

CENTRAL BANK OF EGYPT
Egyptian Banking Institute



البنك المركزي المصري
المعهد المصرفي المصري

March 2023

Current Trends

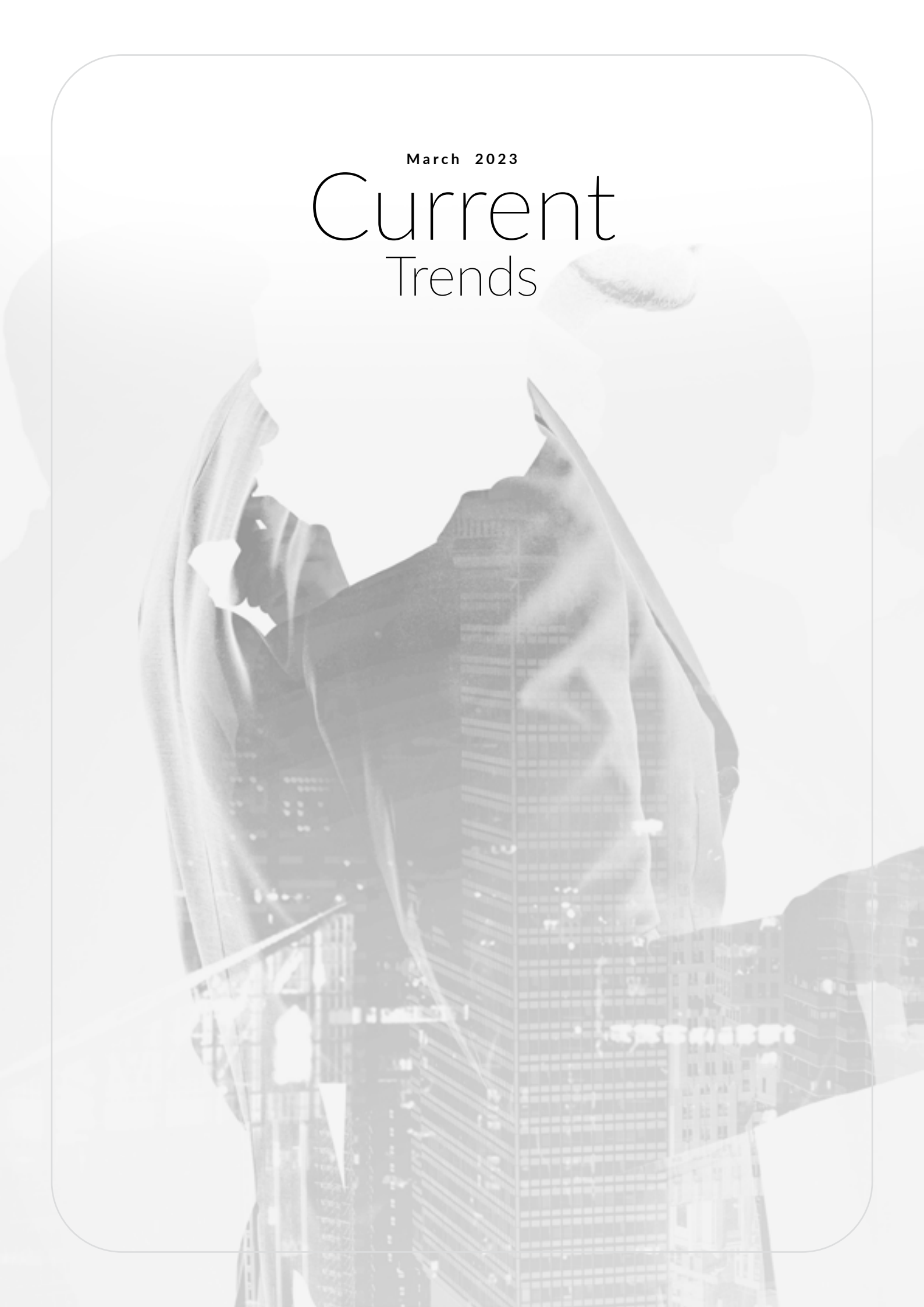
“Endomarketing”

An effective internal marketing strategy

www.ebi.gov.eg

March 2023

Current Trends



Background

- Marketing has always been synonymous with activities focused on end clients and seeking to engage buying decisions and loyalty. But this has changed, and it's more and more common to see companies implementing marketing with an internal focus. Endomarketing aims to facilitate exchange, build loyalty in the relationship with internal employees, to harmonize and strengthen the internal relationships and, thus improving the organization image and market value.

- **Endomarketing** promotes a proper coordination and alignment between different departments and teams' members within the organization. The idea is to keep the employees engaged, informed and committed to the company's objectives and strategies. There are countless cases of well-designed strategies that later fail to achieve the proposed objectives, due to the lack of proper coordination between different teams/departments within the organization.

Concept and Definition

- **Endomarketing** is marketing within the company. It is the set of techniques that allow positioning the strategic communication of the company towards the employees, with the aim of promoting their motivation, sense of belonging and consequently their productivity.

- **Endomarketing** is a group of marketing strategies that focus on a company's internal environment, especially its employees. Its objective is to make people generate results. Endomarketing is a relationship between the company and the employees. When this relationship is healthy, strong and very well nurtured, everyone involved is satisfied and productive. While creating marketing strategies, the managers are selling something; or, at the very least, creating the purchasing necessity for what they are selling. Endomarketing is the same thing, except that instead of a product or service, the team in charge must "buy" the company's set of goals, values and pillars.

- In external marketing, an external product is the final good/service that a company can offer to their customers in order to satisfy their needs. In the simplest conceptualization, an internal product is the job. Treating jobs as products refers to go beyond functions that must be accomplished and consider factors other than financial remuneration. This means to also consider the level of involvement of employees in decision-making, career programs, training needs, levels of responsibility and working environment.

| Importance

- In recent years, the importance of Endomarketing has been recognized taking into consideration the fact that the members of an organization have a considerable influence on the generation of value perceived by the external client, regardless of the job position they perform or the place they occupy in the hierarchical order. From this principle, the idea is to seek achieving the competitive advantage within the organization through a series of projects and initiatives that empower human resources, both for their own wellness and for the growth of the organization.
- It is highly important to achieve a proper coordination between different departments and teams, to allow the development and correct implementation of the company's plans and strategies. It is surprising, but very good initiatives fail before they even come to light, due to lack of support and coordination within the company. Avoiding failures due to ignorance is one of the most crucial benefits of effective endomarketing. If everything is well communicated across all areas, no one will be caught by surprise at a new event, product or initiative. Generating greater internal motivation through endomarketing help the employees to accurately identify their role and to be more identified with the business brand.

| Main Benefits:

A successful internal marketing strategy, benefits a company in a variety of ways on all levels and in all areas. Endomarketing main advantages include the following:

- Sharing common values and objectives.
- Increasing employee loyalty.
- Optimizing internal motivation.
- Reducing employees' turnover.
- Improving the organizational environment.
- Improving the quality of life at work.
- Building happy and productive teams.
- Engaging the employees to seek the company's improvement and growth.
- Increasing the employee's passion to the company's services or products. Every employee becomes a **"Brand Evangelist"**.

Implementation Steps:

In order to implement Endomarketing strategies, the organization can apply the following suggested steps:

1- Know the employees

First, it's important to know well the current employees' profiles and to accurately understand their needs while paying attention to their complaints. Opening discussions and friendly talks with employees will definitely improve the results of the organization.

2- Define the main goals

Like everything in business, endomarketing strategy should be developed with a clear goal in mind. This way, it'll be easier to channel creativity and achieve the objectives. Among the main goals we can highlight:

- Establishing employee loyalty.
- Motivating employees to achieve better results.
- Improving the internal communication process.
- Enhancing team synergy.

3- Structure the plan:

The structure of the plan after setting clear goals and analyzing the employees needs will guide the endomarketing entire strategy. To do this, three main questions should be raised and answered: what will be done? why will it be done? and how will it be done?

- Some of the following tools can be used:
- Offering incentives (bonuses, commissions, trips, etc.).
- Holding campaigns to raise awareness.
- Implementing new communications channels (intranet, specialized software or application, etc.).

4- Assess and measure the results

Finally, it's important to assess the achieved results. Additionally, it is important to establish a few key performance indicators. These indicators may include:

- Employee level of satisfaction.
- Absentee rate.
- Productivity level.
- Amount of material waste.
- Return on investment (ROI).

| Practices:

The implementation of endomarketing strategies can be distributed among different functions and teams among the organization as follow:

1. Marketing department

For the Marketing Department, Endomarketing is the involvement of the organization internal resources in the marketing strategies and tactics, in order to benefit from the knowledge and support of a group of team members with diversified perspectives.

2. Finance department

The Finance Department of an organization can perform an Endomarketing strategy by internally promoting a program of savings in office costs.

3. Human Resources Department

The Human Resources department has a crucial responsibility to re-orient the mindset and culture of the organization. In this context, they can develop an Endomarketing strategy in order to socialize an initiative of organizational culture change, or a campaign to integrate the families of employees.

4. Production Department

The Production Department can perform an Endomarketing plan for the acquisition of a new machine or the incorporation of a new technology that increases the productive efficiency of the organization and may be advantageous for personnel.

5. Customer Services Team

Customer Service can use Endomarketing in order to perform a communication campaign of the results of a determined area in the last satisfaction customer's survey and acknowledge the excellent performance and achievement provided by some employees.

6. Sales Team

Sales Managers can use Endomarketing to promote their initiatives, inviting the employees to contribute with ideas for the improvement of the organization.

Note: The problem is that investments in endomarketing is almost never considered from the beginning and this makes the implementation of a new culture and an effective internal communication take more time and money.

March 2023

Current Trends

HOTLINE

15200

One number to better serve you!

Headquarters – Nasr City

22 A, Dr. Anwar El Mofty St., Tiba 2000
P.O.Box: 8164 Nasr City, Cairo, Egypt

www.ebi.gov.eg



Like us on

facebook.com/EgyptianBankingInstitute



Follow us on

twitter.com/EBItweets



Join us on

linkedin.com/company/egyptian-banking-institute



Watch us on

YouTube Channel: Egyptian Banking Institute (EBI)