Internal Marketing Practices and Employees’ Turnover Intentions in Tourism and Leisure Hotels

Cheng-Ping Chang
Wei-Chen Chang
Associate Professor, Institution of technological and vocational education and human resource development, Southern Taiwan University, Taiwan

ABSTRACT

In recent years, the government has actively promoted the 2008 National Development Plan and the overall policy of opening the island for tourist from Mainland China. This effort increases the importance of the leisure service industry. The hotel industry is typically a service industry and the service object is “human;” therefore, service quality is decided based on “human” qualities. Thus, the human element is a key resource for the hotel industry. The employee turnover rate of the hotel industry is in the high side, however, which causes higher personnel expenditures and training costs and the probability of losing excellent employees increases. The hotel industry as a whole, therefore, should strengthen its internal marketing efforts aimed at ensuring employees establish a high level of customer-service consciousness, promote service quality, and decrease turnover rates. This study attempts to integrate and discuss the study results and concepts proposed by previous scholars. According to the literature review and questionnaires, this paper will discuss the correlation between internal marketing practices and the employees’ turnover intentions. In addition, this study inserts the concept of work adoptability to discuss the relationship between internal marketing practices and employee turnover intentions at different levels. Keywords: tourism and leisure hotel, internal marketing practice, turnover intentions

INTRODUCTION

According to the report in of Epoch, up toas of May 2006, the production value of the Taiwanese service industry in Taiwan achieves $6,900 billions dollars, which is accounted for 68.6% of the GDP. And this surpasses the Singapore’s at 63%, South Korea’s at 55%, and China’s at 34%. It is equivalent to the level of a developed country with a mature economy (Tang, 2006). The proportion of the production value of the service industry to GDP is much more than the manufacturing. For theT obtain employment, the service industry has gradually become the main venueforce for the obtaining employment gradually. According to a the human resource application investigation newly issued by the Accounting and Statistics, Executive Yuan, for the “characteristic of employee,,” the population of the employees in the service industry increased from 40.67% in 1985 to 50.71% in 1995, with and the latest statistical datum at 58.27%. The Council for Economic Planning and Development indicates that adding the proportion of production value of the domestic service industry to the GDP achieved 74.3% in the first reason, 2006, and the number the employees in the service industry amounting to 5,863 thousand, which accounted for 58.4% of the total population. Thus, it can be seen distinctly that the barycenter of the industrial structure is lead by the service industry and it thus will become the new hope for the future industrial development in Taiwan (Tang, 2006).
Challenge 2008, Taiwan’s National Development Plan, estimates that the tourists coming to Taiwan will reach 5 million people. The government also plans to open the island for tourists from Mainland China, which will benefits both the tourism and leisure industry directly, as well related industries. It also predicts that the tourism and leisure will become the new competitive industry (Ke, 2006; Siao, 2006). With advancing civil income and the implementing a system of one week working with two days rest, people’s attitudes toward life and values have changed. People actually pay more attention to the benefits of leisure activities. This shift causes the development of tourism and leisure industry to become more and more important; therefore, the tourism and leisure industry in Taiwan must develop well (Li & Lin, 2002).

Siao (2006) also mentioned that whether a hotel is five-star level hotel is not the most important condition for tourism success. Instead, the important factor is whether the hotel can offer service with good quality. When customers feel good about service quality, the hotel will keep customers and bring further benefits to the enterprise (Deshpande, Farely, & Webster, 1993). When the service industry develops well, more and more people attach importance to the segmentation of services marketing. The concept of International Marketing (IM) was first proposed in the field of services marketing (Grönnroos, 1981). The main reason internal marketing will develop in the service industry is because internal employees play more important roles in service compared to other industries. Therefore, tourist enterprises must apply marketing methods and activities typically applied to the external market to the internal organization. They must consider employees as internal customers, and develop activities that motivate and influence the employee, and thus create satisfaction among internal customers (employees). Finally, this approach can establish employees’ consciousness of customer-service, a market orientation and sales.

The hotel industry is a typical service industry, and its service object is “human.” In addition, service quality is determined by “humans,” so human is a very important resource for the hotel industry. Every task and service in the hotel is planned, organized, executed, and harmonized by “humans.” Some scholars have proposed that a successfully implemented tourist plan relies on promoting internal marketing to the internal group in the hotel (Crick, 2003). Voola, Casimir, and Haugen (2003) also considered that internal marketing was the precondition for implementing successful external marketing plans (Bao & Huang, 2001).

The hotel industry is the very industry that offers customer service. It mainly adopts a shift-work system; the service offered to the customer emphasizes the harmony and cooperation between each department to achieve the service target (Ting, 2002). Numerous problems in the hotel industry have caused high employee turnover rate, making it hard for the enterprise to maintain talent. These problems include: (1) the salary of first-line employees are generally low and their work day is long; (2) they typically work on national holidays, Saturdays and Mondays; (3) the hotel system and welfare are not complete; (4) the ability to be promoted is minimal; and (4) hotels attach importance to service experience (Wu & Chen, 2003; Liou, 2005). Moreover, employee turnover increases the possibility of losing excellent employees.

For the hotel manager, high employee turnover is a serious problem for human resource management at all times (Tanke, 2001). The tourist industry, however, is the very industry that mainly offers service; therefore, it needs expend a great deal of human resources to offer service (Hou, 2002). Further, the high employee turnover rate influences the service quality, which causes the cost of personnel, recruitment and training to increase, as well as causes great loss (Huang, 1996). Therefore, a high turnover rate will induce absolute influence on the hotel’s service quality. Some
scholars, however, propose that implementing internal marketing can improve employee satisfaction and decrease the turnover rate (Arnett, Laverie, & McLane, 2002).

This study aims to discuss the correlation between internal marketing practices and employee turnover intention in a tourist hotel in Taiwan. The authors aim to understand whether “internal marketing practices,” which “considers the employee as internal customer” significantly influences employee turnover intentions. We will also discuss the decisive factors relevant to an employee’s dimission, and ways the tourist hotel practitioner can improve the situation aiming to the reasons. Finally, this study seeks to solve the problem of high turnover. In summary, this study seeks to achieve these purposes:

1. Discover how important hotel internal marketing practices are to the employee and the employees’ satisfaction with the internal marketing practices implemented by the practitioner.
2. Discover the tourist hotel’s employee turnover intentions.

**LITERATURE REVIEW**

**Internal marketing practices**

Hult, Hurley, Giunipero, and Nichols (2000) pointed out that internal marketing means considering the internal employee as the internal customer and to concentrate on making them understand the internal customer’s satisfaction. Cooper and Cronin (2000) pointed out that internal marketing was consistent with the organization’s effort; the organization trained and motivated its employees to offer better service. Internal marketing in the service industry makes employees understand the company’s mission and aims, and refers to training, motivation, and proper evaluation to achieve the organization’s expected aims and keep excellent employees (Johnson, Scheuing, & Gaida, 1986).

Huang (2003) considered that internal marketing is meant to employ, train, and motivate the internal employee, and induce them to know and accept the concepts and importance of customer orientation satisfaction, as well as support and cooperate with the marketing department to provide excellent customer service. Conduit and Mavondo (2001); Johnson and Seymour (1985) asserted that internal marketing meant creating an internal environment with customer orientation and service consciousness in the organization. Lings (2004) and Joseph (1996) also considered that internal marketing meant applying marketing and human resource management; it was used to motivate and manage employees in the organization.

Rafia and Ahmed (2000) thought that internal marketing, like orientation thought of planning practice, could accomplish several aims. It could (1) counteract or conquer organizational disputes for alliance or reform to gain the customer’s satisfaction; (2) create motivation and customer orientation to harmonize and integrate employees; finally, (3) it would cause employees to execute the company’s strategy and functional strategy efficiently.

The activity of internal marketing practice includes four terms such as product, price, promotion and place (Davis, 2001). Kang (2001) classified internal marketing promotion into four perspectives, such as continuously collecting and analyzing information regarding internal market and the competitive environment, determine the segmentation of the internal market, segment the internal promotion mix, and manage internal marketing.

Bansal, Mendelson, and Sharma (2001) promoted practice with the connotation that internal marketing includes six points as follows: (1) employment guarantee; (2) broad training; (3) abundant
salary determined according to organizational performance; (4) information sharing; (5) employee empowerment, and (6) reducing differences in status. Referring to the seven items classified by Grönroo (1990), the Australian scholars Conduit and Mavondo (2001) classified the internal marketing activity into five perspectives, which performed correlation between each other according to the result of spot check. The five perspectives include education and training, management support, internal communication, external communication and human resource management and so on.

Liou & Chen (2001) classified internal marketing into seven perspectives such as life development, work environment, welfare and salary, individual condition, internal communication, decision participation and service training. Hu (2003) extracted six perspectives from internal marketing; including work environment, individual development, internal communication, empathy, salary, management empowerment, education and training.

**Turnover intention**

Traditionally, turnover can be classified into two types: voluntary and involuntary. The main reasons for voluntary turnover are organizational factors (salary, promotion, work challenge, the relationship with the director, better work opportunity, and so on) or individual factors (health, retirement, physical move, further study, and so on). Involuntary turnover means to be separated or fired (Price, 1977; Wanous, 1979).

In order to understand voluntary turnover further, it can be classified into functional turnover and dysfunctional turnover. Functional turnover (low performance) means that the organization appraises the employee negatively; it wishes the employee would abdicate, and the employee also wishes to abdicate as well. Keeping employees like this in the organization will threaten the organization’s benefits. On the contrary, dysfunctional turnover (high performance), means that the organization appraises the employees positively, that it wishes the employees to stay, but the employees abdicate. The employees like this left will damage the organization’s benefits (Huang, 2001; Dalton, Todor, & Krackhardt, 1982). Dalton et al. also thought that the organization must attach importance to the dysfunctional voluntary turnover, but not the whole of voluntary turnover.

Intention means to do special thing or action with a special attitude, or with means, purpose, or plan in the individual heart. If dissatisfaction sets in, the next phase is the thought of turnover appearing in employees’ heart, and it also is the last phase before turnover practice. It is the employees’ total performance of work dissatisfaction, thought of turnover, intention to find another job and the feasibility to find other job (Mobley, 1977; Mobley, Horner, & Hollingsworth, 1978).

Recently, Watson Wyatt Worldwide conducted a worldwide investigation, finding that 58% of employees abdicate due to a dissatisfying salary; 48% of employees abdicate due to dissatisfaction with the management system and lack of the opportunities for promotion; 44% of the employees abdicate for lack of enough skill training; 37% of employees abdicate for welfare; 24% of employees abdicate due to the working environment; and 23% of employees abdicate for conflict with directors or colleagues. Therefore, in order to keep employees with talent, it is necessary to offer all-around rewards. Besides giving raises in salary, rewards should also include non-financial rewards such as a positive organizational culture, training and development, and opportunities for promotion (Lin, 2006).

In an empirical study, Woods and Macaulay (1989) investigate employees working at six chain hotels and six restaurants where the turnover factor is recognized. Their study indicated there are two kinds of external factors and internal factors. The external factors are the rate of unemployment and new
opportunities; the internal factors are salary, welfare, supervision quality and working conditions, quality of colleagues, overall work satisfaction, and so on. David (1989) asserted that four main factors influenced employee turnover: the selection process had problems, the employment program was not properly structured, employees were dissatisfied with the opportunities available or salary, and the management method also had problems. Gaertner (1999) posited that both work satisfaction and organizational commitment influenced employees’ decisions to abdicate or not. Measurements such as salary support from the colleagues, work routine, role conflict, work load, and so on directly influenced work satisfaction. The opportunity for promotion, support from directors, and the justice of working distribution directly influence organizational commitment and work satisfaction. Further, the more experience employees have, the more they have to decide their work attitude and thus whether to stay or leave based on interaction between different dimensions. This means that if an employee has held many jobs or worked for long time, he or she will be highly sensitive to the match among different dimensions; therefore, they may be influenced by feeling satisfied or dissatisfied with different dimensions. Kang (2001) said that welfare and communication, recognition of systematic importance, and the consistency of payment have correlated with welfare satisfaction. The higher welfare satisfaction is, the higher the correlation with the work satisfaction and turnover.

To summarize the opinions above, the author believes that the turnover can be considered a process. Whether the turnover is voluntary or involuntary, once people leave the service field, leaving their former organization, the behavior is considered turnover. The turnover intention is the psychology or thought process before generating the turnover behavior. Therefore, the author believes that turnover intention can be considered an idea or a thought. No matter what the factor is, once the employee generates the thought to leave the current service field, it is considered turnover intention.

**METHOD**

This study aims to research how implementing internal marketing in the tourist leisure hotel industry influences the employee. This study also investigates whether employees’ satisfaction with the internal marketing practices correlate with turnover intentions. Therefore, this study looks at internal marketing practice and turnover intention as two variables to determine what influence the individual’s background has on attitudes toward internal marketing practices and satisfaction, even with turnover intentions present.

The topic of this study is mainly to discuss the correlation between internal marketing practices in tourist leisure hotel industry in Taiwan, turnover intentions and their influence. Referring to the study purpose, literature discussion, and study framework, we have integrated the relationship between each variable and propose the study’s hypotheses:

**H1:** The internal marketing practice in different perspectives has significant negative correlation with employee turnover intention.

**H2:** Different individual background variables have significant negative correlation with turnover intention.

**H3:** The internal marketing practice has the ability to forecast the turnover intention.
The questionnaire used in this study refers to the internal marketing questionnaire of Li, Lin & Juang (1998) and Grönroos (2000), while the turnover intention questionnaire is derived from Lin (1984). The questionnaire adopts 4-point Likert scale, with 1 equaling absolute disagreement and 5 equaling absolute agreement. This study also invited many experts and scholars to confirm the validity of the content. The study instrument is described as follows:

Beyond the training of organizational culture and required skills, an organization should offer a training plan that fits the employees’ requirements and training courses related to the service industry. Training should aim to increase the employee’s skills in communication and service to the customers. This perspective is covered in eight questions. The value of Cronbach α is 0.897; therefore, the reliability is good.

This system informs the employee of the importance and necessity of service. The performance acknowledgement system can help improve employees’ feeling of achievement and achieve the function of motivation. There are seven questions covering this perspective. The value of Cronbach α is 0.845; therefore, the reliability is good.

This aim of this plan is to help maintain talented employees, and make the employees feel that they are important to the organization. There are five questions covering this perspective. The value of Cronbach α is 0.818; therefore, the reliability is good.

The employees’ durative support is one of the most important factors for internal marketing; if the employees have the managers’ support, they may be a more centripetal force to the organization. If the managers can participate with the first-line work themselves, they can understand the problems that occur when employees face customers. Employees can then be trained to manage outburst problems. There are four questions covering this perspective. The value of Cronbach α is 0.798; therefore, the reliability is acceptable.

Formal and informal communication helps to know about the employees’ real thoughts, as well as take the employees’ ideas into the internal marketing mechanism. There are three questions covering this perspective, the value of Cronbach α is 0.738; therefore the reliability is acceptable.

In order to achieve desired performance and efficiency, the organization should authorize and empower the employee with proper rights to make decisions. This lets the employee implement elastic feedback according to customers’ requirements, as well as gives employees a more centripetal force to the organization. There are three questions covering this perspective. The value of Cronbach α is 0.753; therefore, the reliability is acceptable.

Some employees have thoughts about leaving the current service field. There are five questions in this perspective. The value of Cronbach α is 0.887; the reliability is good.

The statistical analysis in this section adopts the Pearson product-moment correlation to obtain the correlation between each perspective of the internal marketing practice, the turnover intention, and different variables of individual background. It also takes the turnover intention as a criterion variable, and each perspective of internal marketing practices as predictor variables to conduct the multiple stepwise regression analysis.

The Pearson product-moment correlation is used to analyze the correlation between each perspective of internal marketing practice and turnover intention. It is found that each perspective of internal marketing practice has a positive correlation (p<0.01), but each perspective as a negative correlation with the turnover intention (p<0.01). These results are described in Table 1:
Table 1: Correlation Analysis on each perspective of the internal marketing practice & turnover intention

<table>
<thead>
<tr>
<th></th>
<th>Education and training</th>
<th>Performance acknowledgement system</th>
<th>Manager’s support and participation</th>
<th>Talent training plan</th>
<th>Listen to the employee</th>
<th>Authorize and empower properly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and training</td>
<td>1</td>
<td>0.841**</td>
<td>0.822**</td>
<td>0.792**</td>
<td>0.795**</td>
<td>0.802**</td>
</tr>
<tr>
<td>Performance acknowledgement system</td>
<td>0.841**</td>
<td>1</td>
<td>0.879**</td>
<td>0.849**</td>
<td>0.791**</td>
<td>0.817**</td>
</tr>
<tr>
<td>Manager’s support and participation</td>
<td>0.822**</td>
<td>0.879**</td>
<td>1</td>
<td>0.800**</td>
<td>0.819**</td>
<td>0.840**</td>
</tr>
<tr>
<td>Talent training plan</td>
<td>0.792**</td>
<td>0.849**</td>
<td>0.800**</td>
<td>1</td>
<td>0.738**</td>
<td>0.769**</td>
</tr>
<tr>
<td>Listen to the employee</td>
<td>0.795**</td>
<td>0.791**</td>
<td>0.819**</td>
<td>0.738**</td>
<td>1</td>
<td>0.800**</td>
</tr>
<tr>
<td>Authorize and empower properly</td>
<td>0.802**</td>
<td>0.817**</td>
<td>0.840**</td>
<td>0.769**</td>
<td>0.800**</td>
<td>1</td>
</tr>
<tr>
<td>Turnover intention</td>
<td>-0.477**</td>
<td>-0.452**</td>
<td>-0.431**</td>
<td>-0.455**</td>
<td>-0.386**</td>
<td>-0.441**</td>
</tr>
</tbody>
</table>

*: p<0.05  **: p<0.01

The Pearson product-moment correlation is used to analyze the correlation between the variables of individual background and the perspectives of internal marketing practices and turnover intentions. The results indicate that besides the average salary, the variables of individual background do not significantly correlate with any internal marketing practice. Further, gender, title, working years, and working experience do not have significant correlation with turnover intention. The results are described in Table 2:

Table 2: Regression analysis on the internal marketing practice and turnover intention

<table>
<thead>
<tr>
<th></th>
<th>Education and training</th>
<th>Performance acknowledgement system</th>
<th>Manager’s support and participation</th>
<th>Talent training plan</th>
<th>Listen to the employee</th>
<th>Authorize and empower properly</th>
<th>Education and training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>0.036</td>
<td>0.094</td>
<td>0.050</td>
<td>0.093</td>
<td>0.092</td>
<td>0.117</td>
<td>-0.260**</td>
</tr>
<tr>
<td>Education</td>
<td>-0.073</td>
<td>-0.051</td>
<td>-0.031</td>
<td>-0.056</td>
<td>-0.079</td>
<td>-0.067</td>
<td>0.159*</td>
</tr>
<tr>
<td>Position</td>
<td>-0.012</td>
<td>-0.084</td>
<td>-0.104</td>
<td>-0.057</td>
<td>-0.091</td>
<td>-0.014</td>
<td>0.012</td>
</tr>
<tr>
<td>Service years</td>
<td>0.004</td>
<td>0.034</td>
<td>0.050</td>
<td>0.059</td>
<td>0.030</td>
<td>0.079</td>
<td>-0.082</td>
</tr>
<tr>
<td>Work experience</td>
<td>-0.035</td>
<td>0.012</td>
<td>0.006</td>
<td>-0.004</td>
<td>0.000</td>
<td>-0.008</td>
<td>0.093</td>
</tr>
<tr>
<td>Marital status</td>
<td>0.090</td>
<td>0.116</td>
<td>0.034</td>
<td>0.096</td>
<td>0.042</td>
<td>0.100</td>
<td>-0.249**</td>
</tr>
<tr>
<td>Salary</td>
<td>0.128</td>
<td>0.179*</td>
<td>0.187*</td>
<td>0.170**</td>
<td>0.170*</td>
<td>0.180*</td>
<td>-0.179*</td>
</tr>
</tbody>
</table>

*: p<0.05  **: p<0.01
Through the multiple stepwise regression analysis, the predictor effect of unitary internal marketing practice to turnover intention is shown in Table 3. The results indicate that only “education and training,” which is a predictor variable of unitary internal marketing practice, achieves a significant level, but it conducts a negative predictor effect. The input variables’ unitary ability to forecast is 0.228, which means that the total variance is 22.8%.

<table>
<thead>
<tr>
<th>Variables</th>
<th>R</th>
<th>R²</th>
<th>+R²</th>
<th>F value</th>
<th>b</th>
<th>β</th>
<th>T value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.111</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET</td>
<td>0.477</td>
<td>0.228</td>
<td>0.223</td>
<td>49.609***</td>
<td>-0.545</td>
<td>-0.477</td>
<td>-7.043***</td>
</tr>
</tbody>
</table>

*: P<0.05  **: P<0.01  ***: P<0.001

**RESULTS AND DISCUSSION**

This study studies employees in the leisure hotel industry in Taiwan as the study objective. From the variables of individual background, we can see that first-line employees and managers in the tourist and leisure hotel industry in Taiwan are mainly female (63.9%); and their ages mainly range from 26 to 35 (40.4%). Their educational background is mainly bachelor (34.9%); most of them are unmarried (53.0%), customer-served people (41.0%). Their service years range from one to four years (45.2%), with their years of work experience including three to five jobs (34.3%).

This study used a questionnaire to discover the differences on the study object of the importance and satisfaction of the internal marketing practices implemented by the hotel. Generally, the importance to the employees of internal marketing practices is very high (Mean=3.25), but there is a distance between the satisfaction (Mean=2.64) and the importance of the internal marketing practice.

According to the IPA analysis method, among the internal marketing practice employees choose as important, education and training that employees feel important and satisfying must keep; however, the parts that the manager’s support and participation and listen to the employees which belong to the important parts with lower satisfaction may appear the condition that supply exceeds demand; the parts that authorize and empower properly, talent training plan and performance acknowledgement system belong to the part with lower importance and lower satisfaction. Therefore, gradually improving the leisure hotel industry requires education and training; the dimensions that authorize and empower employees, the talent training plan and performance acknowledgement system. Strengthening the employees’ satisfaction with the recognition and implementation of these parts must implant the importance of the internal marketing practice into employees’ hearts, and cause the employees to identify with the organization. Finally, these dimensions can help advance customers’ recognition for service quality and loyalty. When the employees perform well, the organization can give them a prize or reward, which is also one kind of recognition for employees. Offering training to employees properly means to let the employees learn more and better KSA to decrease the work time and improve their professional knowledge and service quality. The training not only helps employees improve, but also helps the managers know each employee’s capacity. The organization can then train professional talent further, as well as supply employees with a good career path to increase the employees’ willingness to stay.
For the correlation, each perspective of the internal marketing practice achieves a positive correlation with each other, while employee turnover intentions achieve a significant negative correlation with internal marketing practices. In other words, the more an employee recognizes internal marketing practices, the lower the turnover intention. Table 4.10 indicates the correlation between the variables of individual background and the turnover intention; the turnover intention achieves a significant correlation with age (Chuang, 1999; Abelson, 1986; Cotton & Tuttle, 1986; Price & Mueller, 1986), marriage (Yu, 1992; Chuang, 1999; Cotton & Tuttle, 1986) and average salary (Ciou, 1992; Chen & Sin, 1995; Weiner, 1980). This result indicates that older, married people or the people with high income are less likely to generate turnover intentions or behavior.

When You (2004) validated the study result that the correlation between internal marketing practices and turnover intention in tourism leisure hotels, he found that the internal marketing practice performed a significant negative correlation with turnover intention. Jhu & Li (2001) took the employees in a department store as their study object and classified internal marketing practices into six perspectives including (1) internal market analysis; (2) internal market segmentation; (3) product; (4) price; (5) place; and (6) communication. The study results indicate that higher degrees of satisfaction with the internal marketing practice, the higher the satisfaction with work is, as well as the lower the turnover intention is. Wang (2002) took the entertainment industry as the object to discuss the relationship between internal marketing practices and turnover intentions. The study results indicate that the five perspectives of the internal marketing practice achieve a significant negative correlation with turnover intention. This means that the more an employee recognizes the internal marketing practices, the lower the turnover intention is. These result also fit this study (internal marketing practice achieves a significant correlation with turnover intention).

The study of Wang (2002) found something different from this study, however. His study result showed that the manager’s support would influence the turnover intention. The employees in the organization studied once thought that his/her ideas were different from the manager’s who didn’t care about the employee or support or authorize the employee. This caused high turnover intentions. When facing complex and changing service conditions or variable customers, people who provide customer-service need the elastic power to cope with variable service conditions and customer’s requirements. If everything must be “approved,” the customers cannot get timely and proper care. Thus, more and more service industries emphasize first-line employees should be empowered, with the managers only playing the role of authorization and conducting effective training. This is true as well for internal communication. If the organization’s communication system is incomplete, the employees cannot access the communication path to explain their thoughts; therefore, the communication will lose its primary function. Thus, employees may produce the intention to leave. Therefore, a good communication system not only helps the organization pass along orders from superiors, but also helps junior employees share their thoughts. This can transfer the service culture, share the experience, promote policies, pass relevant information, and can even communicate opinions. We believe that good internal communication helps decrease employee turnover intentions.

For the ability to forecast, through the stepwise regression analysis, we find that, among the six perspectives of organizational dimension and group dimension in the internal marketing practice, only the performance acknowledgement system and education and training in the organizational dimension achieve a significant ability to forecast. This means that the hotel can decrease employee turnover intentions with the aid of internal marketing practices.
Some scholars also propose the same concept: Taylor and Cosenza (1997) thought that internal marketing practices could efficiently decrease employee turnover and high relevant expenditures. First, a company should implant the thought of internal marketing into the company’s culture, and transfer the organizational atmosphere and culture through employees’ behaviors. Then the company should offer employees a training plan, durative support, encouragement, empowerment to make decisions, good interaction, encouragement to bring forward innovative thoughts, and measurement to improve any problems. The most important thing to achieving an effective internal marketing plan is communication; good communication helps understand why employees who fit the organization well may want to leave the organization. This phase can help improve and strengthen the internal marketing plan, and finally achieve the purpose of decreasing the turnover rate.

The study results indicate that the internal marketing practice in different dimensions has no significant ability to forecast or explanatory ability under the interaction. The reason for this may be that implementing the organizational dimension such as education and training, performance acknowledgement system, and talent training plan and the group dimensions such as manager’s support and participation, listening to the employee and authorizing and empowering them properly cannot connect with each other. This means that employees may not consider each perspective mutually; therefore, the signal factor will cause them to generate the thought to leave. Thus, the interaction between the organizational dimensions and group dimensions of the internal marketing practice cannot effectively forecast the turnover intention.

This study considers working experience to conduct the cluster regression analysis, and the results find that the interaction between the organizational dimensions and group dimensions in the internal marketing practice were able to forecast turnover intention. In addition, more working experience has a greater influence on the interaction between the organizational dimensions and group dimensions in the internal marketing practice. Because people with more working experience work for more companies, they more likely recognize the organizational dimensions and group dimensions of internal marketing practice. Employees, therefore, may consider each perspective and then decide to leave or stay. Those with less working experience will not consider that if he/she feels negatively about one perspective, he/she may decide to leave or stay.

REFERENCES


