2528-9705

Örgütsel Davranış Araştırmaları Dergisi
Journal Of Organizational Behavior Research
Cilt / Vol.: 5, Sayı / Is.: S2, Yıl/Year: 2020, Kod/ID: 71S2733

DETERMINING THE RELATIONSHIP BETWEEN PAYMENTS, PRODUCTS PROMOTION, JOB ENVIRONMENT AND MARKET INTELLIGENCE

Mohammad KAMELI[1*], Kave AZIN FAR [2], Hamidreza RAZAVI [2]

[1] M.A. Faculty of Human sciences-Department of Business Management, Babol Branch, Islamic Azad University.
[2] Ph.D. Advisor, Faculty of Human sciences-Department of Business Management, Babol Branch, Islamic Azad University.

*Corresponding Author

ABSTRACT

Dynamicity in business environments have challenged high ranking managers regarding in time comprehension and correct response toward these changes, which have existed due to factors such as economic growth or failure, increased competition or its intensity, globalization, integrations and technological innovations. Inability in comprehending the changes on time and not being able to respond rapidly leads to companies` failure. The purpose of conducting this study was investigating the relationship between internal marketing and market orientation as well as organizational performance. This study was applied in terms of purpose and it was descriptive-correlational in terms of methodology. Statistical population of the study included all 40 employees of Arman insurance company in Mazandaran province using census method. The required data were collected using four standard questionnaires including Ahmad and Rafigh`s internal marketing questionnaire, Narver and Slator market orientation questionnaire, Kohli and Jawrowski`s market intelligence questionnaire and Hersi and Gold Smith`s organizational performance questionnaire. To investigate research hypotheses, regression analysis was utilized. The results indicated that there was a significant relationship between internal marketing and market orientation as well as organizational performance in Arman insurance company of Mazandaran.

Keywords: *Internal marketing, Market orientation, Market intelligence*

INTRODUCTION

Nowadays, organizations are active in a dynamic, ambiguous and elastic environment. One of the most distinguishing features of the current era is the great and constant changes occurring in social, cultural (such as changes in the way of thinking, ideology, social values), political, economic, technological and internationalism areas. Environmental dynamism and increasing competition among organizations have made them more competitive in activity and have persuaded them to obtain costumers` satisfaction and attract new customers.

It could be stated that the daily increase of service industries have made the subject of service marketing an important issue for organizations. Frequent efforts of organizations in this field is an evidence for this claim. In previous years, organizations have sought to provide appropriate service qualities as well as better satisfaction of external costumers through external marketing concepts and approaches. One of the most important features of services is the direct interaction of employees and their determining role of costumer-oriented behaviors while having contact with costumers. Therefore, to have a better service quality and finally, satisfaction of external customers, we should have employees committed over their purposes, identified company perspectives as well as costumer-oriented behaviors. These days, the idea and concept of internal

Geliş tarihi/Recieved: 07s.08.2020 – Kabul tarihi/Accepted: 14.12.2020 – Yayın tarihi/Published: 20.12.2020

marketing has been stated so the importance and determining role of organization`s internal costumers (employees) in the success of external marketing programs has been made clear more than ever (Tabatabaie and Akhavan, 2010).

Increasing the importance of service section, has led to the increasing changes in the way of competing and responding to costumers` needs. Marketing orientation is a concepts and responds over solving these challenges since it focuses on data collection regarding the needs and desires of costumers and capabilities of the competitors on the one hand, and uses organizational resources as well as the integrity of internal parts of the organization on the other hand, to create the utmost value for the costumers. Success of organizations in market orientation activities requires the guarantee of employees` commitments.

One of the ways of achieving these commitments is administering internal market programs. This issue shows that marketing is of utmost importance for employees as it is for costumers. To this end, companies use internal marketing programs (Hassangholipour et al., 2012). Administering an internal marketing program helps in training, motivation creation and leadership and guides the work toward higher level performances as well as satisfaction. Employees display service organization in the eyes of costumers, thus, they have a multidimensional and complex role. Employees are eager to meet their needs and be satisfied over it completely. The reason behind meeting these needs is that doing so, organization would be in a better status for presenting services. Meeting employees` needs increases their motivation and satisfaction level, which finally, leads to their more loyalty to the organization and promotes the presented services` qualities. Increasing the importance of employees` role in service industries, guides services organizations toward accepting internal marketing and its results so that employees are behaved as costumers.

In marketing related studies, the concept that focuses on employees and their satisfaction or in other words, uses a marketing view for managing human resources, in internal marketing. Market orientation is not only considered outside the organization as well as inside the organization and internal markets of a country, but also, it is highlighted in international markets, as well. Organizational performance is one of the most important discussed factors in management researches and it is undoubtedly, one of the most important criteria of measuring success in trading companies.

Saeedi and Jamshidian (2013) presented a study entitled " investigating the effect of internal marketing on market orientation and performance of service organizations (case of study: Refah bank`s branches in Arak city). The purpose behind this study was investigating the effect of internal marketing, organizational commitment, and organizational citizenship behavior on market orientation and internal aspects (employees` satisfaction) as well as external aspects (service qualities and costumers' satisfaction) of organizational performance. The results indicated that internal marketing had a positive effect on organizational commitment, organizational citizenship behavior, market orientation and organizational performance. Moreover, organizational commitment had a positive effect on organizational citizenship behavior.

Kyriazopoulos et al. (2012) conducted a study entitled "the effect of internal marketing on banks` market orientation". The results of this study showed that administering the concept of internal marketing among bank employees had a positive effect on market orientation. Moreover,

investigating the use of internal marketing in banks` branches showed that internal marketing had a positive effect on organizational commitment.
Considering the stated issues, this study sought to answer the following questions: How is the relationship between payments, products` promotion, job environment, and market intelligence?

METHODOLOGY

This study was applied in terms of the purpose and it was a descriptive-correlational study in terms of methodology.
In terms of the nature of the study and investigated subject in the current research and considering research purposes, statistical population included all 40 employees of Arman insurance company in Mazandaran province during 2014-2015. Census method was utilized in this study to determine statistical population. Therefore, 40 questionnaires were distributed among employees of Arman insurance company of Mazandaran province using census method, whose obtained data were analyzed through SPSS software.

Methods and Data Collection Tools

Data of this study were collected using library and field methods. To collect data and respond research questions, field methods as well as questionnaire were utilized.
Validity: Since standard questionnaire utilized in previous various studies had been also used in this study, it had an appropriate validity. However, to be confident regarding the content validity of the questionnaire, some of the questionnaires were given to experts and university professors of management fields to state their adjustable comments and complete each of the items related to the scpecializied comments.
Reliability: To measure the reliability of the questionnaire, a pre-test phase was administered so that firstly, 20 questionnaires were distributed among the considered population and after collecting and entering the data, the reliability coefficient (Cronbach alpha) was calculated. The considered coefficient was more than 0.7 for all the scale.

Data Analysis Method

Descriptive statistical methods including mean and standard deviation as well as inferential statistics such as variance analysis and correlation coefficient were used for analyzing and describing the data.

RESULTS

Descriptive Findings of Samples

Age

Table 1- Distribution of respondents based on age and educational level

Age	Frequency	Percentage
21-30 years old	12	30.0
31-40 years old	26	65.0
41-50 years old	1	2.5
More than 51 years old	1	2.5
Total	40	100

Educational level	Frequency	Percentage
Diploma and associate	8	20.0
B.A.	23	57.5
M.A. and higher	9	22.5
Total	40	100

The results of Table 1 indicated that 12 respondents (30.0%) were in the range of 21 to 30 years old, 26 respondents (65.0%) were in the range of 31 to 40 years old, 1 respondent (2.5%) was in the range of 41 to 50 years old, and 1 respondent (2.5%) was in the range of more than 51 years old. Therefore, in the studied group, most of the respondents were 31 to 40 years old. Moreover, the results indicated that 8 respondents (20.0%) had diploma and associate degree of education, 23 respondents (57.5%) had B.A. degree of education and 9 respondents (22.5%) had M.A. and higher degrees of education. Therefore, in the studied group, most of the respondents had B.A. educational degrees.

Kolmogorov-Smirnov test for investigating the normality of research variables

To show the normality of variables` distribution, Kolmogorov-Smirnov test has been utilized. If the significance level be more than 0.05, data distribution would be normal and parametric test could be used to analyze the data, otherwise, non-parametric test would be used.

Statistical Statement

H_0: Data distribution is normal. (Sig.>0.05)
H_1: Data distribution is not normal. (Sig. <0.05).

Table 2-Kolmogorov-Smirnov test for investigating the normality of variables

		Job environment	Payments	Promotion	Job products	Market orientation	Intelligence	Organizational performance
Number		40	40	40	40	40	40	40
Normal parameters	Mean	9.6500	6.3750	12.5750	10.1250	17.7250	40.0500	49.9000
	Standard deviation	1.3310	1.5962	2.2858	1.3622	3.5300	6.5513	6.9717
Test statistics		1.187	1.279	0.941	1.079	1.145	1.246	1.256
Significance level		0.120	0.076	0.339	0.195	0.145	0.090	0.085

Considering Table 2 and the obtained amount of P(Sig.>0.05) in 95% confidence level, the observations confirmed H_0; therefore, it could be claimed with 95% confidence level that research variables had a normal distribution. Thus, parametric tests would be used to analyze research hypotheses.

Testing Hypotheses

Hypothesis 1: There is a significant relationship between job products and market intelligence.

Statistical Statement of the Hypothesis

H_0: There is no significant relationships between job products and market intelligence. (Sig. ≥0.05)

H_1: There is a significant relationship between job products and market intelligence. (Sig. <0.05).

Durbin Watson Statistics

Durbin Watson test is used for investigating the serial correlation regarding regression remainders. If the amount of Durbin Watson statistics be between 1.5 to 2.5, then no correlations exist between the error components of the regression model, otherwise, there is a correlation between error components of the correlation model.

The amount of Watson test was obtained equal to 1.950; since this amount was in the range of 1.5 to 2.5, this could be concluded that no correlations existed between the errors of regression model.

Table 3- Regression test of the first research hypothesis

The relationship between job products and market intelligence	Summary of the model	Correlation coefficient	Determination coefficient	Adjusted determination coefficient		
		0.243	0.059	0.035		
	Variance analysis test	Sum of squares	Degree of freedom	Mean of squares	F test	Significance level
	Regression	99.241	1	99.241	2.395	0.013
	Remainder	1574.659	38	41.438		
	Total	1673.900	39			
	Regression coefficients	Not standardized coefficients		Not standardized coefficients	T test	Significance level
		β coefficient	Standard error			
	Constant amount	28.194	7.729	-	3.648	0.001
	Job products	1.171	0.757	0.243	1.990	0.013

Considering Table 3, the summary part of the model included correlational coefficient, determination coefficient and adjusted determination coefficient. As it is observed, the correlation coefficient between job products and market intelligence was R=0.243, showing that there was a relationship between job products and market intelligence variables. Determination coefficient also showed that 5% of changes in the dependent variable (market intelligence) were determined by the independent variable (job products). The less the difference between the determination coefficient and adjusted determination coefficient, the better is the model.

The following part shows the significance variance analysis of the regression model. The amount of Sig. <0.05 and F=2.395 shows that the regression model of the independent variable (job products) on the dependent variable (market intelligence) was significant.

The below part shows a regression equation having regression coefficient:

$\hat{y}= b_0+b_1x_1$

$\hat{y}= 28.194+1.171\ x_1$

Beta coefficient also shows that changing standard deviation and independent variable would lead to multiple changes of standard deviation in dependent variable; job products variable would have 1.17 changes in the standard deviation of market intelligence variable. T statistics along with the significance level measure the significance of regression coefficients. The amounts of t=1.990 and Sig.<0.05 showed that the regression coefficient was significant and it

had to be remained in the model. Therefore, there was a relationship between dependent variable of market intelligence and independent variable of job products.

Hypothesis 2: There is a significant relationship between payments and market intelligence.

Statistical Statement of the Hypothesis

H_0: There is no significant relationships between payments and market intelligence. (Sig. ≥0.05)
H_1: There is a significant relationship between payments and market intelligence. (Sig. <0.05).

Durbin Watson Statistics

Durbin Watson test is used for investigating the serial correlation regarding regression remainders. If the amount of Durbin Watson statistics be between 1.5 to 2.5, then no correlations exist between the error components of the regression model, otherwise, there is a correlation between error components of the correlation model.

Model 1	880.1

The amount of Watson test was obtained equal to 1.950; since this amount was in the range of 1.5 to 2.5, this could be concluded that no correlations existed between the errors of regression model.

Table 4-Regression test of the second research hypothesis

The relationship between payments and market intelligence	Summary of the model	Correlation coefficient	Determination coefficient	Adjusted determination coefficient		
		0.503	0.253	0.234		
	Variance analysis test	Sum of squares	Degree of freedom	Mean of squares	F test	Significance level
	Regression	423.925	1	423.925	12.888	0.001
	Remainder	1249.975	38	32.894		
	Total	1673.900	39			
	Regression coefficients	Not standardized coefficients		Not standardized coefficients	T test	Significance level
		β coefficient	Standard error			
	Constant amount	26.883	3.778	-	7.115	0.000
	Payments	2.065	0.575	0.503	3.590	0.001

Considering Table 4, the summary part of the model included correlational coefficient, determination coefficient and adjusted determination coefficient. As it is observed, the correlation coefficient between payments and market intelligence was R=0.503, showing that there was a relationship between payments and market intelligence variables. Determination coefficient also showed that 25% of changes in the dependent variable (market intelligence) were determined by the independent variable (payments). The less the difference between the determination coefficient and adjusted determination coefficient, the better is the model.
The following part shows the significance variance analysis of the regression model. The amount of Sig. <0.05 and F=12.888 shows that the regression model of the independent variable (payments) on the dependent variable (market intelligence) was significant.
The below part shows a regression equation having regression coefficient:

$\hat{y}= b_0+b_1x_1$

$\hat{y}= 26.883+2.065\ x_1$

Beta coefficient also shows that changing standard deviation and independent variable would lead to multiple changes of standard deviation in dependent variable; payments variable would have 2.065 changes in the standard deviation of market intelligence variable. T statistics along with the significance level measure the significance of regression coefficients. The amounts of t=3.590 and Sig. <0.05 showed that the regression coefficient was significant and it had to be remained in the model. Therefore, there was a relationship between dependent variable of market intelligence and independent variable of payments.

Hypothesis 3: There is a significant relationship between job environment and market intelligence.

Statistical Statement of the Hypothesis

H_0: There is no significant relationships between job environment and market intelligence. (Sig.≥0.05)

H_1: There is a significant relationship between job environment and market intelligence. (Sig. <0.05).

Durbin Watson Statistics

Durbin Watson test is used for investigating the serial correlation regarding regression remainders. If the amount of Durbin Watson statistics be between 1.5 to 2.5, then no correlations exist between the error components of the regression model, otherwise, there is a correlation between error components of the correlation model.

The amount of Watson test was obtained equal to 1.930; since this amount was in the range of 1.5 to 2.5, this could be concluded that no correlations existed between the errors of regression model.

Table 5- Regression test of the third research hypothesis

The relationship between job environment and market intelligence	Summary of the model	Correlation coefficient	Determination coefficient	Adjusted determination coefficient		
		0.599	0.359	0.342		
	Variance analysis test	Sum of squares	Degree of freedom	Mean of squares	F test	Significance level
	Regression	600.488	1	600.488	21.258	0.000
	Remainder	1073.412	38	28.248		
	Total	1673.900	39			
	Regression coefficients	Not standardized coefficients		Not standardized coefficients	T test	Significance level
		β coefficient	Standard error			
	Constant amount	11.603	6.227	-	1.863	0.070
	Job environment	2.948	0.639	0.599	4.611	0.000

Considering Table 5, the summary part of the model included correlational coefficient, determination coefficient and adjusted determination coefficient. As it is observed, the correlation coefficient between job environment and market intelligence was R=0.599, showing

that there was a relationship between job environment and market intelligence variables. Determination coefficient also showed that 35% of changes in the dependent variable (market intelligence) were determined by the independent variable (job environment). The less the difference between the determination coefficient and adjusted determination coefficient, the better is the model.

The following part shows the significance variance analysis of the regression model. The amount of Sig.<0.05 and F=21.258 shows that the regression model of the independent variable (job environment) on the dependent variable (market intelligence) was significant.

The below part shows a regression equation having regression coefficient:

$\hat{y}= b_0+b_1x_1$

$\hat{y}= 11.603+2.948\ x_1$

Beta coefficient also shows that changing standard deviation and independent variable would lead to multiple changes of standard deviation in dependent variable; job environment variable would have 2.94 changes in the standard deviation of market intelligence variable. T statistics along with the significance level measure the significance of regression coefficients. The amounts of t=4.611 and Sig.<0.05 showed that the regression coefficient was significant and it had to be remained in the model. Therefore, there was a relationship between dependent variable of market intelligence and independent variable of job environment.

Hypothesis 4: There is a significant relationship between promotion and market intelligence.

Statistical Statement of the Hypothesis

H_0: There is no significant relationships between promotion and market intelligence. (Sig.≥0.05)

H_1: There is a significant relationship between promotion and market intelligence. (Sig. <0.05).

Durbin Watson Statistics

Durbin Watson test is used for investigating the serial correlation regarding regression remainders. If the amount of Durbin Watson statistics be between 1.5 to 2.5, then no correlations exist between the error components of the regression model, otherwise, there is a correlation between error components of the correlation model.

The amount of Watson test was obtained equal to 1.193; since this amount was in the range of 1.5 to 2.5, this could be concluded that no correlations existed between the errors of regression model.

Table 6- Regression test of the first research hypothesis

<table>
<tr><td rowspan="11">The relationship between promotion and market intelligence</td><td rowspan="2">Summary of the model</td><td>Correlation coefficient</td><td>Determination coefficient</td><td colspan="3">Adjusted determination coefficient</td></tr>
<tr><td>0.347</td><td>0.121</td><td colspan="3">0.097</td></tr>
<tr><td>Variance analysis test</td><td>Sum of squares</td><td>Degree of freedom</td><td>Mean of squares</td><td>F test</td><td>Significance level</td></tr>
<tr><td>Regression</td><td>201.929</td><td>1</td><td>201.929</td><td rowspan="3">5.213</td><td rowspan="3">0.028</td></tr>
<tr><td>Remainder</td><td>1471.971</td><td>38</td><td rowspan="2">38.736</td></tr>
<tr><td>Total</td><td>1673.900</td><td>39</td></tr>
<tr><td rowspan="3">Regression coefficients</td><td colspan="2">Not standardized coefficients</td><td rowspan="3">Not standardized coefficients</td><td rowspan="3">T test</td><td rowspan="3">Significance level</td></tr>
<tr><td>β coefficient</td><td>Standard error</td></tr>
<tr><td></td><td></td></tr>
</table>

	Constant amount	27.532	5.570	-	4.943	0.000
	Promotion	0.995	0.436	0.347	2.283	0.028

Considering Table 6, the summary part of the model included correlational coefficient, determination coefficient and adjusted determination coefficient. As it is observed, the correlation coefficient between promotion and market intelligence was R=0.347, showing that there was a relationship between promotion and market intelligence variables. Determination coefficient also showed that 12% of changes in the dependent variable (market intelligence) were determined by the independent variable (promotion). The less the difference between the determination coefficient and adjusted determination coefficient, the better is the model.
The following part shows the significance variance analysis of the regression model. The amount of Sig.<0.05 and F=5.213 shows that the regression model of the independent variable (promotion) on the dependent variable (market intelligence) was significant.
The below part shows a regression equation having regression coefficient:

$\hat{y}= b_0+b_1x_1$
$\hat{y}= 27.532+0.995\ x_1$

Beta coefficient also shows that changing standard deviation and independent variable would lead to multiple changes of standard deviation in dependent variable; promotion variable would have 0.99 changes in the standard deviation of market intelligence variable. T statistics along with the significance level measure the significance of regression coefficients. The amounts of t=2.283 and Sig.<0.05 showed that the regression coefficient was significant and it had to be remained in the model. Therefore, there was a relationship between dependent variable of market intelligence and independent variable of promotion.

CONCLUSION

The purpose of the current study was determining the relationship between payments, products promotion, job environment and market intelligence.
It was shown in this study that there was a significant relationship between job products and market intelligence, which was in line with the results of the study of Saeedi and Jamshidian (2013). Foreign studies such as Buranta et al. (2012) study also obtained results in line with the current study. It was indicated in this study that there was a significant relationship between payments and market intelligence, which was in line with the study results of Hassangholipour et al. (2012). This was also somehow in line with study of Abdolvand et al. (2010). Regarding foreign studies, also, the study of Ahmed and Rafiq (2007) was in line with this study. Moreover, it was shown in this study that there was a significant relationship between job environment and market intelligence, which was in line with the study results of Abzari et al. (2009). Regarding foreign researches, also, the studies of Buranta et al. (2012), Kyriazopoulos et al. (2012) and Ahmed and Rafiq (2007) were in line with this study. It was indicated in this study that there was a significant relationship between promotion and market intelligence, which was in line with the study results of Saeedi and Jamshidian (2013). This was also somehow in line with the results of the study conducted by Abdolvand et al. (2010). Regarding foreign studies, also, the study of Kyriazopoulos et al. (2012) was in line with this study.

Considering the finding of the study regarding the research hypothesis "there is a significant relationship between payments and market intelligence", it is suggested to:

- Present financial facilities to employees
- Pay attention to the financial and spiritual needs of employees

Considering the finding of the study regarding the research hypothesis "there is a significant relationship between job environment and market intelligence", it is suggested to:

- Identify costumers` future needs and desires considering environmental factors and respond them

Considering the finding of the study regarding the research hypothesis "there is a significant relationship between promotion and market intelligence", it is suggested to:

- Create value for the costumer
- Consistently comprehend costumers` needs

Suggestions

- Conducting qualitative studies and designing a scale for measuring internal marketing in Iran.
- Since questionnaire was utilized in the current study to collect the data, it is suggested to other researchers to use interview and other data collection tools while collecting the required data.

Limitations of the Study

- Limitations regarding the study tools and quantifying qualitative issues related to research questions.
- Shortness of the sampling period is among limitations of every academic study, which reduces study precision; this study also was not an exception.
- Problems resulting from questionnaire distribution among subjects and the fact that some of them didn`t have tendency to respond questionnaire questions.

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