conditions particularly with GDP per capita. If the GDP per capita of a country is high, the propensity level of society is also high. Supported by big number of population and economic growth, the development of the Indonesian airline industry is promising both in the short run and in the long run.

The growth and development of the airline industry in Indonesia will stimulate other related sectors such as the aircraft industry, spare parts, and maintenance repair and overhaul (MRO) industry. Infrastructure development initiated by the government such as airport revitalization will support the opportunity for the airline industry to grow. Department of transportation, which is accounted for all transportation regulations, including airline, has planned to launch airport building, airport revitalisation and airport expansion all across Indonesia starting in 2014. It aims to support connectivity across regions in Indonesia and also one of strategy to support the airline industry to grow.

There are several airline companies which operate in Indonesia both full services carrier and low-cost carrier. One of the most prominent players is PT JKL or commonly known as airline X. PT JKL or airline X is a private company that serves the low-cost carrier segment. At the moment, this airline operates 183 routes both domestic and international such as the route to Singapore, Malaysia, Thailand, Vietnam, China, Hongkong, Taiwan, Saudi Arabia, India, Nepal, Pakistan, Sri Lanka, and Australia. Since 2000, airline X has been expanding the number of aircraft significantly and get several contracts for armada procurement with Airbus and Boeing.

Airline X currently is the most significant private airline company in Indonesia and has become the market leader for domestic routes. However, the perception of the customer to airline X is still problematic. Many customers perceive this airline failed to meet the standard quality of service that must be managed well by the company. Airline X experience many flights delays and cancellations compare to the other airlines. According to the evaluation from the Indonesian Directory General of Air Transportation in 2016 based on airlines on-time performance, airline X places the 11th position with a percentage of delay performance 29.52% or delay up to 25.403 flights and cancellation is 0.42% or 360 flights from total of 86.043 flights (Direktorat Jenderal Perhubungan Udara, 2016).

As a service company, the quality of service delivery is paramount, and employees are the critical point in achieving a high service level. Employees are not only a driver for a company to achieve its goal but also it is a capital that needs to be managed well. If people are maintained in an orderly fashion, it will increase job satisfaction and improve productivity. In the end, employees will show a high level of commitment and will likely stay in an organisation.

Stockley (2014) said that employees are essential capital and crucial driver in contributing to the development and growth of a company just like machinery and financial capital. The attitude, skill, and ability of the employees will contribute to the organisation's performance and productivity. Labour expenses are not considered merely as a cost but also it is a form of investment for human resource activities and development such as recruitment, training, and employees well-being. To gain Return on Investment, the company needs to ensure that it recruits potential candidates, and they fit with the organisation's culture. It is also essential to ensure that employees perform well and give a contribution to achieve the objectives

and goals of the company. On the other side, employees usually tend to choose the company where it is perceived as a supportive organisation. Employees will likely consider the package both monetary and non-monetary that a company offers as the return of the working relationship. If the package is attractive, most likely employees accept the offering and work in the organisation. The attractiveness of a company in the eyes of employees or prospective employees is called employer branding.

Employer branding is a concept that is familiarised by Ambler & Barrow (1996). They explained it as a combination concept of marketing and human resource management. The purpose of employer branding is to attract a talented person to join the company. It is a selling point of a company in the eyes of employees. Employer branding is also the source of a brand identity, which differentiates the company from the others. Brand identity refers to how the company wants to be perceived by the employees or prospective employees and other stakeholders.

The company needs to market the best package offering using tools which are called internal branding or internal marketing to retain employees. Internal branding is a part of the employer branding concept. Bergstorm, Blumenthal, & Crothers (2002) explained that internal branding refers to 3 things; (a) to communicate the brand effectively to the employees, (b) to convince the attachment and the benefit of the brand, and (c) to connect every job in delivering the essence of the brand. Tosti & Stotz (2001) stated that internal branding is a process of aligning the company with the brand that the company tries to create. It means internal branding is an internal process of the company and employees need to understand the brand itself. Employees must understand the brand value and brand promise that the company tries to communicate to external parties. Brand value refers to the benefit that attaches to the brand and brand promise refers to how a product must be delivered to the customer. Using Internal Brand Management (IBM), the company manages and aligns every element in the organisation to make every internal party understands the brand value that the company wants to create and deliver it to the external parties.

Jacobs (2003) said that employees as a party who supports the company's brand would create competitive differentiation. The company needs to manage internal branding because it will increase employees' loyalty, and in the end, the employees can serve the customer better. Employees who understand the brand value and brand promise will be likely to work and perform better. However, if the company fails to align all the company's activities with the brand, it will affect the employees' commitment to implement the brand promise. It will give an impact on the image of the brand itself, and finally, it may change employees' productivity and turnover.

Alignment and consistency between all the company's activities and brand that the company wants to create will make employees understand the importance of brand value. It will create a brand commitment to the employees, and they will implement and deliver the brand value to be a brand promise for external parties. Burman, Zeplin, & Riley (2009) stated that brand commitment is employees' attachment to the brand, and it will influence the willingness level of employees to achieve the purpose of brand creation as a form of citizenship behaviour. A study indicated that brand citizenship behaviour has a broader scope than organisational citizenship behaviour because it includes the behaviour of employees which aimed not only to the internal but also external stakeholders (Burmann & Zeplin, 2005; Biedenbach & Manzhynki, 2016). Thus, a company must develop and motivate employees to be loyal to the company's brand.

One of the strategies to grow brand commitment is to increase job satisfaction. Job satisfaction is the result of employees' perception concerning important job aspects (Spector, 1997). When employees feel satisfied with the job usually, performance will increase. According to Backhaus & Tikoo (2004), happy employees tend to have a higher level of performance, and it will impact on customer satisfaction level because the employees exercise positive attitude and behaviour.

This study tries to investigate the effect of internal brand management on brand commitment, job satisfaction, and intention to stay. The study aims to elaborate on the implication of the topics, especially to the airline industry. This research study case is applied to an airline company as a context of the study.

LITERATURE REVIEW

Internal Branding

Internal branding is part of employer branding activity. Referring Bergstorm, Blumenthal, & Crothers (2002), internal branding activities consist of 3 things; (1) communicating the brand effectively to the employees, (2) convincing the brand creation and the benefit it delivers, (3) connecting every activity in the company to provide the essence of the brand. Vallester & de Chernatony (2006) explained that internal branding is a process of alignment between employees' behaviour and the company's brand to make employees as the part of a brand that the company tries to create and deliver. If the employees become part of a brand, they will understand the brand value and brand promise and will behave following the brand essence to every stakeholder.

The company needs to ensure that all employees can transform brand value to meet the customer expectation about the company and to fulfil the brand promise. It is essential to manage internal brand to achieve the company's objective which focused on five elements of internal branding; (1) brand ideologies, (2) brand leadership, (3) brand-centred Human Resource Management, (4) internal brand communication and (5) internal brand communities. Through 5 elements of the internal brand, the company can manage and align the internal brand with the brand that the company creates based on the company's goals and values.

Alignment between internal brand management implementation and the company's objectives and values will enhance employee's brand commitment. Following Burmann & Zeplin (2009) and King & Grace (2012) who stated that internal brand management has a role in creating brand commitment and the brand commitment itself is an indicator of success from internal brand management implementation process.

Brand Commitment

The concept of brand commitment is similar to the idea of organisational commitment (Erkmen & Hancer, 2014). According to Burmann, Zeplin, & Riley (2009) brand commitment is a psychological attachment of an employee to the company's brand, and it will affect the willingness of an employee to achieve the brand's objectives. It will also allow the employee to deliver a better-quality service, and it becomes the brand strength. The concept of brand commitment and organisational commitment is connected one and another. Both brand commitment and organisational commitment are the results of internal brand management which tries to create a better company brand, especially to the service company (O'Callaghan, 2013). Both concepts have an essential role in every company's activity. Commitment not only essential to understand the relationship between company and employee but also between the brand and employee because employees are the reflection of the brand a company wants to create and deliver.

Brand commitment has three dimensions; (1) obedience, (2) identification, and (3) internalisation. The three dimensions of brand commitment can support the achievement of internal branding. Employees can understand the brand value and brand promise very well, and hopefully, employees have loyalty to the company's brand and are be able to communicate the brand promise to the external stakeholder. Employees are the competitive advantage of a company and employee can create differentiation which differentiates the company from the competitors (Mosley, 2007).

King & Grace (2010) explain that brand commitment is consistent with brand resonance in brand equity concept in many marketing literatures. A higher level of employee's brand

commitment correlates with a higher level of brand resonance. Brand resonance places the highest rank in the external brand equity creation. In human resource management practice, it is essential to build employees' brand commitment in order to create brand resonance. Commitment not only affects loyal behaviour but also creates a sense of community among parties related to the brand (Keller, 2001). To ignite brand commitment to the employees, one of the strategies that a company can choose is by increasing job satisfaction.

Job Satisfaction

Job satisfaction is the employees' emotional state because of a proper evaluation of his/her job. Employee perceives the job can provide and facilitate their aspiration. Job satisfaction is a result of employee's perception towards essential aspects of the job. Job satisfaction has three dimensions; (1) emotional response toward the working environment, (2) comparison between employee's expectation and the result, and (3) job characteristic.

According to Luthans (2010), there are six components that can affect employee's job satisfaction level; (1) job itself, (2) salary/wage, (3) promotion opportunity, (4) supervisor support, (5) working team, and (6) working condition. Job satisfaction is considered as a consistent concept in determining employees' working attitudes, and it affects productivity, absenteeism, and turnover. Study of Lee & Mowday (1987) revealed the relationship between job satisfaction and turnover level. A high level of job satisfaction will not erase turnover, but job satisfaction can decrease the likelihood of employees leaving the organisation.

Besides job satisfaction, there are other factors that determine an employee's decision to leave the organisation such as age, position, and organisational commitment level. If the intention of leaving or turnover intention is high, the employees tend to quit. On the contrary, if the intention of leaving is low, the employee tends to stay in the company or have the intention to stay.

Intention to Stay

Intention to stay refers to the likelihood of employee to stay in the current organisation (Currivan, 2000). It shows the willingness of employees to keep working. Intention to stay relates to employee retention or the action of the company to retain the current employees. Several studies indicate if the company experience a high level of turnover, it implies mismanagement in the company, which result in employees' decision to quit. It may be caused by a high level of turnover level or low level of intention to stay.

Several factors affect employee retention, such as employee engagement, goal clarity, compensation, organisational culture, and commitment. Those factors not only affect employee retention but also affect brand commitment positively. Compensation and organisational culture give a positive impact on job satisfaction. It implies that job satisfaction, brand commitment, and intention to stay are connected to one and another. Some people stay in the company even though they experience dissatisfaction. It is due to the perception that it is hard to find a new job. On the opposite, some people choose to leave the organisation even though they experience job satisfaction. The decision to leave is caused by a more attractive offering rather than merely by job satisfaction level.

Internal brand management plays a significant role in the company because proper internal brand management will cause brand commitment and job satisfaction. When the company can align daily operational activities with the brand that the company creates, it will make employees experience the consistency of the company's vision, mission, and values implementation in performing the job. It will stimulate a positive attitude and behaviour of employees to the job in delivering brand value and brand promise to the stakeholder.

Job satisfaction, in the end, will impact brand commitment as well as organisational commitment. Several studies support the proposition to the availability of a positive correlation between job satisfaction and organisational commitment. This correlation also applies to brand commitment since both organisational and brand commitment are interrelated concept. When

employees feel satisfied with the job, they will perform well (Backhaus and Tikoo, 2004) including in the process of delivering the brand promise to the stakeholders as a form of commitment and loyalty to the company's objective achievement (Burmann, Zeplin, and Riley 2009). However, if employees feel dissatisfied with the job, they tend to be disloyal and uncommitted both to the brand and organisation and even it may lead to making employees resign. It indicates that employees who have organisational commitment will likely spend their tenure with the current company have a sense of belonging and pride. Organisational commitment also makes employees having a sense of paying back by staying in the company instead of leaving (Randall and Cote, 1991). Organisational commitment can lower turnover intention. Commitment to the brand and organisation is the result of internal branding activity which aims to strengthen the brand itself (O'Callaghan, 2013).

Research Model

The research model is adapted from the model proposed by Du Preez and Bendixen (2015). In their study, they formulate brand identity, brand communication, and brand leadership as a formative component from the internal brand management variable. Du Preez & Bendixen try to investigate which dimension is giving the most significant effect on internal brand management. The result shows from 3 dimensions, and brand communication gives the most influential impact on internal brand management while brand leadership is unable to predict internal brand management. Brand commitment also mediates the relationship between job satisfaction and intention to stay. To test the hypotheses, Du Preez and Bendixen utilise the exploratory factor analysis (EFA) method using partial least squares path model (PLSPM) application.
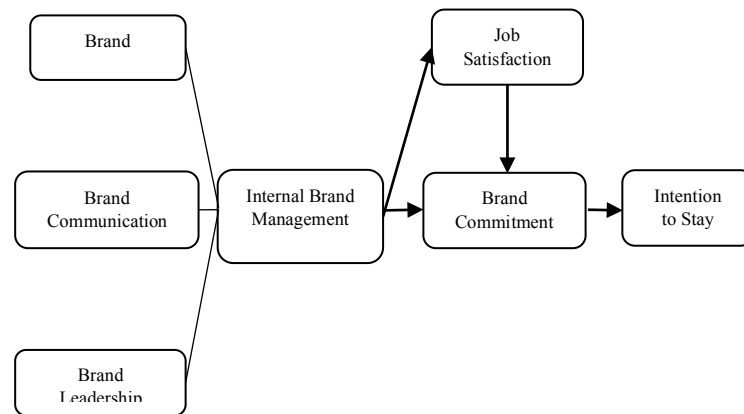

Figure 1: Research Model of Du Preez & Bendixen (2015)

In this study, the research model is formulated to observe internal brand management as a single variable instead of formative. It implies that dimensions of internal brand management will not investigate one by one. The model also tries to investigate the effect of job satisfaction directly while also keeping brand commitment as a mediating variable between job satisfaction and intention to stay. The research model is depicted in figure 2.
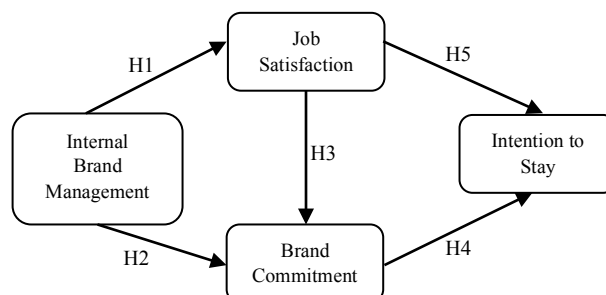
Figure 2: Research Model

RESEARCH METHOD

Research Design

This study is a quantitative study and the hypotheses are tested and analysed using Structural Equation Modelling (SEM). The operationalisation of internal brand management variable adapts indicators developed by Burmann, Jost-Benz & Riley (2009). For brand commitment variable operationalisation this study adopts Du Preez and Bendixen (2015) who modify indicators from several studies such as Burmann, Zeplin, & Riley (2009) and King & Grace, (2010). For job satisfaction, the questionnaire is adapted from Firth, Mellor, Moore, & Loquet (2004) and Siong, Mellor, Moore, & Firth (2006). For variable intention to stay, this study utilises indicators from Du Preez & Bendixen (2015) who modify questions from Firth, Mellor, Moore, & Loquet (2006) Measurement for every variable uses Likert scale 1-5.

Population and Sampling

Population for the research is employees of airline X. According to Wijanto (2008) to know precisely the minimum sample which can represent the population in the Structural Equation Method (SEM), it must follow the formula n x 5, where n refers to many questions in the questionnaire. The total question is 26, and it implies that the minimum sample for this study is 130 respondents.

Data Anaysis Method

In the SEM method, the variable cannot be observed directly but through several observable indicators. SEM will result in a measurement model which show the relationship between the variable and its observable indicators. The relationship is reflective, which mean indicator is a reflection from the variable that is observed. Usually, SEM uses congeneric measurement model, which emphasizes that one indicator only has a relationship with one variable. The indicator is selected based on the theoretical framework, and a measurement model will determine whether the selected indicator can reflect a variable. This measurement model is called as Confirmatory Factor Analysis (CFA).

Anderson and Gerbing (1988) formulate two steps approach in the SEM method, and they explain after performing Confirmatory Factor Analysis (CFA), the next step is performing structural model analysis. The structural model will determine the relationship among variables based on the proposed theoretical model. Two tests need to be conducted in structural model analysis, first holistic fitness model by checking several goodnesses of fit indicators such as Chi-Square, RMSEA, Standardized RMR, GFI, AGFI, NFI, NNFI, and CFI. Second, a causal analysis test by checking the t-value and structural equation coefficient. T-value shows the effect of one variable on another. The minimum t-value in the structural equation is ≥ 1.65. If the t-value equal to or bigger than 1.65, the structural equation coefficient is significant. In the SEM method, it is essential to check the R square or determination coefficient to observe the variance of the dependent variable, which can be explained by the independent variable (Wijanto, 2008).

Table 2: Composite Reliability and Variance Extracted of Variables

Variable	Composite Reliability	Variance Extracted

Internal Brand Management	0.90	0.47
Brand Commitment	0.92	0.64
Job Satisfaction	0.79	0.38
Intention to Stay	0.64	0.42

It is vital to check the value of composite reliability (CR) and variance extracted (VE) to validate measurement. According to Hatcher (1994), if the value of VE is less than 0.05, but the value of CR is more than 0.60, a variable is considered reliable and can be further processed. For Internal Brand Management (IBM), the value of CR is 0.90 and VE is 0.47. For brand management, the value of CR is 0.92 and VE is 0.64. For job satisfaction, the value of CR is 0.79 and VE is 0.38. For the intention to stay, the value of CR is 0.64 and VE is 0.42.

To achieve standard goodness of fit, the model needs re-specification by adding 16 error covariance from the modification index into the syntax and afterwards examining the structural model. In absolute fit-measure indexes, the value of ECVI and RMSEA is close to the saturation value, and it indicates the goodness of fit, while the value of GFI shows marginal fit. In incremental fit-measure indexes, the value of NNFI, IFI, and CFI show an indicator of goodness of fit because the value is above 0.90. For NFI and RFI show indicator of marginal fit. In parsimonious fit-measure indexes, the value of AIC and CAIC have an indicator of goodness fit. Value of Normed Chi-Square has indicator goodness fit in 1.436, and Critical "N" also indicates the goodness of fit because the value is less than 200 in 108.79. To conclude, as many as eight indicators are a good fit, three indicators are marginal fit, and four indicators are a poor fit. The detail of goodness of fit indexes is shown in table 3.

Table 3: Goodness of Fit Indexes of Structural Model

The goodness of Fit Index	Value	Interpretation
Absolute Fit Measures		
Statistic chi-square P-Value	(df=278) 399.34 (P=0.0033)	Poor Fit
Goodness-of-Fit Index (GFI)	0.81	Marginal Fit
Standardized Root Mean Square Residual (RMSR)	0.065	Poor Fit
Root Mean Square Error of Approximation (RMSEA) – P-value	0.058 (P-value= 0.70)	Good Fit
Expected Cross-Validation Index (ECVI)	4.19	Good Fit
ECVI for Saturated Model	5.40	Good Fit
ECVI for Independence Model	18.37	Good Fit
Incremental Fit Measures		
Non-Normed Fit Index (NNFI)	0.93	Good Fit
Normed Fit Index (NFI)	0.83	Marginal Fit
Adjusted Goodness of Fit Index (AGFI)	0.76	Poor Fit
Relative Fit Index (RFI)	0.80	Marginal Fit
Incremental Fit Index (IFI)	0.94	Good Fit
Comparative Fit Index (CFI)	0.94	Good Fit
Parsimonious Fit Measures		
Akaike Information Criterion (AIC)	545.34	Good Fit

Saturated AIC		702.00	Good Fit
Independence AIC		2489.08	Good Fit
Normed Chi-Square		1.436	Good Fit
Consistent Akaike Information Criterion (CAIC)		828.23	Good Fit
Saturated CAIC		2062.19	Good Fit
Independence CAIC		2489.08	Good Fit

Other Goodness of Fit Index

Critical "N"		108.79	Poor Fit

To analyse the effect of one variable to another variable, it refers to the t-value. Standard of t-value to analyse the significant effect of one variable on another is ±1,65 for one-tailed hypothesis or ±1,96 for two-tailed hypothesis and significant level of 5%.

According to the hypothesis testing, internal brand management gives direct effect to brand commitment (t-value = 3.97; SLF = 0.51), internal brand management also gives direct impact to job satisfaction (t-value = 6.63; SLF = 0.81). Job satisfaction affects brand commitment significantly (t-value = 3.07; SLF = 0.42), brand commitment impacts intention to stay (t-value = 1.96; SLF = 0.35), and job satisfaction impacts intention to stay significantly (t-value = 2.58; SLF = 0.49). The discussion of the result is presented in the next part.

RESULT AND DISCUSSION

Result

As many as 131 questionnaires are collected to be analysed. The demography and respondent's profile are presented in table 4.

Table 4: Respondents Profile

Respondent Profile		Number of Respondent	Percentage
Sex	Male	60	45,8%
	Female	71	54,19%
Age	≤ 20 years	7	5,42%
	21 – 25 years	68	51,9%
	26 – 30 years	40	30,5%
	31 – 35 years	9	6,86%
	36 – 40 years	4	3,04%
	41 – 45 years	3	2,28%
Marital Status	Married	25	19,09%
	Not Married	106	80,91%
Job Position	Flight Attendant	55	42%
	Pilot	13	9,92%
	Ground Handling	16	12,21%
	Engineering & Maintenance	10	7,63%
	Flight Operational Officer	6	4,58%
	Head Office Staff	25	19,08%
	Other	6	4,58%
Tenure	≤ One year	13	9,92%

1 – 2 years	52	39,7%
3-5 years	44	33,58%
> 5 years	22	16,8%

Du Preez and Bendixen (2015) conducted research in Africa analysing the financial industry. The study revealed that internal brand management has a positive and direct impact on brand commitment and job satisfaction. Internal brand management gives a positive indirect impact on intention to stay. The study described three internal constructs of internal brand management and brand management that mediated the relationship between job satisfaction and intention to stay. It showed that job satisfaction and intention to stay are not directly correlated but intervened by brand management.

In this research, the model of Du Preez & Bendixen (2015) is adopted. However, three internal constructs of internal brand management are merged into one variable. This research also investigates the direct effect of job satisfaction on intention to stay. The model is tested in the aviation industry in Indonesia as a study case in an airline company.

The result shows that internal brand management has a positive effect on brand commitment and job satisfaction. Job satisfaction affects brand commitment and intention to stay, and the brand commitment itself has a positive impact on the intention to stay. It indicates that to maintain the turnover level in the aviation industry, the company can utilise internal brand management. If the turnover level is well maintained, the company can reduce the cost caused by employees leaving the organisation. Moreover, when employees are employed, the company usually spend investment cost to them and expect the return of investment from their performance. It becomes crucial for a company to create an excellent place to work.

In the service industry, employees are essential in running the business process. Service is delivered directly from the employees to the customers and service delivery itself is a product. Service delivery will determine the image of the product for the customer and the product brand. Service is inconsistent as a product and different from goods because every service delivery is unique, and the process of production and consumption happens at the same time. Therefore, in managing an internal brand company needs to ensure that employees understand the brand value of the service and can deliver consistent brand promise as the company desires.

When employees leave the company, it will give an adverse effect on the company because as employees leave, they also bring the knowledge and experience which may be required by the company. Moreover, the workforce in Indonesia is insufficient in terms of competency, which makes the company experiences a shortage of competent workers when company needs employees' replacement.

In this research, in order to fulfil the need for human resource, it is not enough if the company relies on recruiting new employees but is unable to retain the employees. Retaining current employees is essential to maintain the turnover level and to ensure that the business process is running well. If the turnover level is unmanageable, the sustainability of the company is at stake. Pizam and Thornburg (2000) stated high level of turnover would lead to financial costs, decreasing the performance of the company, low productivity of employees, negative working morale, and disturbing customer service which creates customer dissatisfaction. It is vital for the service company to manage the internal brand because it relates directly to the company's business activities and employees are the key player in carrying out this process. In managing the internal brand, the company needs to align the vision, mission, values, and norms of the company's and internalise it to the employees to be implemented on daily operations.

Internal brand management requires consistency. It means every company activity must represent the brand that the company wants to build. When the internal brand is well managed, it will affect job satisfaction and create brand commitment. Employees will experience clarity of the things they should do and understand the reason behind every activity and also have the willingness to achieve company's goal. The expectation of the employees will be met because

proper internal brand management will create emotional attachment because all the brand values are already internalised to the employees.

Internal brand management will create a more conducive working environment and make employees more satisfied. Satisfied employees will exercise good working ethics, work more productive, and have a positive perspective on the job. Backhaus & Tikoo (2004) said that satisfied employees would have higher performance, and it will lead to customer satisfaction. Moreover, satisfied employees will have a strong brand commitment. According to Lam & Qiu Zhang (2003), satisfied employees will be more committed to the company, and they also will perform better and carry out the brand promise to the external stakeholders (Cheung, Kong & Song, 2014). When the company manages the internal brand, it will make employees having a thorough comprehension of the value of the brand and create brand commitment. In the end, employees will have attitude and behaviour which exhibit the brand to the external stakeholder because employees will act as the ambassador of the company.

Research Result

Path 1 total effect: 0.397

Path 2 total effect: 0.179

Path 3 total effect: 0.12
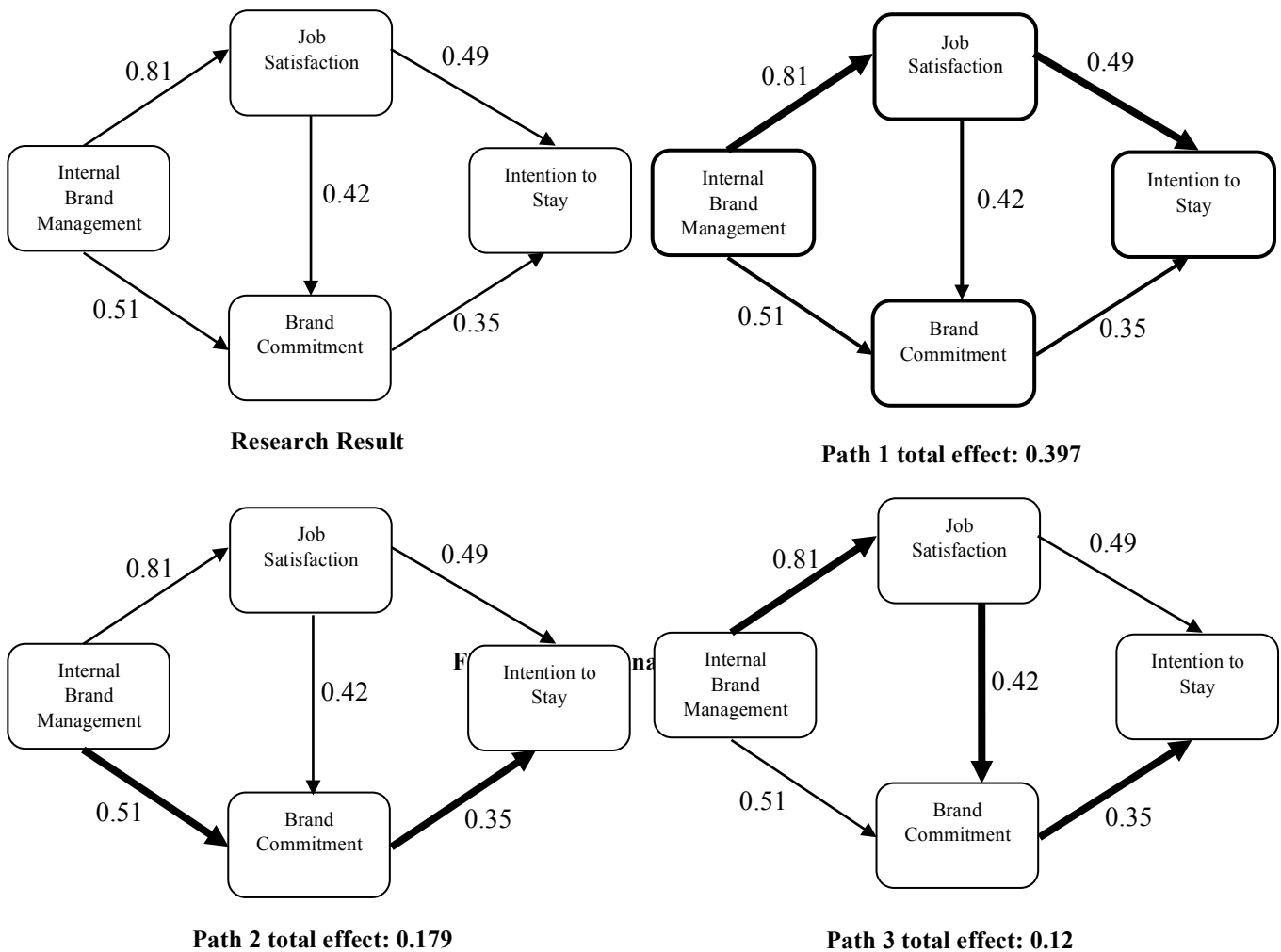
Discussion

In this research, all the hypotheses are accepted. The result is following the study of Du Preez & Bendixen (2015) even though in this research, the model was adjusted. Despite the differences between this research and the research of Du Preez & Bendixen (2015), several similarities are identified. Both types of research are carried out in the service industry, one in financial service and another in aviation service. The respondents from both pieces of research

also were dominated by front-liner employees who have direct contact with the customer and in charge of the process of service delivery. The results from both types of research confirmed that internal brand management has a significant impact on brand commitment, job satisfaction, and intention to stay, especially for employees in the service industry.

To identify the most significant effect of internal brand management path analysis is conducted by multiplying every standard loading factor in every path. Figure 3 shows that internal brand management will affect intention to stay effectively through job satisfaction (path 1). It means if the company implements proper internal brand management, it will increase job satisfaction and, in the end, will make employees more likely to stay in the company. Internal brand management must be aimed to increase job satisfaction because job satisfaction is a stronger predictor of the employee's intention to stay. Internal brand management will make employees indicate that the company is an excellent place to work. The internal brand will become the guidance for employees to behave and react in every situation because the brand will clarify the aim of the company. The internal brand makes employees understand the brand value and brand promise and deliver it to the customer. If the employees shared the same vision regarding the brand with the company, it would likely affect job satisfaction because it may reduce the ambiguity in the working process. Satisfied employees tend to stay in the company.

CONCLUSIONS

The result concludes that internal brand management affects brand commitment and job satisfaction, and job satisfaction itself affects brand commitment. Brand commitment and job satisfaction together affect the intention to stay.

Several things need to be carried out by the company to build an employer brand, especially for the organisation in the service business. The company must create a value proposition and it can be started by managing an internal brand. It is vital to ensure that all employees shared a similar vision and mission and also internalised the company's values. Excellent internal communication and information transparency can be utilised as a strategy to create trust and internalise the company's values. Involving employees in every company's activity and process also a good thing to implement in order to manage an internal brand.

Employees' initiatives must be addressed especially autonomy in solving their tasks. It will incite a sense of belonging because employees feel being trusted. Company in the service industry has a dependency on people since product creation, and delivery happens at the same time and can be replaced by a machine. If employees understand all the aspects of company's brand it will create clarity in delivering service thus reduce ambiguity in the working process, the right internal brand will lead to job satisfaction and brand commitment, and in the end, it will increase employees' intention to stay.

RESEARCH LIMITATIONS AND FUTURE RESEARCH

The literature on IBM in this study is dominated from a marketing point of view rather than human resource management and strategic management point of view. The information and research on IBM in this study are limited especially the implementation of IBM in Indonesia specifically in an airline company. Therefore, a comparison between companies is recommended for further research.

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