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THE RELATIONSHIP OF INTERNAL MARKETING TO SERVICE QUALITY WITH THE MEDIATION OF EMPLOYEE JOB SATISFACTION AT PURI SARON HOTEL SEMINYAK INDONESIA

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Abstract

The purpose of this research was to analyze the relationship between job satisfaction to service quality with the the mediation of employee job satisfaction at Puri Saron Seminyak Hotel Bali. This quantitative research was conducted by distributing questionnaires to 74 hotel employees who met the accidental sampling criteria. Path analysis technique was conducted to analyze the relationship between variable X1 (Internal Marketing) to Y2 (Service Quality) with mediating variable Y1 (Job Satisfaction). The findings of this study are that internal marketing has a high effect on job satisfaction and service quality, but job satisfaction does not act as a mediating variable that strengthens the relationship. This research implies that this improvement in service quality will directly minimize customer complaints and improve hotel performance and the image of Puri Saron Hotel. Service provided wholeheartedly, sincerely, and pleasantly is a strong reason for customers to come back. Customer loyalty will ensure the sustainability of Puri Saron Hotel.

Keywords: Internal Marketing, Job Satisfaction, Service Quality

1. INTRODUCTION

The island of Bali contributes greatly to Indonesian tourism because Bali is a world tourist destination. Various natural potentials, cultural uniqueness, customs (local genius), and social culture captivate tourists. Bali Island has a mainstay potential known as 3S, namely: sun, sand, and sea, so various nicknames for Bali, including The Last Paradise or Tourist Paradise. Bali was named the second most popular destination in the world in 2023 by travel website TripAdvisor (CNN Indonesia, 2023). In the Travelers' Choice Award for Destinations list, Bali only lost to Dubai. Bali beat other major world cities such as London, Rome, and Paris.

The tourism industry is the backbone of Bali's economic development and is Bali's mainstay in filling Regional Original Revenue (GDP). The high number of tourists coming to Bali attracts many both domestic and foreign investors to invest their funds in Bali. Hospitality is one of the service industries that plays an important role in the success of the world of tourism. Even the international standard hotels are competing to build their properties in Bali. The branding strategy of tourism in Bali has been strengthened the image of Bali (Karta, et. al, 2021).

Puri Saron Seminyak Hotel, as one of the four-star hotels in Kuta Seminyak area of Bali, has many competitors. In an endeavor to win the business competition, Puri Saron consistently implements good managerial functions. The main market of Puri Saron Hotel is European and Australian tourists. The characteristics of European and Australian residents color the service principles applied by the management of Puri Saron Hotel. They are ready to pay high prices for the best service.



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The strength of Puri Saron Hotel is the strategic location on the beach and in the center of entertainment which is preferred by foreign tourists. In addition, Puri Saron Hotel is supported by competent human resources.

In recent years Puri Saron Hotel has experienced a decline in room revenue. Many new hotels have sprung up in the location around Puri Saron Hotel with the designation of cheap hotels (budget hotels) which offer attractive packages at much cheaper prices. The quality of service of Puri Saron Hotel is still low, as known from expressions of disappointment and complaints from the public through Trip Advisor on Internet media and from the results of researcher interviews with several guests who have stayed at Puri Saron Hotel. To solve these problems, the management of Puri Saron Hotel conducts marketing by involving all employees (internal marketing). Empowerment to enhance employee job satisfaction continues to be carried out so that employees provide quality service.

Research on service quality at Puri Saron Hotel has been conducted by Lubis (2012) and Anthony and Taner (2014). The research emphasizes the effect of service quality on customer satisfaction and customer loyalty. This study emphasizes the influence of internal organizational variables on service quality. Other studies such as Cooper and Cronin (2000), and Priyanto (2007) examined the relationship between internal organizational variables such as leadership, work empowerment as well and employee job satisfaction. Asih (2014) has examined the effect of management commitment and employee competence on service quality and customer satisfaction. This study adds internal marketing and employee empowerment variables. By using path analysis, this study analyzes how internal marketing, empowerment as well and job satisfaction can affect service quality both directly and indirectly at Puri Saron Hotel.

This research is becoming increasingly important because the quality of hotel services today will determine the quality of human resources in the future (Kompas, September 2016). The hotel as one of the organizations that produces guest services is required to be able to produce quality services.

2. THEORETICAL REVIEW

1. Internal Marketing

Marketing includes the company's efforts starting from identifying consumer needs that need to be satisfied, determining the products to be produced, determining the appropriate cost price, and determining ways of promotion and distribution or sale of these products (Sheth, 2021; Terho & Jalkala, 2017; Yaacob et al., 2019). Internal marketing is marketing by service companies to effectively train and motivate customer-facing employees and all employees in charge of providing support services to work as a team to satisfy customers (Ismail & Hilal, 2020; Pinto et al., 2023; Pungnirund & Sribunreng, 2019). For the company to consistently provide high service quality, everyone must familiarize themselves with customer orientation. Internal marketing can be used as a tool to make employees customer-conscious (Quester & Kelly, 1999). The goal is to improve the service of employees who care about customers. Internal marketing is also about the relationship between employees between departments, which is then known as internal customers and internal suppliers.

Internal marketing creates an effective work of human resources before they come into contact with consumers. There are two important aspects in the concept of internal marketing, namely: First: employees from each department have a role as internal customers and internal suppliers, to be able to provide the best quality in external marketing, it must be ensured that each employee gets optimal job satisfaction. Second: a common view of the company's mission, strategy and goals is an important element to create high commitment in each employee which in turn can motivate employees to work optimally.



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2. Service Quality

Today the concept of quality has become a very dominant factor in the success of an organization. Quality is the main guideline in the development and successful implementation of managerial and engineering programs to realize key business objectives. Quality service is service that can provide satisfaction to customers, service that meets standards, and is carried out continuously. Thus, service quality is a dynamic condition that can produce: products that meet or exceed customer expectations; services that meet or exceed customer expectations; processes that meet or exceed customer expectations; and environments that meet or exceed customer expectations.

To determine the quality of service, according to Garvin (in Tjiptono, 2004: 51), five kinds of quality perspectives develop. These five perspectives can explain why quality can be interpreted variously by different people in different situations. The five kinds of quality perspectives include tangibles, empathy, responsiveness, reliability, and assurance (Tjiptono, 2004: 52). Whether or not the quality of service is not the perception of the provider, but based on consumer perceptions. Service quality must start with consumer needs and end with consumer perceptions (Kotler, 1997: 116). Consumer perception of service quality itself is a comprehensive consumer assessment of the superiority of a service.

3. Employee Job Satisfaction

Job satisfaction is defined as an individual's general attitude towards his or her job. A person with a high level of job satisfaction shows a positive attitude towards the work and vice versa, someone who is dissatisfied with his job shows a negative attitude towards the job (Robbins, 2006). An employee's work activities require interaction with co-workers and superiors, complying with organizational rules and policies, meeting performance standards, living with a work atmosphere that is often less than ideal, and so on. This means that an employee's assessment of how satisfied or dissatisfied he is with his job is a complex calculation of several sensitive job elements.

Robbins (2006) says there are two widely used approaches to measuring job satisfaction, namely using a single global rating and a summation score consisting of several job aspects. In the single global rating method, by asking employees to respond to questions based on all things related to work with the question how satisfied are you with your job? Respondents answer by circling the numbers 1 to 5 which reflect the answers from very dissatisfied to very satisfied.

The job aspects approach identifies specific job elements and asks employees how they feel about each element. Elements commonly included are job atmosphere, supervision, current pay level, promotion opportunities, and relationships with coworkers. The elements are ranked on a standardized scale and then added up to get an overall job satisfaction score.

4. Job Satisfaction and Employee Performance

Satisfied employees tend to have a positive attitude towards their work, work on time, show loyalty and commitment to work, increase knowledge, accept more responsibility, and reduce absenteeism. Job satisfaction has a positive and significant relationship with performance, companies must continue to try to increase the job satisfaction of their employees to increase productivity and company performance (SAEED & S.N. Waghule, 2021).

5. Job Satisfaction and Customer Satisfaction

Employee satisfaction has a direct impact on customer satisfaction. Happy employees will result in happy customers, while unhappy employees will result in dissatisfied customers (DeFranzo, 2023; Prossack, 2019). This connection is especially important in industries where employees interact directly with customers, such as retail, food service, tourism, and



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healthcare. Employee interactions determine positive or negative customer experiences. Satisfied employees are more likely to provide higher levels of customer service, leading to increased customer loyalty. If you want to build a customer-first strategy, building high employee morale is a necessary prerequisite (Chamberlain & Zhao, 2019).

Investing in employee satisfaction can yield significant returns in terms of customer satisfaction and financial results (Gautier et al., 2022). Companies that prioritize employee experience are likely to see a major impact on their bottom line, with a more satisfied workforce associated with better customer satisfaction, particularly in industries where workers and customers have close contact.

3. METHODOLOGY

This study is an analytical study, because it intends to analyze the relationship between variables. The approach used is observational because in the process of collecting data in this study there is no intervention or treatment in the population. The research design is a framework or plan for conducting a study that will be used as a guide in collecting and analyzing data.

The conceptual model of this study states the relationship between variables based on literature review and supported by previous research results. The results of previous research show that the quality of service felt by customers is influenced by management commitment, internal marketing, empowerment and job satisfaction both directly and indirectly.

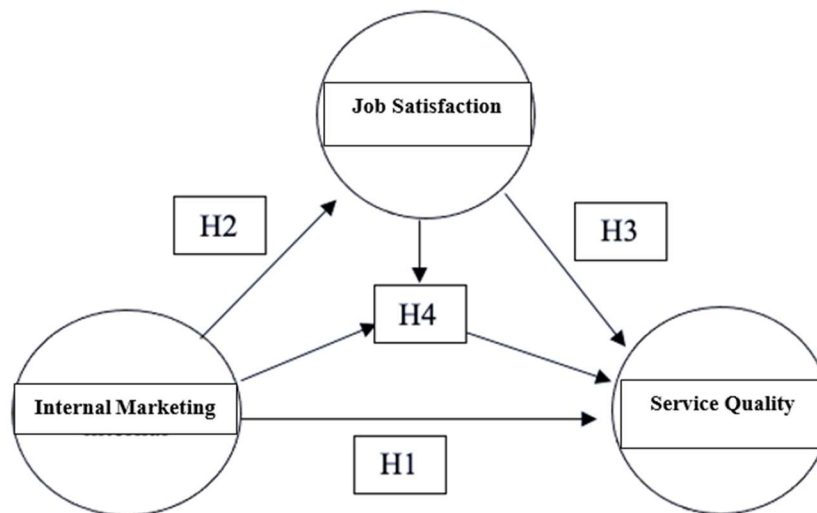


Figure 1. Conceptual Framework

On the basis of the description above and in accordance with the results of previous research, the following hypothesis is formulated:

- H1: Internal marketing has a significant positive effect on employee job satisfaction and service quality.
- H2: Internal marketing has a significant positive effect on service quality.
- H3: Job satisfaction has a significant positive effect on service quality.
- H4: Internal marketing has a positive effect on service quality with mediation of job satisfaction.



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This study consists of one exogenous variable, namely Internal Marketing (X) and two endogenous variables, namely Job Satisfaction (Y1) and Service Quality (Y2). Internal Marketing in this study is an activity held by the management of Puri Saron Hotel to improve the knowledge, skills and motivation of employees in providing quality service to customers (X) which includes: training, empowering, communication, rewarding, vision and work standards.

The next variable is Job Satisfaction, namely Puri Saron employee job satisfaction, which is a pleasant condition for employees (medical and non-medical) as direct service providers with customers (Y1). Indicators of job satisfaction variables include: overall work, working relationships with superiors, relationships with coworkers, salaries received, incentives received and opportunities for further development. Furthermore, the Service Quality variable (Y2) measured refers to Zeithalm, Barry and Parasuraman (1988), with the SERVQUAL Model with five indicators including: tangibe, reliability, responsiveness, assurance, and empathy. Respondents of this study were all permanent employees of Puri Saron Hotel totaling 74 people.

Data analysis uses path analysis to determine the effect of independent variables (X) on dependent variables (Y1 and Y2) directly or indirectly. The equation used is as follows:

$$Y1 = \beta_1 X + e_1 \dots \dots \dots (1)$$

Remark:

- Y1 = Job satisfaction
- β_1 = Regression coefficient of internal marketing
- X = Internal Marketing
- e_1 = the amount of variance not examined in the research model (error).

$$Y2 = \beta_2 Y1 + \beta_3 X + e_2 \dots \dots \dots (2)$$

Keterangan:

- Y2 = Service Quality
- $B_{2,3}$ = Regression coefficients job satisfaction and international Marketing
- Y1 = Job Satisfaction
- X = Internal Marketing
- e_1 = the amount of varian not examined in the research mocel.

The Sobel test is conducted to test the indirect relationship between exogenous variables and endogenous variables mediated by intervening variables. The equation used:

$$Z = \frac{ab}{b^2 S_a^2 + a^2 S_b^2 + S_a^2 S_b^2}$$

Remark:

- a = Regression coefficient of the independent variable (X) on the moderator variable (M).
- S_a = standar error of a.
- b = Regression coefficient of the moderator variabel (M) on the dependen variable (Y).
- S_b = standar error dari b



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4 RESULTS AND DISCUSSION

4.1 Structure Equations I and II

Before conducting the analysis, this discussion phase begins with validity and reliability tests that have been carried out and show that the dependent variable and the independent variable both have a normal distribution, and the results are valid and reliable. In a good regression model there should be no correlation between the independent variables. The multicollinearity test results are carried out by looking at the Tolerance value of more than 0.10 and the Variance Inflation Factor (VIF) of less than 10, the results of this test indicate that there is no multicollinearity. The results of the heteroscedasticity test also show that there is no heteroscedasticity, so the process can be continued.

Figure 2 below shows the results of the research path analysis:

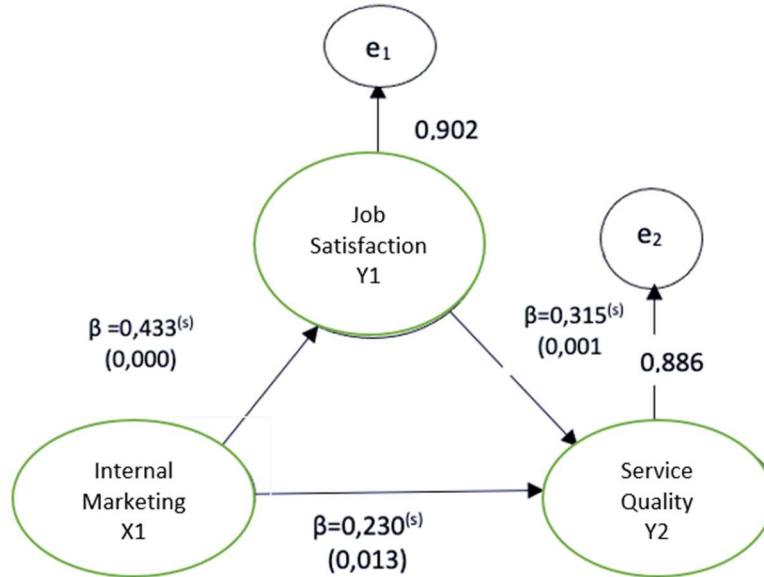


Figure 2. Path Analysis

Based on the results of the path analysis above, the regression equation formed is:
Structure I, $Y = 0.433X1 + e1$

Form of Regression Equation: $Y1 = 0.433 X1 + e1$

This model is significant because the β -value = 0.000 is smaller than α .

Path coefficient:

The magnitude of the effect of X1 on Y1 is expressed by β (path coefficient); then the value of the path coefficient based on the table is as follows:

Path coefficient $\beta_{X1Y1} = 0.433$, because β value = 0.000 is smaller than α , this path coefficient is significant.

$$\begin{aligned}
 \text{Path coefficient } \beta_{Y1e} &= \sqrt{1 - R^2} \\
 &= \sqrt{1 - 0,187} \\
 &= 0,902
 \end{aligned}$$



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Tabel 1
Regression Sub-structure II

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | .464 ^a | .215 | .202 | .41049 | .215 | 16.055 | 2 | 117 | .000 |

a. Predictors: (Constant), Y1, X1

ANOVA^b

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 5.410 | 2 | 2.705 | 16.055 | .000 ^a |

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | .464 ^a | .215 | .202 | .41049 | .215 | 16.055 | 2 | 117 | .000 |
| | Residual | | 19.715 | 117 | .169 | | | | |
| | Total | | 25.125 | 119 | | | | | |

a. Predictors: (Constant), Y1, X1

b. Dependent Variable: Y2

Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.876 | .363 | | 5.173 | .000 |
| | X1 | .337 | .097 | .315 | 3.472 | .001 |
| | Y1 | .171 | .068 | .230 | 2.535 | .013 |

Based on the results of the path analysis in Table 1, the regression equation formed is:

Structure II $Y2 = 0.315X1 + 0.230Y1 + e1$

Form of Regression Equation: $Y2 = 0.315X1 + 0.230Y1 + e1$

This model is significant because the β -value = 0.000 is smaller than α .



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Path coefficient:

The magnitude of the effect of X1 on Y2 and Y1 on Y2 is expressed by β (path coefficient); then the path coefficient value based on the table above is as follows:

Path coefficient $\beta_{X1Y2} = 0.315$, because β value = 0.001 is smaller than α , this path coefficient is significant.

The path coefficient $\beta_{Y1Y2} = 0.230$, because β value = 0.013 is smaller than α , this path coefficient is also significant.

$$\begin{aligned} \text{Path coefficient } \beta_{Y2\varepsilon} &= 1 - R^2 \\ &= 1 - 0,215 \\ &= 0,886 \end{aligned}$$

4.2 Mediation Testing with the Sobel Test

In this study, there is an intervening variable, namely job satisfaction. According to Baron and Kenny (1986) in Charismawati (2011) a variable is called an intervening variable if the variable influences the relationship between the independent variable and the dependent variable. Testing the mediation hypothesis can be done with a procedure developed by Sobel (1982) and known as the Sobel test. The Sobel test is conducted by testing the strength of the indirect effect of the independent variable (X) on the dependent variable (Y) through the intervening variable (M). The indirect effect of X to Y through M is calculated by multiplying the X→M path (a) by the M→Y path (b) or ab. So the coefficient $ab = (c - c')$, where c is the effect of X on Y without controlling M, while c' is the coefficient of the effect of X on Y after controlling M. The standard errors of the coefficients a and b are written as Sa and Sb, the standard error of the indirect effect Sab.

Testing the mediation factor to test the significance of the indirect effect can also be done by comparing the t value of the calculated ab coefficient with the t table value of 1.96. If the calculated t value is greater than the t table value, it can be concluded that there is a mediating effect (Ghozali, 2009). The calculation of the mediating factor test will be explained as follows.

The effect of Job Satisfaction (Y1) in mediating the relationship between internal marketing (X1) and Service Quality (Y2).

Table 2
Regression Result of Structure I

| Model | | Unstandardized Coefficients | | T |
|-------|------------|-----------------------------|------------|-------|
| | | B | Std. Error | |
| 1 | (Constant) | 1.350 | .478 | 2.826 |
| | X1 | .621 | .119 | 5.212 |

Table 3
Regression Result Struktur II

| Model | | Unstandardized Coefficients | | t |
|-------|------------|-----------------------------|------------|-------|
| | | B | Std. Error | |
| 1 | (Constant) | 1.876 | .363 | 5.173 |
| | X1 | .337 | .097 | 3.472 |
| | Y1 | .171 | .068 | 2.535 |



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Based on the analysis results shown in Table 2 and Table 3, the following will be obtained:

$$a = 0.621 \quad c = 0.171$$

$$Sa = 0.082 \quad Sc = 0.228$$

$$ac = 0.621 \times 0.171 = 0.1062$$

The mediating effect shown by the multiplication of coefficients (ac) needs to be tested with the Sobel test as follows:

$$Sac = c^2Sa^2 + a^2Sc^2 + Sa^2Sc^2 \dots\dots\dots \text{(Equation 1)}$$

$$= 0,0292 + 0,0067 + 0,3856$$

$$= 0.7463$$

To calculate the t statistic of the effect of mediation using the formula:

$$= 0,1062 / 0,7463 = 0,1423$$

Based on theory; t = This calculated t value is compared with the t table value, which is ≥ 1.96 for a significant 5%, and t table ≥ 1.64 indicates a significance value of 10%. If the t value is greater than the t table value, it can be concluded that there is a mediating effect (Ghozali, 2009) in Januarti (2012).

From the above calculations, it can be concluded that the t value (0.1423) is smaller than the t table (1.96), thus it can be concluded that there is no mediating effect of job satisfaction on service quality.

4.3 Model Fit Testing

The coefficient of multiple determination for the proposed model from the path diagram is obtained:

$$R_1^2 = 0,187$$

$$R_2^2 = 0,215$$

$$R_m^2 = 1 - (1 - 0,187) \cdot (1 - 0,215)$$

$$R_m^2 = 1 - (0,813) \cdot (0,785) = 1 - 0,638 = 0,362$$

Based on the calculation results with the total determination coefficient formula, the obtained data diversity that can be explained by the model is 0.362. The total coefficient of determination of 0.362 means that 36.2 percent of service quality is influenced by internal marketing and employee job satisfaction. While the remaining 63.8 percent is influenced by other variables outside the model studied.

4.4 Path Analysis Test Results (Hypothesis Proof)

This study uses path analysis techniques to see the mediating role of job satisfaction in the relationship between internal marketing and service quality (study at Puri Saron Hotel). The test results of Substructure 1 and Substructure 2 on the mediating role of job satisfaction on the relationship between internal marketing and service quality at Puri Saron Hotel can be seen in Table 4 below.

Table 4

Path Analysis Test Results The Mediating Role of Job Satisfaction on Internal Marketing Relationships with Service Quality at Puri Saron Hotel.



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Table 4

| No. | Relationship Between Variables | Direct Effect | Indirect Effect | Total Effect | Sig | Remark |
|-----|--|---------------|-----------------|--------------|-------|-------------|
| 1. | Internal Marketing (X) → Job Satisfaction (Y1) | 0,433 | - | 0,433 | 0,000 | H1 Accepted |
| 2. | Internal Marketing (X) → Service Quality (Y2) | 0,315 | - | 0,315 | 0,001 | H2 Accepted |
| 3. | Job Satisfaction (Y1) → Service Quality (Y2) | 0,230 | - | 0,230 | 0,013 | H3 Accepted |

Sources: appendix

Based on the results of the substructure 1 and substructure 2 tests, the final path model can be described as Figure 2. Hypothesis testing of the mediating role of job satisfaction in the relationship between internal marketing and service quality (study at Puri Saron Hotel) is done by observing the value of the path coefficient and critical ratio (C.R.) which is identical to the t-test (significance level) in regression. Based on the test results of substructure 1 and substructure 2 in Table 5.6, hypothesis testing can be carried out in this study, namely as follows.

Hypothesis 1

The first hypothesis states that internal marketing has a positive effect on job satisfaction. The analysis results show that the direct effect value of internal marketing on job satisfaction is 0.433 with a significance level of $0.000 \leq 0.05$. This shows that the first hypothesis proposed is acceptable. The results of the analysis mean that increasing internal marketing can increase employee satisfaction at Puri Saron Hotel by 43.3 percent.

Hypothesis 2

The second hypothesis states that internal marketing has a positive effect on service quality. The results of the analysis show that the direct effect value of internal marketing on service quality is 0.315 with a significance level of $0.001 \leq 0.05$. This shows that the second hypothesis proposed is acceptable. The results of the analysis mean that an increase in internal marketing can influence an increase in service quality at Puri Saron Hotel by 31.5 percent.

Hypothesis 3

The third hypothesis states that job satisfaction has a positive effect on service quality. The analysis results show that the direct effect value of job satisfaction on service quality is 0.230 with a significance level of $0.013 \leq 0.05$. This shows that the third hypothesis proposed is acceptable. The results of the analysis mean that an increase in job satisfaction can affect the improvement of service quality at Puri Saron Hotel by 23.0 percent.

Hypothesis 4

Based on the results of the Sobel test above, it can be concluded that the t value (0.1423) is smaller than the t table (1.96), thus it can be concluded that there is no mediating effect of job satisfaction on service quality.



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4.5 Research Discussion

The Effect of Internal Marketing on Job Satisfaction

The first hypothesis states that internal marketing has a positive effect on job satisfaction with a direct effect value of 0.433 and a significance level of $0.000 \leq 0.05$. This shows that the first hypothesis proposed is acceptable, meaning that increasing internal marketing can increase employee satisfaction at Puri Saron Hotel by 43.3 percent. However, as a mediating variable, job satisfaction does not have a positive effect on service quality, as explained in the Sobel Test.

The results of this analysis corroborate the findings of Kotler (1997); and Kotler and Armstrong (1998) where companies can consistently provide support services to work as a team to satisfy customers, and employees familiarize themselves with customer orientation. Similarly, the findings of Quester and Kelly (1999) suggest that internal marketing is a tool that can be used to develop and motivate employees to be "customer conscious". The goal is to improve employee services that care about customers, thereby increasing customer satisfaction. Based on the results of research at Puri Saron Hotel, it is concluded that internal marketing not only increases customer satisfaction but also linearly increases employee job satisfaction. There are two impacts of satisfaction achieved in this study, namely customers and employees. Thus, companies must focus on improving internal marketing in order to provide positive value for the sustainability of the company.

The main activities that can be done include strengthening internal marketing through training activities, management support and internal interactive communication, personnel administration tools and human resources management and developing a service culture. Management must be able to create a common pattern for every human resource so that their performance satisfies consumers.

The Effect of Internal Marketing on Service Quality

The second hypothesis states that internal marketing has a positive effect on service quality, with a direct effect value of 0.315 and a significance level of $0.001 \leq 0.05$. This second hypothesis is acceptable, and means that an increase in internal marketing is able to influence an increase in service quality at Puri Saron Hotel by 31.5 percent. In theory; measuring service quality means comparing the performance of a service with a set of standards that have been set in advance. Zeitham, Valerie and Bitner (2000) suggest that service quality is an experience that can only be evaluated by customers. Service quality is the level of excellence expected and control over the level of excellence to meet customer desires. If this statement is connected to hypothesis two which can measure the relationship between internal marketing and service quality, then training activities, management support and internal interactive communication, personnel administration tools and human resources management, and developing a service culture will greatly help achieve quality service

The Effect of Job Satisfaction on Service Quality

The third hypothesis states that job satisfaction has a positive effect on service quality, with a direct effect value of 0.230 with a significance level of $0.013 \leq 0.05$. This shows that the third hypothesis can be accepted with the meaning that an increase in job satisfaction can affect the improvement of service quality at Puri Saron Hotel by 23.0 percent. Quality service is measured by several indicators (Parasuraman, et al., 1989) including tangible, empathy, responsiveness, reliability, and assurance. When an employee's work does not meet service quality standards, the work results will not be good. Services that are not real, and not carried out with a sense of empathy, responsibility, and assurance will cause prolonged complaints.

To improve the quality of hotel services, the company must be highly committed to increasing employee job satisfaction first. Managers are generally very interested in achieving job satisfaction, as it relates to the impact of their performance. The results of hypothesis three also corroborate expert research on the relationship between job satisfaction and productivity, namely that satisfied workers will tend to be productive both individually and organizationally. Satisfied employees are more likely to be friendly, cheerful, and responsive and that is what customers appreciate. Satisfied employees tend to remain loyal to the company. So satisfied employees are more likely to stay loyal to the company. So employee satisfaction determines the quality of their work, therefore the company is interested in creating employee job satisfaction to ensure good service quality.



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5. CONCLUSIONS AND SUGGESTIONS

5.1 Conclusion

Based on the results of quantitative descriptive analysis and qualitative studies, it is concluded:

- 1) Internal marketing has a big effect on the job satisfaction of Puri Saron Hotel employees.
- 2) Internal marketing carried out by Puri Saron Hotel employees has a positive effect on service quality.
- 3) Job satisfaction of Puri Saron Hotel employees also has a positive effect on service quality.
- 4) There is no mediating effect of job satisfaction on service quality.
- 5) This improvement in service quality will directly minimize customer complaints and improve hotel performance and the image of Puri Saron Hotel.
- 6) Service provided wholeheartedly, sincerely, and pleasantly is a strong reason for customers to come back. Customer loyalty will ensure the sustainability of Puri Saron Hotel.

5.2 Suggestions

Suggestions for Puri Saron Hotel Management; the three variables studied have a positive and significant impact on service quality, therefore these three aspects must be prioritized. Various efforts to improve internal marketing must be carried out at various employee lines; both craft level, supervisor, and manager level. Efforts are needed from management to increase job satisfaction such as training activities provided continuously to employees to create a common pattern for each employee so that their performance satisfies customers or is "customer aware" because when employees are aware of their role and function towards customers, they will think about work effectiveness and customer orientation.

Design rewards/salaries that are more in line with the work and performance of each employee to increase employee satisfaction. Provide wider opportunities for employees to work and make decisions with the team to provide services to customers. There needs to be efforts to maintain customer satisfaction because consumers have felt their expectations are met. Advice for employees as individuals; internal marketing is an effort to improve self-competence to gain recognition, and appreciation and achieve positive performance in career planning. Therefore, the spirit to keep learning and improving competence must always be nurtured and developed properly in order to become more professional and competent.

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