

# **MARKETING AND ITS IMPACT ON SERVICE QUALITY IN THE HEALTHCARE INDUSTRY OF PAKISTAN**

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## **ABSTRACT**

The quality of healthcare services in every society has been a dire need across each era. The effective implementation of which is only possible if the healthcare workers get provided with a suitable environment to perform their duties in. Considering this, the current study determines the impact of internal marketing on the quality of external services delivered to the patients in the labor-intensive healthcare industry of Pakistan. Further, the mediatory role of internal service quality between the said variables is taken into account. The survey-based study was conducted in the twin metropolitans of Pakistan (Islamabad & Rawalpindi). The collected data from 500 individuals comprised of internal customers i.e. doctors, staff members, and external customers i.e. patients, of the public sector as well as private sector hospitals. The study conclusively suggested a significantly positive impact of internal marketing over the external service quality; in both service sectors. Though the public-sector healthcare organizations were found to be comparatively more effective in the implementation of service quality delivered to its customers, in contrast to the private sector healthcare institutions.

**Keywords:** Internal marketing; internal service quality; external service quality; healthcare, marketing, employee retention.

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## 1. INTRODUCTION

In contrast to development observed in several industries over past decades, the service industry stands out in particular (Kurtuluşoğlu & Pakdil, 2017). As the progression in the service, the industry has been on a continuous incline for the past many years, either it is in a developing economy or a developed one. Considering which, managing the complexities of the service industry has been a keen point of interest for researchers across the world (Haugland et al., 2007; Meesala & Paul, 2018). In particular to the advancements in the service industry, the researchers have concluded that the satisfaction associated with both the employee and the customers play a vital role in the sustainability of a service-based organization (Gera et al., 2017; Kim et al., 2015). The service industry is majorly profit-oriented remains invested in practices involving cost reduction in order to entice more and more customers and retaining the already existing ones (Cohen & Levinthal, 1990). But at the same time, it too must be taken into account that attaining cost competitiveness over other industry contenders is not the only key factor to maintain the market share. The fulfillment of aforementioned sustainability concerns assures the extent of contentment observed in both the internal and external customers. This phenomenon cumulatively is referred as internal marketing (Fortenberry Jr & McGoldrick, 2016). The concept of internal marketing proposes that an organization must be well aware of the wants and needs of its employed individuals and must fulfill them in order to remain competitive within the said industry. The literature further indicates that the gratification of contentment achieved by the employees in terms of the organizational support enhances the internal service quality of an organization. Which further act as prerequisites to the service quality delivered to the external customers (Fröhlich & Grimm, 2016; George, 1990; Hollensen, 2015).

Healthcare has been a definitive necessity of mankind. As the quality of life principally has been reliant on the healthcare provisions, since the beginning of time. Being a societally dominant sector, the healthcare industry has evolved into multiple dimensions, and similar is the case for the associated expectations. Summing it up, it is the dependency of an individual's life upon the quality of service delivered by the healthcare workers that justifies the level of sensitivity attributed to the healthcare industry. The criticality of which is well beyond any other industry (Schmumpeter, 1943).

Healthcare being a labor-intensive job is quite challenging for the individuals at the managerial level to keep the employees content and ready to execute their responsibilities; flawlessly. From the consumer's point of view, the individuals expect to receive quality service. Based upon the inclined level of expectancy from the consumer's perspective and competitiveness accomplished in terms of quality services delivered, the healthcare industry has constantly been evolving up until now (Um & Lau, 2018). In specific to the healthcare industry, the world today falls short of 7.2 million healthcare workers, and quite delinquent are the future projections, which suggest this gap to be augmented up to 12.9 million by the year 2035 (World Health Organisation, 2013). Akin to this, the Pakistani healthcare industry has been suffering from a resource shortfall. As currently for 50 patients only one healthcare worker is available. Therefore, deeming healthcare workers an undesirable career to opt for in the future (Khuwaja, 2021).

In the era of today, customer retention, or in other words the associated loyalty towards an organization is vital for organizational progression and sustainability in the industry. Among the factors that significantly contribute towards the retention of a customer especially in a service-

oriented industry, it is the quality of the service delivered by the organization (Vogus & McClelland, 2016). The service quality delivered and later evaluated in terms of the customer's perspective rationalizes the magnitude of performance delivered by the internally employed individuals (Melo et al., 2017; Sharma et al., 2016). Considering this, it too must be taken into consideration that quality perception of the service delivered may significantly differ from the point of view of the internally employed individuals and the individuals receiving it in terms of customers (Sharma et al., 2016; Todorova & Durisin, 2007). Service quality being connoted as a leading factor towards the customer's retention has seen vivid implementation over the past decades in competitive industries like banking, airlines, hotels, healthcare, and so forth (Gera et al., 2017; Han & Hyun, 2015).

As discussed, the service quality delivered is a deduction of the efforts put into action by the internally employed individuals and the translation of it into the end-user experience. This further suggests that there are several aspects to be taken into account to comprehensively grasp the said phenomena. In specific to the current study, it has been indicated that internal marketing impacts the quality of service delivered by the employees as well as the magnitude of satisfaction depicted by the customers (Dhawan & Prior, 2017). Philosophically, internal marketing itself is defined upon the idea that if the individuals at an organization are content with the job they are employed under, then it will result in terms of the brilliance depicted in the external services delivered. Thus, eventually fulfilling the consumer's satisfaction (Huang et al., 2019).

The term "internal marketing" itself was coined some three decades ago. According to which it was defined as "viewing employees as internal customers, viewing jobs as internal products that will satisfy the needs and wants of these internal customers while addressing the objectives of the organization" (Fortenberry Jr & McGoldrick, 2016). Considering literature so far, there is no single definition of internal marketing. Regardless, the prime idea of internal marketing seems to revolve around the behavioral attributions of employees at an organization, their immediate impact on organizational strategies, the customer's satisfaction, and the resultant impact upon the development observed in terms of the cross-functional units set across the organization, itself (Fortenberry Jr & McGoldrick, 2016).

The relevance of internal marketing is of critical consideration to the service industry. As the magnitude of the performance associated with the industry is proportionate to the level of commitment attributed to its employees. Moreover, in relevance to the commitment level of an employee, internal marketing proposes to consider the extent of an employer motivating its employee as a critical factor that will further impact the service quality delivered. Considering this, it becomes an immense challenge for the employers associated with an organization, to be able to develop a context within which they will be able to retain the commitment of the employees. All of which is referred to as internal marketing. It too must be taken into account that the motivation of the employees may vary from individual to individual, which makes it a grander challenge (Fortenberry Jr & McGoldrick, 2016; To et al., 2015).

In continuum to which, the individuals employed at the organization interact with one another on regular basis thus making the organization a complex web of communication. Which, further signifies the importance that it is a motivated employee that positively impacts his/her counterpart thus supporting the organizational fulfillments on broader terms (To et al., 2015).

Internal marketing for any organization to motivate its employed individuals is a three-dimensional approach. Primarily it demands marketing in terms of its employees. The said aspect proposes to motivate the employed individuals to enhance the delivered performance and at the same time develop a strengthened relationship between both the internal and external customers. Followed to which, is the marketing in terms of internal function. This refers that for any organization the marketing activities in an organization must be implemented in such a way that they get considered as an investment rather than an expenditure. Lastly comes marketing the self-owned services and products to the employed individuals. It suggests that an employed individual must be the primary consumer of the service provisions that are being marketed to the external customers. Cumulatively, implementation of all these aspects enable the staff members of any given organization to attain an in-depth understanding of their job role and expected service orientation from the customer's conscious point of view; regardless of the employment level (McCombs & Shaw, 1972; Sharma et al., 2012).

Internal marketing before getting concluded in terms of external service delivered to the external customers is found to be directly associated with internal service quality. It proposes that both the internal service quality and external service quality are very much reliant upon the implementation of internal marketing by any organization (Fortenberry Jr & McGoldrick, 2016; Sharma et al., 2016). In specific, the internal service itself is defined as the service that is put forward for mutual utilization among the designated departments of an organization (Dearing & Rogers, 1996). Considering this, the internal customers are supposed to make judgments based upon the expectation they hold in regard. As indicated by the research, the employees who utilize the services offered by their employing organization and are satisfied with them are found to attain an elevated perception of the employment quality and thus deliver elevated performance. It has been so, because of the relationship existent between the quality of service provided to the internal customers as well as the external customers in terms of external services (Kossmann, 2017; Park & Tran, 2018).

Considering the healthcare industry, the motivation of an employee being based upon the job contentment is a major consideration. Moreover, the perplexing tasks of a healthcare worker rile up the challenge in terms of keeping the employee committed towards the organization, while taking into account the prior mentioned individualistic personality differences among employees (Campbell et al., 2018). For the most part, an individual employed under the healthcare establishments is bound to perform his/her duties under consistent stress; given the critical nature of the job. It has been so because the decisions taken by the internal customers lead to becoming a most probable reason to impact upon the outcome in terms of the health of the external customer. Thus if these individuals don't get to remain motivated through their employment tenure, they are bound to feel as being dismayed and will be left in frustration and result in having a deconstructive view of the organization's reputation (Meesala & Paul, 2018; Sharma et al., 2016).

As in specific to the healthcare industry, it takes a sum of \$25,000 to attain a replacement of a healthcare worker, and added to it is the loss of professionalism attributed to an employee leaving the organization; which itself is non-equitable (Blake, 2015; Phillips et al., 2018). As it is the unmet expectations of the internal customers that justify the workforce and respective loss productivity of an organization.

The efforts put forth by the employers towards their employees to enhance their motivation and the ones extended by the employees towards the external customers play a vital role to determine the quality of the service provided on behalf of the organization (Dearing & Rogers, 1996). For which, when it comes to the determination of the quality of the service provided, the external customer very much relies on the predetermined expectations, that how the employees providing the services are supposed to behave. As service-based products are very much unlike the physical ones, so these require much more real-time human-to-human interaction at both the delivering and receiving ends of the service. Thus, increasing the complexity of the measures upon which the quality of external service is based upon. For which, it can be concluded that the willingness of the internal customer is a crucial consideration to result in a well-perceived service (Allen et al., 2016; Vogus & McClelland, 2016).

Cumulatively, the research suggests internal marketing to be a significant factor to influence the service delivered. It is because internal marketing itself varies across multiple levels of functionality, especially in the labor-intensive, service-oriented industry. The deployment of stated practices may vary from the recruitment of potential candidates up to their retaining in the organization. External service is more critical in the healthcare industry because the service provisions expected to be delivered to the external customer are perceived to be life-critical and cannot be taken indifferently.

Considering which, the current study aims to accomplish the following research objectives:

- O1: Explore the effect of internal marketing on internal service quality.
- O2: Examine the effect of internal marketing on external service quality.
- O3: Evaluate the role of internal service quality as a mediator between internal marketing and external service quality.

Keeping in view the internal marketing principles, the current study delivers a broad view of its implications over the externally provided services by the service sector and how significantly the internal service quality contributes to putting an explanation to the occurring phenomena. The study further depicts the results being based upon the operational healthcare sectors i.e. (public, private). This enables the policymakers to access the gap that is present in both industrial sectors and at the same time rectify the deficiencies to improve the services delivered. Also, the findings of the current study will educate the readers about the potential challenges the Pakistani healthcare industry is facing. A similar research framework can be tested in context to other developing as well as a developed nations, in order to determine the similarities and differences other nations are facing in regard.

The following discussion comprehends the research methodology opted for the current study, followed by its statistical evaluation and lastly translating the calculated results in terms of managerial interpretation for the readers to get a better understanding.

## 2. MATERIAL AND METHODS

As mentioned, the current study determines the interrelationship existent between the independent variable of internal marketing and the dependent variable external service quality. The relational impact is further concluded upon the mediatory role of internal service quality.

In terms of data collection, the cross-sectional survey method was used for the current study (Salant et al., 1994). The healthcare organizations of the twin metropolitans of Pakistan i.e. Rawalpindi & Islamabad were considered for the targeted population. Later of the two is also the federal capital of the country. Which augments the potential of the study. The consideration of the twin cities is signified by the fact that both of these cities have a diverse mix of employed individuals from all over the country. Therefore, the opinion reflected from the collected data very much resonates with the individuals working in the healthcare sector across the country. Among the healthcare organizations, the targeted population was divided into two, internal customers i.e. doctors & staff members, and external customers i.e. patients under the care of the institution.

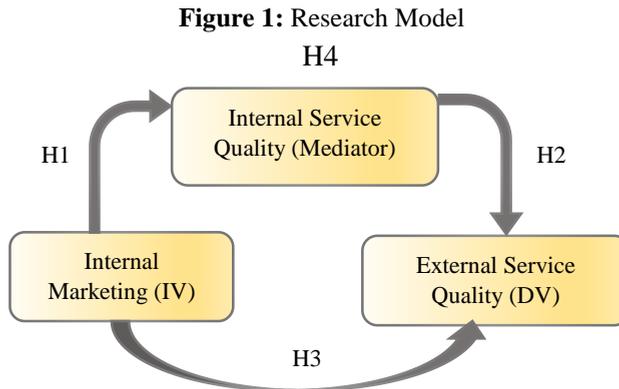
Further to develop a research-based survey questionnaire, the queries were devised from various prior research. In regard to the construct of internal marketing 10 items were adapted (Foreman & Money, 1995; Yurtseven & Halici, 2012). While for the respective construct of internal service quality 20 items were adapted (Akhtar et al., 2011; Al-Borie & Sheikh Damanhour, 2013; Gunawardane, 2011; Ryan & Deci, 2001). Lastly, for external service quality, 27 items were adapted to be made part of the questionnaire (Bouranta et al., 2009). The responses were recorded in terms of the 5-Point Likert Scale. On which responses were ranged from 1 to 5, depicting 1 as “Strongly Disagree” up to 5 as “Strongly Agree”.

In specific to the designated constructs the internal marketing was concluded upon the comprehended dimensions of (job security, internal communication & staff training), while internal service quality was based upon (tangibles, responsiveness, empathy, reliability & safety) and lastly the external service quality being termed upon (interactive and tangible).

Conclusive to the developed survey questionnaire, a targeted population was considered further to amass the information from. A total of 650 questionnaires were disseminated among the designated population of the healthcare workers of the twin cities. Of which, 500 were considered as absolutely complete and fit for further statistical manipulation and hypothetical testing. The refined dataset was a fifty-fifty split between the responses collected from the public and private healthcare firms.

Regarding the opted variables and their proposed relationships, the following three hypothetical statements have been defined for further testing:

- H1: Internal marketing significantly impacts the internal service quality in a positive manner.*
- H2: Internal service quality significantly impacts external service quality in a positive manner.*
- H3: Internal marketing significantly impacts external service quality in a positive manner.*
- H4: Internal marketing significantly impacts the external service quality in a positive manner, while considering the internal service quality as a mediator.*



### 3. RESULTS AND DISCUSSION

To deduce results upon the data accumulated from the participating individuals, the data was proceeded utilizing the IBM's Statistical Package for Social Sciences (SPSS V.21 Microsoft Windows).

The questionnaire comprehended a total of 57 items, regarding all three variables under discussion. To assess the reliability of the developed questionnaire all the variable items were independently tested through the Cronbach's Alpha test. The values are depicted in Table 1.

**Table 1: Cronbach's  $\alpha$**

Variable	Cronbach's Alpha	Item Count
IM	0.758	10
ISQ	0.879	20
ESQ	0.948	27

The evaluated values of Cronbach's Alpha for the 10 items taken into consideration for measuring internal marketing were equivalent to ( $\alpha = 0.758$ ). Similarly, for the 20 items of internal service quality, the reliability value was scaled as ( $\alpha = 0.879$ ). Lastly, for 27 items of External Service Quality, the reliability value was equivalent to ( $\alpha = 0.948$ ). Since, all the values attained were above the standard fitness value of ( $\alpha \geq 0.7$ ), which justified the items to be reliable to evaluate the magnitude of the variables and their interdependencies (Babbie et al., 2018; Blunch, 2012).

To make primary inferences regarding the data collected from the targeted population, the data was translated into descriptive form. Referred to which, the descriptive information regarding the subjected variables are depicted in Table 2, which further are categorized into public and private sectors.

**Table 2:** Variable Means, Standard Deviations and Standard Errors

	Sample Size	Hospital Type	Mean	Std. Deviation	Std. Error
<b>Internal Marketing</b>	250	Public	3.0703	.66248	.05766
		Private	3.3804	.70059	.06477
<b>Internal Service Quality</b>	250	Public	3.0583	.64406	.05606
		Private	3.5486	.57173	.05286
<b>External Service Quality</b>	250	Public	3.1162	.63175	.05499
		Private	3.5816	.56744	.05246

Referring to the mean values depicted in Table I, it can be observed that all the values for the respective variables and associated sectors are higher than “3”. Since the responses collected from the participants of the study were on a 5-Point Likert scale, the value approaching “4” meant the agreeableness towards the existence of the referred variable being measured in the organizational environment.

Specific to the Internal Marketing the mean values for the respective public and private sectors were recorded equivalent to 3.0703 and 3.3804. The higher value in the private sector depicts a better magnitude of internal marketing in the sector than its counterpart. Further, the evaluated mean values for internal service quality in reference to the public sector is equivalent to 3.0583 while for the private sector the regarding value is 3.5486. These values suggest a better magnitude of internal service quality observed in the private sector. Lastly, the respective mean values for the External Service Quality in terms of the operationalized public and private sector are 3.1162 and 3.5816. This again represents that it is the private sector healthcare organizations that have a higher level of recognition in terms of the external service quality than its counterpart sector (Babbie et al., 2018; Blunch, 2012).

Cumulative to the initial results we can observe the evocative pattern as per research literature that it is the internal marketing that is proportionally related to the projections made by internal and external service quality. Which in our current study is justified as that the higher magnitude of internal marketing in the private sector has further led to observance of higher acknowledgment of Internal and external service quality in the similar sector of operation.

Onwards, to determine the interdependency of the variables and the respective significance of their relationship Pearson’s correlation test was opted for. The correlational results are in terms of public hospitals are represented in Table 3.

**Table 3:** Variable Correlation for Public Hospitals

		IM	ISQ	ESQ
<b>IM</b>	Pearson Correlation	1	.563**	.126
	Sig. (2-tailed)		.000	.149
<b>ISQ</b>	Pearson Correlation	.563**	1	.334**
	Sig. (2-tailed)	.000		.000
<b>ESQ</b>	Pearson Correlation	.126	.334**	1
	Sig. (2-tailed)	.149	.000	

First of which, internal marketing is significantly correlated to internal service quality with an evaluated magnitude of 0.563 ( $P = 0.00$ ). Secondly, the correlational value evaluated for the respective variables of internal marketing and internal service quality was equivalent to 0.126. But the correlation was found to be insignificant. Lastly, the correlational magnitude between internal service quality and external service quality was found significant, being valued as 0.334 ( $P = 0.00$ ) (Gera et al., 2017; Meesala & Paul, 2018). The significance of the correlation between the opted variables defined the magnitude of their effect upon the dependent variable while considering the public healthcare setting. Considering this, internal marketing got highlighted as a key variable to affect the internal service quality of a public healthcare institution. Followed to which the internal marketing didn't depict a direct influence over the external service quality of public sector hospitals. The influence over the external service quality was observed by the involvement of the internal service quality experienced by the employees themselves.

Similarly, the correlational values were evaluated for the designated variables in terms of the healthcare organizations of the private sector.

**Table 4:** Variable Correlation for Private Hospitals

		IM	ISQ	ESQ
IM	Pearson Correlation	1	.443**	.089
	Sig. (2-tailed)		.000	.338
ISQ	Pearson Correlation	.443**	1	.317**
	Sig. (2-tailed)	.000		.000
ESQ	Pearson Correlation	.089	.317**	1
	Sig. (2-tailed)	.338	.000	

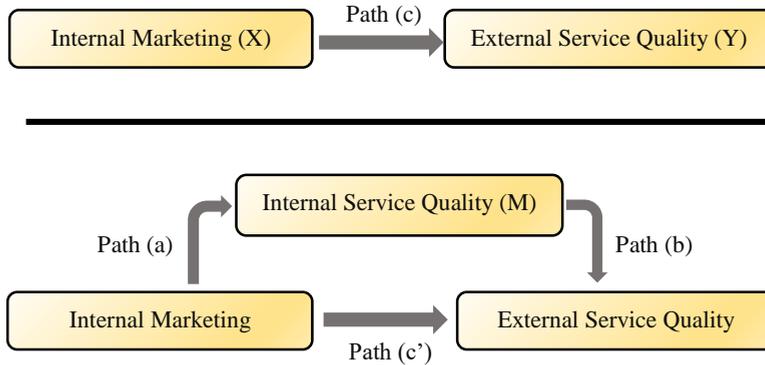
Referring to Table 4, it can be observed that for the private sector hospitals internal marketing is correlated to the Internal service quality, being significantly valued as 0.443 ( $P = 0.00$ ). Further internal marketing is found associated with the Internal service quality with an evaluated value of 0.089. Akin to the corresponding finding in the public-sector hospitals the correlation too was found to be insignificant. Regarding the correlation between Internal service quality and external service quality the relationship was significantly valued as 0.317 ( $P = 0.00$ ) (To et al., 2015; Vogus & McClelland, 2016). The same correlational trend was observed in the private healthcare setting, as was earlier found in public sector hospitals. Since internal marketing was observed as a primary contender to influence the internal service quality of the private sector hospitals while no direct influence was observed over the external service quality delivered to the recipients. Further, the internal service quality influenced the external service quality of the private healthcare institutions targeted in the current study.

Following the similar pattern as that of mean values in Table II, it can be observed that the evaluated correlational values too are found to be of higher magnitude in private sector healthcare organizations than that of public sector ones. This suggests a better expectancy in the private sector hospitals in terms of evaluating the corresponding projections made by the mentioned organizational variables and their subsequent results.

Conclusive to the inferences made through the rest of statistical analysis, it's the regression test that enables to determine the magnitude of the impact a variable can put onto another. Moreover, the hierarchical regression enables the determining of the mediating role of a subjected variable,

which in our case is internal service quality. Regarding the current study, the devised hierarchical regression model is defined under (Bolin, 2014; Byun et al., 2018; Whitener, 2001).

**Figure 2: Regression Model**



**Table 5: Regression IM and ISQ (H1)**

Hospital Type	R Square	Adjusted R Square	F	IM Beta	T	Sig
Public Hospitals	0.317	0.312	60.388	0.548	7.77	0.00
Private Hospitals	0.197	0.19	28.375	0.363	5.327	0.00

Table 5 represents the impact the internal marketing on the internal service quality with a comparative analysis between the public healthcare organizations and the private ones. The results suggest that the internal service quality observes significant variation as per impact by internal marketing which further is justified with the respective evaluated values of ( $R^2 = 0.317$ ) and ( $R^2 = 0.197$ ) for prior mentioned sectors. The value of  $R^2$  for public sector organizations being equivalent to 0.317 suggests an impact of 31.7% put over the internal service quality by internal marketing. In comparison to which the evaluated value of  $R^2$  for the private healthcare organizations being equivalent to 0.197, suggests an impact magnitude of 19.7%. The F value further justifies the significance of the results as the respective values for both the sectors are 60.388 and 28.375. Both of which are higher than the minimum threshold value ( $F \geq 9$ ). The respective Beta values in terms of internal marketing attained for public hospitals are equivalent to 0.548 and 0.363 for private hospitals. The results suggest that it is the public-sector healthcare organizations that have a comparatively inclined impact of internal marketing in them which upshot in terms of higher impact in terms of better internal service quality. Such a pattern justifies a higher level of satisfaction observed in the internally employed individuals, which then deliver improved services to the external customers. Lastly, the standard value for significance observed in both the public and private sectors is evaluated as 0.00, which is within the threshold limit of ( $P \leq 0.05$ ). Thus, depicting the significance of the relationship between the subjected variables of internal marketing and the internal service quality and the subsequent magnitude of the impact observed (Allen et al., 2016; Babbie et al., 2018).

**Table 6: Regression ISQ and ESQ (H2)**

Hospital Type	R Square	Adjusted R Square	F	ISQ Beta	t	Sig
Public Hospitals	0.112	0.105	16.321	0.328	4.04	0.00
Private Hospitals	0.100	0.092	12.915	0.314	3.5	0.00

Next in the hierarchical progression of the regression test, Table 6 represents the impact of the internal service quality over the external service quality with a similar relative analysis between the suggestive operational sectors of the healthcare industry. The results suggest that the internal service quality impacts the external service quality by an evaluated magnitude of 11.2% and 10.0% in the public and private sectors respectively. These projections are justified as ( $R^2 = 0.112$ ) for the public hospitals and ( $R^2 = 0.100$ ) for the private sector institution. The respective evaluated F values that further justifies the significance of the results for both the sectors are 16.321 and 12.915. Both of which are higher than the minimum threshold value ( $F \geq 9$ ). The respective Beta values in terms of internal marketing attained for public hospitals are equivalent to 0.328 and 0.314 for private hospitals. The results suggest that yet again it is the healthcare organizations operating in the public domain that have higher contribution towards external service quality made by internal service quality, rather than the ones in the private sector. This connotes the internal customers of the surveyed organizations being more satisfied with the institutional provisions than that of the private sector. Also, they are highly likely to provide better services in terms of their quality. Lastly, the standard value for significance observed in both the public and private sectors is evaluated as 0.00, which is within the threshold limit of ( $P \leq 0.05$ ). Thus, depicting the significance of the relationship between the subjected variables of internal service quality and the external service quality and the subsequent magnitude of the impact observed (Kurtulmuşoğlu & Pakdil, 2017; Meesala & Paul, 2018).

**Table 7: Regression IM and ESQ (H3)**

Hospital Type	R Square	Adjusted R Square	F	IM Beta	T	Sig
Public Hospitals	0.016	0.008	2.104	0.12	1.451	0.149
Private Hospitals	0.008	-0.001	0.925	0.072	0.96	0.338

In progression to the regression test, Table 7 represents the impact the internal marketing over the external service quality in terms of a cross-comparison made between the public and private sectors of the healthcare industry. The results suggest that internal marketing impacts the external service quality by an evaluated magnitude of 1.6% and 0.8% in the public and private sectors respectively. These projections are justified as ( $R^2 = 0.016$ ) for the public hospitals and ( $R^2 = 0.008$ ) for the private sector institution. The respective evaluated F values for both sectors are 2.104 and 0.925. These values of F being below the threshold of ( $F \geq 9$ ) suggests the evaluated values for the respective variables to be insignificant. The respective Beta values in terms of internal marketing attained for public hospitals are equivalent to 0.12 and 0.072 for private hospitals. The results being declared as non-significant suggest that disregarded the operating sector the internal marketing in a direct manner contributes quite insignificantly towards the external service quality. This is suggestive of the fact that other variables might be a suitable consideration to abridge the relationship between internal marketing and external service quality. Conclusively, the standard value for significance observed in both the public and private sectors are evaluated as 0.149 and 0.338. Both of which is over the threshold limit of ( $P \leq 0.05$ ). Thus, depicting the insignificance

of the relationship between the subjected variables of internal marketing and the external service quality.

The insignificance observed in the magnitude of impact by internal marketing over the external service quality in both sectors suggests that internal marketing is not enough as a single consideration to determine the resultant quality of service delivered. Though, the magnitude of the impact put by internal marketing cannot be neglected in a broader spectrum.

This further leads us to consider internal service quality as a mediator between internal marketing and external service quality. This leads us to enhance our explanation of the impact occurrence between our independent and dependent variables (To et al., 2015).

**Table 8: ISQ as Mediator Between IM and ESQ (H4)**

	Variables	$\beta$	Sig
Public Hospitals	IM	0.12	0.149
	IM	-0.086	0.367
	ISQ	0.378	0.00
	Variables	$\beta$	Sig
Private Hospitals	IM	0.072	0.338
	IM	-0.052	0.518
	ISQ	0.342	0.001

As per the results depicted in Table 8, it can be observed that the direct impact of internal marketing over the external service quality is primarily evaluated as ( $\beta = 0.12$ ,  $P = 0.149$ ) for the referred public hospitals, while ( $\beta = 0.72$ ,  $P = 0.368$ ) for the private ones. Further, after introducing internal service quality as an explanatory variable the evaluated values of internal marketing towards the resultant external service quality are equivalent to ( $\beta = -0.86$ ,  $P = 0.367$ ) for public hospitals and ( $\beta = -0.052$ ,  $P = 0.518$ ) for private hospitals. It can be observed that the respective causal values of both the variables further decrease for both the corresponding sectors when internal service quality is introduced into the regression evaluation (George & Mallery, 2019; Leech et al., 2014). The subsequent change in the causal values justifies the mediatory role of internal service quality for the organizations operating in both the public and private sectors (Allen et al., 2016; Blake, 2015).

The following table sums up the evaluated hypothesis for the public as well as private healthcare institutions targeted in the current study:

**Table 9: Results Summary**

Index	Hypothesis	Result
<b>Public Sector Healthcare Institutions</b>		
H1	Internal marketing significantly impacts the internal service quality in a positive manner.	Accepted
H2	Internal service quality significantly impacts external service quality in a positive manner.	Accepted
H3	Internal marketing significantly impacts external service quality in a positive manner.	Rejected
H4	Internal marketing significantly impacts the external service quality in a positive manner, while considering the internal service quality as a mediator.	Accepted

<i>Private Sector Healthcare Institutions</i>		
<b>H1</b>	Internal marketing significantly impacts the internal service quality in a positive manner.	Accepted
<b>H2</b>	Internal service quality significantly impacts external service quality in a positive manner.	Accepted
<b>H3</b>	Internal marketing significantly impacts external service quality in a positive manner.	Rejected
<b>H4</b>	Internal marketing significantly impacts the external service quality in a positive manner, while considering the internal service quality as a mediator.	Accepted

#### 4. CONCLUSION

The current study reports the criticality of implementing internal marketing and its subsequent organizational contributors in the healthcare industry; regardless of the operational sector i.e., public or private. Though it is the public-sector healthcare organizations that lead an effective implementation and the resultant impact of internal marketing over internal as well as external service quality. But still both the service sectors can include more variable contributors to enhance the customer's experience. In a comparative analysis, it has been suggested that in Pakistan's healthcare industry the efforts made regarding the implementation of internal marketing have enabled the regarding organizations to have an effective impact on retaining both internal and external customers. Moreover, the mentioned efforts contribute highly in terms of pooling prospective customers to make possible the sustainability of the organization.

The presented research can be exemplified for healthcare institutions as well as other relevant industries to consider the employed individuals as their primary concern when it comes to ensuring a healthy working environment and empowering work-life balance for the said workforce. Moreover, the employed individuals should be made the primary beneficiary of the services being provided to external customers. As it will enable the said workforce to own the organizational values of their employing organization and will also enable them to understand the dynamics upon which the regarding firm is functioning. Thus, assuring the service delivered to the external customers be of high standards.

Considering the limitations and future directions attributed to the current research, the reference sample can be extended to enhance the generalizability of the proposed research model. Contextually, the prospect research can replicate the opted research model upon other relevant service industries. Therefore, drawing a comparison of impact observed in other industries as well. While conceptually extending the current research, other key variables including employee's satisfaction, consumer's satisfaction, employee's loyalty, client's retention and more can be used to enhance the applicability of the conducted research.

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## APPENDIX

## Questionnaire: For Hospital Staff

Sr. #	Variables	Rating				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>A</b>	<b>Internal Marketing</b>					
1	Our hospital has a system of personnel development and training to create efficiencies in the functions of the Hospital.					
2	Our hospital works to clarify and explain its training strategy through a system of internal communications.					
3	Our hospital performs training as a usual practice.					
4	Our internal communication is the key which provides information from management to all staff.					
5	Our hospital has convictions that internal communications is the key to the understanding of staff.					
6	Our internal communications is in line with the hospital's external communications.					
7	Our hospital provides health insurance for employees.					
8	Our hospital provides proper job security for employees e.g., competitive salaries.					
9	Our hospital provides the confidentiality of staff.					
10	Our hospital provides confidential financial statements of the staff.					
<b>B</b>	<b>Internal Service Quality</b>					
11	I feel safe in any cooperation with the hospital administration.					
12	Hospital administration is always available to serve me in any problem I face.					
13	I have every confidence in the behavior of hospital administration.					
14	Hospital administration spends the time required to serve me.					
15	Hospital administration always shows a personal interest in me.					
16	Hospital administration is always capable to address my requests.					
17	Hospital administration always serves me at the time promised.					
18	Hospital administration is always interested in my department's best interest.					

19	If a problem arises in my department hospital's administration shows a sincere interest in solving it.					
20	Hospital administration tries hard to avoid mistakes.					
21	Hospital administration always provides reliable services.					
22	Hospital administration understands separately each department's specificities.					
23	Hospital administration is always polite and friendly with me.					
24	Hospital administration communicates with me in a polite manner.					
25	Hospital administration offers services as promised.					
26	Hospital administration is never too busy to address any problem I face.					
27	Hospital administration always informs me about new services available for the public.					
28	My department disposes modern and contemporary equipment to meet up to date needs.					
29	Department facilities' aesthetics are good.					
30	The equipment in my department (bio-medical technology equipment) is adequately advanced.					

### Questionnaire: For Patients

Sr. #	Variables	Rating				
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>C</b>	<b><i>External Service Quality</i></b>					
1	hospital departments design makes it easier for the patients to access services.					
2	Internal organization helps achieve a rapid response to patient requests.					
3	Hospital facility, lounges, corridors and elevators are adequate and appropriate to the services.					
4	Hospital is equipped with the latest devices, technologies and medical equipment.					
5	Hospital staff are well - groomed and have a good appearance.					
6	Hospital's location is convenient and easily accessible.					
7	Hospital rooms are clean, comfortable and attractive.					
8	hospital staff are committed to providing services at specified times.					

9	Hospital staff were keen to resolve patient problems and answer their questions.					
10	Hospital services are correct from the outset.					
11	All the necessary medical specialties are available in the hospital.					
12	I can put my full confidence in all hospital staff.					
13	Hospital staff respond immediately to patient inquiries and complaints.					
14	Hospital staff respond promptly to all patient needs regardless of the degree of concern.					
15	The hospital medical files and records are accurate and error - free.					
16	I feel safe when dealing with hospital staff.					
17	The medical staff have sufficient knowledge to answer patient questions.					
18	Hospital staff are always ready to cooperate with me.					
19	Patients told about the time limit for delivering and completing the service.					
20	hospital staff are characterized by humanity, decency and civility.					
21	Hospital staff follow up sick cases constantly.					
22	Staff handle hospital information confidentially.					
23	Hospital workers are helpful and sympathize with the patients.					
24	Inpatients' interests are always at the forefront.					
25	The medical team is friendly and is fun.					
26	Work and time allotted for hospital are suitable for patients.					
27	Hospital staff are familiar with and aware of patients' needs.					