Internal and External Customers

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Every business organization has a set of stakeholders that are interested in the operations and performance of the company. Some of the stakeholders impact the business through buying its products and services while some play a role by enhancing the effectiveness of its operations. They also invest their skills and knowledge in the company. These are referred to as the internal and external customers. This paper seeks to explain the treatment of internal and external stakeholders

# Review of Internal and External Customers

Internal customers are staff/colleagues with whom an organization naturally has a deeper relationship. External customers are those who buy and use the products and services. Internal customers are typically the users who are affected by the work activities or company or those business need to influence in order to effectively perform its role via work activities and task. External customers are those who exchange goods or services for commerce. Most organizations are dependent upon customers in order to exist, though they are not part of the company but buy its merchandise. Sometimes external customers are depending on the internal customers, for instance, a customer seeking assistance from a customer service representative to place an order.

External customers are also referred to as stakeholders, i.e. people who have an interest in the organization but not directly linked to a financial outcome, such as society, creditors, government and suppliers. Salespeople, for example, need to be supported with up to date information and materials to do their job in the most efficient manner. In that case, marketing can address the needs of the internal clients such as sales or HR by providing brochures, web sites or organizing events. In return HR internal client could be marketing, looking to hire new talents or in need of accessible information about company policy, rules and regulations, etc.

# Which (internal or external stakeholders), if either, is more important?

Valuing both the internal and external customers is imperative to attain the business goals and objectives (O’Shannassy, 2003). The concept of external customers has always been associated with the business, since, a business cannot exist without them. Nevertheless, the concept of internal customers is generally new and it is founded on the latest concepts, for instance, six sigma. I believe that both external and internal customers are important for the business, but one of the most important stakeholders on which the survival of the company is dependent is the customer. Customer is one of the externals stakeholders and companies who live to serve and satisfy their customers never fail in the business world.

According to Peter Drucker, the aim of a business organization is to create customers and without the existence of customers, a business fails to survive. In almost every situation, customers always come first. Harry Gordon Selfridge coined the phrase, “The customer is always right” in 1909 and it is still implemented by business organizations to cultivate the culture of customer first. Every organization that keeps its customer satisfied remains successful in the long-run, such as Zappos, that is known for its customer service (Mosley, 2007).

# An organization that does a great job treating internal stakeholders

The National Hockey League is a professional sports association in North America and it boasts many professional franchises in Canada and the US. The key stakeholders of the company include players, coaches, franchises, broadcasters, and fans. The company serves its internal stakeholders that are the players by meeting their needs. The key needs of players include stable income, safety, family provision, etc. these needs are met by offering the contract negotiations, increasing the safety of players and by providing them with the stable income. It fulfills all its commitment towards the players and with their support are able to provide the fans with the ultimate hickey experience, in the form of fast-paced games and many other ways. Players are a way that helps NHL to generate revenue from various sources, NHL aims to keep the players satisfied in order to attain their mission of strengthening communities through hockey.

# An organization that does a great job treating external stakeholders

One of the organizations that do a great job in serving its external customers is Zappos. It is one of the most successful retailers and is known for its considerable use of technology and social media to earn a strong position in the market (Faust & Householder, 2009). The vision and mission of the company deliberate the purpose of its existence, and it also spins around serving its customers to the best. The vision statement says, “Delivering happiness to customers, employees, and vendors.” The mission of the company is to deliver exceptional service to its customers that are summed up in its mission, “Deliver WOW through service.” Every employee at the company is taught to serve the customer to an optimal level and the entire business philosophy is to provide extraordinary customer services. This mission and vision are practiced in the organization through the ten core values that serve as the foundation of the company's culture. These ten core values are considered as the way of life at the company.

To sum up, both internal and externals customers or stakeholders are assets for the company. Each of them contributes towards the success of the organization. However, the customer is and will remain one of the most important stakeholders, since the businesses are reliant on sales and clients to be operational.

# References

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