

Employer Branding as an effective Marketing Strategy: An Empirical Study

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Abstract

In an employee-driven job market where companies fiercely compete with each other to offer the best to the prospective candidate, employer branding has risen to prominence at times even surpassing the critical factors **like compensation and job role** which is often considered as pivotal factors in an organization. The outlook of the masses towards the employer brand is increasingly gaining ground as a critical factor for a business to succeed or go in oblivion. Leading companies realize the importance in attracting and retaining the right kind of talent to have a higher growth trajectory in a competitive business environment. Employers are increasingly getting aware of the fact that creating a positive brand experience for employees require utmost care, focus and coherence which so far has been a hallmark for effective management related to the brand experience of the customer. Often the Marketing and Human Resources functions are not aligned as they use different nomenclatures to identify similar objectives. It is observed that a 'joined-up' model of external as well as internal brand relationship management can help in effective resolution of apparent conflicts and ensure a smooth alignment. This research paper explores the way in which organizations manage employer branding concerning employer image as well as employer brand loyalty. A sample of 60 employees from an organization in Real Estate sector was chosen for the study and gap analysis is performed using the satisfaction, attraction as well as retention rate of the employees in the organization are calculated using statistical analysis (Chi Square and Cross Tabulation). Finally it becomes apparent that there indeed exists a positive correlation between Employee Satisfaction and Employer Brand.

Keywords: Employer Brand, Employee Satisfaction, Chi Square Analysis, Real Estate, Employer Brand Loyalty.

INTRODUCTION

Ambler and Barrow(1996) “the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company

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Ambler and Barrow (1996) has regarded Employer Brand as a combination of economic, functional as well as psychological benefits accruing by virtue of employment, and is aligned to or rather in sync with the employing company. This ongoing relationship forged **between the organization and its employee** accumulates a series of benefits to both the parties and is considered a vital part of the company's network.

The benefits the Employer Brand (EB) offers employees parallel those offerings from a **conventional brand** to its customers: The facilities offered by an employer is at par with that of a FMCG (Fast Moving Consumer Brands) brand and are of the following nature: 1) useful or developmental pursuits or activities 2) pecuniary or monetary/material benefits and finally 3) generating feelings like direction, purpose and also belongingness. The Employer Brand represents a personality in similar lines with that of a product brand. Accordingly, old as well as traditional techniques especially research should be applicable *mutatis mutandis*

An employer brand is the combination of **emotional and physical experiences of people** who work in an organization, as well as also encompassing the anticipated experience of the future workforce. It combines **reality with vision in order to develop the Employer Brand**. The employer brand resulting from a reputed organization signifies productivity, feeling of pride/ belongingness and a sense of satisfaction. In marketing parlance, a brand's image emanates from three dimensions:

- ❖ **Functional benefits:** This signifies the features offered by the product and it is convincing to the customer as for example when one recommends Canon digital camera based on its ability to shoot good pictures/photos or while recommending a particular model of the camera which is suitable for video filming as well as long-distance shots.
- ❖ **Emotional benefits:** This is closely associated with the feelings of the customer as for example a customer says that he gets filled with joy and happiness when he sees a beautiful shot of his/her kids or he felt a sense of belongingness and loved when he sent emails of these shots (of his children) to their grandparents. Such moments of joy often reinforce the belief in the brand and strengthens it.
- ❖ **Establishing Credibility/Belief:** This is concerned with establishing the claims of the product or validation for instance: "Canon means reliability and ease of use" and "reviewers on CNET.com rate the Canon digital camera as excellent."

Benefits of an organization from developing an employer brand:

An Employer Brand (EB) finds use in competing with similar brands in a competitive labour market as well as drive loyalty by developing sound recruitment, engagement and retention practices of an organization. Every organization possesses an employer brand, regardless of its awareness. The brand is often perceived as a 'great place to work', for instance by the would-be recruits, present employees working there as well as people who are exiting the organisation. In order to be useful the brand should have an approach based on good people management apart from its perceived image amongst the new recruits.

In the following example, the brand signifies the following things to the outsiders:

- Rewards and Performance Management
- Induction process
- Exit Process (Exit Interviews)
- Internal Communication Management by the organization.

It is to be remembered that **Employer Brand (EB) is not a mere rhetoric** espousing the organization's values, but also echoes or in sync with the experience of the employees in order to be an effective and meaningful one. As one expert rightly opines that people who enjoy working in their job and the place associated with it for which they work for ultimately end up as advocates for the very same organization.

Literature Review

Employer branding is considered as an emerging discipline with its roots firmly grounded in classical marketing and principles of Human Resources. Its sole aim is to portray organization as the " preferred employer or an employer of choice" in the minds of current and prospective employees including other stakeholders, recruiters and customers alike, with the sole objective of forging an emotional connect with them. Significant employer brand resonates the core values nurtured by an organization, **it's people strategy as well as HR policies** and are closely tied to the brand of the company.

Ambler and Barrow (1996) is of the opinion that Employer Brand reflects a combined package of economic, psychological as well as functional benefits provided by virtue of employment with the company and resonates with the same. The ongoing company as well as employee relationship **provides a host of benefits beneficial to each other**, and is **a part of the business network of the company**. **The benefits the Employer Brand (EB) offers employees is at par with the (product) brand offerings to consumers**

in the following ways : (1) developmental activities which are functional in nature; (2) monetary rewards with an economic perspective ; and (3) emotional feelings such as belongingness, clarity and direction which are categorized as psychological) in nature. The personality of the Employer Brand

(EB) is very much the same as a product brand. Thus research, which by its very nature traditional, should be *mutatis mutandis* applicable. Where the company and the consumer brand are similar (e.g. Shell), the EB (Employer Brand) converges into the same. It has a fairly consistent personality as evident from its business network, for instance, its employees for it to generate trust in the mind of the prospects. If an employer numerous consumer brands under the same company name e.g. Unilever then the EB (Employer Brand) in this perspective, simply refers to **another brand being marketed to a particular segment of people** namely the employees. As for any other brand, the value of the EB (Employer Brand) is closely dependent on the so called “customers” (in this case employees) assign to benefit the company and is able to deliver a value based on its product differentiation. In a bid to win the talent war, companies around the world are confronted with the challenge to realign their employer brand in order to mitigate the acute talent limitations (Deloitte LLP, 2010; Minchington,2006). Employer brand is aligned with attractiveness for an organization and is often differentiated in terms of economic, functional as well as **benefits of a psychological nature** (Ambler & Barrow, 1996; Corporate Leadership Council, 2007; Donath, 2001; Minchington,2006). In a study carried out over 415 SMEs in Karachi by Fasih, Jalees and Khan (2019) using Smart PLS (Partial Least Squares) method and structural equation modeling the researchers found that there exists a **positive relationship between Employer Branding (EB) with other factors like organizational identification, personal organization, recruitment and finally job satisfaction**. In addition, the study revealed that personal organization has a positive and significant influence on organizational identification while recruitment has the same in the context of job satisfaction. Furthermore, it was revealed that there is a **mediating effect of recruitment on job satisfaction and employer branding** in an organization. Beatrice Monteiro (2020) In another study involving literature review by using content analysis of employer branding the author Beatrice Monteiro (2020), inferred that when generated in an SME (Small and Medium Enterprise), employer branding has a direct and effective contribution in the evolution and subsequent progress of the business, both in terms of economic and selection of talent, thereby enhancing the competitive advantage of the company amongst the competitors. The author also found that what employees perceive, express and communicate about their own is company is vital for an organization to succeed in this competitive market. Thus, this research **disclosed the role of employer branding in managing the HR functions** in SMEs, because of numerous advantages and benefits accruing to it, namely the process of attracting and retaining of talent This model in a theoretical way aims to lend support to SMEs in its quest for recruitment of talent and retention thereon. Using a structured questionnaire as a supporting tool in the case of the proposed model, SMEs will have access to information (data/results) to devise and execute an effective strategy **for developing an Employer Brand (EB)** tailor made/ customized to the organization, and subsequently reduce **employee turnover besides attracting and retaining talent** in the organization. In an article by Subramanian and Jaiswal (2020) revealed that employer brand building exercises need to be a continuous **endeavor to establish a pipeline for attracting and retaining talent in an organization**. An effective employer brand presents the employer/ organization as a sought after place to work with and subsequently influences the perception of the company in the market it operates on. In the research done by Sadeghvaziri and Azimi (2021) consisting of a study of 278 military personnel in Tehran discovered that employer brand personality is positively correlated to **the identification of an Employer Brand (EB)**. It was also noticed that there existed a significantly positive relationship between employer brand identification and brand citizenship behavior coupled with organizational prestige. It has also been noticed that employee turnover intention is negatively impacted by Employer brand identification. The research by Sadeghvaziri and Azimi validates without doubt in an empirical fashion, regarding the existence of an influential factor like brand citizenship, organizational prestige as well as turnover intention with employer brand identification. Thus, managers should be more cognizant of these factors in an organization in order to obtain the desired consequences.

Research Objective:

1. To understand the nature of Employer Branding (EB) and its elements in the context of an organization.
2. To explore the association of Employee Satisfaction with that of Employer Branding.

Research Strategy:

The researcher carried out a survey of 60 (Sixty) participants who willingly responded to the survey and analyzed their results using a Chi-Square test. The participants at the time of survey was working in a real estate company in India. The name of the company is not divulged because of Confidentiality clauses which the author entered into with the organization.

Research Questions:

What is Employer Branding? How it impacts an organization? What are its elements?

What relationship exists between Employer Branding and Employee Satisfaction?

Findings and Discussion:**CHI SQUARE TEST****Association of Employee Satisfaction with Employer Branding**

- **Null Hypothesis (H_0):** There is no significant association of Employer Brand image with Employee's satisfaction
- **Alternate Hypothesis (H_1):** There is a significant association of Employer Brand image with Employee's Satisfaction

Table depicting observed frequency for applying the test:

	Organization Attract Potential employees	Organization do not Attract Potential employees	Total
Satisfied Employees	36	6	42
Unsatisfied Employees	14	4	18
Total	50	10	60

Calculations:

Observed Frequency (O_i)	Expected Frequency (E_i)	$O_i - E_i$	$(O_i - E_i)^2 / E_i$
36	35	1	0.0285
14	15	-1	0.0667
6	7	-1	0.1428
4	3	1	0.3339
60	60	0	Total = 0.5714

- Calculated Value, $\chi^2 = 0.5714$,
- Degree of Freedom, d.o.f = 1
- Tabulated Value, $\chi^2 = 0.455$ (5% level)

Since, the calculated value i.e. 0.5714 > the tabulated value i.e. 0.455

So, the Null hypothesis is incorrect and the Alternative hypothesis is accepted. Hence we can infer from the above that **"There is a significant association of Employer Brand image with Employee's satisfaction."**

Conclusion:

Thus from the above empirical study it was found that employee satisfaction is dependent to a larger degree on the employer brand image and thus managers should take care to develop measures to develop a positive and meaningful organizational image through various avenues like recruitment, induction, reward systems etc. This will also culminate in more surveys relating to 'great places to work for' and help create **awareness in the minds of prospective employees about the organization**. Henceforth, managers particularly those in Human Resources should focus more on **creating a positive employer brand for efficient talent management**. Thus we are of the opinion that it is indeed an effective marketing strategy which can be suitably utilized by companies.

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