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Employer Branding Revisited
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ABSTRACT
In 1996, employer branding was introduced into the lexicon of human resources and marketing. Twenty years later, many of the foundational concepts of employer branding have been researched. Despite the volume of literature on employer branding, many key aspects still warrant investigation. This article provides an overview of the work that has been done on employer branding, highlights recent developments in the research, and suggests future research directions.

KEYWORDS
Brand equity; employee recruitment; employer branding; human resource management; organizational attractiveness

In 1996, Ambler and Barrow introduced the term “employer branding” into the lexicon of human resource management (Ambler & Barrow, 1996). Employer branding applies marketing techniques to the process of recruiting and retaining employees. Ambler and Barrow saw the opportunity to attract employees to organizations using brand marketing techniques, but their vision for employer branding went further. They suggested that internal marketing of the brand would also help to build greater levels of employee motivation and enhanced customer outcomes.

Early interest in employer branding existed predominantly in the human resources (HR) practitioner community, with a variety of white papers and magazine articles describing ways that marketing concepts could be and were being effectively applied to the human resources field. By 2001, The Conference Board had conducted an analysis on employer branding and found that employers were developing formal programs. In 2004, Backhaus and Tikoo published an article proposing a conceptual framework that included both external and internal employer branding, framing the process as a means of achieving both employer attraction and employee productivity. More than 600 articles published since 2004 appear in EBSCO on the topic of employer branding. A Google Scholar search uncovers more than 24,000 articles in that database. In 2004, a Google search of the term “employer branding” yielded 3000 hits, and today that number is well over 3 million. Clearly, employer branding is a topic of interest to human resource professionals, organizational strategists, and academic researchers. In this article, I review the literature on employer branding discussing both internal and external employer branding, highlight important issues that have recently gained attention, and discuss future directions for employer branding research.

Definitions and purposes of employer branding
In their 1996 article, Ambler and Barrow define the employer brand as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187). The Conference Board (2001) defined the employer brand simply as the “identity of the firm as an employer,” including the “firm’s value system, policies and behaviors toward the objectives of attracting, motivating and retaining the firm’s current and potential employees” (p. 2). Just as the corporate brand makes a promise to its customers about its product or service, the employer brand makes a promise to its prospective and current employees about the experience they will have in the organization. Arguably, all employers have a brand, but not all employers engage effectively in branding efforts to clearly differentiate themselves as employers.

There is no doubt that the purpose of employer branding is to present a positive and attractive image to current and potential employees. Employer branding is one of many reputational factors that add to competitive advantage. But over time, there has been definitional drift in the employer branding literature. At its inception, employer branding did not imply the desire of an organization to be the “employer of choice.” Ambler and Barrow (1996) first presented the employer brand concept as value-neutral. An employer brand

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was simply a brand identity that characterized the employer. But as the body of research has grown, many researchers have narrowed the definition. Martin and colleagues (2011, pp. 3618–19) define employer brand as “a generalized recognition for being known among key stakeholders for providing a high quality employment experience, and a distinctive organizational identity which employees value, engage with and feel confident and happy to promote to others.” Kucherov, Zavyalova, and Garavan (2012) describe the employer brand as “qualitative features of the employing company, which are attractive to a target audience … positive image and appropriate set of material … and non-material … advantages distinguishing a company in the labour market” (p. 88). This review relies on the initial definition of the employer brand, with the understanding that just as product and corporate brands can be interpreted as positive or negative, effective or ineffective, so can employer brands.

Beyond defining employer brands, the literature in this field also examines the employer branding process, which involves the development of an employment value proposition and the marketing of that proposition both externally and internally. One goal of the employer branding process is differentiation of the employer in the employment marketplace, while a second goal is to maintain employee commitment to the organization through a sense of oneness with the brand. In their 2004 paper, Backhaus and Tikoo proposed a framework for employer branding that was built on the foundation of branding principles with the integration of organizational behavior concepts, including organization identity, organizational culture, organizational attractiveness, and predictors of employee productivity. This conceptualization has provided a road for research into both external and internal branding.

**External branding associations**

The most active area of employer branding research over the past 10 years has focused on external branding for the purpose of employee recruitment. The employer’s goal is to create positive employer brand associations within the target population. A brand association is a feeling about a brand—a sensory emotional response to information conveyed by the organization (Aaker, 1991). Employer brand associations drive employer image, the key to attracting new employees. Employer brand images include both instrumental and symbolic elements (Backhaus & Tikoo, 2004). Instrumental factors are objective information about what it is like to work in the firm; these involve things like compensation, benefits, location, or working hours (Lievens, Van Hoye, & Anseel, 2007). Symbolic elements are meanings that potential applicants construct related to organizational prestige or the social approval employees might enjoy on the basis of employment (Backhaus & Tikoo, 2004).

The employer brand image is, in many ways, the “projected organizational image” defined by Whetten and colleagues (1992). The image is constructed by insiders and conveyed to outsiders in an effort to create a positive reputation (Gioia, Schultz, Corley, 2000). But beyond simply a positive image, the employer image is also constructed to communicate the organization’s employment personality. Perceptions of the employer image drive employer attraction among potential recruits (Turban & Greening, 1997). A well-differentiated employer image enables job seekers to understand the organization’s values and to find similarities between themselves and the organization. The desire for person–organization fit is compelling, and has been shown to be strongly related to organizational attraction (Cable & Judge, 1996; Judge & Cable, 1997). In the same way that a product brand feels “right” to a shopper, employer brands feel “right” to the job seeker and encourage them to apply.

Researchers have investigated the effects of employer brands on applicants. Moroko and Uncles (2008) found that general factors related to the brand, including awareness, differentiation, and relevance, were most important in branding outcomes. In addition, accuracy of the brand message was highly relevant (Moroko & Uncles, 2008). The need for job seekers to have accurate and accessible information about potential employers is key to reducing the risks involved in accepting employment and reducing information asymmetry (Wilden, Gudergan, & Lings, 2010). In their investigation of employer brands, Wilden and colleagues (2010) found that job seekers sought consistency across all branding messages, as well as with referrals from current employees. They also found that higher investments in employer branding increased credibility of brand signals and, ultimately, increased perceptions of employer attractiveness.

What is the optimal employer brand? A number of studies have been conducted to find which employer brand attributes are most attractive or most effective in yielding strong employer attractiveness. The foundation of this work is Cable and Turban’s (2003) study that linked corporate reputation to organizational attractiveness. They found that awareness of a company and high corporate reputation ratings were significantly related to organizational attractiveness (Cable & Turban, 2003). Since then, many studies have sought to determine the most attractive brand factors. Not surprisingly, each study
seems to reveal a different hierarchy of preferred traits, likely because each study examines a slightly different sample. It seems that research that investigates differences in attractiveness of employer brands by firm nationality (Froese, Vo, & Garrett, 2010; Holtbrugge & Kreppel, 2015) or within particular countries (Park, Song, Kim, & Lim, 2015) or within certain professions (Frechette, Bourhis, & Stachura, 2013) may present more promising results. For example, Holtbrugge and colleagues found in a study of Chinese, Indian, and Russian firms in Germany that compensation and job security were most important to establishing employer attractiveness. In India, Roy (2008) found that employer brands that emphasized the opportunity to apply knowledge on the job, do exciting work, work in an ethical setting, and receive a fair salary were most favored. A number of small-scale studies have been published, mostly relying on small samples with nongeneralizable findings, but each relating another piece of evidence about the variability of perceptions of employer brands.

Much of the research on the external aspects of employer branding has been focused on employer-of-choice factors. With a proliferation of organizations awarding best-employer accolades for various demographic groups, researchers have investigated ways in which employer brands can be formulated to earn best-workplace honors (Elving, Westhoff, Meeuisen, & Schoonbeek, 2013; Love & Singh, 2011). Rampl and Kenning (2014) found that work content and work culture were the only brand associations that related to an organization being considered a first-choice brand, but that the emotions attached to those associations were a central antecedent to perceptions of first choice brands. Another study found that the employer brand of choice image was driven by organizational attributes that have long been associated with organizational attractiveness, including attractive remuneration, relationships, opportunities for growth, recognition, and corporate image (Bellou, Chaniotakis, Kehagias, & Rigopoulou, 2015).

Application of market segmentation analysis

The adaptation of marketing for the purposes of human resource management offers the opportunity to apply concepts of market segmentation to external employer branding. Person–organization fit theories support this application by recognizing the importance of getting the right message to the right audience to reap positive recruitment outcomes. According to Moroko and Uncles (2009), there is an opportunity for employers to bundle employment benefits so that particular “markets” of potential employees will be attracted. They found that firms segmented around observable factors, including age, seniority, job type, permanence, employee life cycle, tenure, physical location, and unobservable factors that included career focus, outlook on life stage, and desired career benefits. Further, they found that segmentation could be linked to business strategy for the purposes of recruiting and retaining employees for desired business outcomes. It is immediately apparent that these means of segmentation could have an adverse impact on the selection of diverse candidates, and could constrain the entry of employees into the workplace, a point clearly made by the authors in their discussion of the ethical and moral implications of segmentation (Moroko & Uncles, 2009).

Internal branding

Internal employer branding or internal marketing, as it is often described, is a second important aspect of the employer branding framework. Employer branding feeds perceptions of organization identity and organizational culture, which leads to employee brand loyalty and ultimately employee productivity (Backhaus & Tikoo, 2004).

The employer brand message is developed by the organization to create a positive image of the organization not only to outsiders, but also to organizational insiders. Employer brand messages impact organizational identity by shaping how insiders form an understanding of the features that make the organization unique. Organizational identity may be reaffirmed by the employer brand message, or may be altered over time as insiders revise their interpretations (Gioia, Schultz, Corley, 2000). Messages that are inconsistent with organizational identity may destabilize it, requiring insiders to rethink and reconsider the way they understand the organization. For newcomers joining the organization, inconsistencies between the brand promise and reality can lead to violations of the psychological contract. Research on psychological contract emphasizes the importance of accurate messaging, because contract breach has been demonstrated to be associated with turnover, intentions to quit, and other negative organizational outcomes (Robinson, Kraatz, & Rousseau, 1994; Robinson & Morrison, 2000; Robinson & Rousseau, 1994). Accurate pre-entry information conveyed through the employer branding process can serve as the first stage of employee socialization—the pre-entry stage—and can reinforce organizational identity. A study by Maxwell and Knox (2009) reinforces the importance and positive impact of internal marketing of positive employer brand attributes for the development of a strong organizational identity. Further, Bodderas, Cachelin, Maas, and Schlager (2011) found that perceived employer branding affects employee satisfaction and identification with the company. When employees enter an organization and find that the brand experience is consistent with the brand experience, the
choice to join the organization is validated and the initial bond with the company is established.

Employer branding messages also impact organizational culture through the process of self-selection and similarity attraction (Byrne & Neuman, 1992). A strongly differentiated brand message conveys to job seekers a picture of life in the organization and can attract like-minded applicants who, as new employees, will strengthen the culture. Employees who feel a sense of value congruence with their new company are more likely to stay with the organization (Hoffman & Woehr, 2006), continuing to reinforce the culture. Kucherov et al. (2012) found that companies with differentiated employer brands had lower turnover, and concluded that internal employer branding could strengthen organizational culture. Employer brand messages that are inconsistent with the culture tend to have more negative outcomes. Attempting culture change by promoting an aspirational employer brand message is risky, as those who were attracted by the new brand will be disappointed to find a different situation in the organization than the brand had suggested to them (Martin, Gollan & Grig, 2011).

The Employer Branding Framework (Backhaus & Tikoo, 2004) links organizational culture and identity to employer brand loyalty. Like product brand loyalty, employer brand loyalty is based on a positive exchange relationship that results from trust (Morgan & Hunt, 1994). Trust is built when the brand promise is realized and there is consistency between brand message, organizational identity and organizational culture. The trust that is developed between employee and employer is akin to organizational commitment and manifests as an eagerness to engage in work, to remain with the firm and to accept the firms’ values and goals. The model takes it one step further, positing that employer brand loyalty is connected to employee productivity. Heskett and colleagues (1997) described this as the service profit chain, suggesting that positive attitudes toward the organization lead to higher levels of customer satisfaction and ultimately, better profits. Empirical evidence has demonstrated that the service profit chain does positively affect sales revenue and profit (Yee, Yeung, & Cheng, 2011).

Since these connections were proposed in 2004, a few studies have been conducted to test them. Research has found support for the proposed connection between employer branding and employer brand loyalty (organizational commitment) and employee productivity. For example, Gaddam (2008) found that employer brand has an indirect effect on profitability through employee performance, organizational commitment, and customer satisfaction. Davies (2008) found that employer branding impacts employee loyalty. Further, Gozukara and Hatipoglu (2016) found that employer brand values impact organizational citizenship behaviors, which may potentially be a link from employer brand to employee productivity and other outcomes. Researchers have also approached these connections by examining the link from employer branding to customer service behaviors and finally to customer outcomes. Mosley (2007) asserts that the integration of the employer brand with the corporate and customer brand facilitates a holistic approach to both human resource development and customer service outcomes. Consistency in messaging, both internally and externally, results in a greater employee commitment to the overall brand. This commitment naturally leads to employee behaviors that support desired outcomes (Mosley, 2007). Further research needs to be conducted to more persuasively confirm these expected relationships.

**Employer branding issues and directions for future research**

When the 2004 framework was introduced, it seemed likely that both practitioners and researchers would delve into the connections between employer branding and positive organizational outcomes. The big question was posed—does the promotion of a compelling employer brand feed the company bottom line? A look over the past 12 years reveals a number of interesting patterns, but so far, no answer to the big question. The following section examines the trends in research that have developed.

**Locale of employer branding research**

Much more employer branding research is being conducted outside the United States than within. Among the thousands of hits in a search for employer branding on Google Scholar are studies conducted in various languages, in emerging economies, and in Europe and Asia. Many studies cite the “war for talent” as their motivation for studying employer branding. In fact, again using Google Scholar, more than 1000 articles include both of these terms. The term may be accurate, with the supply of high-quality workers becoming tighter and tighter in many countries. The proportion of the European population ages 15–60 years will decrease from 62% to 49% by 2050, pitting employers against one another to find qualified employees who will stay with their firm (Wilden et al., 2010). The small and medium enterprise sector (SME) sector in India faces particularly challenging staffing conditions. For example, in 2013 the Indian SME sector included 29.8 million organizations employing 69 million people. In order to
grow, these very small enterprises must compete against other SMEs and larger multinational corporations for talented employees. Multinationals have a wealth of resources to launch far-reaching and compelling recruitment campaigns, while smaller organizations do not (Kaur, Sharma, Kaur, & Sharma, 2015). However, SMEs are interested in launching employer branding campaigns, as confirmed by a 2016 survey conducted by LinkedIn Business. The survey found strong interest in employer branding in India, with 72% of responding companies reporting that the employer brand is a top priority for their organization (LinkedIn, 2016). In China, that number is 87%, and in Brazil, 68% (LinkedIn, 2016), so it is clear that firms recognize the power of employer branding for competitive advantage.

Fundamentally, employer branding research is built on the resource-based view, a theory proposing that the ability of a company to achieve and maintain competitive advantage is based on its ability to amass resources that are valuable, rare, difficult to imitate, and difficult to substitute for a different resource (Baum & Kabst, 2013). It is not surprising that a great deal of research is being conducted in growing economies to determine the employer branding message that will reap the best and most qualified employees. Further, because most of the foundational research that underpins employer branding theory was conducted in Western societies, non-Western organizations need to explore the generalizability of the results to their population (Baum & Kabst, 2013).

At the same time, confirmation of the employer branding conceptual model should also be conducted in the United States. The LinkedIn survey just referenced found that 65% of U.S. respondents felt that employer branding is a top priority for their company. With an estimated two-thirds of employers considering employer branding important, testing its promises would seem a high research priority.

**Employer brand sustainability**

The term “sustainability” has made its way into nearly every aspect of management, with the emphasis usually placed on managing today’s resources in a way that assures their availability for the future. Firms focus on the triple bottom line of people, profit, planet, in an effort to measure the financial, social, and environmental performance of the company (Oppenheim & Stuchtey, 2015). Sustainability in the context of employer branding can be described as the ability of the brand to deliver on its promises in a positive way, over time, to maximize employee outcomes. Inherent in the employer brand model is the concept that the employer brand itself must be consistent and consonant with the actual employment experience in the workplace and with the organization’s culture. Inconsistency of promises made before employment begins, whether through the employer brand messaging or direct contact with organizational representatives, sets the new employee on a path to disappointment. As mentioned earlier, this is described as a psychological contract breach. There is ample literature outside the employer branding context to support the contention that false employer brand promises are a mistake (Robinson & Rousseau, 1994).

The development of an accurate employer brand, and one that is sustainable over time, is complicated. Martin and colleagues take up this issue in the context of employer branding in multinational enterprises (Martin et al., 2011). How does a multinational enterprise construct an employer brand that is authentic at the local level as well as at the global level? Marketing of a consistent yet distinctive brand is difficult when each locale operates within a different set of norms and values. As Martin and colleagues describe it, the challenge is to align layers of identity—the corporate identity, national identity, and local firm identity. When the employer brand is developed and marketed externally by the firm at the headquarters level, it may speak to the ethos of top leadership, but is not always felt to be authentic by employees in locations far from headquarters. Employer brand authenticity is eroded when employees are not involved in the construction of the brand. Further, “living the brand” becomes difficult when the on-site brand is inconsistent with the marketed brand. Top-down employer branding disenfranchises employees and negates efforts to create an involved and evolving employee culture (Martin et al., 2011).

Sustainability of the employer brand is also affected by the constant change in organizational ownership. Edwards and Edwards (2013) conducted a longitudinal study examining employee responses to changes in employer brand after two companies were merged. Their study touches on two very relevant and difficult challenges in employer branding. First, the branding process relies on brand distinctiveness. Brand associations are built on the ability of people to distinguish the attributes of one brand from another. A brand adds value when it is known, noticeable, relevant, resonant, and unique (Barrow and Mosely, 2005). Organizations have an incentive to develop a unique employer brand, and when the process works, employees internalize and identify with that brand, establishing loyalty, and as a result, further positive outcomes accrue to the organization. However, the blending of two distinct organizations through a merger or acquisition necessarily requires the alteration
of at least one of those brands; the employee value proposition must change in order to accommodate the strengths of the two firms. Edwards and Edwards (2013) found that certain factors within the brand identity were most predictive of employee intentions to quit after a merger. For example, maintaining consistency in corporate social responsibility was important to individuals. Overall, the authors found that employees’ sense of oneness with their employer and their desire to stay with the newly created firm were impacted by the changes in employer brand.

Employer career life cycle

As an attractor, the employer brand appeals to recruits at a particular point in their career progression. Employer brands are constructed in concert with the company’s corporate and product brands and include a set of human resources practices that are specifically designed to create a working environment conducive to achieving company goals. Employees internalize the brand in the process of becoming organizational insiders. However, the process of brand identification is dynamic, and employee perspectives change during their careers. Preferences for brand attributes are fluid over time, particularly evident when comparing newcomers to exiting employees (Ito, Brotheridge, & McFarland, 2013). A static brand image may lose its appeal to employees over the course of their employment. Ito and colleagues suggest that narrow employer brand images may not appeal to a diverse array of employees who are at various stages in their career.

To this point, it is important to recognize that a sustainable employer brand relates to sustainable human resources practices. According to App, Merk and Buttgger (2013), a sustainable human resources program allows for a reproducible HR base. This sustainability enables the firm to preserve and retain the valuable, rare, and inimitable human resources that provide its competitive advantage. App and colleagues (2013) propose the application of the employee life-cycle concept that aligns HR activities with different career stages. A sustainable HR model incorporated into the employer branding message communicates to employees that their career evolution is part of the HR package through the life-cycle approach. For example, an employer might accomplish this by having targeted socialization programs for newly inducted employees, work–life balance programs for mid-career employees, and stepped-down phased retirement for older employees. All phases would be represented in the employer brand promise.

Future of employer branding research

Broadly speaking, the body of employer branding research that has been conducted to date has tested the relationships of the underlying constructs. Research has replicated and reframed work done in the areas of organizational attractiveness and organizational identity. The more difficult work is yet to be done. What is the value of an employer brand? Does employer brand equity exist and to what extent does it drive organizational outcomes? Does it contribute to employee loyalty? Is there a measurable difference between a company with a strong employer brand and a company without one? In short, does a strong employer brand contribute to employee productivity in visible and measurable ways, and if so, to what extent and value?

A second area of research would be the investigation of employer brand distinctiveness. Institutional theory suggests that as time passes, organizations grow more similar (DiMaggio & Powell, 1983). Do employer brands maintain their distinctiveness over time, or do mimetic forces eventually eliminate distinctiveness? Can firms maintain their unique employer brand image while responding to external forces for institutional similarity?

A much more complicated question lies at the juncture between the employer brand and corporate brand. Foster, Punjaisri and Cheng (2010) present a model highlighting the points of intersection. Among the many ways that customers become familiar with corporate brands is through firms’ external communications, advertising, and social media presence (Foster et al., 2010). Their interaction with firm employees deepens their familiarity with the brand image and may even spark their interest in the firm as an employer. Does that corporate image match the employer brand promulgated by the HRM function of the company? Is there synergy between the two brand presentations? To what extent does corporate branding spill over to affect the employer brand, and vice versa? How do adjustments in the corporate brand message translate to the employer brand? And is there spillover in the other direction—do employer brands influence branding tactics at the corporate level?

Summary

It has been 20 years since the employer brand concept was introduced, and we still have much to learn about the purpose and practices of employer branding. With the increasing use of data analytics to target messages to individual users, we may find that the practice of
Thus, the emphasis must switch from seeking the “best” brand message to seeking a way to deliver the brand message that most accurately conveys what it is like to work for the company.

Finally, organizations must unite their change-management function with their employer-branding efforts. Each time an organization undergoes a strategic change, a change in ownership, an acquisition, or a merger, it is essential that the internal and external employer brand messaging is current and realistic. Sometimes the brand cannot stay the same, but that must be shared with employees in the change process to avoid breaking trust and creating long-range reputational damage.

**About the author**

Kristin Backhaus, PhD, is the Dean of the School of Business at the State University of New York at New Paltz, and a professor of management. Prior to serving as dean, she taught courses in management, leadership, and human resources, and was awarded the SUNY Chancellor’s Award for Excellence in Teaching in 2009. She has published research in the areas of employer branding, organizational attractiveness, corporate reputation, and cognitive styles. She served as president of the Eastern Academy of Management in 2014–2015. She can be reached at backhauk@newpaltz.edu.

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